

CHAPTER-IV

AUDIT FINDINGS ON URBAN LOCAL BODIES

This chapter contains Performance Audit of 'Waste Management' and six paragraphs relating to Urban Local Bodies.

PERFORMANCE AUDIT

Local Self Government Department

4.1 Waste Management

Executive summary

Rajasthan is the largest State of India in terms of area. With growing urbanization and changing lifestyle, generation of waste and its appropriate disposal has become a challenge for the State. Central Government under the provisions of the Environment Protection Act (EPA), 1986, has issued several rules for handling and management of solid waste, plastic waste and e-waste. Waste management is a State subject and local bodies are responsible for performing waste management related activities.

A Performance Audit of Waste Management in selected units, revealed that Government of Rajasthan released ₹ 292.81 crore to Urban Local Bodies (ULBs) during 2015-17 for solid waste management under Swachh Bharat Mission, out of which only 20.69 per cent funds was utilised by all ULBs. In test checked 22 ULBs only 7.27 per cent of allotted funds was utilised.

Assessment of waste being generated, projection of waste likely to be generated in future, requirement of manpower, vehicles and risk to environment and human health posed by waste was not done at State level as well as in 50 per cent test checked ULBs and in all test checked PRIs level.

There were no effective plans for 'Reducing, Reusing and Recycling' of waste in most of the ULBs and all Gram Panchayats (GPs). In the absence of bye-laws and designated authorities to levy penalty, none of the test checked GPs had imposed penalty for violation of waste rules.

The compliance to the acts/rules governing solid waste, plastic waste and e-waste were poor as door to door collection of Municipal Solid Waste (MSW) was not done in 55.41 per cent urban wards of the State during 2016-17. Solid waste was being neither segregated nor processed in all test checked ULBs and unprocessed MSW was being dumped in open land. Further, landfill sites were constructed in only three out of 22 ULBs, however these landfills were not being used. In rural area, only three out of 43 test checked GPs waste was being collected and un-segregated & unprocessed waste was being dumped in open land.

4.1.1 Introduction

Rajasthan is the largest State of India in terms of area, having a population of 6.85 crore (1.70 crore people live in cities). With growing urbanization and changing lifestyle, generation of waste and its appropriate disposal has become a challenge for the State. Waste can be summarised as (i) **solid waste** - consists of household waste, construction and demolition debris, sanitation residue, wastes from slaughter houses & packaging houses and waste from streets, (ii) **plastic waste** - consists of plastic carry bags, pouches, or multilayered packaging, which have been discarded after use or after their intended life is over, (iii) **e-waste** - consists of end of life products and a range of electrical and electronic items¹. Beside this, there are some other wastes such as battery waste, industrial waste, biomedical waste, mining waste, radio-active waste, discarded motor vehicles, tyre waste etc.

The Central Government under the provisions of the Environment (Protection) Act (EPA), 1986, has issued several notifications to regulate the prevention and control of waste in the country. These include the management and handling of solid waste, plastic waste, e-waste, construction and demolition waste, used batteries etc. The rules issued by the Central Government are applicable to States also; however states may modify them by exercising the powers vested in them.

4.1.2 Organisational Setup

Though waste management is a State subject, it is basically a function of local bodies (Urban Local Bodies and Panchayati Raj Institutions) and these local bodies are responsible for performing this important activity.

Principal Secretary, Local Self Government Department (LSGD) and Principal Secretary, Rural Development Department (RDD) and Panchayati Raj Department (PRD) are the administrative head and controlling authority of Urban Local Bodies (ULB) and Zila Parishad (ZP) (RD Cell & PR Cell) respectively. As per provisions of MSW (Management and Handling) Rules, 2000 and SWM Rules, 2016, Principal Secretary, LSGD is responsible for preparation of policy and strategy of solid waste management for the State in urban area.

The Rajasthan State Pollution Control Board (RSPCB) is engaged in implementation of the various rules under EPA, 1986, in the State. The RSPCB is the principal agency for monitoring and controlling waste management.

4.1.3 Scope of Audit and Audit Methodology

The Performance Audit (PA) for the period 2012-13 to 2016-17 was conducted during the period from April 2017 to July 2017. The PA covered LSGD, PRD, RDD, Directorate of Local Bodies (DLB), Environment

1. Electrical and electronic tools i.e. Refrigerators, Computers, Printers, Medical equipment, Televisions etc.

Department, RSPCB including 7 regional offices and 22 ULBs and 59 PRIs units of eight selected districts (out of 33) (*Appendix-XIV*). Joint physical inspection was also conducted in the test checked units. The 22 ULBs² included two Municipal Corporations (M Corp), four Municipal Councils (MCs) and 16 Municipal Boards (MBs). Likewise, 59 PRIs units³ included 8 Zila Parishads (ZPs), eight Panchayat Samitis (PSs) and 43 Gram Panchayats (GPs). Units have been selected through appropriate stratified on field population sampling method.

An Entry Conference with the Secretary, PRD and representative of RSPCB, DLB was held on 28 March 2017 in which the Audit objectives, criteria, scope and methodology were discussed. An Exit Conference with Principal Secretary, LSGD and other representatives of RSPCB and PRD was held on 06 March 2018 to discuss the Audit findings and recommendations and the responses have been considered while finalising the Performance Audit.

4.1.4 Audit Objectives

This Performance Audit was conducted to assess whether:

1. an assessment, including data collection, of the solid waste, plastic waste and e-waste generated has been made and risks to environment and health posed by waste have been identified;
2. effective acts/rules/policies/strategies existed for management of solid waste, plastic waste and e-waste and whether emphasis was given to prevention, reduction, reuse and recycling over disposal of waste;
3. management and handling of solid waste, plastic waste and e-waste is being done as per rules/policies in existence; and
4. funding and infrastructure for the implementation of waste management were adequate and whether an effective internal control and monitoring mechanism exists.

4.1.5 Audit Criteria

The sources for Audit criteria *inter-alia* included:

- The Environment (Protection) Act, 1986.
- Manual on Municipal Solid Waste Management, 2000.
- Municipal Solid Waste (Management and Handling) Rules, 2000 and Solid Waste Management Rules, 2016.
- Plastic Waste (Management & Handling) Rules, 2011 and Plastic Waste (Management) Rules, 2016.

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2. Two out of seven M Corps, four out of 34 MCs and 16 out of 147 MBs were selected for Audit.
 3. Eight ZPs, Eight PSs (one from each selected ZP) and 43 GPs (15 *per cent* of each selected PSs).

- E-Waste (Management & Handling) Rules, 2011 and E-Waste (Management) Rules, 2016.
- Rajasthan Municipal Act (RMA), 2009 and relevant rules framed by the Government of Rajasthan.
- Relevant acts, notifications, orders, circulars and scheme guidelines, instructions issued by Environment Department/Central Pollution Control Board (CPCB)/RSPCB/LSGD/PRD/RDD.

4.1.6 Audit findings

Audit Objective 1 :Whether an assessment, including data collection, of the solid waste, plastic waste and e-waste generated have been made and risks to environment and health posed by waste have been identified

4.1.6.1 Assessment of quantum of waste being generated (current and future)

As per paragraph 3.3.1 of Manual on Municipal Solid Waste Management (Manual) 2000, an analysis of the composition, characteristics and quantities of solid waste is essential as it provides the basic data for planning, designing and operating the waste management process. The changes/trend in composition and quantity of waste over a period of time can be predicted which help in future planning. This information must be collected by a responsible national, regional or local authority. DLB is responsible for assessment of waste through municipalities concerned.

As per Rule 9 of Plastic Waste (Management) Rules, 2016 the producers, importers and brand owners need to establish a system for collecting back the plastic waste generated due to their products.

E-Waste (Management) Rules, 2016 stipulates that the actual target for collection of e-waste for dismantling or recycling will be fixed on the basis of quantity of electrical and electronic equipment, product code wise, that was placed in the market in the previous years and taking into consideration the average life of the equipment. The estimated quantity of e-waste generated during the current year will be indicated by the producer and the quantity expected to be collected with the collection scheme proposed to be implemented by the producer will be indicated in the Extended Producer Responsibility plan.

In this regard, Audit observed that:

- (i) Directorate of Local Bodies assessed the generation of 6,400 metric tons per day (MTPD) municipal solid waste (MSW) in urban areas only for a single year 2015-16.
- (ii) Directorate of Local Bodies did not assess quantum of plastic waste and e-waste being generated in the urban areas of the State during 2012-17.

RSPCB did not have any information regarding assessment of e-waste and plastic waste in the entire State.

(iii) In 22 test checked ULBs, 11 (50 per cent)⁴ did not assess quantum of generation of solid/plastic/e-waste in the areas falling under their jurisdiction. Remaining 11 ULBs had assessed quantum of MSW expected to be generated on the basis of population and exhibited them in their Detailed Project Reports (DPRs) for Integrated Solid Waste Management which was prepared as part of the Swachh Bharat Mission (SBM) programme.

(iv) In rural areas, RDD/PRD did not assess generated quantum of solid/plastic/e-waste. Also, all 59 test checked PRIs did not assess quantum of generation of solid/plastic/e-waste in the areas falling under their jurisdiction.

(v) Directorate of Local Bodies, RSPCB, RDD and PRD did not make any future projection about composition and quantities of the solid/plastic/e-waste likely to be generated.

(vi) In the test checked units, 11 (50 per cent)⁵ out of 22 ULBs and all 59 PRIs did not make projection of quantum of any type of waste likely to be generated in future. Remaining 11 test checked ULBs made projection of quantum of MSW in their DPR up to the year 2046 on the basis of only one parameter i.e. future projected population of the urban areas.

Directorate of Local Bodies stated (March 2018) that assessment about generation of waste have been done by municipality concerned in their DPR. The fact remained that 50 per cent test checked ULBs did not assess quantity of generation of waste.

4.1.6.2 Assessment of current and future capacity to handle waste

Assessment of currently generated waste and available waste disposal mechanism (incinerators, landfills etc.), help to assess the adequacy of waste handling infrastructure in future.

It was observed that LSGD, PRD, RDD and RSPCB did not assess the current and future capacity of manpower and vehicles, in physical and financial terms, to handle solid/plastic/e-waste along with other type of wastes.

