



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest

**Report of the  
Comptroller and Auditor General of India  
for the period ended March 2023**



**Government of Karnataka  
Report No. 3 of the year 2025  
(Compliance Audit - Civil)**

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Comptroller and Auditor General of India  
for the year ended March 2023**

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*Report No.3 of the year 2025*



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## **Preface**

This Report of the Comptroller and Auditor General of India for the year ended 31 March 2023 has been prepared for submission to the Governor of Karnataka under Article 151 (2) of the Constitution to be tabled in the State Legislature. This report deals with the results of audit of Government Departments and Autonomous bodies for the year ended March 2023.

This Report contains three Chapters. Chapter-I on Introduction to Government Departments audited by the Office of the Principal Accountant General (Audit-II), Karnataka, Chapter-II on Subject Specific Compliance Audit Observations on Departments and Chapter-III contains nine compliance audit paragraphs pertaining to Forest, Ecology and Environment Department, Public Works Department and Minor Irrigation and Ground Water Development Department.

The instances mentioned in this report are those, which came to notice in the course of test audit for the period 2022-23 as well as those, which came to notice in earlier years, but could not be reported in the previous Audit Reports. Instances relating to period subsequent to 2022-23 are also included, wherever found necessary.

The audit was conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.







# *Overview*



## Overview

This Report relates to matters arising from the Compliance Audit of 28 Government Departments falling under the jurisdiction of Office of the Principal Accountant General (Audit-II). The primary purpose of the Report is to bring important results of audit to the notice of the State Legislature. The audit findings are expected to enable the Executive to take corrective actions, to frame policies and issue directives that will lead to better governance.

### **Subject Specific Compliance Audit on “Functioning of Karnataka State Pollution Control Board”**

Karnataka State Pollution Control Board (KSPCB) is responsible for planning a comprehensive program for the prevention, control, or abatement of pollution of streams and wells and air and to secure the execution thereof. The Water (Prevention & Control of Pollution) Act, 1974 (WPCP Act) and The Air (Prevention & Control of Pollution) Act, 1981 (APCP Act) stipulate that no industry/operations shall be established and operated without obtaining Consent from the Board. It is the Board’s primary responsibility to ensure that all industries functioning in the State have the valid Consent for Establishment (CFE) and Consent for Operation (CFO) issued by the Board.

A Subject Specific Compliance Audit was conducted to ascertain whether *the Board was adequately discharging its role in environmental protection and had maintained financial, physical and human infrastructure capacities for discharging its activities with a special emphasis to KSPCB’s regulatory role in discharging its duties under various Environmental Acts and Rules*. The SSCA covered the period from 2018-19 to 2022-23. The important findings of the audit are given below:

KSPCB was not able to ensure that all industries were established and functioning only after obtaining Consent. Test check of data obtained from Industries and Commerce Department, Forest and Railways revealed that 1,827 out of 2,756 industries/ establishments (66.29 *per cent*) were operating without obtaining CFE/CFO.

Audit noticed that as many as 2,556 applicants (1,809 industries and 747 apartments) which were issued CFE, have neither obtained CFO nor renewed CFE even after the expiry of validity period. It was further noticed that CFOs issued to 2,901 industries/units in the selected Regional Offices had expired and no applications for renewal of CFO were received from these industries/units. On cross-verification with GST data of 402<sup>1</sup> such cases, Audit found that 123<sup>2</sup> (30.60 *per cent*) industries were still operating and filing regular GST returns.

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<sup>1</sup> Though the efforts were made to cross-verify all the 2,904 cases, in the absence of GST number with the KSPCB, efforts were made to identify the industries with their registered name and address. In this process only 402 cases could be tracked by Audit.

<sup>2</sup> In the remaining 279 cases, no details were found in the GST portal. Since registration under GST is mandatory only for the industries having annual turnover of ₹ 20 lakh or more, the possibility of these industries also being operative cannot be ruled out.

Further, the CFEs/CFOs issued by KSPCB had issues such as non-specification of Emission/Effluent Standards, inconsistencies in level of pollutants prescribed, short assessment of waste water generation by the consented units, etc. Nine ROs failed to ensure installation of 48 Effluent Treatment Plants (ETPs) and three Sewage Treatment Plants (STPs) in their jurisdictions. The Online Continuous Emission/Effluent Monitoring System was ineffective as data captured at the Central Server was not being shared with the ROs concerned to take timely steps to mitigate pollution.

Audit noticed that one of the Common Hazardous Waste Treatment, Storage, and Disposal Facility (TSDF) was set up (in Harohalli Industrial Area) in violation of prescribed siting conditions with reference to lake/pond and habitation as per CPCB published Criteria for HW landfills. The other TSDF in Kadechur Industrial Area of Raichur district was operating in violation of Consent conditions.

Further, Audit noticed that in 13 selected ROs, 1,180 out of 15,802 HCFs were operating without valid authorisation from KSPCB and in six ROs, 2,189 HCFs did not enter into agreement with the local Common Bio-medical Waste Treatment Facilities (CBMWTF). In these cases, Environmental Compensation (EC) of ₹ 147.56 crore leviable, had not been levied and collected by KSPCB.

The estimated sewage generation in the State was 4,458 MLDs as of March 2023 and Urban Local bodies' (ULB) treatment capacity could treat 45 *per cent* of the waste generated per day. Cumulatively between 2018-23, as against the total generated solid waste of 12,024 TPD, only 45 *per cent* of waste was treated and processed. The remaining untreated waste was being dumped either in open areas, dump sites or in already exhausted legacy waste sites. Thus, KSPCB was not able to ensure processing and disposal of sewage and solid waste by ULBs.

The laboratory facilities in KSPCB were found deficient in terms of quantity and capabilities to conduct all the prescribed tests.

There were substantial vacancies in the cadres of Scientific and Technical Cadres. Out of 70 sanctioned posts of Scientific Officers, the working strength was 26 only. Similarly, in the Technical Cadres, against the Sanctioned Strength of 278, the working strength was only 149.

Further, KSPCB has not issued any SOP outlining the specific steps, criteria and measures to be taken while addressing instances of non-compliance and violation by the industries/units.

**(Paragraph 2.1)**

### **Subject Specific Compliance Audit on “*Management of Leases of Land/Non-residential Buildings by PWD*”**

The Public Works Department (PWD) leased out its properties such as vacant or unused land/ non-residential buildings to various public and private users for a fixed term. An audit was conducted for the period from 2018-19 to 2022-23 to ascertain whether the ‘Leases of lands/ Non-residential buildings were effectively managed by the Department’. The important findings of the audit are given below:

In the six PWD Divisions selected for audit, it was noticed that important control registers and information systems such as a Buildings Information System (BIS), Demand Collection and Balance (DCB) Register, etc., were not maintained and updated. Either PWD did not enter into lease agreements with the lessees or the lease agreements were not registered. Five out of six Divisions did not inspect the leased properties even once a year to ensure compliance with terms and conditions of the leases.

In 42 out of 149 test-checked cases, Audit noticed that the lessees continued to occupy the premises without lease renewal/ revision of lease rents. In five cases, the lessees obtained unauthorized Khatha in their names.

Specific instances of revenue loss due to concessional rent fixed in violation of PWD Codal provisions, non-renewal of rent as stipulated in the agreement, deviation from the purpose for which leases were granted by the lessees, etc. were noticed.

In respect of 13 shops leased since 2005, in JB Nagar shopping complex, Bengaluru, though all the lessees were evicted in January 2023, there were arrears of rent amounting to ₹ 24.24 lakh as per the original agreements. Non-revision of lease agreements and non-renewal of lease rents in these cases had resulted in loss of revenue of ₹2.92 crore.

Land measuring 60,258 sq.ft. in Nrupatunga Road leased to Karnataka Pradesh Krishik Samaj for 99 years for construction of cold storage plant and agricultural related activities in April 1966 was found to be misused by the lessee. The lessee had constructed Commercial Office/shopping complexes in the premises. Taking cognisance of the diversion of land for commercial purposes, the Division assessed and demanded the rent due as ₹ 129.02 crore for the period from January 1997 to February 2023. However, the same was yet to be recovered (May 2024).

A land measuring 37,287 sq.ft in Belagavi town opposite to NWKSTC Bus Stand was leased to an individual to build a cold storage unit, soil testing laboratory and farmers rest house. The lessee misused the same by constructing a shopping complex and a lodge. Concessional rent fixed in the arbitration award for the period from June 2007 to June 2017 was not challenged by the Department in the Higher Courts. Department also failed to revise the rent after June 2017 and continued to collect rent at pre-revised rates. This had resulted in short realization of rental revenue of ₹ 2.61 crore.

To revive the defunct Brick Factory, land measuring nine acres five guntas in Medahalli, Hosakote Taluk, Bengaluru (which had the potential to earn lease rent of ₹5.11 crore as per PWD norms) was leased to an individual in September 2005 by PWD at a concessional rent of ₹ 2.10 lakh per annum. The land was misused by the lessee as a dump yard for construction debris and storage for construction materials.

A Public Sector Undertaking (PSU) of GoK which was leased Land measuring 4,180 Sqmtr, with 332.81 Sqmtr office building, sub-let the property and earned lease rent of ₹ 13.19 crore between October 2014 to September 2023, violating the terms and conditions of lease agreement. Another PSU which was leased a land measuring 15,795 sq ft, had constructed a seven floor building instead of five five-floor building as per the terms of the lease agreement.

A lessee M/s Karnataka State Co-operative Agriculture and Rural Development Bank Limited (KSCARD) which was leased with 15,795 sq ft land (since 1968) unauthorisedly obtained Khata for the property in their own name. Arrears of rent of ₹8.60 crore was recoverable in this case.

Incorrect computation of Gross Annual Income of Mysore Race Club (MRC) and Jayachamarajendra Wadayer Golf Club (JWGC) resulted in short collection of lease rent of ₹ 2.04 crore for the year from 2006-07 to 2022-23.

*(Paragraph 2.2)*

## **Other Compliance Audit Paragraphs**

### **Forest, Ecology and Environment**

Incorrect measurements of works executed and material consumed in the work led to excess payment of ₹1.48 crore to contractors.

*(Paragraph 3.1)*

### **Public Works Department**

Karnataka Public Works Departmental Code (KPWD Code) stipulates that no work should be measured and paid after 15<sup>th</sup> of March. In Ballari and Koppal Divisions, works related to Construction and Improvement of CC Roads and Drains worth ₹ 21.32 crore were measured and paid within a span of 1 to 21 days from the date of entering into agreement with the Contractors, though the curing of concrete and test reports could be prepared only after 28 days.

*(Paragraph 3.2)*

While permitting the laying of Optical Fiber Cable networks from different service providers, four PWD Divisions adopted incorrect rate towards road cutting and restoration charges instead of collecting at the rate specified by GoK in this regard. This had resulted undue benefit to Network service providers by way of short recovery of Road Cutting Charges of ₹7.32 crore.

*(Paragraph 3.3)*

Incorrect determination of base quarter and adoption of incorrect index item from the Wholesale Price Index (WPI) in computation of price adjustment had resulted in excess payment of ₹ 5.76 crore to contractors by two PWD Divisions.

