

OVERVIEW

Overview

This Report of the Comptroller and Auditor General of India on Economic Sector, Government of Uttar Pradesh for the year ended 31 March 2016 includes report on Performance Audit of ‘Implementation of Environmental Rules and Laws by Uttar Pradesh Pollution Control Board’, audit on ‘Up-gradation and Extension of Facilities in the State Tourism Circuits’ and four paragraphs dealing with audit of the financial transactions of the Government Departments/Autonomous Bodies. A summary of the important audit findings is given below:

Performance Audit

Performance Audit is undertaken to ensure whether the Government departments/autonomous bodies have achieved the desired objectives at the minimum cost and given the intended benefits.

Performance Audit on ‘Implementation of Environmental Rules and Laws by Uttar Pradesh Pollution Control Board.’

Uttar Pradesh Pollution Control Board (UPPCB) was set up by the Government of Uttar Pradesh (GoUP) in the year 1975 under the Water (Prevention & Control of Pollution) Act, 1974. UPPCB is the nodal agency of the State Government for planning, coordination, prevention and control of pollution and also protection of environment in accordance with environmental regulations. The Performance Audit was carried out covering a period of five years from 2011-12 to 2015-16.

Major Audit findings that emerged during audit are discussed below:

Inventory of polluting sources not prepared

UPPCB did not have comprehensive and complete inventory of existing industrial units. In absence of inventory, polluting sources and the type and quantity of pollutants discharged into environment could not be identified.

(Paragraph 2.1.7.1)

Water Cess

- UPPCB failed to assess and raise water cess bills of the municipal authorities on a regular basis and even failed to realise an amount of ₹ 146.43 crore being the amount of bills raised during 2005-2014. Moreover, unrecovered Water Cess from industries also increased from ₹ 384.75 crore as on March 2012 to ₹ 1,050.13 crore as on March 2016.

(Paragraph 2.1.8.4)

- As per section 8 of the Water Cess Act, water cess is collected by the UPPCB and deposited with the Government of India (GoI). Eighty *per cent* of the amount realised and deposited by UPPCB is reimbursed back to it by the GoI. UPPCB could not receive its share of water cess from Government of India amounting to ₹ 193.32 crore as it failed to utilise the water cess received earlier.

(Paragraph 2.1.8.4)

Inadequate analysis of quality of water

UPPCB did not monitor six out of nine core parameters for assessment of quality of water in rivers and other water bodies due to insufficient testing facilities in the laboratories.

(Paragraph 2.1.9.1)

High pollution in rivers/water bodies in the State

The water quality of all 12 major rivers and six water bodies in the State including river Ganga and Gomti was not as per prescribed standard. BOD level and Total Coliform content was above the prescribed standard of equal or below 3 mg/l and equal or below 500 Most Probable Number/100 millilitre (MPN/100 ml) respectively. The main reason was the inadequate sewage/industrial effluent treatment facilities and malfunctioning of existing treatment facilities. UPPCB failed to take appropriate action against the defaulters i.e municipal authorities and industries.

(Paragraph 2.1.9.1)

Inadequate monitoring of air pollutants

UPPCB was monitoring only three parameters of the air quality against prescribed 12 parameters notified by Central Pollution Control Board due to insufficient testing facilities.

(Paragraph 2.1.9.2)

Emission of Particulate Matter in excess of standard

Annual average level of PM₁₀ in six major cities i.e. Allahabad, Ghaziabad, Kanpur, Lucknow, NOIDA and Varanasi was generally very high ranging from 87 to 347 microgram per cubic metre as compared to the standard of 60 microgram per cubic metre. UPPCB failed to take adequate measures in this regard.

It could not monitor and ensure 100 *per cent* utilisation of fly ash generated at Thermal Power Plants at Aligarh, Raebareilly and Sonbhadra. It did not record any reason for not monitoring the same.

(Paragraph 2.1.9.2)

Partial treatment of municipal solid waste (MSW)

The MSW generation in the State was approximately 15,403 Metric Tonne (MT) per day. Out of this, only 1,521 MT per day was being treated as 620 municipal authorities did not have MSW treatment facility. UPPCB failed to take any action against defaulters under Environment (Protection) Act, 1986.

(Paragraph 2.1.9.3)

Contrast in pollution level in Varanasi and Lucknow

Audit studied the pollution levels in two important cities of the State i.e. Varanasi and Lucknow in regard to water, air and municipal solid waste during 2011 to 2015. Studies revealed that though population density in Varanasi was more than that of Lucknow, the water pollution in river Ganga near Varanasi was lesser than water pollution in river Gomti at Lucknow. Air pollution was also lesser in Varanasi than in Lucknow. Vehicular population in Lucknow was more than double that of Varanasi which contributed to enhanced air pollutant levels in Lucknow. As regards MSW management, treatment facility in Varanasi has been started whereas in Lucknow it is still under trial run.