Out of the 22 test checked ULBs, 11 ULBs⁶ (50 per cent) did not assess current capacity to handle waste while remaining 11 ULBs assessed current capacity of manpower and vehicles in their respective DPRs. While out of these 11, only five ULBs⁷ made future assessment of capacity. Further, all 43 test checked GPs did not assess current capacity and future requirement of

4. Deshnok, Fatehnagar, Jaitaran, Karauli, Nadbai, Nagar, Nokha, Salumber, Sambhar, Todabhim and Viratnagar.

5. Deshnok, Fatehnagar, Jaitaran, Karauli, Nadbai, Nagar, Nokha, Salumber, Sambhar, Todabhim and Viratnagar.

6. Deshnok, Fatehnagar, Jaitaran, Karauli, Nagar, Nadbai, Nokha, Sambhar, Salumber, Todabhim and Viratnagar.

7. Anta, Baran, Bhawanimandi, Jhalawar and Pidawa.

manpower and vehicles to handle solid/plastic/e-waste. The findings noticed in test checked units have been discussed in **paragraph 4.1.6.11**.

Thus, in the absence of assessment of current capacity and future requirement of manpower, vehicles and equipment to handle waste, the waste management at ULBs and GPs were ineffective.

4.1.6.3 Assessment of risk to environment and human health posed by waste

Paragraph 22.2.1 of the Manual 2000, stipulated that Environment and Health Impact Assessment (EHIA) of Municipal Solid Waste Management is intended to identify and predict the impact of these activities and to suggest preventive measures as appropriate on the environment and on people's health and well being and to interpret and communicate information about the impacts. Further, EHIA broadly involves:

1. Identification of environmental and health hazards
2. Interpretation of environmental and health risks
3. Management of environmental and health risks

It was observed in Audit that LSGD, PRD, RDD and RSPCB did not conduct any assessment of risks to environment and human health posed by waste.

In the test checked units, 11 out of 22 ULBs and all 43 GPs did not assess risks to environment and human health posed by waste in the area falling under their jurisdiction. In remaining 11 ULBs⁸, although the assessment was carried out, but it remained confined to respective DPRs in eight ULBs (except Pali, Sojatcity and Sumerpur) and the findings of these reports were not disseminated to the public.



Dissemination of risk to environment/health, created due to landfill site at Baran, not done

Directorate of Local Bodies stated (March 2018) that assessment of risk to environment and human health have been done by municipality concerned in their DPR. The fact remained that 50 *per cent* test checked ULBs did not carry out such assessment.

8. Anta, Baran, Bhawanimandi, Bikaner, Jaipur, Jhalawar, Mangrole, Pali, Pidawa, Sojatcity and Sumerpur.

Assessment of waste and risks to environment and health

Assessment of waste generation in urban area was carried out for one year based on population size only. In 50 per cent test checked ULBs and 100 per cent test checked GPs, assessment of waste being generated, projection of waste likely to be generated in future, requirement of manpower & vehicles and risk to environment & human health posed by waste was not done. Though remaining test checked ULBs assessed the risks to environment and health posed by waste in their DPRs but findings were not disseminated to the public.

Recommendations

- 1. Rajasthan State Pollution Control Board in coordination with LSGD, PRD and RDD should carry out, periodically, a comprehensive assessment of the quantity of various waste being generated and collect data according to parameters like population, geographical areas, sectors (industrial, household, commercial, agriculture, tourism etc.,) and seasonal fluctuations for intervention and aiding policy-making.*
- 2. Local Self Government Department, PRD and RDD should estimate the additional requirement of manpower, vehicles and equipment so that waste management activities can be better planned in the State.*

Audit Objective 2: Whether effective acts/rules/policies/strategies existed for management of solid waste, plastic waste and e-waste and whether emphasis was given to prevention, reduction, reuse and recycling over disposal of waste

4.1.6.4 Existence of policy/action plan for waste management

As per provisions of MSW (Management and Handling) Rules, 2000 and Rule 11 of SWM Rules, 2016, Secretary in-charge of Urban Development in the State shall prepare policy and solid waste management strategy for the State within a period not later than one year from the date of notification of these rules.

(i) Solid waste - The LSGD, Government of Rajasthan (GoR) issued a separate policy for Municipal Solid Waste (Waste Management Policy in 2001) and bye-laws for solid waste management in March 2015. Further, for proper implementation of MSW, only 62 ULBs (33 per cent) out of 190 ULBs prepared DPRs during the year 2015 and 2016. Similarly, no action plan for waste management was prepared for the rural areas. DLB intimated that DPR of MB, Nokha was prepared whereas Executive Officer, MB, Nokha denied (May 2017) preparation of any DPR for the MB.

(ii) Plastic waste - GoR banned (July 2010) use of plastic carry bags with effect from August 2010. Further for effective implementation of Plastic Waste (M&H) Rules 2011, GoR instead of issuing a separate policy only instructed (June 2011) all ULBs to prohibit plastic carry bags and prepare

action plan. However, in test checked ULBs, it was observed that no action plan for effective implementation of Plastic Waste (M&H) Rules was prepared.

(iii) *E-waste* - As per Rule 12(3) of e-waste (Management) Rules, 2016, the GoR was to prepare integrated plan for effective implementation of the provisions of these rules and to submit annual report to Ministry of Environment, Forest and Climate Change. However, no such integrated plan as required under Rule 12(3) *ibid* was prepared by GoR.

4.1.6.5 Waste prevention and reduction by reducing, reusing and recycling

An efficient waste management policy seeks to extract the maximum practical benefits from products and minimize the waste generation arising from them with treatment and disposal of waste is being the least favoured option. The principle of 3 R i.e. Reduce, Reuse and Recycle emphasizes on strategies and programs for avoiding and reducing waste.

It was observed that though priority was accorded to 3R in MSW Rules 2000/ bye-laws of March 2015/SWM Rules 2016, RSPCB and DLB did not prepare any program for reduction of solid/plastic/e-waste and to promote the use of recycled and environmental friendly products in the State. Such strategies were not prepared in 11 ULBs⁹ (50 *per cent*) out of 22 test checked ULBs. Further even in the 11 ULBs where such strategies were prepared as part of DPR, no action was initiated for operationalising these strategies so far.

Only in Jaipur City, Refused Derived Fuel (RDF) and composting techniques have been used by M Corp, Jaipur for recycling of solid waste. Further, no strategy/program for 'Reduce, Reuse and Recycle' of solid/plastic/e-waste was made for rural area by RDD, PRD.

4.1.6.6 Recognition of role of waste pickers in segregation/recycling of waste

As per Rule 15(c) of SWM Rules, 2016, the local bodies shall establish a system to recognize waste pickers/informal waste collectors and facilitate their participation in SWM and door to door collection of waste. Further, Rule 11 (m) *ibid* stipulates that the ULBs shall start a scheme for registration of waste pickers and waste dealers.

Audit observed that none of the test checked PRI units and 20 (91 *per cent*) out of 22 test checked ULBs had identified and registered the waste pickers. Only M Corp, Bikaner identified and registered 333 waste pickers and MC Pali issued registration card to waste pickers. Further, none of the test checked ULBs and PRIs registered waste dealers.

Directorate of Local Bodies stated (March 2018) that instructions have been issued to ULBs for integrating the waste pickers.

9. Deshnok, Fatehnagar, Jaitaran, Karauli, Nagar, Nadbai, Nokha, Salumber, Sambhar, Todabhim and Viratnagar.

4.1.6.7 Levy of penalty for violation of rules

Rule 15 (zf) of SWM Rules, 2016 stipulates that ULBs/GPs shall frame bye-laws and prescribed criteria for levying of penalties for the persons who litter or fail to comply with the provisions of the rules and delegate powers to officers or the local bodies to levy spot fines.

Scrutiny of records of test checked ULBs revealed that in spite of having sufficient powers under relevant rules/bye-laws, 12 (55 per cent) out of 22 test checked ULBs did not levy any penalty for violation of waste related laws. Remaining 10 ULBs¹⁰ levied ₹ 13.80 crore penalty for violation of rules. Thus, only 45 per cent of the test checked ULBs were taking action for violation of rules.

Directorate of Local Bodies stated (March 2018) that instructions and circulars have been issued to ULBs for levy of penalty, however, no responsibility was assigned to any authority by PRD/RDD for levying penalty in GPs.

Existence of rules/regulations/policies/strategies

Though adequate Acts, Rules and Policies were available, there were no effective strategies/plans for 'Reducing, Reusing and Recycling' of waste in most of the ULBs and all GPs. Thus most of the efforts were directed at disposal strategies rather than at 'Reducing, Reusing and Recycling' of waste. Though the rules provided for identification and registration of waste pickers, 20 out of the 22 test checked ULB and all test checked GPs had not identified and registered waste pickers. Further, in the absence of bye-laws and designated authorities to levy penalty, none of the test checked GPs had imposed penalties for violation of waste rules.

Recommendations:

3. All ULBs should prepare Detailed Project Reports for management of solid waste and introduce effective strategies for better waste management including strategies for the reduction, reuse and recycling of waste.

4. Urban Local Bodies and GPs should identify and register waste pickers and waste dealers to facilitate and regulate their participation in waste management.

Audit Objective 3: Whether management and handling of solid waste, plastic waste and E-waste is being done as per rules/policies in existence

4.1.6.8 Management and handing of solid waste

Municipal Solid Waste (Management and Handling) Rules, 2000 and Solid Waste Management (SWM) Rules, 2016 make every municipal authority responsible for infrastructure development for collection, storage, segregation,

10. Bikaner: ₹ 3.42 lakh, Jaipur: ₹ 1373.86 lakh, Karauli: ₹ 0.57 lakh, Nadbai: ₹ 0.18 lakh, Nagar: ₹ 0.12 lakh, Pali: ₹ 0.96 lakh, Sambar: ₹ 0.12 lakh, Sumerpur: ₹ 0.26 lakh, Todabhim: ₹ 0.47 lakh and Viratnagar: ₹ 0.05 lakh.

transportation, processing and disposal of Municipal Solid Waste (MSW). The State Pollution Control Board is given responsibility for granting authorisation for setting up waste disposal facilities and its monitoring to ensure that disposal of MSW meets the compliance criteria set out by the Central Pollution Control Board (CPCB). The provisions of SWM Rules, 2016 also apply to rural areas.

Audit observations relating to collection, transportation, storage, processing and disposal of MSW in test checked ULBs and GPs are discussed below:

(i) Collection of solid waste

Schedule II of MSW Rules, 2000 and Rule 15 of SWM Rules, 2016 stipulates specified activities be taken up by the municipality/operator to ensure that all waste that is generated in the municipal area is collected.

