

CHAPTER II

PERFORMANCE REVIEWS (URBAN LOCAL BODIES)

This chapter presents two performance reviews dealing with (a) Functioning of Town Panchayats, (b) Health, family welfare and sanitation activities of Chennai City Municipal Corporation and a long paragraph on (c) Provision of amenities by Chennai, Coimbatore and Madurai City Municipal Corporations.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY DEPARTMENT

2.1 Functioning of Town Panchayats

Highlights

Town Panchayat is a self government institution constituted for a transition area from rural to urban. There are 561 Town Panchayats in Tamil Nadu. A performance audit on functioning of 57 Town Panchayats revealed the following:

- **None of the test checked Town Panchayats prepared annual action plan/district development plan as contemplated in Article 243ZD of the Constitution.**

(Paragraph 2.1.6.3)

- **Failure of Panagudi Town Panchayat (Tirunelveli District) in collecting Property Tax, Licence Fee and half yearly fee from 196 windmills for the period from January 2004 to March 2008 has resulted in loss of revenue of Rs 3.10 crore.**

(Paragraph 2.1.7.1)

- **Failure to effect new water connections by two Town Panchayats in Tirunelveli District has deprived the Town Panchayats in getting additional revenue of Rs 2.06 crore (initial deposit Rs 1.40 crore and water charges Rs 0.66 crore).**

(Paragraph 2.1.7.3)

- **Fifty three Town Panchayats did not levy water cess amounting to Rs 99.17 lakh.**

(Paragraph 2.1.7.3)

- **Four Town Panchayats did not foreclose the loans availed from World Bank and another financial institution, though they had enough funds, and paid avoidable interest of Rs 15.75 lakh.**

(Paragraph 2.1.8.1)

- **Town Panchayats failed to utilise funds of Rs 1.02 crore relating to Swarna Jayanthi Shahari Rozgar Yojana and upgradation of kutchha houses of rural poor due to non-identification of beneficiaries.**

(Paragraph 2.1.10.1)

- **Instances of partial to no collection of primary solid waste and non segregation of waste into biodegradable and non-biodegradable including partial collection of secondary waste were noticed.**

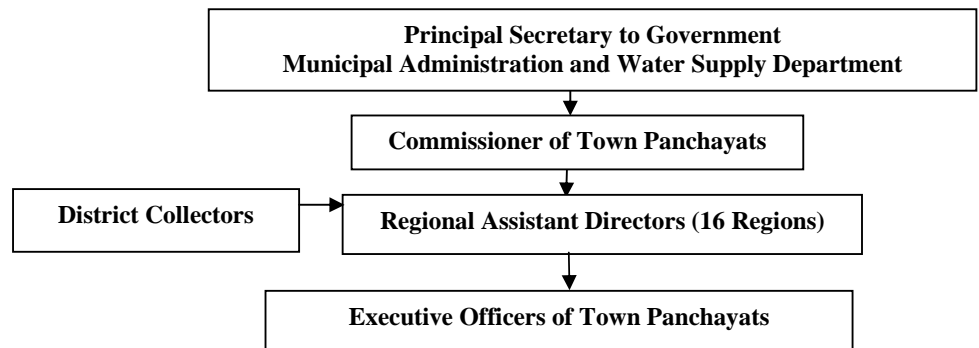
(Paragraph 2.1.11.1)

2.1.1 Introduction

Town Panchayat (TP) is an institution of self-government constituted for a transition area as contemplated in Article 243 Q of the Constitution of India. There are 561 TPs¹ in Tamil Nadu, categorised as Special Grade, Selection Grade, Grade I and Grade II, with a population of 76.46 lakh being 12.25 *per cent* of the total population of the State as per 2001 census. The administration and functions of TPs are being carried out in accordance with the provisions of Tamil Nadu District Municipalities Act, 1920 (TNDM Act). All the Town Panchayats were classified by Government as special Village Panchayats between March 2005 and July 2006.

2.1.2 Organisational set up

TPs come under the administrative control of Principal Secretary, Municipal Administration and Water Supply Department at Government level. Commissioner of Town Panchayats (Commissioner) is the head of the Department and is assisted by 16 Assistant Directors at zonal level. TPs are governed by the councils of elected representatives, assisted by Executive Officers, who are in overall charge of administration. An organisational chart is given below:



2.1.3 Audit objectives

Performance audit was conducted on the following areas:

- Budgetary control
- Assessment and collection of revenues

¹ Special Grade: 13; Selection Grade: 245; Grade I: 221 and Grade II: 82. Total: 561.

- Loan management
- Manpower management
- Implementation of schemes and solid waste management

2.1.4 Audit criteria

The following were adopted as audit criteria:

- Budget and Accounting Manuals
- TNDM Act, 1920 and rules made thereunder
- Orders, instructions issued by State/Central Government
- Guidelines for Central and State Schemes
- Proposals and conditions of loans obtained

2.1.5 Audit methodology and coverage

The performance audit was conducted during May to September 2008 in 57 TPs (**Appendix 2.1**) (out of 561 TPs) in eight districts (out of 30 districts) selected by random sampling method on the basis of population for the five years period of 2003-08. Besides, records at the Secretariat and office of the Commissioner of Town Panchayats (CTP) were also test checked during the performance audit. Audit objectives and criteria were discussed with the Commissioner during a meeting in June 2008. Information required was collected from the records of the offices test checked and through written replies for Audit enquiries. The findings of the performance audit were also discussed with the Principal Secretary to Government, Municipal Administration and Water Supply Department in an exit conference during September 2008.

Audit Findings

2.1.6 Budgetary control

2.1.6.1 Financial performance

Details of receipts and expenditure of all the 561 Town Panchayats in the State and in the 57 Town Panchayats test checked were as furnished in **Table 1**.

Table 1

(Rupees in crore)

Sl. No.	Year	561 Town Panchayats in the State		57 Town Panchayats test checked	
		Receipts	Expenditure	Receipts	Expenditure
1.	2003-04	492.45	310.72	42.32	46.35
2.	2004-05	476.00	461.00	50.08	42.42
3.	2005-06	603.00	479.00	45.82	51.55
4.	2006-07	2,755.00	195.00	48.97	53.17

(Source: Commissioner of Town Panchayats)

Annual accounts for 2007-08 have not been prepared by all TPs. Hence figures for 2007-08 are not available.

The receipt of Town Panchayats during 2006-07 increased manifold. The Director of Town Panchayats stated (February 2008), without assigning any reasons, that the figures were compiled from the details furnished by Assistant Directors of 16 zones under his control and were provisional and unaudited. He further stated that the discrepancies could be reconciled only on receipt of audited annual accounts. As of January 2009 audit was pending in respect of 398 Town Panchayats for 2006-07.

Out of the 57 TPs covered in the performance audit, 41 TPs had surplus receipts during 2006-07, one TP broke even, 12 TPs utilised surplus receipts in previous years to meet out the deficit in 2006-07 and three TPs which had deficit postponed payments.

2.1.6.2 Budgetary procedures

Section 120 of the TNDM Act, 1920 prescribes preparation of a budget showing the probable receipts and expenditure during the following year. According to instructions of Commissioner, the local body should prepare annual budget estimates on or before 1st January, place before the council on or before 20th January and the council should approve the budget before the end of February of each year. If any modification of figure shown in the budget was necessary, the executive authority should submit all applications for re-appropriation to the council in time for passing orders before end of the year.

However, it was noticed during audit that:

- In 14 TPs there were delays of one month in 25 instances, two months in eight instances, three months in one instance and four months in two instances in approval of budget during the five year period 2003-08. Darasuram, Melathiruppanthuruthi and Aduthurai TPs of Thanjavur District did not place the annual budget before the council for approval for the years 2003-08.
- Revised estimates were submitted after the close of the accounting year in 14 TPs during 2003-07. The delay in submission was one month in 18 instances, two months in four instances, three months in one instance and four months in two instances.

Non-submission of budgets and revised estimates before the council for approval has deprived the council of the opportunity to exercise control over expenditure and also affected the preparation of budget for ensuing years.

2.1.6.3 Planning

None of the 57 Town Panchayats test checked prepared annual action plan and as a result the district development plan did not emerge.

As contemplated in Article 243ZD of Constitution of India and under Section 241 of Tamil Nadu Panchayat Act, 1944, the Government shall constitute a District Planning Committee in every district. The Committee shall consolidate the plans prepared by local bodies including Town Panchayats to prepare a draft development plan for the district as a whole. Government of Tamil Nadu constituted (November 1997) District Planning Committees in all the districts (except Chennai) and also notified (June 1999)

Tamil Nadu District Planning Committee (Conduct of Meetings, Quorum and Procedure in regard to transaction of business) Rules, 1999. The duties to be performed by the Committee was also specified by Government through a Government order in September 2006.

However, none of the 57 TPs prepared action plan connected with the developmental issues for consolidation at district level.

In the absence of local planning, the district development plan did not emerge resulting in non-incorporation of local needs in the development process.

2.1.6.4 Finalisation of accounts

The TPs were required to prepare annual accounts in the form prescribed by Government from time to time and forward a copy thereof to the Auditor (Director of Local Fund Audit) not later than 15th May of the following year. Thirteen TPs submitted the accounts for the year 2006-07 after a delay ranging from one to 11 months.

Delay in finalisation of accounts reflects poor maintenance of accounts and inadequate internal control mechanism.

2.1.7 Collection of revenue

The sources of revenue of the TPs include tax revenue, non-tax revenue including water charges, Government grants, devolution funds and assigned revenue. Details of receipts for all the TPs in the State and in respect of 57 TPs test checked for the period 2004-07, as furnished by Commissioner of Town Panchayats, are in **Table 2**.

Table 2

(Rupees in crore)

Sl.No.	Source of income	2004-05		2005-06		2006-07	
		State	Test checked TPs	State	Test checked TPs	State	Test checked TPs
1.	Tax	113.42	9.28	115.62	8.37	906.00	8.52
2.	Non-tax	117.79	22.78	116.23	19.86	827.00	17.91
3.	Assigned revenue	90.49	5.84	112.31	5.80	32.00	4.87
4.	Grants	150.45	12.18	255.97	11.79	923.00	17.67
	Total	472.15*	50.08	600.13*	45.82	2,688.00	48.97

* Figures do not include loan of Rs 4 crore in 2004-05, Rs 3 crore in 2005-06 and Rs 67 crore in 2006-07.

2.1.7.1 Property Tax

Short collection of Property Tax

In Tamil Nadu, general revision of Property Tax was made with effect from 1 October 1998. The District Collector, Coimbatore under Section 78 of TNDM Act, 1920, among other things, instructed the TPs to revise the Property Tax by adding 50 and 100 *per cent* with the Property Tax already levied on Government and commercial buildings respectively. Kalapatty TP in Coimbatore District enhanced Property Tax of an aerodrome of Indian Airlines, a public sector undertaking formed under Airport Authority of India

Act, 1994 by 50 per cent with effect from October 1998 instead of 100 per cent applicable for commercial buildings. The incorrect classification of aerodrome resulted in short collection of Property Tax of Rs 13.44 lakh for the period from October 1998 to March 2008.

Non-levy of Property Tax and licence fee on windmill

Failure to collect Property Tax, Licence Fee and half yearly fee from 196 windmills resulted in loss of revenue of Rs 3.10 crore for the period from January 2004 to March 2008.

There were 196 windmills in Panagudi TP of Tirunelveli District. Windmills and transformers were embedded on earth and power rooms constructed separately. Though the TP worked out Property Tax for the windmills, it failed to raise demand to collect the tax. The Property Tax thus foregone worked out to Rs 82.78 lakh since installation of mills upto March 2008. Section 344 of TNDM Act, 1920 provides for distraint action against defaulters under rule 30 of Taxation Rules. The failure of the Town Panchayat to invoke the above provisions resulted in non-realisation of Property Tax of Rs 82.78 lakh.