*(Paragraph 3.4)*

The cost of providing, fixing and removing ‘form work’, though included in the composite items of work in Schedule of Rates such as Stone Works, Bridge Works, etc. in five works executed by State Highway Development Project (SHDP) in addition to composite work items, ‘form work’ was also included as a separate item in the estimates and were paid. This resulted in excess payment of ₹0.95 crore to contractors.

*(Paragraph 3.5)*

Though IS standard stipulates that Soft Rock does not require blasting for excavation, adoption of rate from Schedule of Rates of Water Resources

Development Organisation (WRDO) for blasting of soft rock resulted in excess payment of ₹0.99 crore to the contractor.

*(Paragraph 3.6)*

### **Minor Irrigation and Ground Water Development Department**

Irregular payment of price adjustment contrary to the tender conditions resulted in undue financial benefit of ₹18.83 crore to the Contractors.

*(Paragraph 3.7)*

Adoption of incorrect method for determining the base index values for regulating price adjustment resulted in excess payment of ₹ 4.91 crore.

*(Paragraph 3.8)*

Undue delay in termination of the contract and inaction on the part of the Department to complete balance works resulted in unfruitful expenditure of ₹79.69 lakh on incomplete construction of Bhandara at Bilagi.

*(Paragraph 3.9)*







# *Chapter-I*



## *Introduction*



## Chapter - I

### Introduction

**1.1.** This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from compliance audit of Government Departments and Autonomous Bodies. Compliance audit refers to examination of the transactions of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by competent Authorities are being complied with.

The primary purpose of the Report is to bring important results of audit to the notice of the State Legislature. The audit findings are expected to enable the Executive to take corrective actions, frame appropriate policies and issue directives. It will also lead to improved financial management of organisations and contribute to better governance.

This chapter, in addition to explaining the planning and extent of audit, provides a synopsis of the follow-up on previous Audit Reports. Chapter-II of this report contains findings arising out of observations of compliance audit in Government Departments and Autonomous Bodies.

### Audit Universe and Structure

**1.2** The State Offices of the C&AG of India were restructured (March 2020) based on allocation of clusters. Each cluster contains Departments with inter-connected outcomes and linkages. The Principal Accountant General (PAG) Audit II is responsible for the audit of expenditure incurred by 28 Departments and 7 Autonomous Bodies (**Appendix-1**). The PAG Audit II is assisted by three Group Officers and various subordinate officers.

### Authority for conducting Audit

**1.3** Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) (DPC) Act, 1971 lay out the audit mandate of C&AG. Audit of expenditure of the Departments of Government of Karnataka is conducted through Section 13<sup>1</sup> of the C&AG's (DPC) Act.

C&AG is the sole auditor in respect of Autonomous Bodies which are audited under Sections 19(2)<sup>2</sup>, 19(3)<sup>3</sup> and 20(1)<sup>4</sup> of the C&AG's (DPC) Act.

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<sup>1</sup> Audit of (i) all transactions from the Consolidated Fund of the State, (ii) all transactions relating to the Contingency Fund and Public Accounts and (iii) all trading, manufacturing, profit & loss accounts, balance sheets & other subsidiary accounts.

<sup>2</sup> Audit of the accounts of Corporations (not being Companies) established by or under law made by the Parliament in accordance with the provisions of the respective legislations.

<sup>3</sup> Audit of accounts of Corporations established by law made by the State Legislature on the request of the Governor.

<sup>4</sup> Audit of accounts of body/authority entrusted by Governor to C&AG on mutually agreed terms and conditions.

### Expenditure Profile of the Departments

**1.4** The actual expenditure by 28 State Government Departments falling under the jurisdiction of Office of PAG Audit II during the period 2022-23 is given in Table No.1.1 along with corresponding figures for preceding two years:

**Table No. 1.1: Department wise Expenditure**

(₹ in crore)				
Sl. No	Department	2020-21	2021-22	2022-23
1	Electronics Information Technology Biotechnology and Science & Technology	404.79	329.13	409.83
2	Transport	731.90	264.89	643.88
3	Forest, Ecology and Environment	1,670.23	1,860.62	2,383.48
4	Infrastructure Development, Ports & Inland Water Transport	293.90	202.80	207.99
5	Public Works	14,601.56	13,679.16	17,347.56
6	Energy	14,927.04	17,794.93	15,224.34
7	Electrical Inspectorate	21.96	24.75	26.95
8	Commerce and Industries	2,226.18	2,110.24	1,778.28
9	Textiles and Handlooms	364.40	376.18	348.86
10	Mines and Geology	68.46	65.82	70.31
11	Cane Development	24.66	13.08	58.13
12	Factories and Boilers	13.52	76.55	16.13
13	Tourism	137.92	250.41	350.93
14	Kannada and Culture	211.03	220.05	328.86
15	Archives	4.48	4.08	4.28
16	Archeology and Museums	19.08	23.73	23.46
17	Hindu Religious Institutions and charitable endowment	332.43	247.12	662.30
18	Agriculture	6,491.58	6,490.61	7,288.56
19	Horticulture	1,145.18	1,072.31	1,374.08
20	Sericulture	370.93	374.27	329.55
21	Animal Husbandry	2,351.82	2,664.31	2,526.38
22	Fisheries	343.34	373.73	292.09
23	Co-operation	2,793.06	2,379.34	2,802.39
24	Food & Civil Supplies	3,213.92	6,726.63	3,098.25
25	Home	7,095.46	7,768.09	9,659.28
26	Law	1,231.11	1,341.75	1,538.68
27	Minor Irrigation	2,963.43	2,915.24	3,455.54
28	Water Resources	16,927.51	18,104.01	19,610.53
	<b>Total</b>	<b>80,980.88</b>	<b>87,753.83</b>	<b>91,860.90</b>

Source: Annual Financial Statement of respective years

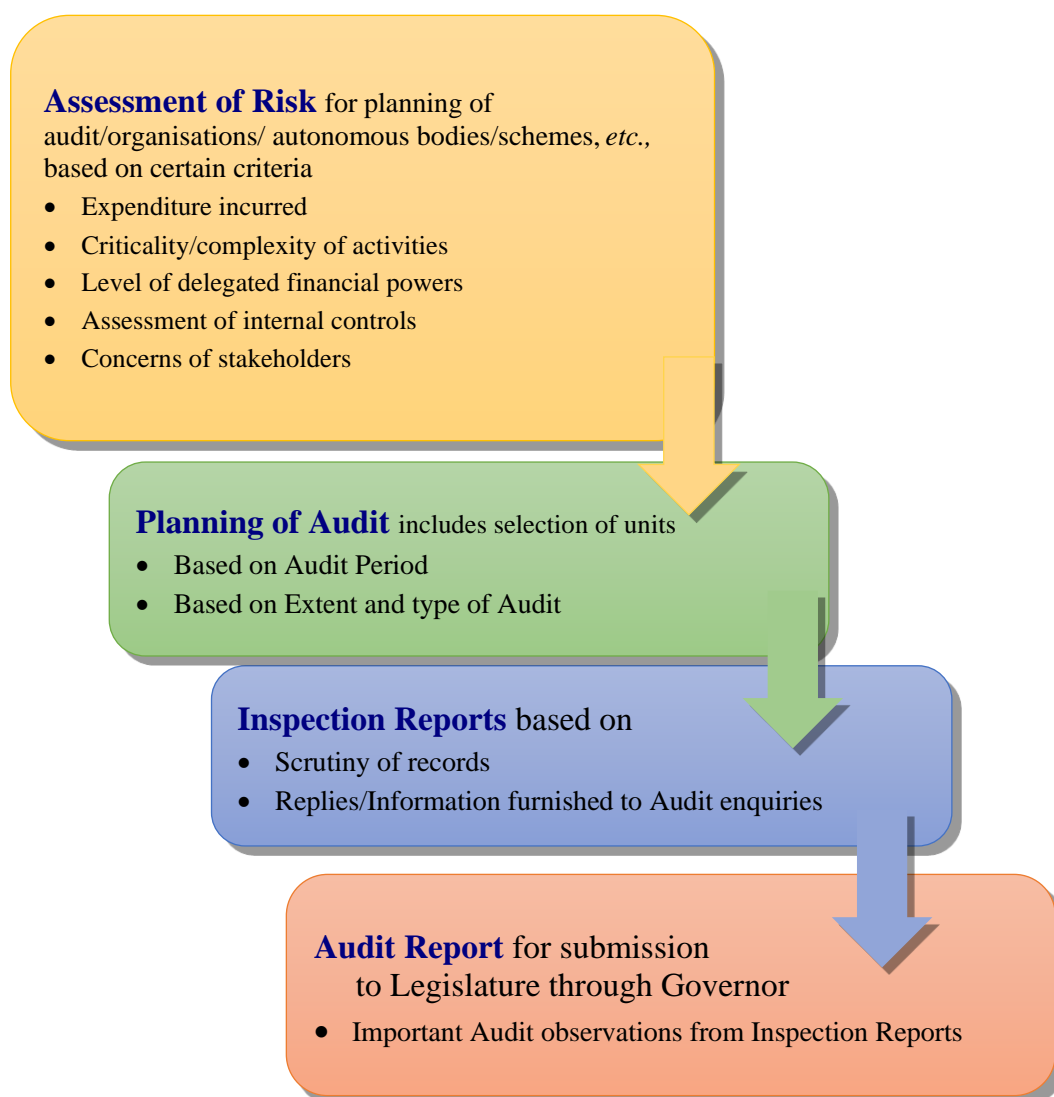
### Planning and Conduct of Audit

**1.5** Audit planning process starts with the assessment of risks faced by various Departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns of stakeholders. Previous audit findings are also considered during this exercise. The frequency and

extent of audit are decided based on risk assessment.

The following flowchart depicts the process of planning and conduct of audit:

**Chart No. 1: Planning and conduct of audit**



After completion of audit of each unit, Inspection Reports (IR) containing audit findings are issued to the heads of the Departments. The Departments are requested to furnish replies to the audit findings within one month of receipt of the IRs. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these IRs are processed for inclusion in the Audit Reports, which are submitted to the Governor of the State under Article 151 of the Constitution of India to be tabled in the State Legislature.

### **Significant audit observations and response to audit**

**1.6** Audit has reported significant deficiencies in transactions and internal controls noticed during compliance audits to the Heads of the Departments. The paragraphs included in this report were forwarded demi-officially to the Addl. Chief Secretaries/ Principal Secretaries /Secretaries of the Departments

concerned between September 2023 and February 2024 to send the reply of the Government within six weeks.

Replies to all the 11 Compliance Audit Paragraphs were received and the views of the Government, wherever received, have been suitably incorporated.

## **Responsiveness of the Government to Audit**

### **1.7 Outstanding Inspection Reports**

**1.7.1.** The Handbook of Instructions for Speedy Settlement of Audit Observations issued by the Finance Department in 2001 provides for prompt response by the Executive to the IRs issued by the PAG to ensure compliance with the prescribed rules and procedures and accountability for the deficiencies, lapses, *etc.*, noticed during the inspections. The Heads of Offices and next higher Authorities are required to comply with the observations contained in the IRs, rectify the defects and omissions promptly and report their compliance to the PAG, who forwards a half yearly report of pending IRs to the Secretary of the Department to facilitate monitoring of the audit observations.