Scrutiny of records of LSGD revealed that during 2016-17, door to door collection of waste was not being done in 2,920 wards (55.41 *per cent*) out of 5,270 wards of all ULBs of the State. DLB stated in the reply (March 2018) that door to door collection is now being carried out in 5,107 wards out of 5,359 wards of the State and rest of the wards would be covered by the end of March 2018. However, this claim could not be verified in Audit.

During 2012-17, out of 22 test checked ULBs (691 wards), seven ULBs¹¹ (195 wards) did not collect door to door MSW and in eight ULBs¹² door to door collection of MSW was being done partially in only 149 out of 316 wards and only in seven ULBs¹³, door to door collection was being done in all 180 wards. Thus in all test checked ULBs, in 52.39 *per cent* wards door to door collection of waste was not being done.

As regards door to door collection of solid waste in rural areas, no information was made available by the nodal departments i.e. RDD & PRD. In the test checked GPs, door to door collection of waste was being done only in three¹⁴ (7 *per cent*) out of 43 GPs.

(ii) Segregation of solid waste

Schedule II of MSW (Management and Handling) Rules, 2000 provides that specified activities should be taken up by the municipality/operator to ensure that segregation of MSW takes place. Further, SWM Rules, 2016 provides that the segregation of waste was to be done at source and segregated waste was to be kept in different streams i.e., biodegradable, recyclable, hazardous etc.

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11. Anta (25 wards), Baran (45 wards), Bhawanimandi (30 wards), Karauli (40 wards), Mangrol (20 wards), Pidawa (15 wards) and Viratnagar (20 wards).
 12. Bikaner (40 out of 60 wards), Deshnok (10 out of 20 wards), Fatehnagar (10 out of 20 wards), Jaipur (24 out of 91 wards), Jhalawar (8 out of 35 wards), Pali (45 out of 50 wards), Salumber (8 out of 20 wards) and Todabhim (4 out of 20 wards).
 13. Jaitaran (20 wards), Nadbai (25 wards), Nagar (25 wards), Nokha (35 wards), Sambhar (20 wards), Sojatcity (30 wards) and Sumrpur (25 wards).
 14. Manoharpur (PS: Shahpura, District Jaipur), Malanwas and Sumer (PS: Khanpur District Jhalawar).

As regards segregation of solid waste in urban and rural areas, no information was made available by the nodal departments i.e. DLB and RDD & PRD respectively.

During test check, it was observed that solid waste was not being segregated in any of the 22 ULBs and 43 GPs.

Directorate of Local Bodies stated (March 2018) that compartmentalization of waste collection vehicles (Auto Tippers) has been done for wet and dry waste. The reply is not convincing as the waste is not being segregated at source.

(iii) Storage of solid waste

Schedule II of MSW Rules, 2000 provides that (i) municipal authorities should establish and maintain storage facilities to ensure that collected and segregated waste is properly stored. Storage facilities shall be created and established by taking into account quantities of waste generation in a given area and the population densities; (ii) storage facilities or 'bins' shall have 'easy to operate' design for handling, transfer and transportation of waste. Bins for storage of bio-degradable wastes shall be painted green, those for storage of recyclable wastes shall be painted white and those for storage of other wastes shall be painted black; (iii) stray animal shall not be allowed to move around waste storage facilities; (iv) the bins or containers wherever placed shall be cleaned before they start overflowing. Further, Rule 5(i) of bye-laws, 2015 provides that the minimum distance between two storage facilities (bins) should be 500 meters. Audit observed that:

In 43 test checked GPs, 40 GPs (93 *per cent*) did not have storage facilities and only in three GPs¹⁵ bins were available for waste storage. Further, in three GPs¹⁶ the bins were neither suitably designed for easy operation in terms of 'handling, transfer and transportation of waste' nor in prescribed colour format. Protection of storage facilities from reach of stray animals was also not available in all test checked GPs.

Thus, due to not having adequate storage facilities the mixed solid waste was dumped in open area. This led to unhygienic conditions causing harm to human health and contamination of the environment.

(iv) Transportation

Schedule II of MSW Rules, 2000 and Rule 15 of SWM Rules, 2016 provides that the specified activities should be taken up by the municipality/operator to ensure that transportation of MSW for processing/disposal takes place in a hygienic manner and does not cause littering of waste. In this regard, it was observed in Audit that:

15. Manoharpur (PS: Shahpura, District Jaipur), Malanwas and Sumer (PS: Khanpur District Jhalawar).

16. Manoharpur (PS: Shahpura, District Jaipur), Malanwas and Sumer (PS: Khanpur District Jhalawar).

(a) In 11 test checked ULBs waste was transported by the ULBs concerned in uncovered vehicles while in remaining 11 ULBs¹⁷ (50 per cent) it was transported by both uncovered and covered vehicles. Out of 43 test checked GPs, while in 40 GPs, waste was not being collected; in three GPs¹⁸ waste is being transported in uncovered vehicles.



(b) The vehicles used for transportation of solid waste in 16 test checked ULBs¹⁹ and three test checked GPs (where transportation of wastes is being done), were not designed to avoid multiple handling of waste prior to its disposal. Only six ULBs had used transportation vehicles which were designed to avoid multiple handling of waste before disposal.

Thus, the usage of uncovered vehicles and inappropriately designed vehicles caused littering and exposure of waste to open atmosphere resulting in unhygienic and insanitary conditions.

(v) ***Other findings related to transportation***

(a) ***Avoidable expenditure of ₹ 16.46 crore on transportation of solid waste***

During scrutiny of records of test checked ULBs it was observed that three ULBs (Bikaner, Pali and Sumerpur) incurred an avoidable expenditure of ₹ 16.46 crore on hiring of vehicles with manpower for transportation of waste despite having adequate capacity of own vehicles for the waste generated in the area under their jurisdiction. The details of such avoidable expenditure are given in **Table 4.1** below:

17. Bikaner, Fatehnagar, Jaipur, Jaitaran, Karuli, Nadbai, Nagar, Pali, Sojatcity, Sumerpur and Todabhim.
18. Manoharpur (PS: Shahpura, District Jaipur), Malanwas and Sumer (PS: Khanpur District Jhalawar).
19. Anta, Baran, Bikaner, Deshnok, Jaitaran, Jhalawar, Karauli, Mangrol, Nadbai, Nagar, Nokha, Pali, Pidawa, Salumbar, Sambhar and Viratnagar.

Table 4.1

Name of ULBs	Quantity of waste generated as per norms	Quantity of waste actually transported	Available capacity of functional own vehicle	Capacity of hired vehicles	Period	Avoidable expenditure (₹ in crore)
	(in MTPD)					
M Corp, Bikaner	284	210	296 ²⁰	312	8/14 to 3/2017	9.73
MC, Pali	74.82	74.80 (done by own vehicles ²¹)	55.8 ²²	188.80	1/13 to 3/2017	4.74
MB, Sumerpur	7.83	7.26	22.60	Not available (Lump sum contract given)	2012-17	1.99
Total						16.46

Source: Information provided by concerned Municipalities.

It can be seen from the above table that in spite of these three ULBs having sufficient capacity of own vehicles for waste transportation, the vehicles from private contractors were hired, incurring an expenditure of ₹ 16.46 crore, which could have been avoided.

On being pointed out, M Corp, Bikaner replied (May 2017) that it had large area under its jurisdiction and it did not have sufficient number of vehicles for waste transportation and hence the vehicles were hired. MC, Pali replied (May 2017) that Pali being an industrial city has more waste generation as compared to other cities hence, private vehicles in addition to their own vehicles were used for transportation of waste. MB, Sumerpur replied (May 2017) that the MB did not have adequate manpower and vehicles for waste transportation and hence private contractors were engaged for the purpose.

The replies were not convincing as these ULBs had sufficient capacity of functional own vehicles for transportation of waste and in case manpower was not available, they could have considered engaging contractual labour, while using the available infrastructure.

(b) Irregular time extension

As per Rule 73 of the Rajasthan Transparency in Public Procurement (RTPP) Rules, 2013, repeat orders for extra items or additional quantities may be issued upto 50 per cent of the total cost of procured material or proportionate

20. 11 Dumper (11 x 8 MT x 2 trips) = 176 MT, 12 Tractors (12 x 2 MT x 2 trips) = 48 MT and 3 Refuse Compactor (3 x 12 MT x 2 trips) = 72 MT (Total 296 MTPD) (as per paragraph 13.4.3 of Manual, 2000 all the vehicles may be utilised in two shifts to lift containers).

21. The whole waste transported by own vehicles of MC Pali by increasing number of trips of the vehicles in the following manner- one Dumper Placer 4.8 MT x 4 trips per day (Total 19.20 MTPD); one Refuse Collector: 9.5 MT x 4 trips per day (Total 38 MTPD); two Auto Tipper: 1.2 MT x 4 trips per day (Total 4.80 MTPD); two Auto Hopper : 2 MT x 4 trips per day (Total 8 MTPD); and one Tractor : 1.2 MT x 4 trips per day (Total 4.80 MTPD) Total = 74.80 MTPD.

22. Refuse Compactor: 1 x 9.5 x 2 trips = 19 MT, Dumper Placer: 1 x 4.8 x 2 trips = 9.6 MT, Auto Rickshaw: 2 x 0.6 x 2 trips = 2.4 MT, Auto Hopper: 2 x 1.2 x 2 trips = 4.8 MT, Tractor: 5 x 2 x 2 trips = 20 MT (Total 55.8 MTPD) (as per paragraph 13.4.3 of Manual, 2000 all the vehicles may be utilised in two shifts to lift containers).

period of contract agreement to the contractor if the procuring department had such provision in the tender document.