The TP through a resolution dated 28 January 2004 fixed rates of licence fee for windmill with reference to horsepower rating and also a half yearly fee of Rs 1,250 per windmill. However, these fees were neither got approved by Government nor notified in the District Gazette. The licence fee and half yearly fee recoverable from 196 windmills installed up to 2007-08 worked out to Rs 2.09 crore and Rs 17.66 lakh respectively up to March 2008.

The TP stated (May 2008) that letters were issued in January 2006 to 30 windmill owners to pay the dues but as there was no response from the owners, demands were not raised. Failure of the Town Panchayat to notify the above fees resulted in non-realisation of revenue of Rs 2.27 crore.

The Commissioner of Town Panchayats (February 2009) stated that the Assistant Director of Town Panchayats, Tirunelveli and Executive Officer, Panagudi Town Panchayat have been instructed to raise demand for arrears.

2.1.7.2 Property Tax on vacant land

Section 78 and 81(3) of the TNDM Act, 1920 provide for levy of Property Tax on any land not used exclusively for agricultural purpose and not occupied by or adjacent and appurtenant to buildings or both. As per Section 86 of the Act *ibid*, the tax is leviable every half year. Government directed (September 1998) to levy Property Tax at the minimum rate of 0.5 per cent to one per cent on the capital value of the land.

It was noticed in audit that 17 TPs did not maintain any record of vacant land lying within its jurisdiction. These TPs were generally collecting property tax on vacant land from the plot owners for only one half year at the time of submission of building plan for approval. The entire intervening period between approval of layout and submission of building approval plan was not considered for levy of vacant land tax.

The loss of revenue due to non-collection of the tax for a minimum one half year in respect of 89 layouts approved during 2003-08 as worked out by audit amounted to Rs 31.09 lakh (**Appendix 2.2**). As details of sold/unsold plots and owners of the plots, etc. were not available, the exact loss of revenue could not be worked out.

2.1.7.3 Water charges

As per Section 132 A of the TNDM Act, 1920 municipal councils have the power to make by-laws for water supply. As per Section 310 of the Act *ibid* such by-laws were to be approved and confirmed by State Government and published in the District Gazette and would come into operation three months after they were so published.

A scrutiny of income and expenditure of water supply fund of the test checked TPs revealed that expenditure on water supply was more than receipts during 2003-08 in 44 TPs as given in **Table 3**.

Table 3

(Rupees in crore)

Sl.No.	Name of District	Number of TPs	Receipt	Expenditure	Deficit
1	Coimbatore	13	8.55	26.43	17.88
2	Karur	2	1.39	2.77	1.38
3	Salem	7	3.45	8.72	5.27
4	Thanjavur	4	0.77	1.92	1.15
5	Tirunelveli	7	3.60	8.19	4.59
6	Thoothukudi	5	1.91	3.80	1.89
7	Pudukottai	3	0.96	2.07	1.11
8	Sivagangai	3	0.17	0.94	0.77
Total		44	20.80	54.84	34.04

Accumulation of arrears of water charges

Section 134 of the TNDM Act, 1920 and water supply by-law empowered the executive authority to cut off supply of water to any premises for non-payment of any dues relating to water supply connections. Audit scrutiny revealed that 37 TPs failed to take effective steps under the Act to realise water charges of Rs 2.79 crore for the period upto March 2008 as detailed in **Table 4** below:

Table 4

(Rupees in lakh)

Sl.No.	Name of District	Number of TPs	Arrears as on 31.03.08
1	Coimbatore	11	61.54
2	Karur	1	5.36
3	Salem	7	57.76
4	Thanjavur	3	17.86
5	Tirunelveli	4	8.25
6	Thoothukudi	5	19.91
7	Pudukottai	3	11.93
8	Sivagangai	3	96.37
Total		37	278.98 or Rs 2.79 crore

Failure of the TPs to invoke the provision under the TNDM Act, 1920 resulted in accumulation of arrears.

Failure to effect new water supply connections

Failure to effect new water supply connections resulted in loss of revenue of Rs 1.40 crore towards initial deposit and Rs 65.75 lakh towards water charges.

Vadakku Valliyoor and Udangudi TPs of Tirunelveli District resolved (February 2004 and February 2007) to effect 2,500 and 1,000 new water supply connections. While Udangudi TP obtained the approval of Commissioner of Town Panchayats in June 2007, Vadakku Valliyoor TP did not apply for sanction. Though adequate water was available to supply water to all connections at 70 lpcd² as per norms, the TPs did not effect service connections, resulting in loss of revenue of Rs 65.75 lakh towards water charges and Rs 1.40 crore towards initial deposit for the new connections as depicted in **Table 5**.

Table 5

Sl.No.	Name of TP	No. of new connections sanctioned	Initial deposit at Rs 4,000 per connection (Rupees in crore)	Period	No. of months	Water charges at Rs 50 per month (Rupees in lakh)
1.	Vadakku Valliyoor	2,500	1.00	June 2004 to April 2008	47	58.75
2.	Udangudi	1,000	0.40	June 2007 to July 2008	14	7.00
Total			1.40			65.75

The Executive Officer, Vadakku Valliyoor TP stated (February 2009) that there was no regular Executive Officer during the period under consideration and action could also not be taken to get approval of the Commissioner as connected file was misplaced. The Executive Officer, Udangudi TP also stated (February 2009) that additional connection could not be provided as no regular Executive Officer was posted to the TP during the period under consideration and also due to protest by public against fixing of flow control valve for new connections as they felt water supply will be reduced and old connections without flow control valve would be receiving more water, while water charges would be at flat rate for both old and new connections.

The replies only indicated absence of internal control mechanism and lack of monitoring. Further, due to inefficiency of TPs there was loss of revenue towards water charges.

Delay in effecting new water supply connections

Kallidaikurichi, Panagudi and Sundarapandiapuram TPs in Tirunelveli District resolved to effect 1,500, 1,000 and 900 new water connections and approval of CTP was also obtained in December 2001/January 2004, December 2005 and April 2005 respectively. Additional water connections were however provided in June 2005, October 2006 and August 2006 by Kallidaikurichi, Panagudi and Sundarapandiapuram TPs. The delay in providing the new water connections resulted in loss of revenue of Rs 26.35 lakh towards water charges as depicted in **Table 6**.

² lpcd: litre per capita daily.

Table 6

Sl. No.	Name of the TP	No. of new connections sanctioned	Delay in effecting new connections		Water charges recoverable	
			Period	No. of months	Water charges per month (In Rupees)	Amount (Rupees in lakh)
1.	Kallidaikurichi	500 (In December 2001)	January 2002 to September 2003	21	20	2.10
			October 2003 to May 2005	20	50	5.00
			February 2004 to May 2005	16	50	8.00
2.	Panagudi	1,000	January 2006 to September 2006	9	50	4.50
3.	Sundarapandiapuram	900	May 2005 to July 2006	15	50	6.75
Total						26.35

Kallidaikurichi, Panagudi and Sundarapandiapuram TPs attributed (February 2009) the delay to paucity of staff and diversion of available meagre staff for collection of taxes.

Non-collection of differential amount of initial deposit

Panamarathupatti TP of Salem district enhanced initial deposit for water supply from Rs 1,000 to Rs 3,000 for domestic and from Rs 2,000 to Rs 8,000 for non-domestic connections with effect from December 2002. The revised deposit is applicable for existing water supply connections also. The TP did not raise demand on existing 268 domestic and seven non-domestic connections for the differential deposit resulting in non-realisation of Rs 8.46 lakh. When this was pointed out, the TP replied (June 2008) that action was being taken to collect the amount.

Failure to levy and collect water cess

The Water (Prevention and Control of Pollution) Cess Act, 1977 read with Government order dated 22 April 1992 provided for levy and collection of cess on water consumed by persons carrying on certain industries and by local authorities with a view to augmenting resources of the Central and State Boards for prevention and control of water pollution. While the primary responsibility for payment of water cess devolved on the local bodies, the local bodies were authorised to fix the rate of cess and levy the same on the consumers in addition to the water charges collected from them.

However, 53 TPs did not fix, levy and collect water cess. As against a demand of Rs 99.17 lakh raised by the Tamil Nadu Pollution Control Board on 51 TPs up to March 2008, 14 TPs paid Rs 5.18 lakh from their General Fund as given in **Table 7**.

Table 7

(Rupees in lakh)

Sl. No.	Name of District	Number of TPs	Water cess payable to TNPCB as on 31.03.2008		
			Due	Paid	Balance
1	Coimbatore	14	31.29	1.88	29.41
2	Karur	3	6.44	0.32	6.12
3	Salem	9	14.81	0.46	14.35
4	Thanjavur	6	12.56	-	12.56
5	Tirunelveli	8	14.54	2.27	12.27
6	Thoothukudi	6	15.77	0.25	15.52
7	Pudukottai	3	3.31	-	3.31
8	Sivagangai	2	0.45	-	0.45
	Total	51	99.17	5.18	93.99 or Rs 94.00 lakh

Non-levy of water Tax

For water supplied through public fountains in TPs of rural characteristics, Government instructed (October 2002) to levy a suitable surcharge on Property Tax as water tax so as to recover the expenditure incurred on water supplied through public fountains. The amount collected should be maintained in separate water supply account at the TP level. Sankaramanallur and Thenkarai TPs (Coimbatore District) did not fix, levy and collect the above surcharge.

In order to generate adequate revenue for repayment of loan obtained for implementation of Ponvizha Drinking Water Scheme in Manamadurai TP, the council resolved (April 2000) to levy water tax for supply of water through public fountains but failed to fix the rate of tax to be levied resulting in non-collection of the proposed water tax.

Initial deposits for water supply not kept in short term deposit

According to Accounting Manual, TPs should keep a separate account for initial deposits collected for providing water supply connections and to utilise the amount for repayment of loans obtained for execution of water supply scheme and related capital works. Further, TPs should invest the accumulated deposits in short term deposits.

In violation of codal provisions, 43 TPs have taken the deposits of Rs 6.34 crore collected during 2003-04 to 2007-08 to General fund account. The Thirumalayampalayam TP failed to utilise the deposits for settlement of loan taken for water supply schemes. Further, non-investment of the deposits in short term deposits resulted in loss of interest of Rs 21.57 lakh³ for the

³ Calculated with reference to the lowest rate of interest for short term deposit for 46 to 179 days during 2003-08 (4.5 per cent) and interest on savings bank account at 3.5 per cent.

period from 2003-04 to 2007-08. The TPs replied that deposits collected would be kept in separate account henceforth.

2.1.7.4 Non-tax revenue

Non-tax revenues of TPs mainly consists of receipts of fees from building licence, markets, parking bays in bus stand, slaughter house, cart stand, fishery rights etc.

Arrears in collection of non-tax revenue

Arrears in collection of non-tax revenue as at the end of March 2008 were Rs 32.24 lakh in six TPs as given in **Table 8**.

Table 8

(Rupees in lakh)

Sl. No.	Name of District/ TP	Demand	Collection	Balance pending				
				Over 10 years	5 to 10 years	3 to 5 years	Below 3 years	Total
Coimbatore District								
1	Annur	43.37	39.06	Nil	3.32	0.10	0.89	4.31
Pudukottai District								
2	Alangudi	NA	NA	1.20	2.30	2.43	Nil	5.93
3	Keeramangalam	NA	NA	Nil	2.15	2.03	1.63	5.81
Salem District								
4	Karuppur	2.34	1.81	0.08	0.15	Nil	0.30	0.53
5	Panamarathupatti	4.14	1.44	0.08	1.02	1.60	Nil	2.70
Thanjavur District								
6	Peravoorani	40.15	27.19	Nil	Nil	6.22	6.74	12.96
Total				1.36	8.94	12.38	9.56	32.24

Shortage of manpower and ineffective action of TPs resulted in arrears of non-tax revenue.