As on 31<sup>st</sup> March 2023, 3,756 IRs (18,970 paragraphs) were outstanding against the 28 Departments. Age-wise details of pendency are given in table below:

**Table No. 1.2: Age-wise details of pendency of IRs and paragraphs**

Sl. No.	Age	Number of IRs	Number of paragraphs
1	< 1 year	293	2783
2	1-2 years	215	1934
3	2-5 years	837	5676
4	5-10 years	1378	5854
5	>10 years	1033	2723
<b>Total</b>		<b>3756</b>	<b>18970</b>

A review of the pending IRs issued up to March 2023 showed that 293 IRs (2,783 paragraphs) were pending for less than one year, 2,430 IRs (13,464 paragraphs) were pending for more than one year but for less than 10 years and 1,033 IRs (2,723 paragraphs) were pending for more than 10 years. Year-wise and department-wise details of IRs and paragraphs outstanding are detailed in **Appendix-2**.

### **Follow-up action on Audit Reports**

**1.7.2.** The Handbook and the Rules of Procedure (Internal Working), 1999 of the Public Accounts Committee provides for all the departments of Government to furnish detailed explanations in the form of Action Taken Notes (ATNs) to the audit observations which featured in Audit Reports, within four months of their being laid on the Table of Legislature.

The administrative departments did not comply with these instructions and 16 departments (as detailed in **Appendix-3**) did not submit ATNs for 96 paragraphs for the period 1996-97 to 2023-24 as of 31 March 2024.

***Paragraphs to be discussed by the Public Accounts Committee***

**1.7.3.** A review of the position of paragraphs pending discussion by the Public Accounts Committee as of 31 March 2024 showed that 134 paragraphs (including Performance Audits and Reviews) were yet to be discussed. Department-wise details of paragraphs (excluding General and Statistical) pending discussion by the Public Accounts Committee as of 31 March 2024 are detailed in **Appendix-4**.

**Status of placement of Separate Audit Reports of Autonomous Bodies in the State Legislature**

**1.8** The audit of accounts of seven autonomous bodies in the State, under the jurisdiction of PAG Audit II, has been entrusted to the CAG. The status of entrustment of audit, rendering of accounts to audit, issuance of Separate Audit Reports (SARs) and its placement in the Legislature is given in **Appendix-5**.

There was a delay in submission of annual accounts of three autonomous bodies by 13 months. The delay in finalisation of accounts carried the risk of financial irregularities going undetected and therefore, the accounts need to be finalised and submitted to Audit at the earliest.







# *Chapter-II*



## *Subject Specific Compliance Audits*



## Chapter II: Subject Specific Compliance Audits

### Forest, Ecology and Environment Department

#### 2.1. Functioning of Karnataka State Pollution Control Board

##### 2.1.1. Introduction

**2.1.1.1 The Background:** Government of Karnataka constituted (21 September 1974) the 'Karnataka State Board for the Prevention and Control of Water Pollution' under the Water (Prevention and Control of Pollution) Act 1974 (WPCP Act) which was later renamed as 'Karnataka State Pollution Control Board' (KSPCB or the Board) (Section 53 of WPCP Act as amended in 1988). The mandate for the Board is to enforce laws for Prevention & Control of pollution, monitor Environmental quality, advice the Government on environmental pollution control matters, etc. Further, KSPCB is responsible for planning a comprehensive program for the prevention, control or abatement of pollution of streams, wells, air and to secure the execution thereof, conducting Research, and educating all the stake holders<sup>5</sup> including public on any matter concerning the prevention, control or abatement of water pollution and air pollution.

**2.1.1.2 Organisational Set-up:** The Board is headed by a Chairman and consists of a Member Secretary with 15 other members which include representatives from Government, Local Authorities, State Controlled Corporations and non-official members. The Board has 10 Zonal Offices headed by Senior Environmental Officers, 44 Regional Offices led by Environmental Officers, *one* Central Environmental Laboratory at Bengaluru and *eight* Regional Laboratories spread across the State (Regional Laboratory, Davanagere had been upgraded as Central Environmental Laboratory in March 2022). A detailed Organisational Chart is given in **Appendix-6**.

**2.1.1.3 Audit Objective:** The Audit was taken up to examine whether the Board is adequately discharging its role in environmental protection and has adequate financial, physical and human infrastructure capacities for discharging its activities. Special emphasis was given to KSPCB's regulatory role in discharging its duties under various Environmental Acts and Rules.

**2.1.1.4 Audit Criteria:** The Criteria for this Audit include the Water (Prevention & Control of Pollution) Act, 1974, the Air (Prevention & Control of Pollution) Act, 1981, the Environment (Protection) Act, 1986 and the Rules/Notifications framed under the Act with specific reference to the Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016, the Bio-Medical Waste Management Rules, 2016, the Solid Waste Management Rules, 2016, the Construction and Demolition Waste Management

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<sup>5</sup> Government, Local Bodies, Business entities, Landowners, all the users of natural resources and public in general.

Rules, 2016, guidelines, norms, notifications, circulars issued by the CPCB/KSPCB, directions issued by Courts and National Green Tribunal (NGT) from time to time.

**2.1.1.5 Scope of Audit:** The Audit was conducted between March and October 2023 for the period from 2018-19 to 2022-23. Records maintained in the offices of the Additional Chief Secretary, Forest Environment and Ecology Department, Principal Secretary, Environment and Ecology Department, KSPCB Central Office, Central Environmental Laboratory, four<sup>6</sup> out of 10 Zonal Offices, four<sup>7</sup> out of eight Regional Laboratories and 13<sup>8</sup> out of 44 Regional Offices spread across the State were scrutinized. Selection of Zonal Offices, Regional Laboratories and Regional Offices was based on ‘Simple Random Sampling Without Replacement (SRSWOR)’ method. Besides, a detailed review of files related to 30 industries/establishments under each selected RO was conducted.

**2.1.1.6 Audit Methodology:** An Entry conference was held (February 2023) with Member Secretary, KSPCB in which the Audit Objectives, Criteria, Scope including the samples selected and proposed methodology were discussed. The data/information collected during examination of records were cross verified during field visits conducted by Audit along with the jurisdictional Officers of the Board. Draft Report was issued to the Government (January 2024) and Exit conference was held in March 2024. Government endorsed (April 2024) the reply furnished by KSPCB and have been incorporated in the Report. Important Audit Observations, conclusion and recommendations are given in the following paragraphs.

## **2.1.2. Financial Management by the Board**

Majority of the Board’s expenditure is incurred towards salaries, office expenses, advertisements, activities to create awareness among the public and on providing infrastructural facilities for its offices. Consent Fee<sup>9</sup> collected from the industries/units forms the major source of the Board’s revenue. Water Cess being collected under WPCP Cess Act, was the other major source of revenue to the Board till it was subsumed under the Goods and Service Tax Act, 2017. Water and Air Analysis Charges and fines and penalties levied such as Environmental Compensation, etc., also constitute the other sources of Board’s income. The year-wise details of income and expenditure during the five years period from 2018-19 to 2022-23 are shown in the following Table-2.1.1.

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<sup>6</sup> Ballari (Vijayanagara), Bengaluru City, Mangaluru, and Mysuru.

<sup>7</sup> Belagavi, Mangaluru, Mysuru, and Raichur.

<sup>8</sup> Ballari, Belagavi, Chikkaballapura, Chikkamagalur, Kolar, Koppal, Mangaluru, Mysuru-1, Peenya, Raichur, Tumakuru, Vijayapura, and Yadagiri.

<sup>9</sup> Consent fee is a fee for granting consent to establish or operate an industry, process, or system that may discharge pollutants into the air or water.

**Table-2.1.1****Income and expenditure of the Board during 2018-19 to 2022-23****(₹ in crore)**

Particulars	2018-19*	2019-20	2020-21	2021-22	2022-23
Income	43.51	53.31	110.61	439.68	369.16
Expenditure	89.45	83.20	86.14	124.87	100.22
Surplus/deficit	(-) 45.94	(-) 29.89	24.47	303.90 <sup>10</sup>	268.94

\* KSPCB had accumulated surplus of ₹462.05 crore as on 31 March 2018.

The Board's increased income during 2020-21 to 2022-23 was due to revision of Consent Fee. The accumulated surplus increased from ₹ 462.05 crore as on 31 March 2018 to ₹ 983.54 crore as on 31 March 2023. Despite having a considerable amount of accumulated surplus over the years, KSPCB fell short of discharging its mandated activities which are discussed in paragraphs 2.1.3 to 2.1.10 of this Report. Further, the observations made on non/short realisation of revenue to the Board and on other financial management issues are given in paragraphs 2.1.2.1 to 2.1.2.3.

#### **2.1.2.1 Failure to take the corrective actions suggested by the Statutory Auditor**

Few persistent comments were issued by the Statutory Auditor (appointed by the State Government) on the Annual Accounts of the Board since 2016-17. However, Audit noticed that KSPCB had not taken any action on these observations. Important deficiencies pointed out by the Statutory Auditor were Non-maintenance of Subsidiary Ledgers, Non-maintenance of Fixed Asset Register, Internal controls were not commensurate with the size of the Board, Non-reconciliation of bank balances, non-provision towards alleged fraud by State Bank of India to the tune of ₹ 10 crore, etc. Non-reconciliation of bank balances despite the loss of investment (₹ 10 crore) shows clear negligence.

In reply, KSPCB stated (April 2024) that action has been initiated to address the issues.

#### **2.1.2.2 Non/inadequate pursuance for arrears of revenue**

The levy of Water Cess under the WPCP Cess Act was subsumed under Goods and Service Tax with effect from 1 July 2017. The Board received reimbursement of Cess collected from Government of India of ₹ 3.16 crore for the year 2017-18 and ₹ 34.17 lakh for the year 2018-19. Thereafter, no amount was received by the Board on this account.

- (i) As at the end of March 2017, cess amount of ₹ 137.07 crore ( ₹ 3.41 crore and ₹ 25.54 crore due from Industries and Local Bodies respectively and interest of ₹ 108.12 crore) was due to be received. However, this was neither realised during 2017-18 nor shown as outstanding in the Board accounts till 2022-23. There exists a distinct possibility of these arrears remaining unrealized.

<sup>10</sup> Excess of income over expenditure reduced by ₹10.91 crore due to 'Prior Period Adjustments'.

In reply, KSPCB stated (April 2024) that circulars have been issued to ROs to collect due amounts from the industries and Local Bodies.

- (ii) As Water Cess was subsumed under the GST implemented with effect from 1 July 2017, KSPCB has a rightful share in the GST collection from that date. However, KSPCB has not taken any action to bring the issue to the notice of the Government. The amount assessed as due to KSPCB for the period from 1 July 2017 to 31 March 2023 worked out at ₹ 35.94<sup>11</sup> crore.

In reply, KSPCB stated (April 2024) that a letter has been addressed to CPCB seeking clarification in the matter.