Urban Local Bodies, Jaitaran, Pali and Sumerpur issued repeat orders to private firms for hiring of vehicles for transportation of waste and other purposes as per detail given in **Table 4.2** below:

Table 4.2

(₹ in lakh)

Name of ULBs	Original work orders		Permissible extension of time and value (up to 50 per cent of the original works)		Actual value and time of executed works		Works irregularly extended		Purpose
	Time period allowed in the contracts (months)	Value	Time period (month)	Value	Time period (month)	Value	Time period (month)	Amount (Per cent)	
1	2	3	4	5	6	7	8 (6-4)	9 (7-5)	10
MC, Pali	1.1.13 to 31.12.13 (12 months)	17.52	18	26.28	27	46.24	9	19.96 (113.93)	Hiring of vehicles for transportation of waste
	1.1.13 to 31.12.13 (12 months)	26.46	18	39.69	27	65.79	9	26.10 (98.64)	
	20.6.13 to 20.9.13 (3 months)	12.15	4.5	18.23	14.5	38.42	10	20.19 (166.17)	
MB, Jaitaran	1.4.2012 to 31.3.2013 (12 months)	3.83	18	5.75	56	19.79	38	14.04 (366.58)	Engagement of labours
MB, Sumerpur	1.5.12 to 31.3.13 (11 months)	25.51	16.5	38.27	23	56.95	6.5	18.68 (73.23)	Hiring of vehicles for transportation of waste
Total								98.97	
<i>Source: Information provided by concerned ULBs.</i>									

The above table depicts that the ULBs extended the contract period, ranging from six to 38 months beyond the permissible limit as per RTPP Rules, 2013 and incurred irregular expenditure of ₹ 0.99 crore on the repeated work orders. The work executed in terms of amount, in the extended period was much more than the actual period of the contract and it was ranged between 366.58 per cent and 73.23 per cent. Further, MB Sumerpur not only extended contract period beyond prescribed limit but also increased the rate by 13 per cent during the extended period.

On being pointed out, MC, Pali and MB, Jaitaran stated (May 2017 and June 2017) that the time extension was granted to the contractors due to urgency of the work and anticipated delay in tendering process. Whereas MB, Sumerpur stated (May 2017) that the time extension was granted on the basis of satisfactory work by the contractor and after approval of the Empowered Committee of the MB.

The replies of the ULBs were not acceptable as it was against the provisions of the relevant rules. Thus, all the above ULBs irregularly paid a sum of ₹ 0.99 crore in contraventions to RTPP Rules, 2013 and thereby extended undue benefit to the contractors.

(vi) Processing of solid waste

Schedule II of MSW Rules, 2000 and Rule 15 of SWM Rules, 2016 specifies that municipal authorities shall adopt suitable technology or combination of such technologies to make use of waste to minimize burden on landfill. Criteria to be followed included composting, vermi-composting, anaerobic digestion or any other appropriate biological processing for stabilization of waste. Incineration with or without energy recovery including pelletisation could also be used for processing wastes in specific cases.

Further, Rule 21 of SWM 2016 stipulates that non recyclable waste having calorific value of 1500 k/cal/kg or more shall not be disposed off on landfills and shall only be utilised for generating energy either through RDF or by giving away as feed stock for preparing RDF.

(a) It was observed in 21 (except Jaipur) out of 22 test checked ULBs that MSW was not being processed before its disposal and was being dumped without processing in open dumping sites. Though MSW was being processed in Jaipur by a Compost plant and RDF plant, the plants were not being utilised to their full capacity (inspite of 1300 MTPD waste being available) as the compost plant received only 150 MTPD (60 *per cent*) waste against processing capacity of 250 MTPD while RDF plant received 61 MTPD (17.43 *per cent*) against processing capacity of 350 MTPD.

Besides, in all the 43 test checked GPs, solid waste was not being processed before its disposal in absence of any facility.

(b) It was also observed that 'waste to energy' plant was not set up in any of 22 test checked ULBs during 2012-17. However, in Jaipur city an agreement was executed in April 2017 for setting up a 'waste to energy' plant.

Directorate of Local Bodies stated (March 2018) that at the State level, currently 10 *per cent* of entire solid waste is being processed and 19 processing plants are under construction.

(c) Infructuous expenditure on processing plant

Directorate of Local Bodies sanctioned (August 2007) the installation of a compost plant with capacity of 75 MTPD in Pali under Twelfth Finance Commission Grant. The Awas Vikas Limited (AVL) executed the civil work of the compost plant and a work order was issued (September 2007) to a firm for supply and installation of mechanical plant for conversion of MSW to compost. It was observed that a tripartite agreement was not executed between the MC, AVL and the firm till November 2017. Hence, the plant did not come into operation. The entire expenditure of ₹ 1.72 crore incurred on construction of processing plant was, therefore, infructuous.

(vii) Disposal of solid waste

(a) Development of landfill sites

As per Schedule II of MSW Rules, 2000 and Schedule I of SWM Rules, 2016, land filling shall be restricted to non-biodegradable, inert waste and other waste that are not suitable either for recycling or for biological processing. Land filling shall also be carried out for residues of waste processing facilities as well as pre-processing rejects from waste processing facilities. Land filling of mixed waste shall be avoided unless the same is found unsuitable for waste processing. Further, SWM Rules, 2016 prescribes that local authorities having a population under 0.5 million shall identify suitable sites for setting up common regional sanitary landfill facilities for suitable cluster.

Scrutiny of progress report of DLB for the year 2015-16 revealed that out of 188 ULBs in the State, land for landfill sites was identified in 151 ULBs leaving 37 ULBs where no land was identified so far.

Out of 22 test checked ULBs, 12 ULBs²³ (55 *per cent*) each having population less than 0.5 million did not identify landfill sites. Out of 10 identified landfill sites, seven did not apply to RSPCB for grant of authorisation for setting up waste processing/disposal facilities.

Though in three ULBs (Baran, Jaipur and Jhalawar), landfill sites were developed by incurring an expenditure of ₹ 12.74 crore²⁴, they were not being used. In Baran and Jhalawar, landfill sites could not be put to use due to non-availability of processing plants. While in Jaipur, though both waste processing plant as well as landfill site were set up but the landfill site was not being used. Thus, in all 22 test checked ULBs waste was being dumped in open land as either landfill sites were not developed (in 19 ULBs) or landfill sites were non-functional (in three ULBs).

The 43 test checked GPs had not developed landfill sites. Rural Development and Panchayati Raj Department stated (February 2017) that rules/policy have not been framed in this regard so far.

(b) Development of landfill in M Corp, Bikaner

As per MSW (Management and Handling) Rules 2000, waste processing and disposal facilities including landfills site should be situated at a distance of 200 metres away from highway and habitations and 20 kms away from airport/airbase. In special circumstances if distance is less than 20 kms, No Objection Certificate (NOC) should be obtained from civil aviation authority. Further, authorization was to be obtained from RSPCB.

23. Anta, Deshnokh, Fatehnagar, Jaitaran, Nadbai, Nagar, Nokha, Salumber, Sambhar, Sojatcity, Sumerpur and Viratnagar.

24. Municipal Corporation, Jaipur: ₹ 10.93 crore MC, Baran: ₹ 1.13 crore, and MC, Jhalawar: ₹ 0.68 crore.

District Collector allotted (2002) land to M Corp, Bikaner at Goga gate for development of landfill site. The allotted land is surrounded by residential areas and is just 16.8 kms away from the airport/airbase. However, the M Corp neither obtained NOC from civil aviation nor got authorization from RSPCB before executing (March 2017) an agreement for development of the landfill site on that land and incurred an expenditure of ₹ 25.08 lakh for levelling of the land.

On this being pointed out, M Corp replied (May 2017) that land was allotted in the year 2002 by the District Collector and that time habitations were not near the identified landfill site. Obtaining of authorisation from RSPCB by the firm is under process.

(c) Monitoring of open dumping sites

Out of 22 test checked ULBs, 11 ULBs²⁵ and all 43 test checked GPs had no plan to discontinue using the open dumping sites. Though the remaining 11 test checked ULBs had planned for closure of open dumping sites in their DPRs (2015 and 2016), the plan could not materialize and waste was still being dumped in open sites.

Further, during physical verification it was seen that waste was being burnt in the open in six ULBs²⁶ out of the 22 test checked ULBs.

Thus open dumping sites are required to be monitored to make sure that they do not pollute the environment and spread disease in surrounding areas.

(d) Test report of sample of ground water

As per Schedule III (24) of MSW Rules, 2000, the usage of ground water in and around landfill site for any purpose is to be considered after ensuring its quality.

It was observed that during the period 2012-17, no tests were carried out by the RSPCB for monitoring the quality of ground water, ambient air and leachate near dumping sites.

During physical verification (16 May 2017) samples of ground water from water source adjoining two dumping sites i.e. Sewapura and Mathuradas Pura in Jaipur were collected by Audit and got tested from the Central laboratory of RSPCB Jaipur. Test results are given in **Table 4.3** below:

25. Deshnok, Fateh Nagar, Jaitaran, Karauli, Nadbai, Nagar, Nokha, Salumber, Sambhar, Todabhim and Viratnagar.

26. Bhawanimandi, Bikaner, Jaipur, Jhalawar, Pidawa and Sumerpur.

Table 4.3

(In milligram/liter)

Parameters	Prescribed standards	Water testing of Sewapura site		Water testing of Mathuradaspura site	
		Test result	Excess (+)/ shortage (-) against parameters	Test result	Excess(+)/ shortage (-) against parameters
Calcium Carbonate	300	380	(+) 80	232	(-) 68
Total Dissolved Solids (TDS)	500	841	(+) 341	1125	(+) 625
Nitrate	45	67	(+) 22	9	(-) 36

It can be seen from the table above that these dumping sites were contaminating the ground water particularly as the total dissolved solids in the ground water was very high in the adjoining areas to the dump sites. RSPCB, Jaipur accepted (July 2017) the facts.

(viii) Other observations

(a) Non implementation of agreement

The GoI has (January 2016) a policy for promotion of city compost, wherein a market development assistance of ₹ 1500 per MT is to be paid to fertilizer marketing companies, which will be obligated to purchase all the compost manufactured in the respective cities to which they have been tagged. Audit observed that a tripartite agreement was made (April 2016) between M Corp Jaipur, M/s IL&FS Ltd. and M/s Chambal Fertilizers and Chemicals Limited (CFCL) for off take of city compost from Jaipur. However, CFCL did not lift the compost generated from the compost plant. This resulted in huge accumulation of compost at Sewapura processing plant, due to which the plant was forced to be shut down in February 2017.

Thus non implementation of GoI policy resulted in shut down of processing unit and piling of huge quantity of unprocessed MSW. M Corp, Jaipur did not furnish reply regarding failure of CFCL in not lifting the compost.

(b) Non recovery of ₹33.02 lakh

An agreement was executed (October 2008) between M Corp, Jaipur and a firm 'A' for collection, transportation, processing and disposal of waste of four zones (Civil Line, Sanganer, Mansarovar and Vidhyadhar Nagar) under BOOT basis and work order was issued (January 2011) for a period of 10 years. Further as per the agreement, M Corp, Jaipur was to receive revenue share of ₹ 5.51 lakh and licence fee ₹ one lakh per year from the firm which was to be increased by 15 per cent every year. Also, lease money of ₹ 8,093 per year for land allotted for processing plant was to be recovered from firm "A". It was observed that the revenue share, license fee and lease money amounting to

₹ 33.02 lakh²⁷ for the period from 2014-15 to 2016-17 was not recovered from the firm.