Annual track rent

Rule 4 of Tamil Nadu Municipalities Television Cables Installation Regulation Rules, 2000 empowered TPs to collect annual track rent at the rate of Rs 5,500 per km for installation of optic fibre cables on street light poles over public roads and streets.

Fifty one TPs did not levy and collect the rent from Bharath Sanchar Nigam Limited (BSNL) and 53 TPs from other telecommunication service providers. The track rent due from BSNL was Rs 1.06 crore and from other service providers was Rs 1.58 crore for the period from October 2000 to September 2008. Non-levy and collection of annual track rent resulted in loss of revenue of Rs 2.64 crore.

2.1.7.5 Assigned revenue

Assigned revenues include taxes and levies collected by Government in related departments and assigned to various Urban Local Bodies every quarter as per the existing norms during the second month of the succeeding quarter in accordance with the recommendation of Second State Finance Commission (SSFC) (May 2002) and approved by the Government (August 2002).

With effect from 1 April 2002, 95 *per cent* of Surcharge on Stamp Duty (SSD) collected by the Registration Department was assigned to the District Collector who releases the same to Urban Local Bodies with reference to statement prepared by the District Registrar indicating the amount due to each TP after deducting the collection charges. The District Collector issues proceedings to the Treasury Officer concerned for apportionment of surcharge to the TPs.

Delayed assignment of Surcharge on Stamp Duty

For the quarters ended March 2003 to December 2005, District Collector, Thanjavur allocated SSD of Rs 76.86 lakh to the TPs of the district after a delay of one to three months, Rs 94.54 lakh after four to six months and Rs 99.80 lakh after seven to 11 months.

For nine quarters from March 2006 to March 2008, the District Registrar, Thanjavur transferred (April 2006 to June 2008) SSD relating to Thanjavur and Pudukottai Districts to the District Collector, Thanjavur. District Collector, Thanjavur did not apportion the SSD of Rs 2.60 crore to 22 TPs in Thanjavur District since the transfer order included SSD for TPs in Pudukottai District also. Thus the TPs in Thanjavur and Pudukottai Districts did not realise the amount till September 2008.

Delay in realisation of seigniorage charges

Government issued (March 1989) orders for sharing revenue from minor minerals called seigniorage charges with the local bodies. In February 1990, Government further instructed for adjusting the amount at the end of April every year.

District Collector, Salem released seigniorage charges for sand quarry to Panamarathupatti and P.N. Patti TPs for the years 2005-06 to 2007-08 after a delay ranging from two to 26 months. There was further delay of three to five months in realisation as the TPs failed to present the claim to the treasury with details of remittances by lessees. After being pointed out in audit, the amounts were realised in November 2008 and January 2009. The delay in assignment and realisation resulted in loss of interest of Rs 5.03 lakh and Rs 2.07 lakh respectively at 3.5 *per cent* per annum as given in **Table 9**.

Table 9

(Rupees in lakh)

Sl. No.	Name of TP	Year	Amount	Month		Month of realisation	Loss of interest due to delay in			
				Due for assignment	Actual assignment		Assignment		Realisation	
							Months	Amount	Months	Amount
1	Panamarathupatti	2005-06	1.59	Apr. '06	July '08	Jan. '09	26	0.12	5	0.03
		2006-07	111.80	Apr. '07	July '08	Jan. '09	14	4.57	5	1.63
		2007-08	44.78	Apr. '08	July '08	Nov. '08	2	0.26	3	0.39
2	P N Patti	2005-06	0.77	Apr. '06	July '08	Jan. '09	26	0.06	5	0.01
		2006-07	0.47	Apr. '07	July '08	Jan. '09	14	0.02	5	0.01
Total							5.03		2.07	

2.1.8 Loan management

The Town Panchayats were availing loans from various sources, such as World Bank, Tamil Nadu Urban Development Fund, Government loans, etc. for execution of water supply schemes, other infrastructure development works, etc.

The demand, collection and balance position in respect of loans availed by the test checked TPs was as given in **Table 10**.

Table 10

(Rupees in crore)

Sl.No.	Name of the District	Number of loans	Availed during	Original amount	Due upto the end of March 2008	Amount remitted	Pending
1.	Coimbatore	5	1985 to 2004	4.31	2.10	1.28	0.82
2.	Karur	5	1971 to 1996	0.60	0.35	--	0.35
3.	Pudukottai	4	1987 to 2005	2.26	3.38	0.02	3.36
4.	Salem	2	1972 to 2001	4.14	3.83	0.44	3.39
5.	Sivagangai	3	1970 to 2004	0.88	1.63	0.01	1.62
6.	Thanjavur	6	1970 to 2004	2.71	3.91	0.99	2.92
7.	Thoothukudi	6	1974 to 2005	4.44	4.24	0.23	4.01
8.	Tirunelveli	7	1964 to 2007	7.85	4.74	1.13	3.61

2.1.8.1 Avoidable payment of interest

Failure to foreclose the loans resulted in avoidable payment of interest of Rs 15.75 lakh.

Three TPs in Coimbatore District availed loans of Rs 1.14 crore from World Bank for Water Supply and Sanitation Projects during 1994-96. Punjaithottakuruchi Town Panchayat of Karur district availed a loan of Rs 11 lakh from Tamil Nadu Urban Development Fund during 1999-2001 for special road works. Out of the above loans, Rs 92.48 lakh was outstanding as of 1 April 2003. Though the TPs had substantial funds, they failed to repay the loan resulting in avoidable payment/liability of interest of Rs 15.75 lakh for the period 2003-08 as given in **Table 11**.

Table 11

(Rupees in lakh)

Sl. No.	Name of District/TP	Lending Agency	Loan availed and year	As of April 2003		Avoidable payment of interest
				Balance in General Fund	Loan out-standing	
Coimbatore						
1.	Kalapatti	World bank	50.22 (1995-96)	57.96	36.00	6.96
2.	Saravanampatti	World Bank	23.95 (1995-96)	29.55	17.17	3.32
3.	Thudiyalur	World Bank	39.49 (1994-95)	151.74	28.31	5.47
Karur						
4.	Punjaithottakurichi	TNUDF	11.00 (1999-2001)	101.51	11.00	*
Total					92.48	15.75

* Payment details not available with the TP.

Thudiyalur, Kalapatti and Saravanampatti TPs replied (May 2008) that loan would be closed after obtaining council resolution and in consultation with Commissioner while Punjaithottakurichi TP agreed to the audit point and stated that the TP had sufficient funds from April 2002 to August 2005 which were utilised for works of emergent nature.

2.1.8.2 Arrear in repayment of loan

Two TPs of Salem and Coimbatore districts obtained World Bank/TUFIDCO⁴ loan of Rs 98.55 lakh for implementation of water supply schemes through TWAD Board. As of March 2008, Rs 105.53 lakh towards principal and interest were overdue as given in **Table 12**.

Table 12

(Rupees in lakh)

Sl. No.	District	Name of TP	Lending Agency	Loan Amount	Date of receipt	Overdue amount		
						Principal	Interest	Total
1.	Coimbatore	Madukkarai	World Bank	74.35	February 1994	40.44	53.98	94.42
2.	Salem	PN Patti	TUFIDCO	24.20	March 2003	5.58	5.53	11.11
Total				98.55		46.02	59.51	105.53

The deficiencies noticed in repayment of loan are detailed below:

- Though water supply project executed with World Bank loan was operational with effect from April 1998, Madukkarai TP did not provide additional water supply connections to consumers until 2003-04. Failure of the TP to provide new connections during the

⁴ TUFIDCO: Tamil Nadu Urban Finance and Infrastructure Development Corporation, a State Government undertaking.

period 1998-2003 resulted in non-collection of water charges and initial deposit, which could have been utilised for repayment of loan.

- PN Patti TP attributed paucity of funds for non-payment of dues. It was, however, seen that the Town Panchayat had enough balance in the General Fund for repayment of loan.

2.1.9 Manpower

Government has fixed norms for creation of posts required for administration, water supply, sanitation and street light maintenance etc. in TPs. The staff are divided into two categories *viz.*, provincialised and non-provincialised. While provincialised posts included posts of Head Clerk, Junior Assistant, Bill Collector, Typist etc., non-provincialised staff included Sanitary Inspector, Sanitary Workers, Fitter, Electrician etc. Eighty *per cent* of the provincialised posts are recruited through Tamil Nadu Public Service Commission and 20 *per cent* from non-provincialised staff.

Training programmes on accrual based accounting system were being conducted by Principal Accountant General (Civil Audit) for the staff of Urban Local Bodies and Local Fund Audit Department. In four training programmes conducted in Chennai, Coimbatore, Thanjavur and Vellore regions, between December 2008 and March 2009, 178 Executive Officers and 52 clerical staff of Town Panchayats were trained.

The sanctioned strength, men-in-position and vacancy in provincialised/non-provincialised posts as of January 2009 were as given in **Table 13** for all the TPs test checked and the State.

Table 13

Sl.No.	Name of the Post	Sanctioned Strength		Men-in-position		Vacant (<i>Per cent</i>)	
		State	Test checked TPs	State	Test checked TPs	State	Test checked TPs
(i)	Provincialised Posts:						
	Junior Assistant	949	65	340	25	609 (64)	40 (62)
	Bill Collectors	1,014	108	444	35	570 (56)	73 (68)
(ii)	Non-provincialised Posts:						
	Sanitary Inspector	80	10	56	1	24 (30)	9 (90)
	Sanitary Workers	5,800	611	5,658	482	142 (2)	129 (21)
	Other non-provincialised staff (Sanitary Supervisor, Fitter, Water Supply Supervisor, Electrician etc.)	3,778	140	3,690	31	88 (2)	109 (78)

The shortage of manpower in the TPs contributed to arrears in collection of revenue and delay in implementation of developmental activities as already commented in earlier paragraphs.

2.1.10 Execution of schemes

Various Government of India schemes such as Swarna Jayanthi Shahari Rozgar Yojana, National Slum Development Programme, National River Conservation Project, Heritage Town Development Scheme and scheme for upgradation of kutcha houses for rural poor, etc. are being implemented in TPs.

2.1.10.1 Schemes in Town Panchayats

The inability of Town Panchayats to identify beneficiaries, under Swarna Jayanthi Shahari Rozgar Yojana and scheme for upgradation of kutcha houses of rural poor resulted in scheme funds of Rs 1.02 crore not being utilised.

A review of implementation of schemes in TPs revealed the following:

- Out of Rs 48.45 lakh released during 2003-08 under Swarna Jayanthi Shahari Rozgar Yojana for TPs in Thanjavur district, Rs 27.15 lakh remained unutilised (August 2008) as the TPs failed to identify the beneficiaries.
- Out of the allocation of Rs 71.52 crore under Sampoorna Gramin Rozgar Yojana for special Village Panchayats in the State during 2005-06, Rs 66.77 crore was diverted by the DRDAs to make payment for the works already taken up under the scheme in Village Panchayats, block Panchayats and District Panchayats.
- Elampillai and Veerakalpudur TPs of Salem district utilised Rs 9.40 lakh received under National Slum Development Programme (NSDP) during the period 2003-05 for providing basic amenities in areas other than slums. In respect of Elampillai TP, it was seen that there were no notified slum areas. Release of fund to TPs without slum areas deprived the benefits of the scheme to slum dwellers of other TPs to that extent.
- Out of Rs 2.37 crore sanctioned by Government of India in July 2007 for Chettinad Heritage Town Development Scheme to Kanadukathan TP, Rs 1.34 crore remained unutilised (August 2008) as works such as improvement of Oorani, construction of retaining wall and installation of solar lights were not taken up.
- The entire subsidy of Rs 75 lakh released by Government in March 2006 under the scheme of upgradation of kutcha houses for rural poor in Tirunelveli Region was remitted back to the Commissioner of TPs after a lapse of 20 months as beneficiaries were not identified.