### 2.1.2.3 Short collection of Consent Fees

The Consent Fees levied under WPCP Act and APCP Act were revised with effect from 11 November 2020 and 26 October 2021. Further, KSPCB issued guidelines on 14 December 2021 for levy of Consent Fee in respect of applications received between two revisions. It was however noticed that in 108 cases prescribed consent fee was not collected. The short collection amounted to ₹ 6.33 crore as detailed in **Appendix-7**.

In reply, KSPCB stated (April 2024) that out of ₹ 6.33 crore, an amount of ₹ 69.08 lakh has been collected and notices were issued to remaining industries.

### 2.1.2.4 Non/short collection of Sampling and Analysis Fees

KSPCB levies sampling and analysis charges as notified by MoEF from time to time. Audit observed that in five<sup>12</sup> Regional Offices, sampling and analysis charges amounting to ₹85.51 lakh were either not collected or short collected in respect of 3,418 cases between April 2018 and March 2023.

In reply, KSPCB stated (April 2024) that recovery in this regard has been initiated and only ₹ 54.12 lakh is pending for recovery.

## 2.1.3. Consent Management

Under Section 25 of the WPCP Act and under Section 21 of the APCP Act, no industry, operation, process involving discharge of sewage/trade effluent/emission, can be established or operated without consent of the Board. Thus, Consents are instruments to ensure compliance to environmental laws and adopt modern and cleaner technologies.

Consents are issued by the Board at two stages, 'Consent for Establishment' (CFE) followed by 'Consent for Operation' (CFO). While CFE is granted for establishment/expansion of industries, CFOs are issued for commencement and continuation of operations both of which are governed by set of conditions

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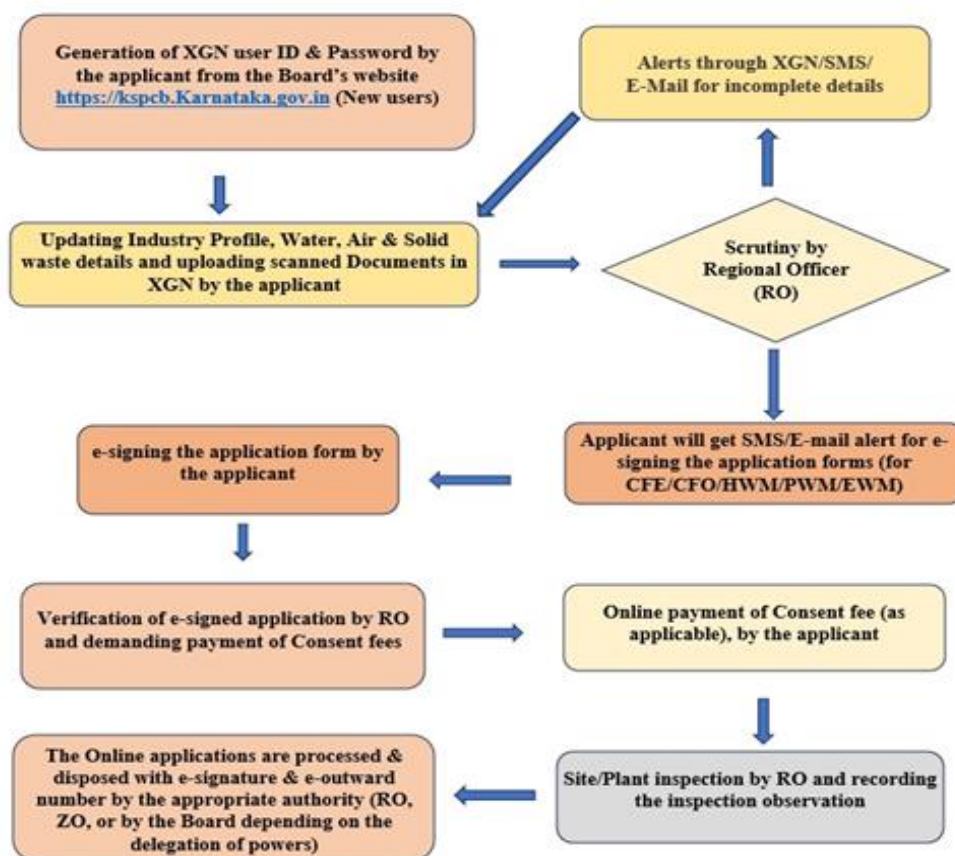
<sup>11</sup> During the year 2016-17 KSPCB realised revenue of ₹ 6.08 crore from the Water Cess. This was six *per cent* more than the revenue realised during 2015-16 which was ₹ 5.73 crore. Accordingly applying annual growth in the revenue at 6 *per cent* per annum, the total revenue from GST to KSPCB had been assessed. However, KSPCB needs to assess the actual amount due and demand the same from Government.

<sup>12</sup> Ballari, Chikkamagaluru, Koppal, Tumakuru and Yadagiri.

stipulated thereon. For issue of Consents, industries or organisations are classified as White, Green, Orange and Red<sup>13</sup> categories by the CPCB based on their pollution loads. White category<sup>14</sup> industries do not require consent but are required to submit information on their operations. For Green, Orange and Red category industries, applications for CFEs/CFOs are processed and issued by Regional Offices, Zonal Offices and by the Board respectively. In KSPCB, the process of issue of CFO and CFE is carried out through an application software called eXtended Green Node (XGN). The steps involved in Consent Administration from the initial stage of facilitating applicants till final disposal of applications are given in **Chart - 2**. In case of refusal by KSPCB, the applicant may either choose to reapply for the consent or abandon the project.

**Chart 2**

**Process Flow Sheet for Consent for Establishment (CFE)/Consent for Operation (CFO)/Hazardous Waste Management (HWM)/ Plastic Waste Management (PWM)/E-Waste Management (EWM)/ Bio-Medical Waste Management (BMWM)/ Solid Waste Management (SWM)/ Construction & Demolition (C&D) Fresh & Renewal applications of Green/Orange/Red Category Organisation through eXtended Green Node (XGN).**



<sup>13</sup> As per CPCB instructions issued in March 2016, industrial sectors with pollution index of 60 and above are classified as Red, pollution index from 41 to 69 as Orange and 21 to 40 as Green category.

<sup>14</sup> Industrial sectors which are practically non-polluting et: Cotton and woolen hosiers making (Dry process only without any dyeing/washing operations), Assembly of bicycles, baby carriages and other small not motorizing vehicles, Ground nut decorticating, etc.



During the period from 2018-19 to 2022-23, KSPCB received 11,033 applications for CFE, of which 10,554 were approved, 239 were under process and 479 applications were rejected by the Board. Similarly, out of 24,254 applications received for CFO, 23,441 were consented, 537 were under process and 813 were rejected as detailed in **Appendix-8**. Important observations noticed in the Consent Administration by KSPCB are given in the following paragraphs:

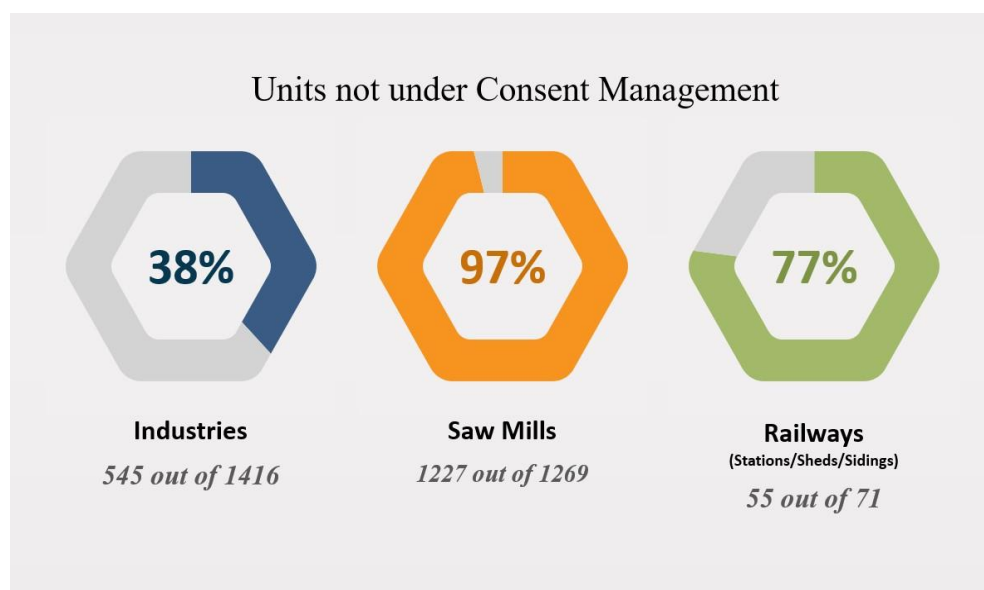
**2.1.3.1 Absence of Database of Industries:** As per WPCP and APCP Acts no industry shall be established and operated without obtaining Consent. Thus, it is the Board's primary responsibility to ensure that all industries in the State have a valid CFE/CFO. Therefore, it is imperative that KSPCB maintains a comprehensive database of industries to carry out its regulatory role. However, Audit observed that no such comprehensive database of industries was maintained and hence, an assurance that all the industries operating in the State complied with the environmental laws could not be obtained. Board had not coordinated with other Departments such as Industry and Commerce, Forests, Railways, Local Bodies, etc. to ensure that all the enrolled/registered entities are brought under consent net.

Audit gathered information from Departments of Industries and Commerce, Forests and Railways and cross-verified the same with Consent Register ('F Register') maintained at selected ROs of KSPCB. The exercise revealed that 1,827 out of these 2,756 industries or establishments (66 per cent of cases verified) were operating without CFE and CFO.

The selected RO wise number of industries/establishments functioning without valid Consent from KSPCB are given in **Appendix-9** and the summarised information is given in the following **Chart - 3**:

**Chart - 3**

**Industries not found in the Consent Register of KSPCB**



*Source: Industries – Department of Industries and Commerce, Saw Mills – Forest Department, Railway – Official websites and Consent Registers of Regional Offices of KSPCB.*

Thus, KSPCB did not proactively initiate action to ensure all industries were under its regulatory framework.

In reply, KSPCB stated (April 2024) that after being pointed out by Audit, 66 industries and 22 Railway Stations/Sheds/Sidings have been covered under the consent net and notices have been issued to 1,227 Sawmills to apply for consent.

**Recommendation 1: Government may direct the Board to obtain periodical information on industries and other operations registered with Government Departments such as Industries and Commerce, Commercial Taxes, Health etc. Also, the Government may issue directives to Departments not to permit any industry under Red, Orange and Green categories unless CFE/CFO has been obtained.**

**2.1.3.2 Lack of follow-up on Consent for Establishments issued:** The Board issues a CFE that is valid for five years<sup>15</sup> period and the CFO has to be obtained by the applicant within that period. Otherwise, the CFE must be renewed for applying of CFO. On Scrutiny of F-Registers<sup>16</sup> of sampled Regional Offices as on March 2023, Audit noticed that as many as 2,556 applicants which were issued CFE have neither obtained CFO nor renewed CFE even after the expiry of their validity period. Of these, 1,809 applications were for industries and the remaining 747 were for apartments (Further details are given in **Appendix-10**). Moreover, in these cases, the ROs concerned did not inspect the declared premises to verify the status of operations subsequent to expiry of CFE.