4.1.6.9 Management and handling of plastic waste

RSPCB was responsible for monitoring the compliance of the rules related to management and handling of plastic waste and ULBs were responsible for its collection, segregation, transportation and disposal.

(i) Registration of retailers/street vendors

Rule 14(1) of Plastic Waste (Management) Rules 2016 stipulates that the shop keepers and street vendors willing to provide plastic carry bags for dispensing any commodity shall register with local body.

In all 22 test checked ULBs it was observed that neither any retailer/street vendor had registered for selling or providing consumer goods in plastic carry bags nor had the ULBs ensured such registration by the retailer/street vendor even though plastic bags were being used openly.

(ii) Collection, segregation, transportation and disposal of plastic waste

As per Plastic Waste (Management) Rules, 2016 and 2011 (i) municipal authority was responsible for regulating the usage of plastics and for setting up, operationalisation and co-ordination of the waste management systems and associated functions to ensure safe collection, storage, segregation, transportation and disposal of post consumer plastic waste; (ii) for setting up plastic waste collection centres, the municipal authorities may ask the manufacturers either collectively or individually in line with the principle of Extended Producers Responsibility (EPR) to provide the required finance to establish such collection centres; and (iii) to ensure that open burning of plastic waste does not take place.

In this regard Audit observed that:

(a) None of the 22 test checked ULBs had established a mechanism or issued direction for collection, handling, storage, transportation and disposal of plastic waste. Thus, implementation of these rules is yet to commence even after six years of their notification.

(b) No such collection centres were established in 22 test checked ULBs either by manufacturers or by concerned ULBs.

(c) All test checked 22 ULBs and 43 GPs did not ensure that plastic waste was not burnt in open. Further, during physical verification, it was observed that in six ULBs²⁸ (27 per cent) instances of open burning of mix waste including plastic waste was commonly observed.

27. Revenue share: ₹ 29.10 lakh + license fee: ₹ 3.76 lakh + lease money: ₹ 0.16 lakh (license fee and lease money have been calculated by increasing 15 per cent every year).

28. Bhawanimandi, Bikaner, Jhalawar, Jaipur, Pidawa and Sumerpur.



(iii) Levy and collection of user charges

As per Rule 8(3) of Plastic Waste (Management) Rules, 2016, all waste generators shall pay such user fee or charges as may be specified in the bye-laws of the local bodies for plastic waste management. As per Rule 15 *ibid*, user charges of minimum ₹ 4,000 per month have been prescribed for registering (with the local bodies) the producers/vendors willing to provide plastic carry bags for dispensing any commodity.

It was observed that all test checked 22 ULBs and 43 GPs had neither framed any bye-laws for levy of user charges with regard to plastic waste management nor collected any such user charge as prescribed in the rules *ibid*.

(iv) Use of technologies for road construction

Rule 5(1)(b) of Plastic Waste (Management) Rules, 2016 provides that local bodies shall encourage the use of plastic waste which cannot be further recycled for road construction as per Indian Road Congress guidelines or energy recovery or waste to oil etc.

It was observed that none of the test checked ULBs (except Jaipur and Udaipur) and 43 GPs initiated any measures in this regard.

(v) Scientific Management of Plastic Waste in M Corp, Jaipur

GoR decided (September 2014) to undertake a pilot project for scientific management of plastic waste in Jaipur City during the period 2014-15. For smooth implementation of the project, a tripartite agreement amongst M Corp, Jaipur, RSPCB and a NGO was to be entered and Department of UDH, LSGD, RSPCB and M Corp Jaipur were to appoint a Nodal Officer.

It was observed in Audit that neither the timeline was decided to carry out the project activities nor any nodal officers were appointed to implement the pilot project as of April 2017. Thus, scientific management of plastic waste, as envisaged, could not be initiated.

4.1.6.10 Management and handling of e-waste

(i) Authorisation/registration of manufacturers, dismantlers, recyclers and refurbishers

Rule 9(2) & 11 of the E-waste (Management and Handling) Rules, 2011 and E-Waste (Management) Rules, 2016 stipulates that every producer of electrical and electronic equipment, collection centre, dismantler and recycler shall make an application for grant of registration or renewal of registration to RSPCB within a period of three months from date of commencement of these rules. Further, on receipt of application, RSPCB after being satisfied that the applicant possesses appropriate facilities, technical capability and equipment to handle E-waste shall issue authorization and registration within a period of 90 days.

It was observed in Audit that 44 firms had applied to RSPCB for grant of registration for dismantling and processing of E-waste, out of which 43 firms were granted registration. Out of these 43 registered firms, registration of five firms expired during September 2014 to March 2017, but these firms did not renew their registration. Further, RSPCB informed that no firm for recycling of e-waste was registered in the State. The action taken by RSPCB against the firms, who did not apply for renewal of their registration was called for (February 2018), reply is awaited.

(ii) Earmarking of special zones/areas where the E-wastes could be stored/ disposed

Rule 12 (1) of E-waste (Management) Rules, 2016, stipulates that State or any other Government agency authorized in this regard by the Government of Rajasthan was to ensure earmarking or allocation of industrial space or shed for E-waste dismantling and recycling in the existing and upcoming industrial park, estate and industrial clusters. However, RSPCB had not ensured earmarked space for e-waste.

(iii) Enforcement of rules related to collection, segregation, transportation and disposal of E-waste

(a) According to Rule 23 and 24 of E-waste (Management) Rules, 2016, collection, storage, transportation, segregation, refurbishment, dismantling, recycling and disposal of e-waste shall be in accordance with the procedures prescribed in the Guidelines and to ensure that e-waste pertaining to orphan products are collected and channelized to authorized dismantler or recycler. Audit observed that:

Twenty two test checked ULBs neither ensured collection/segregation of e-waste and found mixed with solid waste nor channelized orphan products to their authorised collection centres. This has resulted in mixing of e-waste with solid waste.

(b) E-waste (Management) Rules 2016 stipulated that e-waste generated by producer for a specific Electrical and Electronic Equipment (EEE) category

code is to be estimated on the basis of quantity (number or weight) of EEE placed in the market in the previous years and taking into consideration the average life of the equipment. Further, the targets for e-waste collection for the financial year 2016-2017 and 2017-18 would be 15 per cent and 30 per cent respectively of the estimated E-waste generation. Audit observed that:

Estimation of generation of e-waste in the State for the year 2016-17 and targets for collection of e-waste in upcoming years could not be verified in RSPCB, as RSPCB did not made available such data/record to Audit. Further, joint inspection of M/s Secure Meters Limited, Udaipur conducted (June 2017) with Junior Scientific Officer of Regional office of RSPCB, Udaipur revealed that the firm did not estimate the generation and collection of e-waste for the period 2016-17.

Management and handling of Solid waste, Plastic waste and E-Waste

Solid waste: *In urban areas, door to door collection of Municipal Solid Waste (MSW) was not done in 55.41 per cent wards of the State during 2016-17. MSW was also not being segregated as per provisions in all test checked 22 ULBs. Further, storage facilities were not found in all the test checked GPs. Waste was also being transported in uncovered vehicles in 11 out of 22 test checked ULBs.*

Further, in all 22 test checked ULBs, MSW was being dumped in open land without processing. Also landfill sites were constructed in only three out of 22 ULBs, however even these landfills were not being used.

In rural area, only in three out of test checked 43 GPs, waste was being collected and being transported, however, in open vehicles. In all GPs, unsegregated and unprocessed waste was being dumped in open land.

Thus, in the State, solid waste was not being managed as per the extant rules.

Plastic waste: *None of the test checked ULBs had either registered any retailers/street vendors for selling/providing consumer goods in plastic sheets/packagings or ensured compliance to the extant rules. None of the test checked 22 ULBs and 43 GPs had framed any bye-laws for levy of user charges for plastic waste management. Further, none of 22 test checked ULBs had established a mechanism for collection, handling, storage, transportation and disposal of plastic waste. Hence, plastic carry bags and other plastic items continued to be mixed with MSW.*

E-waste: *None of the test checked ULBs ensured collection and segregation of E-waste, which resulted in E-waste being dumped in open land mixed with MSW. Further, neither did the test checked ULBs nor the registered dismantling firms ensure dismantling/recycling of E-waste.*

Recommendations:

6. All ULBs and GPs should ensure 100 per cent door to door collection of waste, develop adequate storage facilities/bins and encourage waste generators to segregate the waste at source in different bins according to its nature.

7. All ULBs and GPs should ensure that transportation of all the waste is done in covered vehicles and ensure its disposal in developed landfill sites after proper processing.

8. All ULBs and GPs should establish a mechanism for collection, handling, segregation, transportation and disposal of plastic waste and E-waste. RSPCB should also ensure compliance of these rules by effective monitoring.

Audit Objective 4: Whether funding and infrastructure for the implementation of waste management was adequate and whether an effective internal control and monitoring mechanism exists

4.1.6.11 Funding

In order to implement laws/rules effectively, implementing agencies need to be provided with human and financial resources to undertake the responsibilities allocated to them. In this regard, it was observed in Audit that:

(i) Adequacy of funds

As per Rule 15(x) of SWM Rules 2016, ULBs and GPs, shall make adequate provision of funds for capital investment as well as operation and maintenance of solid waste services in the annual budget.

It was observed that, during 2012-17, 11 ULBs²⁹ (50 per cent) out of 22 test checked ULBs, did not even assess requirement of funds for waste management while the remaining 11 ULBs assessed fund requirement only for 2015 and 2016. Further, ULBs neither allotted activity wise funds for waste management nor did they maintain activity wise expenditure details.

(ii) Funding for waste management

Local bodies were allotted funds under 13th and 14th Finance Commission/State Finance Commission (SFC), Swachh Bharat Mission (SBM) etc., for the creation of infrastructure for Solid Waste Management (SWM) along with other activities. Position of fund sanctioned and expenditure incurred on SWM could not be verified in test checked local bodies (ULBs and PRIs) as no separate funds for SWM has been earmarked in the budget/accounts of these bodies except that under SBM, Solid Waste

29. Deshnok, Fatehnagar, Jaitaran, Karauli, Nagar, Nadbai, Nokha, Salumber, Sambhar, Todabhim and Viratnagar.

Management activities includes door to door collection, segregation, transportation and energy plant of MSW and that also only for two years i.e. 2015-17.