2.1.10.2 Non-closure of inoperative accounts

In 11 TPs, grants of Rs 29.78 lakh received during the period even prior to 1996-97 to January 2007 (Central grant: Rs 10.46 lakh; State grant: Rs 18.65 lakh and General fund: Rs 0.67 lakh) remained unutilised in Treasury accounts (Rs 23.60 lakh), Post Office Savings Bank account (Rs 6.02 lakh) and Central Co-operative Bank account (Rs 0.16 lakh) as detailed in **Appendix 2.3**.

Out of this, Rs 18.50 lakh received by Sulur and Thudiyalur TPs during the period prior to 1996-97 to January 2007 was not transferred from Treasury

accounts to the General Funds of the TPs. The TPs stated (May 2008) that they had initially incurred the expenditure from General Fund in anticipation of Central/State grants. However, they did not submit utilisation certificates and adjustment vouchers to the treasury resulting in non-transfer of funds from treasury to General Fund.

Inaction of TPs to close inoperative accounts resulted in deprivation of funds for developmental activities to that extent.

2.1.11 Solid Waste Management

Municipal Solid Wastes (Management and Handling) Rules, 2000 (MSW Rules) provide for safe disposal of municipal waste and fix the responsibilities on municipal authorities, district administration, State Pollution Control Board and the Government. The Rules require all local bodies to set up complete waste processing and disposal facilities by end of December 2003. However, the Commissioner issued guidelines for storages and scientific disposal of solid wastes by TPs only in July 2007, after a lapse of more than three years. Deficiencies noticed during scrutiny of records relating to solid waste management in the selected TPs are discussed below:

2.1.11.1 Collection and segregation of waste and identification of landfill sites

The MSW Rules 2000 stipulate that the municipal authority should organise house-to-house collection of solid waste to segregate solid waste as biodegradable and non-biodegradable. As per Schedule I of the Rule *ibid* the landfill sites should be identified and put into operation by 31 December 2002 or earlier.

- Primary collection of solid waste was done in three wards in one TP, six to 10 wards in five TPs and 11 to 13 wards in eight TPs (**Appendix 2.4**) out of 15 wards in each TP, while Panamarathupatti TP did not collect waste in any of the wards.
- Forty TPs (**Appendix 2.5**) did not segregate waste into biodegradable and non-biodegradable waste.
- None of the TPs transferred the non-biodegradable waste to plastic recycling industries.
- In seven TPs secondary collection was only partial resulting in accumulation of 190.90 MTs of waste every month (**Appendix 2.4**).
- Sankaramanallur, Samalapuram, Panamarathupatti, Thenkarai and Eral TPs had not identified landfill sites and dumped the solid waste generated in unused open well, in Government poramboke, vacant lands/private land, etc.

2.1.11.2 No objection certificate from Tamil Nadu Pollution Control Board

Elampillai, Madukkarai and Thirumalayampalayam TPs did not apply for No Objection Certificate (NOC) from Tamil Nadu Pollution Control Board (TNPCB) as required under Rule 4 read with Rule 6 of Municipal Solid

Wastes (Management and Handling) Rules, 2000 for compost yards as the lands already identified were not transferred in favour of the TP.

TNPCB denied NOC for Kalapatti and Karuppur TPs to form compost yard in the identified land as the identified compost yard in Karuppur TP was in close proximity to airport and in Kalapatti TP, the identified site was an Oorani.

Application for issue of NOC of 30 TPs for formation of compost yard in the identified sites were pending with TNPCB (**Appendix 2.5**).

2.1.11.3 Generation of compost

MSW Rules, 2000 provide that wastes should be collected and processed by composting, vermin-composting, anaerobic digestion or any other appropriate biological processing for stabilisation. Out of 57 TPs test checked, 13 TPs (**Appendix 2.5**) did not produce compost.

Due to delay in setting up of waste processing and disposal facilities, Rs 25.99 lakh of Twelfth Finance Commission (TFC) grant, earmarked for solid waste management received during 2005-07 remained unutilised as of August 2008 in six⁵ TPs.

Samalapuram TP diverted TFC grant of Rs 7.03 lakh meant for Solid Waste Management for the years 2005-07 to other works since the site identified (2003) for compost yard was not transferred by Revenue Department.

2.1.12 Conclusion

Annual action plans were not prepared by any of the Town Panchayats. There was laxity in control over expenditure as there was delay in approval of budgets and submission of revised estimates by some Town Panchayats. Short collection/non-collection of Property Tax and tax on vacant land was noticed in some Town Panchayats. Further, there was loss of revenue due to failure/delay in effecting new water connections in some Town Panchayats, though sanctioned by the Commissioner of Town Panchayats. Most of the Town Panchayats failed to collect annual track rent from Bharath Sanchar Nigam Limited and other service providers. Some Town Panchayats failed to foreclose the loans availed by them, though they had enough funds, resulting in avoidable payment of interest. Shortage of manpower in Town Panchayats contributed to arrears in collection of revenue and delay in implementation of developmental activities. There was non-utilisation and diversion of scheme funds allocated to the Town Panchayats. Primary/secondary collection of waste was not done in some of the Town Panchayats and in most of the Town Panchayats segregation of waste into biodegradable and non-biodegradable was not done.

⁵ Annur, Kalapatti, Madukkarai, Samathur, Saravanampatti and Thirumalayampalayam.

2.1.13 Recommendations

- The Town Panchayats should strictly adhere to laid down budget procedures.
- The Town Panchayats should concentrate on collection of taxes and track rent to improve their financial position.
- New water connections, when sanctioned, should be effected without delay so as to avoid loss of revenue.
- Action should be taken to foreclose the loans taken by the Town Panchayats if their financial position was sound so as to avoid payment of interest.
- Staff should be provided to the TPs as per norms.
- Town Panchayats should be instructed to utilise scheme funds released to them fully so as to achieve the targets envisaged in the scheme.
- Adherence to the provisions of Municipal Solid Wastes (Management and Handling) Rules, 2000 in letter and spirit should be ensured through continuous monitoring.

The above points were referred to Government in January 2009; reply has not been received (June 2009).

2.2 Health, family welfare and sanitation activities of Chennai City Municipal Corporation

Highlights

Provision of health care, family welfare and sanitation are the responsibility of Urban Local Bodies. A performance audit on provision of the above services in Chennai City Municipal Corporation revealed the following:

➤ **Chennai City Municipal Corporation failed to provide one urban primary health centre for every one lakh population as prescribed in the urban health care delivery policy of the State resulting in non-achievement of the objective of the policy to do away with the existing multiple agencies in different locations of Urban Local Bodies.**

(Paragraph 2.2.6)

➤ **Large vacancies in the posts of Medical Officers and Multi Purpose Health Workers had adversely affected the delivery of health services including maternal and child health services.**

(Paragraphs 2.2.7.1 and 2.2.7.2)

➤ **Active surveillance for malaria was absent and there was short procurement of chemicals required for control of malaria.**

(Paragraph 2.2.8.1)

➤ **Essential medicines like erithromycin, B complex, vitamin A, ampiclox, amoxicillin, pencillin, paracetamol, deriphyllin, etc. were not available due to short procurement.**

(Paragraph 2.2.8.3)

➤ **School Health Programme was not effectively implemented.**

(Paragraph 2.2.8.4)

➤ **Acute shortage of Food Inspectors had adversely affected the testing of food / water samples.**

(Paragraph 2.2.9)

➤ **Waste processing and disposal facilities were not yet setup though stipulated to be setup by December 2003.**

(Paragraph 2.2.10.2)

2.2.1 Introduction

Provision of public health and sanitation services is one of the core functions of Urban Local Bodies. As per Tamil Nadu Public Health Act, 1939 and the Madras City Municipal Corporation Act, 1919, the Chennai City Municipal

Corporation (CoC) is responsible for provision of health care, sanitation and solid waste management in Chennai Corporation area.

2.2.2 Organisational set up

CoC comes under the administrative control of the Principal Secretary, Municipal Administration and Water Supply Department at Government level. CoC is governed by a council of 155 councillors headed by a Mayor elected by the councillors and assisted by the Commissioner who is the executive authority. Health care activities in CoC are carried out by Medical Officers of a communicable diseases (CD) hospital, 93 urban health posts and 68 dispensaries situated in various locations in 10 Zones of CoC. There is a central medical store for procurement of medicines and surgicals and supply to various units of CoC and a store for chemicals. Management of solid waste is taken care of by a Superintending Engineer assisted by Executive Engineers at Zonal level. The organisational chart is given in **Appendix 2.6**.

2.2.3 Audit objectives

Audit objectives were to assess the

- effectiveness of policy initiatives for providing health care
- efficiency and effectiveness of hospitals, urban health posts and maternity centres in providing maternal and child health and family welfare services
- efficiency and effectiveness of dispensaries in prevention and control of diseases, lifting and testing of food samples and economy and efficiency in collection and disposal of garbage
- adequacy of staff and other infrastructure for the medical institutions.

2.2.4 Audit criteria

The following criteria were adopted:

- Urban health care policy of the State Government and provisions contained in Tamil Nadu Public Health Act, 1939.
- Goals set by the State Government in respect of health indices such as birth rate, maternal mortality rate, maternal and child health and family welfare activities, etc.
- Targets fixed by the State Government for disease surveillance, collection of samples, immunisation, etc.
- Municipal Solid Wastes (Management and Handling) Rules, 2000.
- Norms prescribed for provision of staff.

2.2.5 Audit coverage and methodology

The health care delivery system including sanitation, maternal and child health and family welfare activities and prevention and control of diseases was reviewed in three¹ out of 10 Zones of CoC selected through stratified random sampling. The review was conducted between May and August 2008 in the Secretariat, Directorate of Public Health and Preventive Medicine and Directorate of Family Welfare, Health, Family Welfare and Solid Waste Management Departments of CoC and in the selected zones covering the period 2003-08.

The audit objectives and audit criteria were discussed with the Commissioner (June 2008) before commencement of audit. Audit findings were discussed with the Principal Secretary, Municipal Administration and Water Supply Department during September 2008. Information on the health care activities of CoC was collected from the records of the respective departments, test checked zones, written replies furnished by the departmental officers and replies obtained from the beneficiaries to the survey questionnaires issued by audit.

2.2.6 Policy initiatives

**Chennai City
Municipal
Corporation did not
implement urban
health care delivery
policy of the State
Government.**

Government of Tamil Nadu announced (September 2002) urban health care delivery policy to have a unified control of all urban health care activities and strengthening the existing urban health infrastructure in all Municipal Corporations and Municipalities. The policy envisaged one urban primary health centre for every one lakh population, which should cater to all health care needs including maternal and child health, sterilisation, treatment of communicable diseases, etc.

The State Government prescribed staffing pattern with the mode of redeployment for the staff. The CoC, however, did not implement the new policy as the redeployment would render the posts surplus.

Thus, the objective of the policy to do away with the existing multiple agencies in different locations of Urban Local Bodies and to reorganise the existing urban health infrastructure by amalgamating all agencies was not achieved. Government stated (February 2009) that the outreach workers available was as per norms of National Urban Health Mission (NUHM). The reply is not relevant as the NUHM is yet to be launched and the comments made above were with reference to urban health care delivery policy of the State Government.

¹ Zone III comprising largely Choolai, Perambur, Vyasarpadi, etc., covered by eight dispensaries and 14 health posts, Zone IV comprising largely Ayanavaram, Kolathur, Sembium, etc., covered by seven dispensaries and 11 health posts and Zone V comprising largely Aminjikarai, Shenoy Nagar, Virugambakkam, etc., covered by three dispensaries and nine health posts.