In reply, KSPCB stated (April 2024) that out of 1,851 industries, 436 industries are closed, 166 have valid CFO, 138 fall under white category, 13 CFE expired and project dropped (totaling to 753). For the balance 1,098 industries, KSPCB stated that action would be taken to bring them to under the consent net. However, the figures mentioned in the reply did not tally with the Audit Observation and as KSPCB did not furnish the list of industries along with their reply, the figures given in reply could not be reconciled with the Audit Observation. In addition, the issue of notices to the industries vindicates the audit observation that there was lack of follow-up by the Board.

**2.1.3.3 Industries operating without renewing CFO:** The Board issues CFO that is generally valid for five to 10 years<sup>17</sup>, depending on the category of industries<sup>18</sup>. The industries are to submit renewal applications 90 days before the date of expiry of CFO. On Scrutiny of F-Register of sampled ROs, Audit noticed that CFOs issued to 2,901 out of 10,890 industries/units had expired and no applications for renewal of CFO were received. Possible functioning of these industries without renewal of CFO cannot be ruled out. Further on cross-verification with GST data of 402<sup>19</sup> of the above cases, Audit found that 123<sup>20</sup>

<sup>15</sup> OM No. PCB/68-COC/2011-12/994 dated 25 May 2011

<sup>16</sup> Register of Consents Issued

<sup>17</sup> KSPCB/798/COC/2016-17/1425 dated: 15 June 2016

<sup>18</sup> Five years for Red category to 10 Years for Green category industries.

<sup>19</sup> Though the efforts were made to cross-verify all the 2,904 cases, in the absence of GST number with the KSPCB, efforts were made to identify the industries with their registered name and address. In this process only 402 cases could be tracked by Audit.

<sup>20</sup> In the remaining 279 cases, no details were found in the GST portal. Since registration under GST is mandatory only for the industries having annual turnover of ₹ 20 lakh or more, the possibility of these industries also being operative cannot be ruled out

(30.60 per cent of industries verified) industries were still operating and filing regular GST. Evidently, KSPCB failed to verify their operational status.

The KSPCB stated (April 2024) that 123 industries were closed, 45 industries were under White category, 572 consents were issued, and 175 consents were under process. KSPCB also stated that for the balance 1,937 cases, notices had been issued. However, the figures mentioned in the reply was not tallying with the Audit Observation. Also, KSPCB did not furnish the list of industries along with their reply for reconciliation with the Audit Observation. Though the list of industries was not furnished, the fact that notices have been issued to 1937 cases implies that these were operating without renewal of consent, indicating lack of adequate monitoring by KSPCB.

**Recommendation 2: Government may direct the Board to fix targets for periodical inspections and reporting on applicants who obtained CFE but had not applied for CFO and industries/units that have not applied for renewal, after lapse of previous CFO.**

**2.1.3.4 Deficiencies in Consent orders:** Consent orders issued by KSPCB stipulate limits on water consumption and waste-water generation per day. The order also prescribes measures to be taken by the applicant for containing water and air pollution duly indicating the standards for discharge of treated effluents/sewage, and tolerable/permissible limits for emission. Audit review of Consent Orders of 390 units/industries in the selected ROs revealed that in 31 cases, KSPCB had not prescribed the applicable standards. The deficiencies noticed were:

- In six cases, emission/effluent standards were not prescribed. In reply, KSPCB stated (April 2024) that corrigendum/addendums have been issued in 4 cases (Ballari and Chikkamagalur). In the case relating to Hutti Gold Mines, Raichur, it was stated that out of 13 stacks<sup>21</sup>, eight are not existing, one relates to 1200 KVA DG Set and four are for primary and secondary crushers without chimney. The reply is not acceptable as standards for emission from 1200 KVA Genset were not prescribed.
- In 11 cases, standards prescribed were in deviation from industry specific norms. In reply, KSPCB accepted (April 2024) the audit observation and stated that corrigendum/letters have been issued incorporating the required standards.
- In five cases, permission from Karnataka Ground Water Authority was not obtained. In reply, KSPCB stated (April 2024) that notices are being issued to these units.
- In four cases, there were time gaps ranging from 20 to 775 days between two consecutive consent orders. On this being pointed, KSPCB replied (April 2024) that Amendment to CFO would be issued for 2 industries (Raichur 1 and Mysuru 1 and demand for Consent Fee would be raised for two industries (Tumakuru 2).
- In four cases, waste-water generation was incorrectly assessed. In reply, KSPCB stated (April 2024) that the industries would be inspected and

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<sup>21</sup> Stacks are industrial chimneys through which pollutants are emitted to the atmosphere.

necessary action would be taken.

- In one case, capital investment was wrongly reckoned resulting in short recovery of consent fees. In reply, KSPCB stated (April 2024) that notice had been issued to the industry in this regard.

Details are tabulated in **Appendix-11**.

These instances indicate inadequate internal control measures in preparation of Consent Orders and absence of review and monitoring mechanism for the Consent Orders issued by the ROs at the Zonal Office or the Board level.

Incorrect adoption of norms in the consent might lead to unregulated discharge of effluents/emissions which would in turn lead to adverse environmental, health and regulatory consequences.

**2.1.3.5 Failure to take action against non-conforming units:** Section 17 of the WPCP and APCP Acts require KSPCB to inspect any industry and to issue directions to take steps for the prevention, control or abatement of pollution. An Inspection Policy<sup>22</sup> for this purpose was also issued by KSPCB on 31 March 2016. Review of records relating to 390 sampled cases of 13 ROs revealed that penal action was not taken against non-complying industries.

Brief of observations are as under:

- In four cases of 3 ROs, not a single sample was collected during the last five years.
- In 17 cases of 5 ROs, incorrect standards were adopted for testing sewage. Details are in **Appendix 12** and **Appendix 12 A**.
- In 124 industries of 12 Regional Offices, 1032 effluent (124 industries) and 106 emission samples (25 industries) were not complying with stipulated parameters. Details are in **Appendix 13**. In reply, KSPCB stated (April 2024) that out of 124 industries, eight are zero liquid discharge units, one is yet to commence its operation, two discharge to STP of sister concern, one is stone crusher, six are handing over effluent to CETP, one is granite polishing unit, one is a hospital which has a disinfection unit, one unit has a septic tank soak pit. Hence, samples were not to be collected from these 21 units. With reference to balance 103 industries, notices had been issued/ were being issued. However, industry-wise data and documents in support of the reply were not furnished.
- In 48 Depots of Road Transports Corporations and two other units of nine ROs, mandatory ETP/STPs were not installed (details are given in **Appendix 14**). In reply, KSPCB stated (April 2024) that 30 RTC depots (out of 52) have applied for CFO, of which 25 have been issued. 17 ETPs have been installed and 11 are under construction. However, Depot-wise data and documents in support of the reply were not furnished.
- In two Sponge Iron industries of Ballari RO, adequate air pollution control measures were not provided. In reply, KSPCB stated (April 2024) that lesser number of tests were due to shortage of manpower, and

<sup>22</sup> KSPCB OM No. PCB/782/COC/2016/7158 dated 31/3/2016

- In Thermal Power Plants located at Ballari and Raichur, stipulated specific water consumption limits were not adhered to. In reply, KSPCB stated (April 2024) that show cause notice issued to RTPS and in response, it was stated that Water Audit was conducted and SWC had come down to 4.8 m<sup>3</sup>/MWH. A personal hearing would be held for preparation of action plan to achieve SWC of 3.5m<sup>3</sup>/MWH. Besides, notice issued to BTPS unit-II and industry would be called for a personal hearing to implement action plan and achieve specified SWC.

**2.1.3.6 Ineffective follow-up on Online Continuous Emission/Effluent Monitoring System:** The CFO issued to Red Category industries, inter alia, includes conditions to establish Online Continuous Emission/Effluent Monitoring System (OCEMS<sup>23</sup>). The data transmitted by OCEMS are captured in the central server system maintained in KSPCB Head Office in Bengaluru. Audit reviewed the records and found that 49 industries repeatedly breached the norms. The details are given in **Appendix-15**. The exceedance of norms by an industry ranged from five instances in five days by M/s Balaji Sugars and Chemicals Vijayapura (in January 2021) to 3,082 instances<sup>24</sup> in a span of 21 days (in July 2019) by RTPS, Raichur. However, no action was taken by the Board against these exceedances. Audit also noticed that the data transmitted by OCEMS were not shared with jurisdictional ROs on real-time basis. As a result, ROs were not able to take timely action to regulate pollution levels.

In reply, KSPCB stated (April 2024) that notices have been issued to RTPS, Raichur for non-compliance. It was further stated that data transmitted by OCEMS is now being manually shared with industries, RSEO and ROs and possibility of real time sharing of data was being looked into.

**2.1.3.7 Absence of ETP at industrial area:** Industrial Areas in Karnataka are established/developed by Karnataka Industrial Areas Development Board (KIADB). It is the responsibility of KIADB to ensure the Industrial Areas are developed in accordance with the applicable laws in vogue, including pollution control laws. Establishment of Common Effluent Treatment Plant (CETP<sup>25</sup>) is one of the conditions imposed for grant Environmental Clearance. The land for construction of CETP was allotted to KSPCB at Raichur (March 2015) and Ballari (November 2012). The Report No.8 of the Comptroller and Auditor General of India on Economic Sector, GoK, for the year ended 31 March 2017 (Para 3.3.3) stated that in two industrial areas, KSPCB accepted the land allotted by KIADB for establishing CETPs and had not established them as of June/August 2017. Further observations in this regard are as under:

- The KSCPB in its Board meeting (209<sup>th</sup>) (November 2016) decided not to establish a CETP in Raichur as it would amount to a conflict of

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<sup>23</sup> The Continuous Emission/Effluent Monitoring (CEM) System comprises all the equipment necessary to determine the concentration of emission/effluents and pollutants rate using analytical measurements and a computer program to provide results in units of the applicable emission/effluent limits or standards. The data generated is gathered either through analog outputs to a recording system or sending directly to a DAS (Data Acquisition System) for storage and onward transmission.

<sup>24</sup> The average pollution levels recorded over a fifteen minute is considered as one instance.

<sup>25</sup> a centralized effluent treatment facility wherein effluent from all industries in the area are collected, conveyed, treated and disposed

interest being a regulatory body. KIADB cancelled (January 2020) the allotment and resumed the land in February 2020. However, CETP was yet to be established.

- The land leased for 10 years (November 2012) by KIADB at Ballari (Mundaragi) was continued to be in possession of the Board (March 2024). Since CETP is yet to be established, industrial effluents were still being discharged into the storm water drains.



**Picture 1: Discharge of Effluents into storm water drains at Ballari**

In reply, KSPCB stated (April 2024) that land that was allotted to KSPCB at Raichur was taken back and handed over to MEETPL (Mother Earth Enviro Tech Private Ltd) for establishment of CETP. For CETP at Ballari, it was stated that due to absence of suitable proposals from Jean Washing Units Association, establishment of CETP could not materialize. However, the CETPs have not come up in these two industrial areas even after 8/11 years of allotment of land. Further, there

was uncontrolled discharge of effluents by Jean washing units at Ballari.