Details of allotment of funds, expenditure incurred and pending Utilisation Certificates (UCs) at State level and in case of test checked ULBs during 2015-17 under SBM is given in **Table 4.4** below:

Table 4.4

(₹ in crore)

Name of Activity	Sanctioned Funds	Expenditure incurred	Unspent fund (Percentage of sanctioned fund)	Pending UCs worth (Percentage of expenditure incurred)
At State level				
Solid Waste Management*	283.55	57.65	225.90 (79.67 %)	46.09 (79.95 %)
Information, Education & Communication	7.44	1.83	5.61 (75.40 %)	1.33 (72.68 %)
Office Expenses	1.82	1.09	0.73 (40.11 %)	0.86 (78.90 %)
Total	292.81	60.57	232.24 (79.31 %)	48.28 (79.71 %)
In 22 test checked ULBs³⁰				
Solid Waste Management*	87.52	6.27	81.25 (92.84 %)	5.15 (82.14 %)
Information, Education & Communication	2.22	0.22	2.00 (90.09 %)	0.07 (31.82%)
Office Expenses	0.54	0.07	0.47 (87.04%)	0.07 (100.00 %)
Total	90.28	6.56	83.72 (92.73 %)	5.29 (80.64%)
* For door to door collection, segregated and transportation of MSW and waste to energy plant etc.				
Source: Information provided by DLB & test checked ULBs.				

It can be seen from the above table that during 2015-17 the utilisation of funds was very low at the State as well as test checked ULBs level, as a sum of ₹ 292.81 crore was allotted for SWM, IEC and office expenses out of which only ₹ 60.57 crore was spent leaving huge unspent balance of ₹ 232.24 crore (79.31 per cent). Similarly, in test checked ULBs, a sum of ₹ 90.28 crore was allotted, out of which only ₹ 6.56 crore (7.27 per cent) was spent on purchase of vehicles, payment of labourers for door to door collection under SWM etc. IEC and office expenses leaving huge unspent balance of ₹ 83.72 crore (92.73 per cent) of fund sanctioned.

Further, at the State level, UCs worth ₹ 48.28 crore (79.71 per cent) were pending adjustment. Similarly, in all test checked ULBs, UCs of ₹ 5.29 crore (80.64 per cent) were pending adjustment.

30. The figures for PRIs not included as the consolidated funds for work of SBM to PRI was allotted and its bifurcation was not available with them.

Thus, 50 *per cent* of test checked ULBs did not assess requirement of funds for waste management and even the funds available with test checked ULBs were utilised only to the extent of 7.27 *per cent* during 2015-17 for the specific purpose of solid waste management. This defeated the very purpose of addressing the gaps in solid waste management.

(iii) Infrastructure

Adequacy as well as quality of staff is of paramount importance in implementation and monitoring of waste management projects/programmes. In this regard, it was observed in Audit that:

(a) Assessment of manpower

During 2012-17, at the State level, RDD/PRD and RSPCB did not assess requirement of staff for implementation and monitoring of activities related to MSW, plastic waste and E-waste. It was also observed that current capacity of manpower based on sanctioned strength/ men-in-position was found short by 33.35 *per cent* (ranging from 8.11 *per cent* to 77.78 *per cent*) in all 22 test checked ULBs. Further 11 ULBs³¹ out of 22 test checked ULBs had not assessed requirement of manpower for waste management.

(b) Assessment of machinery, equipment and other infrastructure

Rajasthan State Pollution Control Board and PRD/RDD did not assess requirement of machinery, equipment and other infrastructure for the implementation of MSW, plastic waste and E-waste in the urban and rural areas of the State.

It was also observed that 11 ULBs³² out of 22 test checked ULBs and all 43 GPs did not assess requirement of machinery, equipment and other infrastructure for waste management.

(c) Capacity building

As per Rule 11 (k) of SWM 2016 and Paragraph 9.6 of SBM Guidelines 2014, the ULBs should identify relevant officials (both senior level officials and field level functionaries) for training and draw up a calendar of training for them.

It was observed that the capacity building activities was neither done at State level nor in any of the test checked ULBs/GPs.

(iv) Internal Control and monitoring

(a) As per Section 55(3) of RMA, 2009, every municipality shall constitute a Health and Sanitation Committee (HSC) which would monitor

31. Deshnok, Fatehnagar, Jaitaran, Karauli, Nagar, Nadbai, Nokha, Salumber, Sambhar, Todabhim and Viratnagar.

32. Deshnok, Fatehnagar, Jaitaran, Karauli, Nagar, Nadbai, Nokha, Salumber, Sambhar, Todabhim and Viratnagar.

issues related to Solid Waste Management activities. Further, as per section 58(1) *ibid* meetings of the HSC shall be conducted within two months in accordance with procedure prescribed.

It was observed that, HSC was not formed in 10 ULBs³³ out of 22 test checked ULBs. Though HSC was formed in 12 ULBs, no meetings were held in six ULBs while in Six ULBs³⁴ only one to 13 meetings were held against the prescribed 30 meetings during 2012-17.

(b) As per section 2.3.3.1 of SWM Manual, 2016 and 19.6.1 of MSW Manual 2000, regular monitoring of waste management was to be done by Health Officers and Sanitary Inspectors.

It was observed in Audit that Health Officers and Sanitary Inspectors did not carry out any inspection in 11 ULBs³⁵ out of 22 test checked ULBs. Shortage of Sanitary Inspectors and Health Officers was the reason attributed by the concerned ULBs for not conducting such inspections.

Thus Health and Sanitation Committees, which were to monitor issues related to Solid Waste Management activities were either not formed or no meetings were held in 73 *per cent* of test checked ULBs. Further there were weaknesses in inspection by Health Officers and Sanitary Inspectors.

(c) *Submission of Annual Reports*

As per Rules 4(4) and 8 of MSW Rules, 2000 and Rule 12 of Plastic Waste (Management and Handling) Rules, 2011 and Rule 18 of E-waste (Management) Rules, 2016, annual report related to waste management was required to be submitted by ULBs to Urban Development Department, GoR and RSPCB. RSPCB was further required to submit these reports to CPCB.

It was observed that none of the 22 test checked ULBs and 43 GPs submitted annual reports to concerned authorities and RSPCB.

Further, RSPCB also did not submit annual reports to CPCB relating to MSW for four years (2012-13, 2014-15 to 2016-17), E-waste for three years (2014-15 to 2016-17) and plastic waste for five years (2012-13 to 2016-17).

(d) *State Level Advisory Body*

As per Rule 11 of Plastic Waste (Management and Handling) Rules 2011, and Rule 23 of SWM Rules, 2016, a State Level Advisory Body (SLAB) was to be constituted by the GoR for monitoring the implementation of the rules *ibid*. Meeting of the SLAB was to be held once in a year up to 2016 and thereafter twice in a year.

33. Anta, Bhawanimandi, Deshnok, Fatehnagar, Mangrole, Pidawa, Salumber, Sambhar, Todabhim and Viratnagar.

34. Baran (13 meetings), Jaipur (four meetings), Jhalawar (five meetings), Pali (one meeting), Sojatecity (two meetings) and Sumerpur (nine meetings).

35. Baran, Bhawanimandi, Fatehnagar, Jhalawar, Karauli, Mangrole, Pidawa, Salumber, Sambhar, Todabhim and Viratnagar.

Government of Rajasthan constituted (February 2013) a SLAB for Plastic Waste and SLAB for SWM is under consideration as of January 2018.

Further, as per provision of Section 5 of the Environment (Protection) Act, 1986, RSPCB was empowered to issue direction to concerned authorities for compliance of MSW Rules 2000. Anyone who failed to comply with or contravened any of the provisions of the Act/Rules made or orders or directions issued there under, was punishable with imprisonment for a term which may extend to five years or fine which may extend to ₹ one lakh or both.

In this regard, RSPCB issued directions (August 2011 and January 2015) to all concerned authorities to furnish annual reports under the provisions of waste management rules on or before 30 June every year.

It was observed in Audit that none of the ULBs and GPs submitted annual reports to RSPCB. Further, RSPCB did not take penal action against any concerned authorities for non submission of annual reports.

(e) IEC activities to promote 3 R

Consumers as well as the general public are required to be educated about the benefits of the 'Reduce, Reuse and Recycle' of waste, so as to get significant public support for recycling and reduction strategies. Further, as per SBM Guidelines 2014, a total of 15 *per cent* of the total central allocation will be earmarked for the IEC activities.

It was observed that Action Plan for IEC activities to promote 3R of waste was made for only urban areas of the State under SBM from 2014. However, no action plan was made for rural areas of the State. Further, during 2015-17, 17 test checked ULBs spent only ₹ 0.22 crore (9.91 *per cent*) out of sanctioned amount of ₹ 2.22 crore for IEC activities i.e. advertisement, banner, pamphlets etc. Remaining five ULBs³⁶ and 43 GPs did not take initiatives for IEC activities.

Thus, IEC activities were not able to spread awareness amongst the inhabitants.

(f) Impact assessment of working conditions of waste pickers/collectors

It was observed that though manual handling of waste was being carried out in all 22 ULBs and three GPs³⁷, precautions or safety measure (gloves, gum boots face masks etc.) were not taken by 13 ULBs³⁸ and all 43 GPs. In the remaining nine ULBs, the precautions/safety measures taken were found inadequate. Neither the GoR nor any test checked ULBs/ GPs conducted any impact assessment for the working conditions of the waste pickers/collectors.

36. Karauli, Nandbai, Salumbar, Sojatcity and Sumerpur.

37. Manoharpur (PS Shahpura, District Jaipur), Malanwas and Sumer (PS Khanpur District Jhalawar).

38. Anta, Baran, Bhawanimandi, Deshnok, Jhalawar, Karauli, Mangrol, Nadbbai, Nokha, Pidawa, Sojatcity, Todabhim and Viratnagar.

Funding, infrastructure and monitoring mechanism

Though 50 per cent of test checked ULBs did not assess requirement of funds, utilisation of funds was meager during 2015-17, as a sum of ₹ 292.81 crore was allotted at the State level for SBM, out of which only ₹ 60.57 crore was spent leaving huge unspent balance of ₹ 232.24 crore (79.31 per cent).