2.2.7 Maternity and child health and family welfare

Maternity and child health activities include outreach and institutional services for ante-natal and post-natal care, institutional delivery services, immunisation, collection and recording of vital statistics on birth, death, infant/maternal mortality etc. Family welfare activities are aimed at ensuring small family norms. These activities are carried out through the network of urban health posts. The key indicators pertaining to CoC were as given in **Table 1**.

Table 1
Key indicators

Year	Birth rate	Death rate	Infant mortality rate	Maternal mortality rate
	(Per 1000 population)		(Per 1000 live births)	(Per lakh live births)
2003-04	17.47	3.74	15.10	0.30
2004-05	17.30	3.40	10.50	0.17
2005-06	16.90	3.70	11.40	0.20
2006-07	16.70	3.70	11.40	0.20
2007-08	16.90	3.60	12.30	0.30

(Source: Information furnished by the District Family Welfare Medical Officer of CoC)

While CoC has achieved the targets set by State Government in respect of death rate, infant mortality rate and maternal mortality rate, it is yet to achieve the targeted birth rate of 15.

Year-wise details of expenditure relating to family welfare under revenue and capital accounts during 2003-08 were as in **Table 2**.

Table 2

(Rupees in crore)

Year	Revenue account		Capital account	
	Budget provision	Expenditure	Budget provision	Expenditure
2003-04	16.23	16.18	0.17	0.18
2004-05	16.83	17.07	0.56	0.16
2005-06	17.84	18.52	0.60	0.48
2006-07	21.00	21.24	0.50	0.37
2007-08	23.41	23.48	1.50	1.28
Total	95.31	96.49	3.33	2.47

(Source: Annual accounts of Corporation of Chennai)

2.2.7.1 Vacancy in the posts of Medical Officer

The vacancy position in the posts of Medical Officer as at the end of each year for the period 2003-08 was as given in **Table 3**.

Table 3

Year	Medical Officer		
	No. of posts sanctioned	Men in position	Vacant
2003-04	149	85	64
2004-05	149	110	39
2005-06	149	117	32
2006-07	149	115	34
2007-08	149	126	23

Men in position in **Table 3** included 48 Medical Officers appointed during 2004-06 on a consolidated pay of Rs 10,000 per month, of which 16 have left service as of October 2007.

There was a general decline in number of out patients in 14 health posts.

Non-filling up of vacant posts resulted in poor health care delivery system as Health Visitors were attending to out patients and available Medical Officers were to attend to two or more health posts daily. There was a general decline in the number of out patients during 2003-08 in 14 health posts. Percentage of decline in 2007-08 as compared to 2003-04 was 25 to 47 in 11 health posts and 18 to 24 in three health posts. The decline in number of out patients could be attributed to vacancies in the posts of Medical Officer and also to short supply of medicines commented upon in Paragraph 2.2.8.3. Government stated (February 2009) that vacancies in the post of Medical Officers have since been filled up.

2.2.7.2 Outreach services

Inadequate Multi Purpose Health Workers

Number of multi purpose health workers available was 364 as against 711 required as per norms.

Maternal and Child Health (MCH) and Family Welfare (FW) outreach services are extended by the Multi Purpose Health Workers (MPHW) attached to the urban health posts. MPHWS were responsible for ante-natal registration, immunisation, outreach services, follow up of expected delivery cases, follow up of high risk ante-natal cases, motivation of unprotected eligible couples for sterilisation and other methods, first visit for post-natal cases, updating of families in the area, ante-natal care visits and post-natal care visits in their respective areas.

As per the norms, each MPHW should cover a population of 5,000 to 7,000 for effective discharge of his duty. As against the requirement of 711 MPHWS to serve the total population of 49.79 lakh² (2008) in Chennai, the Family Welfare wing had only 364 MPHWS. While 48 MPHWS covered a population of 8,128 to 10,000 each, 300 covered 10,001 to 15,000 each and 16 covered 15,001 to 18,346 each (August 2008).

² As on 31 March 2008 as compiled by Health Department of Corporation of Chennai.

The Government replied (February 2009) that 482 posts of MPHWS have been filled up and norms of NUHM of one MPHWS per 10,000 population were satisfied. The reply is not acceptable as NUHM has not yet been launched and the actual number of MPHWS engaged in outreach services was only 364.

2.2.7.3 Supply of iron and folic acid tablets and vitamin A solution

There was short procurement of iron and folic acid tablets (small) to the extent of 79 per cent during 2003-08.

Under the Family Welfare Programme, all children from six months to three years of age must be given 100 tablets of iron and folic acid (small) per year and two doses of vitamin A solution once in six months every year in order to prevent various deficiencies including anaemia.

As against the total requirement of 84,100 bottles of vitamin A solution and 10.52 crore iron and folic acid tablets (small) as calculated by the CoC for the period 2003-08, it received only 53,363 bottles of vitamin A solution and 2.18 crore iron and folic acid tablets (small) from the Director of Family Welfare and procured five lakh iron and folic acid tablets (small) from Tamil Nadu Medical Services Corporation. Due to failure to procure iron and folic acid tablets to the extent of 79 per cent, 12 health posts did not have the stock of the above tablets for more than three years, five health posts for more than two years and one health post for more than a year during the review period in the test checked zones. Government in reply stated (February 2009) that 55.2 lakh iron and folic acid tablets were procured during 2003-08. The reply is not correct as the point raised was only with reference to short procurement of iron and folic acid tablets (small), whereas the quantity stated to have been procured included iron and folic acid (large) tablets.

2.2.8 Prevention and control of diseases

Prevention and control of diseases was done through surveillance, vector control, creation of health awareness, school health programme, slum health programme, etc. Health care activities are carried out mainly out of CoC's own fund. Year-wise details of expenditure relating to health department and 10 zones of CoC under revenue and capital accounts during 2003-08 were as given in **Table 4**.

Table 4

(Rupees in crore)

Year	Revenue account			Capital account		
	Budget provision	Expenditure	Percentage	Budget provision	Expenditure	Percentage
2003-04	26.71	21.65	81	2.16	1.68	78
2004-05	28.09	23.01	82	1.14	1.06	93
2005-06	29.30	24.77	85	0.79	0.28	35
2006-07	31.88	27.51	86	4.50	0.44	10
2007-08	37.67	30.78	82	0.50	0.74	148
Total	153.65	127.72		9.09	4.20	

(Source: Annual accounts of Corporation of Chennai)

2.2.8.1 Vector borne diseases control

Malaria, filaria, dengue and japanese encephalitis are the major vector borne diseases prevalent in urban areas. Control of mosquitoes, the vectors responsible for spreading these diseases, is carried out through fogging operations to control adult mosquitoes and by spraying of larvicides to control mosquito larvae.

Procurement of anti malaria chemicals

Details of budget provision for procurement of chemicals and actual expenditure for the period 2003-08 is given in the **Table 5**.

There was short procurement of anti malaria chemicals during 2003-08.

Table 5

(Rupees in crore)

Year	Budget provision	Expenditure	Savings
2003-04	1.50	1.29	0.21
2004-05	2.00	1.55	0.45
2005-06	2.50	1.15	1.35
2006-07	2.50	1.07	1.43
2007-08	2.00	1.56	0.44
Total	10.50	6.62	3.88

(Source: Annual accounts of Corporation of Chennai)

Evidently funds provided in the budget for procurement of chemicals for anti malaria operations were not spent fully resulting in short procurement of various anti malaria chemicals³ (15 per cent to 100 per cent) of the estimated annual requirement (based on CoC population) and consequential under-coverage of area in anti malaria operations.

Review of records in test checked zones revealed that during the period 2003-08 the indented quantity of petrol for running the equipments and diesel for mixing with the chemicals were short supplied by Malaria Stores and Fuel Depot of the CoC to the extent of 51 and 62 per cent respectively.

Surveillance

According to the guidelines of National Vector Borne Disease Control Programme, minimum of 10 per cent of target population under surveillance should be covered under annual blood examination to reduce the incidence of malaria. Target vis-à-vis collection of blood smear during the years 2003 to 2007 were as given in **Table 6**.

³ Larvicides, Mosquito Larvicidal Oil, Insecticides residual spray, Focal spray, Fumigants, Insecticides and other Rodenticides.

Table 6

Year*	Population of Chennai (in lakh)	Targetted number of blood smears (in lakh)	Number of Blood smears collected through (in lakh)		Achievement percentage		
			Active surveillance	Passive surveillance	Active surveillance	Passive surveillance	Total
2004	46.86	4.69	0.05	3.30	0.11	7.00	7.11
2005	47.33	4.73	0.06	3.66	0.13	8.00	8.13
2006	47.79	4.78	0.13	3.50	0.27	7.00	7.27
2007	47.91	4.79	0.05	2.23	0.10	5.00	5.10

* Data available for calendar years

(Source: Population figures as compiled by Health Department of Corporation of Chennai)

Even though staff (Basic Health Workers and Field Assistants) responsible for collection of blood smears were sufficiently available during the above period, active surveillance was almost absent and the blood examinations conducted ranged between 5 to 8 *per cent* as against the target of minimum 10 *per cent*.

Incidence of malaria

Malaria positive cases in CoC as against the cases in the entire State (as reported by Director of Public Health and Preventive Medicine) for the period 2003-08 was as given in **Table 7**.

Table 7

Year	Malaria cases reported	
	State	Chennai Corporation
2003-04	43,604	29,058 (67)
2004-05	41,732	28,229 (68)
2005-06	39,678	25,153 (63)
2006-07	28,219	18,565 (66)
2007-08	22,389	14,002 (63)

(Figures in brackets indicate percentage to cases reported in the State)

Although it would be seen from the table above that the malaria positive cases came down during 2003-08, the reduction was actually due to decrease in the rate of annual blood examination from seven in 2004 to five in 2007. Further, CoC continued to record 63 to 68 *per cent* of the malaria cases reported during 2003-08 in the State, though the population of CoC was just seven *per cent* of the State population.

Equipment not put to use

With a view to detect malaria positive cases accurately and quickly so as to prevent spreading of the disease from potential carriers, CoC purchased 12 Quantitative Buffy Coat Analyser Equipment⁴ (equipment) during the period 2000-06 at a total cost of Rs 56.65 lakh for use in ten zones and communicable

⁴ December 2000: Four; February 2003: Six; March 2005: One and March 2006: One. Total: 12.

diseases hospitals. Ten thousand capillary tubes required for detecting malaria cases were procured during 2004-05 and 2005-06 at a cost of Rs 5.90 lakh. However, no procurement was made during the years 2003-04, 2006-07 and 2007-08. Further, the tubes procured during the years 2004-05 and 2005-06 were utilised fully within a month of receipt. Thus, for want of tubes the equipments purchased at a cost of Rs 56.65 lakh remained idle.

The Commissioner stated (December 2008) that the equipments were used only in cases where the conventional blood tests proved negative but the clinical symptoms were suggestive of malaria and blood smear test through microscope was sufficient to confirm malaria. The reply is not acceptable as the capillary tubes supplied earlier were utilised within a short time indicating its necessity.

2.2.8.2 Indian medicine dispensaries

There were eight Indian medicine dispensaries (three units of Siddha, two units of Unani, two units of Homeopathy and one unit of Ayurveda) under the control of CoC. Medicines were procured for these dispensaries only in the years 2005-06 and 2007-08 during the period covered under audit.

Test-check of records of three dispensaries, one unit each in Homeopathy, Siddha and Unani in Zone III revealed that various medicines were not available in stock for a period ranging from over one year to over five years as detailed in the **Table 8**.

Table 8

Sl. No.	System of medicine	No. of medicines not in stock for more than				
		One year	Two years	Three years	Four years	Five years
1.	Homeopathy	82	54	13	15	--
2.	Sidha	24	28	6	5	8
3.	Unani	36	7	12	11	5

Even though indents were placed every year for the medicines, the indented quantities were not supplied in full.