Thus, there was inadequate monitoring of industries after issue of CFOs by the Board. Mandatory inspections were not conducted and non-complying industries/units were not pursued vigorously.

Further, the extent of compliance by the consented industries/units with reference to Hazardous, Hazardous, Construction and Demolition and Solid Wastes Rules and action taken by KSPCB are discussed in the following paragraphs 2.1.4. to 2.1.9.

#### **2.1.4. Hazardous Waste Management**

Under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the HOWM Rules), 'Hazardous Waste' means any waste which by reason of any of its physical, chemical, reactive, toxic, flammable, explosive or corrosive characteristics causes danger or is likely to cause danger to health or environment, whether alone or when in contact with other wastes or substances.

**2.1.4.1 Industries operating without valid HW Authorisation:** Rule 6 of HOWM Rules, 2016 mandates every occupier of the facility engaged in any activity relating to Hazardous and other wastes to apply and obtain Authorisation<sup>26</sup> from the SPCB. Further, applicants were to enclose CFE and CFO issued by the State PCB with their application for Authorisation. As such, KSPCB was aware of the industries requiring HW Authorisation. However, on review of the Consent register in 11 selected ROs revealed that out of 1,185

<sup>26</sup> "Authorisation" means permission for collection, transport, treatment, reception, storage and disposal of hazardous Wastes, granted by the competent authority in Form 2 of the HOWM Rules



industries handling HW, 377 (32 per cent) were operating without valid Authorisation<sup>27</sup>. The RO wise number of industries operating without valid Authorisation are given in Table –2.1.2 below.

Table – 2.1.2

**Industries operating without Hazardous Waste Authorisation**

Sl. No.	Name of the Regional Office	No. of industries requiring HW Authorisation	No. of industries not renewing/ obtaining HW Authorisation	Percentage
1	Ballari	108	47	44
2	Belagavi	105	41	39
3	Chikkaballapura	43	13	30
4	Chikkamagaluru	18	12	67
5	Kolar	140	32	23
6	Koppal	23	3	13
7	Mangaluru	186	90	48
8	Mysuru 1	179	43	24
9	Peenya	225	48	21
10	Tumakuru	129	42	33
11	Vijayapura	29	6	21
	<b>Total</b>	<b>1185</b>	<b>377</b>	<b>32</b>

KSPCB replied (April 2024) that after being pointed out by Audit, 54 industries renewed the Authorisation and 52 industries applied for renewal. Government also stated that for the remaining 271 industries, notices had been issued.

**2.1.4.2 Deficiencies noticed in Common Hazardous Waste Treatment, Storage, and Disposal Facility (TSDF):** The HOWM Rules provide for establishment of common treatment, storage and disposal facility for HW. The Criteria for HW Landfills issued (February 2001) by CPCB provide that Hazardous Waste landfills shall not be located within a distance of 200 m for lakes or ponds, 500 m for habitation and water supply wells, etc. Further, as per MoEF directions<sup>28</sup>, establishment of new Treatment, Storage and Disposal Facility (TSDF) within 400 km radius of the existing TSDFs is not permitted. The CPCB Criteria provide that if it is absolutely essential to site a landfill within the restricted zone, then appropriate design measures are to be taken and prior permission from the State PCB should be obtained.

There were three TSDFs in the State operating under the jurisdiction of three ROs. Of these, records related to two TSDF (Harohalli Industrial Area and Kadachur Industrial Area) were examined and observed that one TSDF was established in violation of CPCB siting conditions while the other was not complying to the consent conditions as detailed below:

- A. Establishment of Hazardous Waste landfill contrary to siting criteria:** A TSDF at Harohalli Industrial Area was established by a private limited company (M/s Mother Earth Enviro Tech Pvt Ltd (MEETPL)) and CFO was issued by KSPCB in April 2016 for handling

<sup>27</sup> Ballari-108(47), Belagavi-105(41), Chikkaballapura-43(13), Chikkamagaluru-18(12), Kolar-140(32), Koppal-23(3), Mangaluru-186(90), Mysuru-179(43), Peenya-225(48), Tumakuru-129(42) and Vijayapura-29(6).

<sup>28</sup> O.M No.12-30/2013-HSMD dated 20/06/2013

95,000 MT of HW over 10 years. Further, CFO for expansion was issued in June 2019 to handle 1,51,000 MT of HW for 10 years. M/s MEETPL was also provided with a total financial assistance of ₹7.95 crore for the establishment of TSDF. Of this, ₹3.97 crore was paid (March/April 2019) by KSPCB and the balance was paid by MOEF (December 2021) under a Central Sector Scheme<sup>29</sup> for setting up of Common TSDF under Public- Private Partnership model. Audit observed the following:

1. The location of the TSDF did not conform to the criteria conditions stipulated by CPCB. After site inspection, Environment Officer, KSPCB, Ramanagara reported that site did not meet the selection criteria with reference to lake/pond, habitation and the land was not advisable for the proposed activity.
2. Existence of another<sup>30</sup> TSDF facility within a vicinity of 80 KM in KIADB Industrial Area, Dabaspur (which was operational since 2008) was also not taken into consideration while granting CFE/CFO.

Besides, the TSDF was violating the terms and conditions specified in CFO and authorisation as given below:

1. The CFO approved in April 2016 indicated the permitted quantity of discharge of leachate as 2 KLD which was later enhanced to 3.5 KLD during March 2019. The annual quantity of leachate disposed exceeded the permitted quantity during the years 2018-19 and 2020-21 by 0.76 KLD and 0.22 KLD respectively.
2. The layout and design of the TSDF was approved by KSPCB only in October 2018. Thus, the facility's operations for two and half years, between April 2016 and October 2018 was a clear violation of Rule 16 (2) of HOWM Rules 2016.
3. The Authorisation issued (April 2016) under Rule 5 (3) of HOWM Rules 2008 was for 95,000 MT for 10 years. However, by March 2019, TSDF had handled 95,950.36 MT of HW, which was also violation of the CFO and Authorisation issued by KSPCB. Before issue of Authorisation for expansion in June 2019, the TSDF exceeded authorized limit by 10,417.96 MT.

Despite these violations by the operator, no action was taken by the Board to invoke penal provisions as per Rule 23 of HOWM Rules.

The KSPCB replied (March 2024) that the location of the facility was not complying with three out of 11 applicable criteria as per the report of RO, Ramanagar and one out of 13 criteria as per Joint committee constituted by NGT. With reference to distance between two TSDFs, KSPCB stated that EC was issued by State Environmental Impact Assessment Authority (SEIAA) and only issue of CFE/CFO was considered by KSPCB as per Rule 5 (1) of HOWM Rules. Reply also stated that MoEF&CC has issued EC to two TSDFs within five Kms

<sup>29</sup> D.O. No.20-3/2008-HSMD dated 26.4.2012

<sup>30</sup> M/s Karnataka Waste Management Project (M/s Ramky Enviro Engineer Ltd)



radius and hence, distance criteria was considered as advisory in nature.

However, the reply is not acceptable as the guidelines for siting was issued by CPCB reckoning the possible negative impacts of TSDF on the Environment and hence, compliance was to be ensured by KSPCB. The same was also not brought to the notice of SEIAA. With reference to other observations, no specific reply was furnished.

- B. Non-compliance with consent conditions and environmental regulations:** In the Kadachur Industrial Area of Yadgiri District, M/s MEETPL was operating a TSDF. Records maintained by the RO revealed that as per the CFO, the TSDF was required to treat trade effluents, leachate from the landfill site and waste water from vehicle washing in a primary treatment plant followed by Solar Evaporation Pond. However, in the TSDF, the effluents were reused directly in the landfill for dust control, violating consent conditions persistently over three years during 2019-20 to 2021-22<sup>31</sup>. However, RO had not examined this issue and did not ensure compliance to Consent condition till August 2023. Audit also noticed that based on the complaints received, an inspection was conducted by RO, Yadgiri in August 2023. The inspection report pointed out violations such as operating without a public liability insurance, absence of Volatile Organic Compounds (VOC) monitoring, non-construction of wastewater collection tanks for laboratory and vehicle wash water, incomplete construction of rainwater harvesting systems, not-treating leachate despite the Common Effluent Treatment Plant (CETP) being operational, insufficient green cover on specific sides of the facility, complaints about foul odors in and around the landfill site, etc.

However, no further action as prescribed in Section 33 A of WPCP Act was taken by the RO or by the KSPCB to ensure that the operator complies with consent conditions or environmental regulations.

In reply, the KSPCB stated (April 2024) that RO, Yadgiri has issued notices on non-compliances. It was further stated that the operator of the facility would be called for personal hearing before Chairman, KSPCB for taking further action.

- C. Absence of monitoring and control over waste generated by a mining company:** Hazardous Waste is defined under Rule 3(17) of the HOWM Rules and a list of processes generating hazardous wastes are given under Schedule 1 of the HOWM Rules. However, the note below the Schedule-1 states that the high-volume low effect wastes such as fly ash, phosphogypsum, red mud, jarosite, Slags from pyrometallurgical operations, mine tailings and ore beneficiation rejects are excluded from the category of hazardous wastes. Separate guidelines on the management of these wastes shall be issued by CPCB.

A Government of Karnataka Undertaking (M/s Hutti Gold Mines Ltd, Raichur (HGML)), engaged in exploration, development and exploitation of gold deposits occurring in Karnataka. Audit noticed that

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<sup>31</sup> as reported in the Environmental Statements filed (September 2020, September 2021 and September 2022) by the operator

stack emission and STP standards were not stipulated in the CFO issued for this company. Water samples collected from the surrounding area of the mine were not tested for Arsenic over the last five years by KSPCB. Leachate samples tested in April 2017 (CPCB) and in November 2020 (KSPCB Central Lab) from tailings showed higher levels of various heavy metals like Cadmium, Copper, Lead, Total Chromium, Arsenic and Nickel. No research or investigation was conducted by KSPCB in this regard. KSPCB also did not take any action to seek guidelines from CPCB or direct the HGML to implement appropriate pollution control measures.

In reply, KSPCB stated (April 2024) that CPCB had recommended<sup>32</sup> for storing tailings in constructed landfill with single stage 1.5 mm thick HDPE liner to minimize chances of percolation of leachate. Accordingly, HGML is storing tailings in Dump 3 on HDPE liner of 1.5 mm thickness. However, the reply does not include action in respect of the two old dumps where the leachate is directly seeping into the ground. With reference to testing heavy metals, KSPCB stated that RO, Raichur has been instructed to collect samples of surrounding areas, including leachate samples from tailings and analyse the same for heavy metals.

### **2.1.5. Bio-medical Waste Management**

Bio-medical Waste (BMW) is defined as any waste, which is generated during the diagnosis, treatment, or immunisation of human beings or animals or research activities. Bio-medical Waste Management Rules, 2016 (BMWM Rules) were notified to improve the collection, segregation, processing, treatment and disposal of Bio-medical wastes in an environmentally sound manner. Deficiencies noticed in implementation of these Rules have been brought out in the succeeding paragraphs:

**2.1.5.1 Lack of regulatory control over BMW generation, treatment and disposal:** Rule 6 and 9 (3) of BMWM Rules requires KSPCB to prepare inventory of occupiers and data on BMW generation, treatment and disposal, compilation of data and submission of the same in annual report to CPCB. Further, Rule 13(2) of BMWM Rules provides that the Board shall compile, review and analyse the information received from the occupiers for every calendar year and send this to CPCB on or before 31 July of the following year.