(Paragraph 2.1.9.4)

Inadequate facility of bio-medical waste (BMW) treatment

There were 8,366 Health Care Establishments (HCEs) out of which 3,362 HCEs were operating without authorisation. Total BMW generated in the

State was 37,498 kg/day out of which only 35,816 kg/day was treated and disposed off. BMW of 1,682 kg/day was being disposed off untreated due to inadequate treatment facility. But UPPCB failed to monitor unauthorised operation and untreated disposal of BMW and did not take any action against the defaulters.

(Paragraph 2.1.9.5)

Illegal dump sites of Hazardous Waste

There were five illegal dump sites (four at Kanpur and one at Deva Road, Barabanki) in the State where hazardous waste of approx 1,41,432 MT had been found dumped since many years but no effective action has been taken by UPPCB so far, resulting in contamination of groundwater and air quality.

(Paragraph 2.1.9.6)

E-waste

Out of 27 E-waste recycling/collection/generation units in the State (total capacity of 89,886 Metric Tonne per Annum), 11 units (42,840 MTA comprising 48 *per cent* of total capacity) were operating without authorisation. However, UPPCB did not initiate any action against them.

(Paragraph 2.1.9.7)

Inadequate inspection of industrial units

The mechanism of inspection of industries by UPPCB was deficient as the selection of the industries for inspection of Red (highly polluting), Orange (moderately polluting) and Green (least polluting) categorisation of industries was done in arbitrary manner and against norms. Moreover, there was shortfall in fixation of target of inspection against the norms prescribed by the Ministry of Environment and Forest, GoI and its achievement.

(Paragraph 2.1.10.2)

Audit on 'Up-gradation and Extension of Facilities in the State Tourism Circuits.'

Department of Tourism (Department), Government of Uttar Pradesh (GoUP) is primarily responsible for development of tourism in the State. The Department works through Directorate of Tourism (Directorate) which was created by the GoUP in 1972. Audit selected a sample of all 27 schemes with a sanctioned cost of ₹ five crore and above (100 *per cent*) and 27 schemes (50 *per cent*) with sanctioned cost between ₹ two crore and ₹ five crore.

Audit findings that emerged during the audit are discussed below:

- Despite lapse of 18 years after framing of the Tourism Policy 1998, Directorate did not prepare any circuit wise master plan and integrated plan for balanced and justified development of tourism circuits. Moreover, Department did not fix any quantifiable target of the schemes for augmenting tourist arrivals in the State.

(Paragraph 2.2.2.1&2.2.2.3)

- During 2011-12 to 2015-16, the State Government provided only ₹ 583.33 crore for capital budget of tourism which represented only 0.19 *per cent* of total budget of the State. Moreover, only ₹ 339.51 crore (58.20 *per cent*) could be spent due to delay in completion of works.

(Paragraph 2.2.3)

- Directorate was operating one current bank account which was not authorised by the Government. Moreover, it did not maintain any vouchers and cash book for transactions made from this bank account.

(Paragraph 2.2.3.3)

- Out of 54 checked schemes, only 14 schemes were completed with delays ranging from six months to over seven years. Remaining schemes were under various stage of execution. Moreover, six completed schemes were lying pending for handing over for more than 12 months to 49 months since their date of completion to March 2016. The reasons for delay in execution of the schemes as analysed by Audit were not fixing any timeline to executing agencies (EAs), failure in arrangement of land, delay in commencement of work by EAs and deficient monitoring.

(Paragraph 2.2.4.1, 2.2.4.2, 2.2.4.3 & 2.2.5.2)

- Due to failure in executing the schemes within time frame as fixed by the Ministry of Tourism, Government of India (GoI), Directorate did not get the Central Finance Assistance amounting to ₹ 31.25 crore.

(Paragraph 2.2.4.2)

- Directorate failed to ensure timely commencement of the works which resulted in blockade of funds of ₹ 47.98 crore with EAs and loss of interest of ₹ 1.84 crore.

(Paragraph 2.2.4.2 & 2.2.4.3)

- In 10 schemes (sanctioned cost ₹ 110.30 crore), the Department irregularly appointed EAs in violation of the GoUP orders.

(Paragraph 2.2.4.4)

Compliance Audit

- Hapur-Pilakhua Development Authority failed to levy surcharge amounting to ₹3.67 crore on sale of 102 plots, which was meant for the infrastructure development fund.

(Paragraph 3.1)

- Agra Development Authority suffered a loss of ₹ 3.13 crore due to short levy of City Development Charges (CDC) and not levying of interest on short realised CDC.

(Paragraph 3.2)

- Varanasi Development Authority made avoidable payment of interest of ₹ 0.75 crore due to delayed refund of unutilised loan amount of ₹ eight crore.

(Paragraph 3.3)

- GoUP suffered loss of interest of ₹ 2.84 crore due to user charges not being transferred to respective Government Departments.

(Paragraph 3.4)