Further, the Medical Officer in charge of Unani dispensary, Pulianthope was on leave ranging between five days to 31 days (in 18 spells) during 2003-08 and no alternative arrangement was made during the period of leave. The number of out patients of the dispensary declined steeply from 60,997 in 2003-04 to 17,734 in 2007-08.

Non-availability of medicines and failure to make alternative arrangements when the Medical Officer was on leave rendered performance of the dispensaries ineffective. Government accepted (February 2009) that the decline in out patients attendance was due to non-availability of Medical Officer. It further stated that the out patients attendance increased after posting of Medical Officer.

2.2.8.3 Procurement, custody and issue of medicines

Short procurement of medicines

CoC procured medicines for its dispensaries and health posts from Tamil Nadu Medical Services Corporation and Government of India Medical Stores Depot every year. As these agencies did not supply the entire requirement, there was short procurement of medicines resulting in savings against the funds provided during the period 2003-08 as given in **Table 9**.

Table 9

(Rupees in crore)

Year	Budget provision	Expenditure	Savings
2003-04	2.75	0.57	2.18
2004-05	2.75	0.65	2.10
2005-06	2.75	0.78	1.97
2006-07	2.75	0.68	2.07
2007-08	3.00	0.72	2.28
Total	14.00	3.40	10.60

(Source: Annual accounts of Corporation of Chennai)

Despite provision of adequate funds in the budget, the CoC did not initiate any action to procure even the essential medicines, which were short supplied by the aforesaid agencies. As a result, some of the essential medicines such as erythromycin, B complex, vitamin A, ampiclox, amoxycillin, pencillin, paracetamol, deriphyllin, etc. were not available with the dispensaries and health posts for periods exceeding six months to over one year. Government stated (February 2009) that 'nil' stock in health posts and dispensaries during 2003-06 was due to absence of Medical Officers and that the distribution of drugs in dispensaries has substantially increased after posting of Medical Officers. The reply is not tenable as audit noticed 'nil' stock in respect of few medicines in the health posts and dispensaries even during the period after 2003-06.

2.2.8.4 School and Slum Health Programmes

Coverage under School/Slum Health Programmes was only partial.

The School Health Programme is implemented with the objective of early detection of diseases such as dental problems, leprosy, worm infestations, defective vision, polio, defective hearing etc., and timely medical treatment to prevent major health problems among school going children. Under Slum Health Programme, mobile health units visit slums, examine slum dwellers and treat them for various diseases.

Provisions made in the budget and expenditure during 2002-08 under School Health Programme were as given in **Table 10**.

Table 10

(Rupees in lakh)

Year	Budget provision	Revised Estimate	Expenditure
2002-03	Nil	Nil	Nil
2003-04	Nil	Nil	Nil
2004-05	15.00	15.00	4.90
2005-06	15.00	15.00	7.32
2006-07	15.00	1.00	Nil
2007-08	1.00	5.00	2.08
Total	46.00	36.00	14.30

(Source: Annual accounts of Corporation of Chennai)

It may be seen that the expenditure was less than 50 *per cent* of the provisions made during 2004-08 and no provision was made in 2002-03 and 2003-04. This clearly showed that budgeting for the above programme was not done realistically.

Even though it was reported by CoC that all schools and targeted slum population were covered under School Health Programme and Slum Health Programme respectively, it was noticed that nine health posts⁵ and nine dispensaries⁶ did not conduct any such programme during 2003-08 as brought out in **Table 11**.

Table 11

Particulars	Programme not conducted during 2003-08 for		
	Five years	Four years	Three years
(i) School Health Programme			
No. of dispensaries	4	3	1
No. of health posts	2	1	4
(ii) Slum Health Programme			
No. of dispensaries	5	1	2
No. of health posts	7	9	5
Total	18	14	12

Government stated (February 2009) that the shortfall in coverage was due to vacancies in the post of Medical Officers during 2003-06 and vacancies were filled up in 2006-08 to conduct the school health programmes regularly. Government further stated that with the help of Government Dental College, dentists were being posted on daily basis to screen the school children.

⁵ Perumalkoil Garden, KGH, Maraimalai Adigalar, Nagammai Nagar South, Paneerselvam Nagar, Kotturpuram, VOC Nagar, RSRM and Pudupakkam.

⁶ School Health Programme: VR Garden, Tondiarpet, Harinarayanapuram and Ezhil Nagar; Slum Health Programme: Muthialpet, VR Garden, Tondiarpet, Harinarayanapuram and Ezhil Nagar.

The reply of the Government was not correct as school health programme was not conducted during the five year period 2003-08 by four dispensaries and two health posts.

2.2.8.5 *Epidemic Coordination Committee*

The State Government ordered (February 1999) re-constitution of the Epidemic Co-ordination Committee, with the Commissioner and Health Officer of CoC as Chairman and Member Secretary respectively and seven other members⁷, as the committee constituted earlier in March 1991 was not functioning effectively.

The committee was to review observance of provisions of Section 64 of Tamil Nadu Public Health Act, 1939 on information regarding notified diseases, complete analysis of the information received on incidence of notified diseases, remedial/administrative action taken by appropriate authorities, cautioning the State Government/private hospitals to meet any emergent situation regarding possibility of epidemic outbreak etc. The committee was required to meet once in a quarter and to send report and minutes to the State Government.

However, such a committee was not constituted by the CoC so far (December 2008).

Government stated (February 2009) that the epidemic coordination committee met periodically and enclosed copies of minutes of two such meetings. The reply was not acceptable as the minutes related to meetings of the Health Officers with Commissioner/Joint Commissioner of the corporation. Evidently, the committee as envisaged in Government order of February 1999 has not yet been constituted.

2.2.8.6 *Disease surveillance unit*

Instances of notified diseases in CoC during the period 2003-08 were as given in **Table 12**.

Table 12

Name of the disease	2003	2004	2005	2006	2007	2008
Cholera	290	968	393	59	515	441
Acute Diarrhoeal Disorder (ADD)	2,105	3,679	2,631	1,745	2,696	2,114
Chicken pox	1,268	1,854	1,422	970	1,597	1,640

(Source: Information furnished by Director of Communicable Diseases Hospital, Tondiarpet)

As may be seen from the Table the incidence of Cholera, ADD and Chicken pox was more in 2008 as compared to 2003.

⁷ Members: Chief Engineer, Metro Water, Chennai; Deans of Chennai Medical College, Kilpauk Medical College and Stanley Medical College; Director, Institute of Public Health and Hospital for Children, Chennai; Director, Communicable Diseases Hospital of CoC and Joint Director of Public Health and Preventive Medicine (Epidemic).

Disease surveillance unit as required under Integrated Disease Surveillance Project funded by Government of India, meant for surveillance of communicable and non-communicable diseases and to detect early warning signals of outbreak of cholera, typhoid and dengue etc., and to initiate effective action in time, has been established in CoC only in December 2008.

2.2.9 Testing of food samples

Only 10 Food Inspectors were available as against a requirement of 100 as per norms.

According to Sections 8 to 13 of the Prevention of Food Adulteration Act, 1954, CoC was required to take formal food samples⁸ and water samples and analyse the same in the Public Analyst Laboratory of CoC. CoC reported that 21,794 trade licences including licences for dealing in food stuffs and water were renewed/issued during 2007-08. As per norms of one Food Inspector per 50,000 population, the CoC would require 100 Food Inspectors; but had only 10. There was shortfall in taking food samples by the Food Inspectors ranging from 34 to 94 *per cent* and water samples from 47 to 75 *per cent* during 2003-08 as given in **Table 13**.

Table 13

	2003-04	2004-05	2005-06	2006-07	2007-08
(i) Food Samples					
Target	1,560 ⁹	1,800	1,800	1,800	1,800
Tested	1,036	1,169	1,111	1,083	105
Shortfall (<i>per cent</i>)	524 (34)	631 (35)	689 (38)	717 (40)	1,695 (94)
Adulterated (<i>per cent</i>)	46 (4)	34 (3)	36 (3)	27 (2)	1 (1)
(ii) Water Samples					
Target	1,200	1,200	1,200	1,200	1,200
Tested	453	497	635	572	301
Shortfall (<i>per cent</i>)	747 (62)	703 (59)	565 (47)	628 (52)	899 (75)
Adulterated (<i>per cent</i>)	81 (18)	106 (21)	84 (13)	57 (10)	31 (10)

(Source: Public Analyst Laboratory of CoC)

Food and water samples taken and tested during 2007-08 were just 105 and 301 respectively due to vacancy in the post of Public Analyst from June 2007. It may be noted that the number of water samples to be tested in a year was reduced to 1,200 from 10,000 with effect from 2000-01 retrospectively through a resolution of CoC in May 2005.

Thus, number of Food Inspectors available was too few and the targets for taking of samples were not achieved during any of the year commented in the review. As percentage of adulterated samples in respect of water samples tested was considerable, it is imperative that taking of samples and testing should be strengthened.

Government stated (February 2009) that 52 sanitary inspectors have since been recruited and the post of Public Analyst is being filled up.

⁸ Food samples taken by authorised persons i.e. Food Inspectors.

⁹ 10 samples per month x 13 Food Inspectors x 12 months for 2003-04 and for other years 15 samples per month x 10 Food Inspectors x 12 months.

2.2.10 Solid waste management

2.2.10.1 Non-utilisation of budget provision under capital account

The expenditure on solid waste management is met out of CoC funds and Central Finance Commission grants. Year-wise details of expenditure under revenue account and capital account relating to solid waste management department and 10 zones of CoC for the years 2003-08 were as given in Table 14.

Table 14

(Rupees in crore)

Year	Revenue Expenditure			Capital Expenditure		
	Budget Estimate	Revised Estimate	Actuals	Budget Estimate	Revised Estimate	Actuals
2003-04	93.17	94.57	90.84	4.00	0.50	4.61
2004-05	95.76	98.40	102.32	18.10	5.75	0.86
2005-06	102.98	112.70	108.58	10.10	5.00	0.02
2006-07	114.45	127.38	120.69	14.50	3.00	0.54
2007-08	140.84	133.70	122.16	35.00	16.00	2.53
Total	547.20	566.75	544.59	81.70	30.25	8.56

(Source: Annual accounts of Corporation of Chennai)

Even though adequate budget provisions were made under capital account, CoC had not utilised the provisions due to delay in implementation of Municipal Solid Wastes (Management and Handling) Rules, 2000.

2.2.10.2 Waste processing and disposal facilities

Waste processing and disposal facilities have not yet been set up.

As per Municipal Solid Wastes (Management and Handling) Rules, 2000 the landfill site was to be identified by the development authorities and handed over to the municipal authorities by December 2002 for development, operation and maintenance. The Rules required all local bodies to set up complete waste processing and disposal facilities by end of December 2003.

For creation of processing facilities and construction of sanitary landfill sites at Kodungaiyur and Perungudi, a proposal was sent (January 2004) to Government by CoC at an estimated cost of Rs 60 crore, which was subsequently revised to Rs 120 crore. An amount of Rs 18 crore¹⁰ was received by CoC from the State Government. However, necessary authorisation for setting up waste processing and disposal facility including landfills was not obtained by CoC from Tamil Nadu Pollution Control Board (TNPCB) and the waste processing and disposal facility were not set up by CoC or by operator of the facility as required under the rules so far (December 2008).

¹⁰ Rupees 10 crore in March 2004 and Rupees eight crore in March 2005.

CoC had no scientific landfill facility. Even though CoC reported that house to house collection of waste was done through community bins, segregation of waste was not done and the waste is being dumped in the existing two dumpsites.

The dumpsite at Perungudi is at the Pallikaranai swamp area, which also houses a large number of species of plants and animals. Dumping had been taking place in this area for more than 15 years and almost 25 per cent of the marshland has been lost due to indiscriminate dumping.