Audit noticed that KSPCB did not maintain a comprehensive inventory of occupiers/health care facilities including the data on generation, treatment and disposal Bio-medical waste (BMW) as of March 2023. In the absence of inventory, Audit could not assess how KSPCB ensured that the entire quantity of BMW generated in the State was scientifically disposed of by the treatment facilities.

Also, under Rule 13(2) of the BMWM Rules, the Board shall compile, review, and analyse the annual reports received from the occupiers and send this to CPCB. Audit scrutiny revealed that the gap between generation and treatment

<sup>32</sup> vide letter dated 26/9/2017

of BMW reduced from 43,653 Kgs/Day<sup>33</sup> in 2020 to 8,423 Kgs/Day<sup>34</sup> in 2022. Though this was an improving trend, as considerable quantity of BMW is still not being treated by the Common Bio-medical Waste Treatment Facilities (CBWMTF), the possibility of unscientific disposal of BMW could not be ruled out. Besides, this report was compiled from the information furnished by the consented Health Care Facilities (HCFs) and as per the report, on average, 89 *per cent* of the HCFs did not furnish the requisite information yearly. For instance, 43,030 units out of 48,431 HCF units in the State did not submit the information for the year 2022. The year-wise details of number of consented HCFs furnished the information, generation, treatment and gap in disposal of BMW are given in **Appendix-16**.

In reply, KSPCB stated (April 2024) that all the Regional Officers have been directed to carry out gap analysis study in line with methodology instructed by CPCB. The non-submission of annual reports was mostly by non-bedded HCFs and clinical laboratories. Submission of annual reports would be made compulsory in online portal and XGN software. KSPCB also stated that it would also upgrade the BMW software to get information on generation, treatment and disposal from all the HCFs.

**2.1.5.2 Non-levy of Environmental Compensation on non-compliant HCFs:** Under BMW Rules, 2016 all the HCFs are required to obtain Authorisation<sup>35</sup> from KSPCB and BMW is to be scientifically disposed off through CBWMTF. For this purpose, HCFs are required to enter into an agreement or Memorandum of Understanding with the CBWMTF. Further detailed procedure for storage, transportation, treatment, and disposal of BMW by CBWMTF have been outlined in the Rules<sup>36</sup>.

As per directions of National Green Tribunal,<sup>37</sup> CPCB prepared and issued Guidelines to levy EC on non-compliant HCFs/ CBWMTFs in July 2019 and the same was made applicable in the State by KSPCB through a Circular dated 29 July 2019. However, it was noticed that the Board did not follow these directions and failed to collect EC of ₹ 147.56 crore as of March 2023 as detailed below:

- A. As per the annual reports submitted by 13 selected ROs, 1,180 out of 15,802 HCFs were operating without valid Authorisation from KSPCB. However, no action was taken to ensure that all these facilities obtained Authorisation and EC of ₹ 51.68 crore<sup>38</sup> was not levied. The RO wise details of non-compliant HCFs and EC dues are given in **Appendix-17**.

In reply, KSPCB (April 2024) stated that 506 HCFs have renewed/applied for renewal and notices were being issued for the balance 674 HCFs. In addition, 875 HCFs have submitted annual

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<sup>33</sup> Gap between generation and treatment = Total generation (82,604 kgs) – Captive treatment (1,146 kgs) – Treatment by CBWMTF (37,805 kgs) = 43,653 kgs

<sup>34</sup> Gap between generation and treatment = Total generation (78,441 kgs) – Captive treatment (3084 kgs) – Treatment by CBWMTF (66,934 kgs) = 8,423 kgs

<sup>35</sup> Rule 10 of BMW Rules, 2016

<sup>36</sup> Rule 5 and Rule 8 of BMW Rules, 2016

<sup>37</sup> Principal Bench in the matter of O.A. No. 710 of 2017 filed by Shailesh Singh vide its order dated 12.03.2019

<sup>38</sup> Total EC= Number of HCFs with authorization (1180) x Penalty/day (₹1200/day) x 365 days = ₹51.68 crore

reports. However, details of HCFs were not furnished.

- B.** Audit noticed that in six ROs, 2,189 HCFs had not entered into agreement with the local CBMWTFs. In these cases, EC of ₹ 95.88 crore was to be levied. The RO wise details of non-compliant HCFs and EC dues are given in **Appendix-18**.

In reply, KSPCB stated (April 2024) that notices would be issued to HCFs to execute agreements with CBMWTFs.



- C.** The CBMWTF at Yadgiri had not established Bar code and global positioning system as required and did not maintain a logbook for each of its treatment equipment according to weight of batch and account of categories of waste treated with time, date and duration of treatment cycle and total hours of operation. Also, during the inspection by the RO in April 2023, serious non-compliances like burning of incinerable BMW in

open, non-provision of platform for stack monitoring, non-functional equipment, non-disposal of incinerator ash, etc. were noticed. However, the status had not improved as the same issues were noted during the field visit. In August 2023, the operator had dumped the BMW in open without segregation. The EC leviable for non-compliance to BMW Rules worked out to ₹ 34.69 lakh<sup>39</sup>.

In reply, KSPCB stated (April 2024) that notices have been issued with reference to CBMWTF, Yadgiri and personal hearing would be held with the operator shortly.

The instances discussed in paragraph 2.1.3 to 2.1.5 above indicate gaps in KSPCB's enforcement of stringent conditions imposed through consent orders.

Adequacy of regulatory control exercised by the Board over Municipalities and Local Bodies with respect to treatment and disposal of sewage, Solid Waste (SW), construction and demolition (C&D) waste and control over air pollution has been examined and important observations in this regard are mentioned in the following paragraphs.

#### **2.1.6. Non/inadequate monitoring over Urban Local Bodies**

As per Section 17 of the Water (Prevention and Control of Pollution) Act, 1974, one of the functions of the SPCBs is to plan a comprehensive program for prevention, control and abatement of pollution of water bodies and to secure the execution thereof. However, KSPCB had neither drafted any action plan to address the shortage nor taken any enforcement measures.

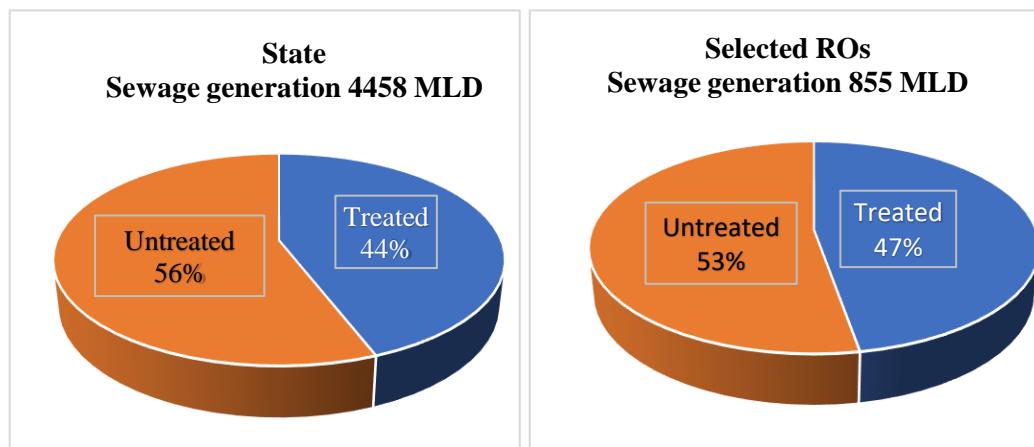
<sup>39</sup> Pollution index X Size of Operation X EC factor X days of violation = 100 (10 NCs\*10 score) X 0.25 X ₹ 250/- X 555 days = ₹34.69 lakh.

**2.1.6.1 Inadequate Sewage Treatment Capacity in the State:** KSPCB has prescribed mandatory installation of Sewage Treatment Plant (STP) in residential layouts, housing apartments and commercial complexes of specified dimension/capacity. Ensuring treatment of sewage water discharged by other entities is the responsibility of the jurisdictional Local Bodies.

As per CPCB estimation (March 2023), the sewage generation was 4,458 MLD based on the projected population as of 2021 for the State<sup>40</sup>. Against this, the installed capacity was only 2,787.47 MLD (63 *per cent*) and the capacity utilised was only 1,958.58 MLD (44 *per cent*) of sewage generation), leaving a gap of 2,499.42 MLD (56 *per cent*) of sewage untreated. Further, CPCB reported that about 29.73 per cent of the installed capacity (828.88 MLD) could not be utilised in the State. The underutilization of STPs was on account of non-operation due to damaged foundation<sup>41</sup>, lack of house service connection<sup>42</sup>, sewer network under construction<sup>43</sup>, absence of sewer network<sup>44</sup>, etc. Resultantly, untreated/partially treated sewage was being let out into water bodies like tanks and canals. Audit observed huge gap between generation and treatment of sewage in selected 12 Regional Offices as given in **Appendix-19** has been brought out in **Chart - 4** below:

**Chart – 4**

**Status of generation and treatment of sewage**



Source: CPCB estimation as per 2021 estimated population

As seen from the above, of the 855 MLD of sewage generation in these ROs, 452 MLD was untreated. Consequentially, this untreated sewage contaminated 45 waterbodies as noticed during field visits and as per the reports of Regional Officers as detailed in the **Appendix-20**.

In reply, KSPCB (April 2024) stated that NGT has already imposed EC on all Local Bodies in the State. Further, KSPCB had requested for information on the updated list of STPs under progress and STPs proposed from KUWSS&DB and KUIDFC, along with reasons and proposed action. In addition, KSPCB stated criminal cases had been filed against 86 Local Bodies. KSPCB also mentioned

<sup>40</sup> Based on population estimates

<sup>41</sup> Sadalaga

<sup>42</sup> Nargund, Turuvekere, Ramdurg, Hungund, Jewargi and Ullala

<sup>43</sup> Shikaripura, Haveri

<sup>44</sup> Sullia, Guledgudda

that discharge of sewage from unsewered areas and missing links in sewerage areas were reasons for pollution of water bodies.

### CASE STUDY 1

Hebbal lake, Mysuru was rejuvenated as a part CSR activity of Infosys Foundation, at a total cost of ₹105 crore. Under this scheme, an eight MLD capacity STP was installed at a cost of ₹40.80 crore. STP was commissioned in the month of January 2021 and the entire capacity was being used. Despite the installation of this STP, the water quality of the lake continued to remain in category “D”.

Audit visited the lake premises on 24 May 2023 and noticed that unabated inflow of untreated sewage/sullage through two storm water drains (SWD) at points SWD 1 & SWD 2 as illustrated below. This could be the reason for non-improvement of the water quality.