Government of Rajasthan did not assess the requirement of manpower, machinery, vehicles and other infrastructure required for Solid Waste Management in urban and rural areas and the financial implications thereof. Further, even the current working strength of manpower was found short by 33.35 per cent with respect to sanctioned strength in the 22 test checked ULBs.

During 2012-17, Health and Sanitation Committees, which were to monitor issues related to Solid Waste Management activities were either not formed or no meetings were held in 73 per cent of test checked ULBs. Due to huge shortage of staff, there was lack of inspection by Sanitary Inspectors and Health Officers. Further, none of the test checked ULBs submitted annual reports on management of solid waste, plastic waste and E-waste to RSPCB during 2012-17.

Recommendations:

9. In order to ensure optimum utilisation of funds, GoR and ULBs may allocate activity wise funds for Solid Waste Management.

10. Requirement of manpower, machinery, vehicles and other infrastructure and its financial implications should be assessed at the earliest for developing effective implementation for Solid Waste Management at State and ULB/GP level.

11. Urban Local Bodies may strengthen their internal control mechanism by forming a Health and Sanitation Committees, conducting its prescribed number of meetings and by appointing of required number of Sanitary Inspectors/Health Officers.

4.1.7 Conclusion

Assessment of waste being generated, projection of waste likely to be generated in future, requirement of manpower & vehicles and risk to environment & human health posed by waste was not done at State level as well as in 50 per cent test checked ULBs and in all test checked PRIs level.

Though adequate Acts, Rules and Policies were available, there were no effective strategies/plans for 'Reducing, Reusing and Recycling' of waste in most of the ULBs and all GPs. Thus most of the efforts were directed at disposal strategies rather than at 'Reducing, Reusing and Recycling' of waste.

Amongst test checked units only two test checked ULBs had identified and registered waste pickers. Further, in the absence of bye-laws and designated authorities to levy penalty, none of test checked GPs had imposed penalty for violation of waste rules. GoR did not prepare integrated plan for implementation of e-waste.

The compliance to the acts/rules governing solid waste, plastic waste and e-waste were poor as door to door collection of MSW was not done in 55.41 *per cent* urban wards of the State during 2016-17. Solid waste was being neither segregated nor processed in all test checked ULBs and MSW was being dumped in open land. Further, landfill sites were constructed in only 3 out of 22 ULBs. However these landfills were not being used. In rural areas, only in 3 out of 43 test checked GPs, waste was being collected and unsegregated and unprocessed waste was being dumped in open land.

None of test checked ULBs established a mechanism for collection, handling, storage, transportation and disposal of plastic waste. Hence, plastic carry bags and other plastic items continued to be mixed with MSW.

None of the test checked ULBs ensured collection and segregation of e-waste, which was being dumped in open land mixed with MSW. Further, neither did the test checked ULBs nor the registered dismantling firms ensure dismantling/recycling of e-waste.

Though 50 *per cent* of test checked ULBs assessed requirement of funds for waste management, utilisation of funds was low during 2015-17 and 79.31 *per cent* of the funds allotted under SBM was lying unutilised at State level. GoR did not assess the requirement of manpower, machinery, vehicles and other infrastructure required for Solid Waste Management in urban and rural areas. Further, even the current working strength of manpower was short by 33.35 *per cent* with respect to sanctioned strength in test checked ULBs.

The capacity building was done neither at State level nor at all test checked units. Monitoring of the implementation of solid waste/plastic waste/e-waste rules was lax and ineffective.

COMPLIANCE AUDIT

Local Self Government Department

4.2 Short recovery

Short recovery of premium, lease rent, conversion and external development charges amounting to ₹ 2.49 crore.

Rule 7 of the Rajasthan Urban Areas (Permission for use of Agricultural land to Non-agricultural purpose and Allotment) Rules, 2012 provided that permission order for change of land use would be issued within 45 days from the date of receipt of application for change of land use. Rule 9 and 11 *ibid* stated that land would be allotted and lease deed would be issued to the applicant by the local authority on depositing premium and lease rent (urban assessment) within 90 days of demand by local authority. Further, 90 more days could be given for depositing premium and lease rent with 15 *per cent* interest per annum. If applicant failed to deposit the said amount even after expiry of six months from the date of receipt of demand notice then permission order should be deemed as cancelled.

Further, Rule 7 (1) of Rajasthan Municipalities (Disposal of urban land) Rule, 1974 provides that urban assessment (lease rent) was to be determined at 2.50 *per cent* of reserve price in case of residential plot and five *per cent* of reserve price in case of commercial and other purposes. If the allottee desired to deposit one-time urban assessment or lease rent, then it would be eight times of complete annual assessment. The 'residential cost' was price equal to four times the premium prescribed for residential use of land. The Local Self Government Department (LSGD) clarified vide circular (April 2011) that on conversion of residential land for commercial purposes, lease rent would be calculated at five *per cent* per annum of residential reserve price.

As per order (May 2011) of Urban Development, Housing and Local Self Government Department, External Development Charge (EDC) should be recovered from the developer of group housing and other schemes in private sector or development under Rajasthan Township Policy-2010 at the rate of ₹ 100 per Square meter for cities having population less than one lakh as per census 2001.

Test check revealed that:

(a) In Municipal Board (MB), Uniara (Tonk) (April 2016), five cases of conversion of agricultural land for residential purposes, the MB had issued permission for change of land use and approved the layout plans as per extant provision. Even after lapse of three years from the issue of demand, the applicants only partially deposited the premium, lease rent and EDC (₹ 0.21 crore) against total recoverable amount of ₹ 1.35crore.

The MB did not take action under Section 90 (A) of RLR Act, 1956 to either eject the applicants or recover the dues of ₹ 1.14 crore (*Appendix-XV*).

(b) In Municipal Council (MC), Jalore (March 2016) and MB, Fatehpur Shekhawati (January 2017), In 16 cases of change of land use from agricultural to residential, commercial and industrial purposes, the MC, Jalore calculated premium and lease rent at lower rate instead of the notified rate. Against the recoverable amount of ₹ 99.81 lakh towards premium and lease rent only ₹ 64.70 lakh were recovered (*Appendix-XVI*). Further, in two cases of change of land use from agricultural to residential purpose, the MB, Fatehpur Shekhawati calculated premium at lower rate and against the recoverable amount of ₹ 19.70 lakh, only ₹ 3.12 lakh were recovered (*Appendix-XVII*).

Thus, due to short recovery of premium and lease rent, the above local bodies had deprived from revenue amounting to ₹ 51.69 lakh (₹ 35.11 lakh + ₹ 16.58 lakh).

(c) In MC, Sriganganagar (January 2016), 11 owners/holders of residential area had applied for change of land use from residential to commercial purposes. The MC recovered conversion charges and lease rent of ₹ 25.91 lakh and ₹ 3.02 lakh respectively instead of ₹ 50.80 lakh and ₹ 28.80 lakh. Thus, incorrect calculation at lower rate (calculation was not done on the basis of 40 per cent of residential reserve price) resulted in short recovery of ₹ 50.67 lakh (*Appendix-XVIII*) of conversion charges and lease rent.

(d) In MC, Banswara (December 2016) ten cases of change of land use, the MC calculated the lease rent at five per cent of conversion fee amounting to ₹ 21.82 lakh instead of five per cent of residential reserve price amounting to ₹ 54.56 lakh. This resulted in short recovery of ₹ 32.74 lakh (*Appendix-XIX*).

Thus, the overall short recovery of premium, lease rent, conversion and external development charges amounted to ₹ 2.49 crore.

The matter was referred to the Government of Rajasthan (June and July 2017), reply is awaited (January 2018).

4.3 Non-recovery of road cutting charges

Non-recovery of road cutting charges of ₹ 2.45 crore from Jodhpur Vidhyut Vitran Nigam Limited and Public Health Engineering Department.

Section 184 of RMA, 2009 empowers the Government of Rajasthan to provide for the sanction by the Municipality of specific rights of way in the sub-soil of public and private streets in any municipal area for different public utilities

including electric supply, telephone or other telecommunication facilities, gas pipes, water-supply, drainage and sewerage, *etc.*, to any statutory body or any licensee under the Indian Telegraph Act, 1885 or Electricity Act, 2003 and such other laws as may be notified by the Government of Rajasthan for the purposes of this section. Further, the cost of repair due to damage was to be borne by the concerned Department/Body.

Test check (November 2016) of records of MC, Barmer and Balotra (December 2016) revealed that Jodhpur Vidhyut Vitran Nigam Limited (JVNL), Barmer sought permission (June 2014) for laying 11KV line and Low Tension (LT) Cross-linked polyethylene (XLPE) cable line in Barmer at various locations. The MC issued (March 2015) demand notice of ₹ 1.49 crore for road cutting charges and JVNL deposited (March 2015) ₹ 0.51 crore and assured (April 2015) that the remaining amount of ₹ 0.98 crore would be deposited within 45 days but this was not done. Further, in Balotra, Public Health Engineering Department (PHED) had laid pipelines in various areas within MC jurisdiction from 1997 to 2016 against which an amount of ₹ 1.47 crore towards road cutting charges was outstanding. This resulted in non-recovery of road cutting charges of ₹ 2.45 crore (₹ 0.98 crore + ₹ 1.47 crore) from JVNL and PHED.

The matter was referred to the Government of Rajasthan (March 2017), reply is awaited (January 2018).

4.4 Loss of revenue

M Corp, Ajmer had not selected sites for installation of signage boards resulted in loss of revenue of ₹ 2.14 crore.

Municipal Corporation³⁹, Ajmer decided to erect gantries, unipoles, signage board, traffic booth, public urinals, with latest technologies on Built Operate & Transfer (BOT) basis for beautification of Ajmer city.

Test check (Sept 2016) of records of M Corp, Ajmer revealed that Bids were invited (September 2007) for installation of signage boards and unipoles. Letter of Intent (LoI) was issued (November 2007) to firm "A" being the highest bidder. The proposal for erection of signage boards and unipoles was approved by LSGD in January 2008 with the condition that provisions of Rajasthan Municipalities (Purchase and Contract) Rules, 1974 and directions of BOT should be adhered to. Accordingly an agreement was executed (May 2008) with firm "A" for installation of 30 signage boards and 50 unipoles. As per terms and conditions of agreement the construction period would be six months from the date of agreement and concession period would be 15 years from stipulated date of completion and written work orders to be issued by the M Corp Ajmer on submission of site plan including dimensions. The rate of annual premium to be paid to M Corp, Ajmer by the firm for each signage board and unipole was ₹ 69,000 and ₹ 84,000 respectively with condition of

39. Earlier named as Municipal Council, Ajmer.

five *per cent* annual increase on compounding basis. Further, as per clause 4 of the agreement, a site plan including dimension was to be submitted by the contractor for the construction of signage boards and unipoles and thereafter a written work order was to be issued.