In reply Government stated (February 2009) that even though various steps were taken for scientific management of municipal solid wastes as per the rules, they did not materialise due to various reasons such as dropping of identified landfill site due to protest of villagers, revision of detailed project report, etc.

The Government further stated that an agreement was executed (November 2008) with a developer for integrated solid waste processing and disposal facility at Perungudi under “Design, Build, Own, Operate and Transfer” (DBOOT) basis. Tender for Kodungaiyur site was yet to be decided (December 2008) and necessary authorisation from TNPCB would be obtained by the developers.

Thus, the grant of Rs 18 crore received from State Government by CoC during 2003-05 for creation of infrastructure facilities at landfill sites at Kodungiyur and Perungudi and transfer stations remained unutilised with CoC and the amount remained in fixed deposit (December 2008) as the facilities were not yet set up.

2.2.10.3 Disposal of bio-medical waste

As per Rule 8 of Bio-medical Waste (Management and Handling) Rules, 1998 all health care units are to obtain authorisation from TNPCB for disposal of bio-medical waste and to install necessary treatment facility as suggested by TNPCB. However, it was noticed that no authorisation from TNPCB was obtained by CoC in this regard.

As per Schedule I to Bio-medical Waste (Management and Handling) Rules, 1998, the bio medical wastes should be collected and transported separately and disposed off safely as detailed in **Table 15**.

Table 15

Sl. No.	Nature of waste	Treatment and disposal
1.	Human anatomical waste, animal waste	Incineration/deep burial
2.	Microbiology and bio technology waste	Local autoclaving/ microwaving/incineration
3.	Waste sharps	Chemical treatment/ autoclaving/ microwaving and shredding
4.	Discarded medicines and Cytotoxic drugs	Incineration/destruction/disposal in secured landfills.

It was noticed that the bio-medical wastes generated from the health posts and maternity hospitals were disinfected and disposed off as municipal waste and bio-medical waste generated in Communicable Diseases Hospital (1,600 Kg. per annum), TB Clinic, dispensaries, etc., were disposed off either by deep burial or by open burning, thus causing environmental pollution.

Government stated (February 2009) that a comprehensive bio-medical waste management facility would be commissioned by June 2009. It further stated that orders have been placed for procurement of equipment and necessary training has been imparted to staff.

2.2.11 Beneficiary survey

Survey questionnaires were issued to 187 beneficiaries by Audit for obtaining their remarks/suggestions on general functioning of health posts/dispensaries and the quality of services provided by them. The opinions expressed by the beneficiaries are categorised and furnished below:

- Eleven beneficiaries complained about in-sanitary condition of dispensary/health posts,
- seven about non-availability of Medical Officer,
- six about non-availability of seating facilities in health posts/dispensaries, and
- Fourteen about non-availability of drinking water and five about non-availability of ambulance services.

2.2.12 Conclusion

Chennai City Municipal Corporation did not implement urban health care policy of the State Government. Surveillance for malaria was inadequate and there were short procurement of anti malaria chemicals, medicines for health posts, dispensaries and Indian medicine dispensaries. There were vacancies in the posts of Medical Officer in the health posts and dispensaries. Coverage under School/Slum Health Programmes was only partial. Number of Multi Purpose Health Workers and Food Inspectors available were far below requirement with reference to norms. There was shortfall in food and water samples taken and tested. Waste disposal facilities have not yet been set up though were required to be set up by December 2003 under Municipal Solid Wastes (Management and Handling) Rules, 2000. Bio medical wastes were disposed off as municipal waste thus causing environmental pollution.

2.2.13 Recommendations

To make the health and sanitation services rendered by the Chennai City Municipal Corporation more effective, the following recommendations are made.

- Anti malaria chemicals and other medicines should be procured adequately and sufficient stock should be maintained at the vending points throughout the year.

- School Health Programme should be carried out and implementation monitored.
- Multi Purpose Health Workers and Food Inspectors should be made available as per norms to make the health care services meaningful.
- Provisions of Municipal Solid Wastes (Management and Handling) Rules, 2000 for disposal of solid wastes and bio-medical wastes should strictly be adhered to.

2.3 Provision of amenities by Chennai, Coimbatore and Madurai City Municipal Corporations

2.3.1 Introduction

The statutory functions of the Urban Local Bodies include provision of amenities such as slaughterhouses, parks/playfields/gardens, public conveniences and solid waste management.

2.3.2 Organisational set up

Principal Secretary to Government, Municipal Administration and Water Supply Department is in over all charge of Urban Local Bodies. While, Chennai City Municipal Corporation (Chennai CMC) is under the direct control of the Principal Secretary, Coimbatore (Coimbatore CMC) and Madurai (Madurai CMC) City Municipal Corporations are under the control of Commissioner of Municipal Administration.

2.3.3 Audit findings

Findings of audit on provision of certain amenities by Chennai, Coimbatore and Madurai CMCs in selected zones¹ covering the period 2003-08 are discussed in the succeeding paragraphs.

2.3.3.1 Slaughterhouses

As per provisions contained in the Acts of Madras (Section 294), Coimbatore (Section 371) and Madurai (Section 371) City Municipal Corporations, the CMCs were required to provide sufficient slaughterhouses. As per Chapter 5 of Solid Waste Management Manual of Ministry of Urban Development the local body was to ensure that slaughtering takes place only under hygienic conditions and meat eating population get fresh and disease free meat. There are eight² slaughterhouses; three in Chennai, three in Coimbatore and two in Madurai CMCs. As all these slaughterhouses were auctioned through public tender the CMCs did not incur expenditure on maintenance. Scrutiny of records of the three CMCs revealed the following:

¹ **Chennai CMC:** **Zone III** comprising mainly Choolai, Elephant Gate, Park Town, Perambur and Vysarpadi; **Zone IV** comprising mainly Ayanavaram, Sembium, Kolathur, Pursawalkam and Villivakkam; **Zone V** comprising mainly Aminjikarai, Anna Nagar, Kilpauk, Nungambakkam and Periyar Nagar; **Zone VII** comprising mainly Chetpet, Egmore, Royapettah, Teynampet and Thousand Lights and **Zone IX** comprising mainly Guindy, Kalaignar Karunanidhi Nagar, Kodambakkam, Saidapet and V.O.C. Nagar; **Coimbatore CMC:** East and South zones and **Madurai CMC:** East and West zones.

² **Chennai CMC:** Perambur, Saidapet and Villivakkam; **Coimbatore CMC:** Sathy Road, Singanallur and Ukkadam and **Madurai CMC:** Nelpettai and Othapatty.

(i) Eleventh Five Year Plan (2007-2012) of the State envisaged a target of one modern slaughterhouse for one lakh population in the Municipal Corporations. A comparison of number of slaughterhouses with the proportionate target for two years revealed a shortfall as brought out in **Table 1**.

Table 1

Sl.No.	Municipal Corporation	Population as per 2001 Census (in lakh)	No. of modern slaughterhouses			
			Target for XI Five Year Plan	Proportionate target for two years (2007-09)	Available	Shortfall
1.	Chennai	43.44	43	17	3	14
2.	Coimbatore	9.31	9	4	3	1
3.	Madurai	9.29	9	4	2	2
	Total		61	25	8*	17

* Of these, only three are modern slaughterhouses (Chennai: two and Coimbatore: one)
(Source: Population as per 2001 census and information on number of slaughterhouses available as furnished by the Municipal Corporations concerned)

Shortfall in availability of slaughterhouses with reference to proportionate target for 2007-09 was 14, one and two in Chennai, Coimbatore and Madurai CMCs respectively.

As may be seen from **Table 1**, the shortfall with reference to proportionate target was significant in respect of Chennai CMC. Further, Chennai, Coimbatore and Madurai CMCs have to construct 40, six and seven modern slaughterhouses respectively by the end of the XI Five Year Plan, i.e., March 2012. As there were proposals to construct only three slaughterhouses in Chennai CMC and one slaughterhouse each in Coimbatore and Madurai CMCs, the chances of reaching the above target seem remote.

Shortfall in availability of Veterinary Doctors was 12, 11 and four in Chennai, Coimbatore and Madurai CMCs respectively.

(ii) Rule 3 (2) (iv) of Prevention of Cruelty to Animals (Slaughterhouse) Rules, 2001 requires that any animal to be slaughtered should be certified by a Veterinary Doctor as fit. Rule 4 (2) of the Rules *ibid* prescribes that a Veterinary Doctor shall not examine more than 96 animals a day. A comparison of average number of animals slaughtered each day in the three CMCs with the number of Veterinary Doctors available indicated (October 2008) shortfall ranging from four to 12 in availability of doctors as brought out in **Table 2**.

Table 2

Sl.No.	Name of CMC	No. of slaughterhouses	Average number of animals slaughtered per day	No. of Veterinary Doctors		
				Required	Available	Shortfall
1.	Chennai	3	1,757	18	6	12
2.	Coimbatore	3	1,160	12	1	11
3.	Madurai	2	520	5	1*	4

* Available upto 12.12.2006

(Source: Information furnished by the CMCs concerned)

Further, even the only post of Veterinary Doctor in Madurai CMC was vacant from April 2005 to 17 July 2005 and from 20 December 2006 to date (October 2008). Madurai CMC replied (December 2008) that a Sanitary Inspector is in additional charge of the slaughterhouse as the post of Veterinary Doctor was

vacant. The reply is not acceptable as Sanitary Inspector is not qualified to function as a Veterinary Doctor. Chennai CMC stated (January 2009) that action was being taken to recruit sufficient Veterinary Doctors.

Appointment of inadequate number of Veterinary Doctors by the CMCs indicated failure of the CMCs to adhere to the provisions of Prevention of Cruelty to Animals (Slaughterhouse) Rules, 2001 and to ensure availability of good quality meat to public.

None of the eight slaughterhouses in the three CMCs had rendering plant and four slaughterhouses were without Effluent Treatment Plant.

(iii) As per paragraph 5.5 of Municipal Solid Wastes (Management and Handling) Rules, 2000 and instructions of Pollution Control Board, solid wastes from slaughterhouses should pass through a rendering plant³ and waste water generated from washing and cleaning should be treated in an Effluent Treatment Plant.

However, none of the eight slaughterhouses in the three CMCs had a rendering plant. Effluent Treatment Plants were available in three slaughterhouses⁴ and was under construction in one⁵. Thus, four slaughterhouses were functioning without Effluent Treatment Plant and were causing environmental hazards.

2.3.3.2 Parks and playfields

The budget provision and expenditure on parks and playfields during 2003-08 in the three CMCs were as given in **Table 3**.

Table 3

(Rupees in lakh)

Year	Chennai			Madurai			Coimbatore		
	BE	RE	Expr.	BE	RE	Expr.	BE	RE	Expr.
(i) Maintenance expenditure on Parks and Playfields									
2003-04	174.23	368.86	230.61	67.00	31.53	0.33	0.15	0.15	Nil
2004-05	384.51	563.32	505.95	30.00	16.00	0.94	0.15	Nil	Nil
2005-06	589.90	588.12	520.53	2.00	2.00	0.01	Nil	0.15	0.10
2006-07	710.86	684.94	616.26	2.20	2.00	Nil	0.25	10.00	0.58
2007-08	699.86	865.06	694.86	2.15	1.25	2.79	15.00	11.90	3.23
(ii) Capital expenditure on Parks and Playfields									
2003-04	600.00	300.00	153.59	Expenditure booked under			74.00	55.30	77.92
2004-05	1,700.00	1,000.00	196.08	'Buildings'; no provision			120.00	73.32	40.37
2005-06	710.00	1,400.00	720.96	made separately for parks			100.00	74.93	62.26
2006-07	1,250.00	1,200.00	498.32	and playfields.			200.00	129.70	76.13
2007-08	1,760.00	1,200.00	327.79				200.00	196.80	163.60

BE: Budget Estimate; RE: Revised Estimate; Expr.: Expenditure

(Source: Information furnished by the CMCs and budget documents of the CMCs)

³ Rendering plant: Plant used for recycling dead animals, slaughterhouse wastes, etc., into various products such as recycled meat, bone meal and animal fat.