As of March 2017, the work of installation of unipoles was completed and premium was being paid regularly by the firm. However, the firm had not erected any signage boards so far as no sites were selected by M Corp, Ajmer for the same. Further, the contractor requested for site selection repeatedly from the time of allotment of work till September 2016, but M Corp, Ajmer did not select sites for signage boards so far. Thus, M Corp, Ajmer by not selecting sites for installation of signage boards resulted in loss of revenue of ₹ 2.14 crore⁴⁰ as of March 2017.

The matter was referred to the Government of Rajasthan in March 2017; reply is awaited (January 2018).

4.5 Non-recovery/short recovery of betterment levy

Non-recovery/short recovery of betterment levy by M Corp, Bikaner and Municipal Council, Nagaur of ₹ 1.98 crore from the applicants on granting permission for construction of buildings.

Rajasthan Building Regulations 2010 and 2013 prescribes that standard Floor Area Ratio (FAR) for residential and commercial buildings should be 1.33 and maximum upto 2.25. If FAR exceeds 1.33, a Betterment Levy (Rule 8.2 and 8.3) should be charged before granting permission for the excess FAR at the rates as given below:

- (a) **Residential Buildings** - Betterment levy should be charged at ₹ 100 per square feet or 25 *per cent* of residential reserve price, whichever is higher on the difference of FAR to the area.
- (b) **Commercial Building** - Betterment Levy should be charged at ₹ 200 per square feet or 25 *per cent* of commercial reserve price, whichever is higher on the difference of FAR to the area.
- (c) **Residential/Commercial Building** - Betterment levy should be charged at 30 *per cent* of the reserve price or ₹ 100 per square feet, whichever is higher on the difference of FAR more than 2.25 to the area.

Test check (October 2016) of records of M Corp, Bikaner and MC, Nagaur revealed that three applicants applied for permission to construct two

40. December 2008 to March 2009: ₹ 6.90 lakh (at the rate of ₹ 69,000), 2009-10: ₹ 21.74 lakh (at the rate of ₹ 72,450), 2010-11: ₹ 22.82 lakh (at the rate of ₹ 76,073), 2011-12: ₹ 23.96 lakh (at the rate of ₹ 79,877), 2012-13: ₹ 25.16 lakh (at the rate of ₹ 83,871), 2013-14: ₹ 26.42 lakh at the rate of ₹ 88,065), 2014-15: ₹ 27.74 lakh (at the rate of ₹ 92,468), 2015-16: ₹ 29.13 lakh (at the rate of ₹ 97,091) and 2016-17: ₹ 30.58 lakh (at the rate of ₹ 1,01,946) **Total = ₹ 214.45 lakh (Say ₹ 2.14 crore).**

residential and one commercial building which had FAR in excess of 1.33. M Corp, Bikaner and MC, Nagaur did not recover the betterment levy amounting to ₹ 1.98 crore (***Appendix-XX***) from the applicants and granted permissions in violation of the provisions.

The matter was referred to the Government of Rajasthan in March 2017; reply is awaited (January 2018).

4.6 Unfruitful expenditure and loss of revenue

Unfruitful expenditure and loss of revenue aggregating ₹ 1.44 crore on unipoles/signage and display boards on electricity poles in Municipal Corporation, Udaipur.

Ministry of Environment and Forests (MoEF), Government of India (GoI) issued Guidelines (May 2008) under National Lake Conservation Plan (NLCP) for improving the prospects for protection and conservation of polluted and degraded lakes in urban and semi urban areas. Public awareness and public participation for conservation of lake was one of the activities mentioned in guidelines. Under this plan, Udaipur city was selected and it was decided to install unipoles and signage boards at various places to promote awareness for lake conservation.

Section 105 (C) (iii) of Rajasthan Municipalities Act (RMA), 2009 empowers the Municipality to levy fees and fines in exercise of the regulatory power vested in it for licensing of sites used for advertisement.

Test check of records of M Corp, Udaipur revealed that

(a) An open tender was invited (August 2011) under NLCP in two parts i.e. (i) Supply, erection, installation, testing and commissioning of unipoles/signage boards at various places and (ii) Maintain, Operate and Transfer (MOT) unipoles/signage boards with advertisement rights for the contractor on one side and for M Corp on the other side for ten years (March 2016).

The work order was awarded (September 2011) to firm 'A' for erection of 33 unipoles/signages/trivisions for ₹ 23.52 lakh for part (i) and ₹ 17.50 lakh per year with condition of 10 *per cent* cumulative increase every year upto 10 years for part (ii). The stipulated dates for commencement and completion of part (i) work were 8 October 2011 and 7 January 2012 respectively. The firm had erected 31 unipoles and signage boards (January 2012) after incurring expenditure of ₹ 19.15 lakh. As the firm left the work incomplete, M Corp, Udaipur had to re-allot the work in compliance with conditions of the contract. However, instead of re-allocation of work M Corp, Udaipur paid an amount ₹ 11.35 lakh on incomplete work (July 2012) and the balance amount of ₹ 7.80 lakh was withheld as the contractor had abandoned the work prematurely.

It was further observed in Audit that the erected unipoles and signage boards were not utilised as of July 2017 as evident from the photographs below:



Thus, an expenditure of ₹ 0.11 crore incurred on erection of unipoles/signage boards remained unfruitful.

Municipal Corporation accepted (July 2017) the facts and stated that compensation of ₹ 0.02 crore would be adjusted against the amount of security deposit. The reply is not tenable as neither the purpose of raising awareness towards lake conservation could be achieved nor was the M Corp, Udaipur able to generate revenue by display of advertisements. This resulted in unfruitful expenditure of ₹ 0.11 crore and loss of revenue of ₹ 1.07 crore

Besides the fact that public awareness towards lake conservation could not be achieved as a result of non utilisation of the erected unipoles/signage boards, M Corp, Udaipur could also not earn advertisement revenue of ₹ 1.07 crore⁴¹ as envisaged in the proposal. M Corp had also not made any effort to re-allot the work even after a lapse of more than three years.

(b) Municipal Corporation, Udaipur awarded license (November 2013) to a firm for small display boards on electricity poles for ₹ 51 lakh and ₹ 56 lakh for the period 01 November 2013 to 30 October 2014 and 01 November 2014 to 30 October 2015 respectively. The firm proposed (October 2015) to continue the above contract for one more year with a 10 per cent increase over the previous year for ₹ 61.60 lakh, this was not accepted by M Corp, Udaipur and fresh tender was invited in December 2015. Finally agreement was executed with the same firm in May 2016 and sanction was accorded in June 2016 for the period from 1 April 2016 to 31 March 2017 with license fee of ₹ 60.25 lakh which led to revenue loss of ₹ 1.35 lakh (₹ 61.60 lakh - ₹ 60.25 lakh). (January 2017).

Though the previous contract expired in October 2015, due to delays by M Corp in the tendering process, no revenue could be received from November 2015 to March 2016. Thus, delay in processing and finalisation of

41. 2012-13: ₹ 0.18 crore, 2013-14: ₹ 0.19 crore, 2014-15: ₹ 0.21 crore, 2015-16: ₹ 0.23 crore, 2016-17: ₹ 0.26 crore (Total = ₹ 1.07 crore).

tendering resulted in loss of revenue of ₹ 26.45 lakh (₹ 25.10 lakh⁴² + ₹ 1.35 lakh⁴³).

The matter was referred to the Government of Rajasthan (March and May 2017); reply is awaited (January 2018).

4.7 Non/short recovery of registration/annual permission fee from marriage places

Non recovery of registration fee and arbitrary reduction in the annual permission fee without approval of Local Self Government Department resulted in non/short recovery of ₹ 97.12 lakh from marriage places.

Section 340 of RMA, 2009 provides that every Municipality may frame such bye-laws which are not inconsistent with Act or Rules made there under. The Government of Rajasthan enacted Model Bye-Laws for Registration of marriage place in 2010 and all Municipal Bodies were required to adopt/amend their bye-laws for implementation in their jurisdiction. In pursuance of above directions, MC, Sriganganagar notified (December 2010) their Bye-Laws for registration of marriage places. As per Section 10 (A) of the Bye-Laws, registration fee was notified to be ₹ 20,000 and annual permission fee for use of marriage place was notified to be ₹ 20 per Square Yard (Sqyd). It was also provided that if these charges are not deposited as prescribed above, penalty of 10 *per cent* of total due amount should be imposed for first three months and there after ₹ 50 per day would be recovered as late fee (penalty).

Test check (January 2016) of records of MC, Sriganganagar revealed that 18 registered marriage places were running in the MC area without depositing annual permission fee from the year 2010. Beside this, these marriage places did not also renew their registration due before April 2015 for the next five years.

According to the board decision dated 1 March 2013, the MC, Sriganganagar reduced the annual permission fee from ₹ 20 per Sqyd to ₹ 5 per Sqyd and sent (8 May 2015) the proposal to the LSGD, GoR for approval. In spite of the fact that the LSGD rejected the proposal, the MC continued to recover the annual permission fee from July 2015 at the reduced rates after taking an affidavit/undertaking from the marriage place owners.

Thus, non recovery of registration fee and arbitrary reduction in the annual permission fee without approval of LSGD, resulted in non/short recovery of ₹ 97.12 lakh from marriage places (*Appendix-XXI*).

42. Loss of revenue for five months = ₹ 60.25/12 months x 5 months = ₹ 25.10 lakh.

43. ₹ 61.60 lakh (amount proposed by contractor as an offer) - ₹ 60.25 lakh (amount approved finally) = ₹ 1.35 lakh.

The MC replied (February 2018) that 50 *per cent* amount had been deposited in compliance of ad-interim order of High Court in 12 cases against order in 15 cases.

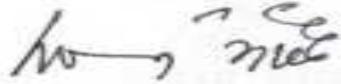
The matter was referred to the Government of Rajasthan in June 2017; reply is awaited (January 2018).



JAIPUR,
The 25 June 2018

(R G VISWANATHAN)
Principal Accountant General
(General and Social Sector Audit), Rajasthan

Countersigned



NEW DELHI,
The 2 July 2018

(RAJIV MEHRISHI)
Comptroller and Auditor General of India