⁴ Villivakkam and Saidapet in Chennai CMC and Sathy Road in Coimbatore CMC.

⁵ Ukkadam in Coimbatore CMC.

Coimbatore CMC stated (April 2009) that the booking of maintenance expenditure under Capital head was the reason for non-utilisation of provision under maintenance during 2006-08. Madurai CMC stated that provision made for maintenance could not be utilised during 2006-07 due to delay in approval of estimates and belated commencement of work due to heavy rain and the excess expenditure in 2007-08 was due to execution of works sanctioned in 2006-07.

Chennai CMC did not give any reason for huge variation between provision and expenditure during 2006-08 under capital head.

Number of parks available in Chennai, Coimbatore and Madurai CMCs was 245, 17 and 11 respectively. In accordance with The Tamil Nadu Parks, Playfields and Open spaces (Preservation & Regulation) Act, 1959 provision and maintenance of parks is the responsibility of local bodies. Scrutiny of records of the three CMCs revealed the following deficiencies in provision and maintenance of parks/playfields:

Land measuring 32,069 sq.m. handed over by promoters for open space reservation was not developed into parks in Chennai and Madurai CMCs.

(i) As per orders in force, promoters developing residential/commercial layouts and building complexes of an area of 3,000 sq.m. or more are required to handover 10 *per cent* of the area of the layout to the local bodies as open space reservation. However, 17,829 sq.m. land (ranging from 405.2 sq.m. to 4,862.44 sq.m.) handed over in respect of 10 layouts was not converted into parks in Madurai CMC. A test check in Zone V⁶ of Chennai CMC revealed that 14,240 sq.m. of land (ranging from 385 sq.m. to 3,711 sq.m.) handed over in respect of 13 layouts was not developed into parks. While Madurai CMC replied (June 2008) that the vacant land would be developed into parks in the ensuing year, Chennai CMC quoted (July 2008) financial constraints as reason for not developing the vacant lands into parks.

(ii) The Director of Town and Country Planning has stated (November 1979) that the land assigned by the promoters for open space reservation should be in one piece so as to suit development of parks and playfields. However, in four layouts approved by Madurai CMC, the land assigned for open space reservation was in more than one piece, vide details in **Table 4.**

Table 4

Sl.No.	Layout at	Total extent of layout (sq. ft.)	Approval No. and date	Open space reservation (sq. ft.)
1.	Kochadai	1,83,002	1258/27.9.2006	1. 2,038
				2. 16,402
2.	Anthaneri	2,14,315	1260/6.10.2006	1. 3,381
				2. 9,700
				3. 8,075
				4. 1,320
3.	Anthaneri	2,06,474	1246/6.1.2006	1. 16,199
				2. 3,350
				3. 1,177
4.	Thallakulam	1,74,676	39411/30.12.2005	1. 3,040
				2. 14,540

⁶ **Chennai Zone V** comprising mainly Aminjikarai, Anna Nagar, Kilpauk, Nungambakkam and Periyar Nagar.

The above pieces of plots were yet to be developed into parks/playfields (July 2008).

(iii) Fourteen playfields (**Appendix 2.7**) developed for children in the lands assigned by the promoters of layouts in Coimbatore CMC did not have the play equipments defeating the very purpose of formation of such playfields.

(iv) Parks normally provide facilities like walkers' path, benches, children play equipment, lighting, etc. However, the facilities were not provided in parks in Coimbatore CMC as depicted in **Table 5**.

Table 5

Sl.No.	Nature of facility	Number of parks without the facilities
1.	Walkers' path	6
2.	Children play materials	6
3.	Lighting	5
4.	Benches	5

2.3.3.3 Public convenience

The budget provision and expenditure on public convenience during 2003-08 in the three CMCs were as given in **Table 6**.

Table 6

(Rupees in lakh)

Year	Chennai			Madurai			Coimbatore		
	BE	RE	Expr.	BE	RE	Expr.	BE	RE	Expr.
(i) Public toilets - maintenance									
2003-04	97.90	478.00	243.08	Maintained by self help			33.95	6.85	4.47
2004-05	411.20	443.00	223.18	groups out of user charges			26.25	13.94	8.57
2005-06	371.30	379.00	162.29	collected by them.			16.00	44.91	32.21
2006-07	407.61	280.51	212.63				45.00	31.40	6.75
2007-08	310.00	283.01	165.76				50.00	50.20	2.01
(ii) Public toilets - capital expenditure									
2003-04	Expenditure booked under 'Buildings'; no separate						216.00	238.69	309.81
2004-05	provision made for public toilets under capital head.						350.00	207.10	219.40
2005-06							75.00	137.63	148.00
2006-07							253.00	266.40	210.47
2007-08							350.00	341.20	242.93

BE: Budget Estimate; RE: Revised Estimate; Expr.: Expenditure

(Source: Information furnished by the CMCs and budget documents of the CMCs)

Coimbatore CMC stated (April 2009) that the provision made under capital head were not utilised in full during 2006-08 due to delay in site clearance and belated commencement of works. As far as revenue expenditure is concerned Coimbatore CMC stated (April 2009) that expenditure was less during 2006-08 due to misclassification. However, the reason is not acceptable as the same figures of expenditure was included in the accounts submitted for

certification by the Director of Local Fund Audit (DLFA) indicating incorrect budgeting.

Eleventh Five Year Plan of the State (2007-2012) envisaged provision of one toilet seat per 30 population in notified slum areas where land is available.

A comparison of toilet seats available in Zone III⁷ of Chennai CMC, Coimbatore and Madurai CMCs with proportionate target for provision of toilet seats in slum areas revealed shortfall as indicated in **Table 7**.

Table 7

Sl.No.	Name of the Corporation	Slum Population	Number of toilet seats		
			Proportionate Target	Provision	Shortfall (Percentage)
1	Chennai-Zone III	86,891	1,159	293	866 (75)
2	Coimbatore	1,20,691	1,609	1,311	298 (19)
3	Madurai	3,69,411	4,925	2,196	2,729 (55)
	Total	5,76,993	7,693	3,800	3,893

(Source: Information furnished by the CMCs)

Shortfall in provision of toilet seats in slum areas with reference to proportionate target for 2007-09 was 75 per cent and 55 per cent in Chennai Zone III and Madurai CMC respectively.

The shortfall with reference to proportionate target for 2007-09 (two years out of five years) worked out to 19 to 75 per cent. As Chennai (Zone III) and Madurai Corporations are lagging behind by more than 50 per cent, it is doubtful whether they could achieve the envisaged target of Eleventh Five Year Plan. Further, inadequate provision of toilets would result in insanitary conditions in slum areas.

2.3.3.4 Solid waste management

The budget provision and expenditure on clearance of garbage during 2003-08 in the three CMCs were as given in **Table 8**.

Table 8

(Rupees in lakh)

Year	Chennai			Madurai			Coimbatore		
	BE	RE	Expr.	BE	RE	Expr.	BE	RE	Expr.
2003-04	93.17	94.57	90.84	358.00	358.00	306.67	161.95	225.50	156.52
2004-05	95.76	98.40	102.32	390.00	300.00	279.22	234.45	364.84	356.16
2005-06	102.98	112.70	108.58	300.00	400.42	389.37	500.00	450.00	383.20
2006-07	114.45	127.38	120.69	440.46	400.42	387.22	500.00	360.00	341.77
2007-08	140.84	133.70	122.16	410.00	360.80	333.12	400.00	421.85	434.03

BE: Budget Estimate; RE: Revised Estimate; Expr. Expenditure

(Source: Information furnished by the CMCs and budget documents of the CMCs)

As per Municipal Solid Wastes (Management and Handling) Rules, 2000 the Urban Local Bodies are responsible for implementing the provisions of the

⁷ Chennai Zone III comprising mainly Choolai, Elephant Gate, Park Town, Perambur and Vysarpadi.

said Rules. Chennai, Coimbatore and Madurai CMCs generate about 3,300, 550 and 450 MTs of solid waste per day respectively.

Compliance criteria with regard to collection of solid waste as per Schedule II to Municipal Solid Wastes (Management and Handling) Rules, 2000 included organising house-to-house collection of municipal solid wastes through any of the methods like community bin collection (central bin), house-to-house collection, collection on regular pre-informed timings and scheduling and transportation of waste in a covered vehicle. Further, the municipal authority was to organise awareness programmes for segregation of wastes and shall promote recycling or reuse of segregated materials. Wastes from slaughterhouses, meat and fish markets, fruits and vegetable markets, which are biodegradable in nature, were to be made use of. As per Schedule IV of the Rules *ibid*, the waste processing or disposal facilities were to include composting, incineration, pelletisation, energy recovery or any other facility based on state-of-the-art technology duly approved by the Central Pollution Control Board.

Implementation of Municipal Solid Wastes (Management and Handling) Rules, 2000 in Coimbatore and Madurai was only partial as there were shortcomings in house-to-house collection of waste segregation and disposal of waste.

A review on implementation of Municipal Solid Wastes (Management and Handling) Rules, 2000 by Coimbatore and Madurai CMCs revealed the following:

- House-to-house collection of waste was organised only in 36 wards (out of 72 wards) in Coimbatore CMC and in 19 wards in Madurai CMC (out of 72 wards).
- Segregation of waste was about nine *per cent* of waste generated in Coimbatore CMC and in Madurai CMC no segregation was done; even the segregated waste in Coimbatore CMC was mixed with other wastes due to non-availability of waste processing facilities.
- While 8.33 *per cent* biodegradable wastes collected from slaughterhouses, vegetable and fruit markets, etc., in Coimbatore CMC was being utilised (50 MT per day) for vermicomposting through a private company; in Madurai CMC no composting of the above wastes was done.
- Industrial wastes were not collected and disposed off separately as per rules.
- In Coimbatore CMC about 46 *per cent* of waste collected was transported in open vehicles.
- No arrangements for disposal of waste in a scientific manner in the landfill site were made in Coimbatore and Madurai CMCs, except utilisation of a part of the wastes generated for composting in Coimbatore CMC.

Thus, the implementation of the provisions of Municipal Solid Wastes (Management and Handling) Rules, 2000 was only partial in Coimbatore and Madurai CMCs.

2.3.4 Conclusion

The city Municipal Corporations are lagging behind in provision of modern slaughterhouses as envisaged in the XI Five Year Plan. The number of slaughterhouses in the three CMCs were insufficient. Moreover, the functioning of the slaughterhouses was defective as the required number of Veterinary Doctors were not posted and there were no rendering plants and effluent treatment plants in most of the slaughterhouses. Land assigned for formation of parks/playfields were not developed into parks/playfields and facilities like walkers' path, benches, etc., were not provided in parks. Adequate public conveniences were not available in all of the CMCs. The implementation of the provisions of Municipal Solid Wastes (Management and Handling) Rules, 2000 in Coimbatore and Madurai CMCs was only partial.

2.3.5 Recommendations

- Construction of modern slaughterhouses should be taken up so as to achieve the target envisaged in XI Five Year Plan.
- Action should be taken to provide Veterinary Doctors to the slaughterhouses as per norms, for provision of rendering plants and effluent treatment plants to all slaughterhouses.
- Efforts should be made to develop the land assigned by promoters into parks and for provision of required facilities for the beneficial use of public.
- Adequate toilets in slum areas should be provided.
- Action needs to be taken to implement the provisions of Municipal Solid Wastes (Management and Handling) Rules, 2000 *in toto*.

The matter was referred to Government in March 2009; reply has not been received (June 2009).