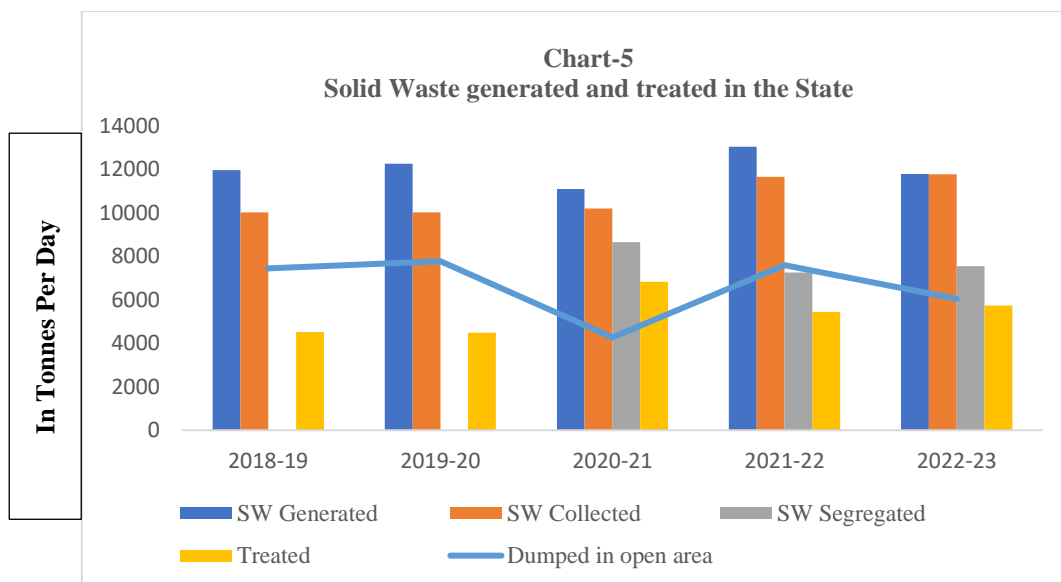
In reply, KSPCB (April 2024) stated that the entry of sewage from two drains would be addressed by providing floating barriers and necessary instructions have been issued to Mysuru City Corporation and CMC, Hootagalli.

**Picture 3: Sewage flow into Hebbal lake, Mysuru**



**2.1.6.2 Deficiencies noticed in regulatory control over Solid Waste management by Local Bodies:** The Solid Wastes Management (SWM), Rules 2016 laid down clear mechanisms relating to methods of collection, segregation, storage, transportation, processing/recycling, disposal, and proper land filling of municipal Solid Wastes generated within the town limits. The municipal Authorities are responsible for implementation of these Rules in their respective jurisdictions. KSPCB is required to ensure that Local Bodies comply with these rules. Year-wise details of Solid Waste generated, collected, segregated, treated/processed in the State are given in the following **Chart-5**.





*\*Details of segregation not available for the years 2018-19 and 2019-20*

During 2018-23, as against the total generated waste of 12,024 TPD, only 45 per cent of waste was treated and processed. The remaining 55 per cent (6,623 TPD per annum) of untreated waste was being dumped either in open areas, dumpsites or in already exhausted legacy waste sites.

In reply, KSPCB (April 2024) furnished the status of February 2024 which indicated that out of 12,140 TPD of Solid Waste generated, 6,639 TPD was treated and the gap in treatment was 5,501 TPD. Though the untreated Solid Waste has reduced from 7,443 TPD to 5,501 TPD, this quantity is substantially high.

Observations on management and disposal of Solid Waste by Local Bodies and its monitoring by KSPCB are brought out below:

**A. ULBs without identified landfill sites and operating without valid Authorisation:** Under Rule 15 (y) and 15 (z) of SWM Rules-2016, the Urban Local Bodies (ULBs) are required to obtain Authorisation for setting up waste processing, treatment or disposal facility from the Board. Rule 16 (4) and Rule 16(g) stipulates that KSPCB shall monitor the compliance of the standards prescribed in the Authorisation and incase of any non-compliance with the conditions of Authorisation, KSPCB may suspend or cancel the Authorisation. Audit observed the following:

- Out of 121 ULBs in 10 Districts, 43 ULBs (35.5 per cent) have not identified dumpsites for creating waste processing facilities.
- In 78 ULBs where SW dumpsites with processing facilities were available, only seven ULBs had valid Authorisation from KSPCB. Thus, there was no monitoring by KSPCB over the dumpsites and SW processing in case of the remaining 71 ULBs (**Appendix-21**).

In reply, KSPCB stated (April 2024) that notices had been issued to Local Bodies to apply for renewal of Authorisation and also stated that

a Notice of Proposed Directions<sup>45</sup> was issued to the Commissioner, BBMP to submit timebound action plan.

- B. Non- Remediation of Legacy Waste Sites:** Chronic negligence of sustainable and scientific treatment has resulted in an ever-growing mass of Municipal Solid Waste making its way into dumpsites in India. Many of the older dumpsites continue to stew a toxic leachate which contaminates water bodies and affects vegetation.

As per the data given by KSPCB, there were 196 legacy waste sites (Image of Legacy site at Mysuru in photo) in the State with 178.59 lakh MT of legacy waste yet to be remedied. Fresh untreated /unprocessed



Solid Waste quantity aggregating to 6,181 TPD continued to be dumped in already overfilled dumpsites. Operational guidelines of Swachh Bharat Mission (SBM) Phase-II which was approved in October 2021 made it mandatory for cities with a population of less than 1 million to clear legacy waste sites by March 31, 2023 and cities with a

population of more than 1 million to remediate their dumpsites by 31 March 2024. However, KSPCB, which was responsible for enforcing the SWM Rules in the state, could not enforce and achieve the timelines prescribed in the SBM guidelines.

In reply, KSPCB stated (April 2024) that directions were given to all ROs for monitoring legacy dumpsites (November 2022) and that Demi-official letters were written to Commissioners of City Corporation regarding Legacy waste dumpsites (March 2023).

A Case study - 2 on un-authorized dumpsite and non-remediation of legacy waste resulting in disaster for the local community is presented below:

<sup>45</sup> When a State Pollution Control Board (SPCB) or the Central Pollution Control Board (CPCB) intends to issue directions under Section 33A.



## CASE STUDY 2

### The Pachanady Landslide Accident in Mangaluru

The accident occurred due to heavy rainfall in August 2019, accelerating rainwater draining from the capped area and causing the landfill to collapse, sliding approximately a kilometer and swallowing up vast land areas, damaging houses, temples, and crops. The overflow of leachate from the landfill into nearby drainage contaminated surface water and the Phalguni River.

Expert reports and inspection findings highlighted multiple reasons for the landfill failure, including the construction of the landfill in a valley, inadequate water management systems, and the absence of proper containment structures, exacerbating the disaster. Leachate drainage system failure and overloading the landfill beyond its capacity with unsegregated waste were significant factors contributing to the tragic event.

Audit noticed that this dump site was inspected by KSPCB in May 2017 before issue of Authorisation. In the inspection note, KSPCB directed the municipal authorities to ensure completion of fence wall around the landfill and to provide garland drain with additional capacity for leachate collection, in addition to the existing 25 KLD tank. However, KSPCB issued authorisation without ensuring compliance to the directions issued.

In reply, KSPCB (April 2024) stated that criminal case has been filed against Commissioner of Mangaluru City Corporation (December 2020).

Picture: 5 & 6: Pachanady landfill site



The authorized facility failed to comply with conditions, such as providing monthly progress reports of waste collected, segregated and processed as per regulations, leading to an alarming increase in the waste pile.

**2.1.6.3 Non-Installation of Leachate Management System:** Leachate is a black color fluid which emanates from water percolating through solid waste disposal site which kills vegetation and pollute groundwater and surface water.

As per SWM rules, in no case, leachate shall be released into the open environment.

However, review of records in KSPCB revealed that out of the 213 waste sites under 210 ULBs in the State, 137 sites (64.31 *per cent*) did not have leachate treatment plant. The details are given in **Appendix-22**. Absence of leachate treatment facility, forms puddles in the surrounding area and allows leachate to seep into the ground, polluting both surface water and groundwater sources. Tests done by KSPCB near two landfill sites within BBMP and one each at Vijayapura and Chikkamagaluru revealed that groundwater was highly contaminated<sup>46</sup>.

In reply, KSPCB stated (April 2024) that directions have been given to all Local Bodies to provide leachate treatment plants and directions were issued to Commissioner, BBMP (July 2021) to restart leachate treatment plant at Bellahalli MSW site.

**Recommendation 3: Government may direct the Board to prepare a time bound action plan for sewage treatment facilities and SW management in the State including optimum utilisation of the existing facilities and bridging the gap between production and treatment of these wastes and issue necessary directives to the Local Bodies.**

#### **2.1.6.4 Non-monitoring of Construction and Demolition (C&D) wastes:**

Any waste comprising building materials, debris, rubble resulting from construction, re-modelling, repair is classified as Construction and Demolition waste (C&D Waste). As per Schedule-III of C&D Waste Management Rules, identification of sites, creation of collection and processing facility, commissioning and implementation of the facility was to be done by all Local Bodies within three years<sup>47</sup>, i.e., in any case, not later than March 2019.

As observed from the monthly progress report (December 2022) submitted by KSPCB to National Mission for Clean Ganga (NMCG), only 98 ULBs (31 *per cent*) out of 313 have identified land for C&D waste storage and processing. Further only one recycling facility viz, M/s Rock Crystals (Bengaluru) was operational in the State for collecting CDW from Bengaluru City.

Despite non-compliance with the Rules by Local Authorities, KSPCB had not initiated any concrete measures/penal actions against the erring Local Bodies and as a result entire C&D waste generated was being disposed unscientifically.

In reply, KSPCB stated (April 2024) that under SBM 2.0, funds had been allocated to five NCAP cities for setting up of processing facilities for C&D waste, of which three cities had submitted Detailed Project Reports which are under scrutiny. Further, KSPCB stated that state policy (under preparation), also provided for effective use of recycled products by ULBs and Civil contracts.

<sup>46</sup> Nitrate (NO<sub>3</sub>) ranging up to 226 mg/L against the maximum permissible limit of 45mg/L was found by KSPCB around Mandur landfill site (BBMP). Also, Ground water samples collected from nine different Borewells nearby MSW sites across six ULBs in the districts of Vijayapura, and Chikkamagaluru are non-conforming to the stipulated standards.

<sup>47</sup> Notification was issued on 29 March 2016

### 2.1.7. Comprehensive Environment Pollution Index Monitoring of Critically Polluted Areas

CPCB in 2009 developed a Comprehensive Environmental Pollution Index (CEPI) to evaluate the quality of the environment. The industrial areas/clusters with a score of 70 and above were classified as Critically Polluted Areas (CPA) and with score between 60 and less than 70 as Severely Polluted Areas (SPA). While the first assessment (2009) classified 88 industrial areas/clusters, the latest assessment (2018) increased the list and classified 100 industrial areas/clusters as CPA/SPA.

As per the latest assessment in 2018, two industrial areas/clusters viz., Peenya (78.12) and Jigini (70.99) have been classified as CPAs while Bidar (65.64) has been classified as SPA. Bakikampady Industrial cluster/area in Mangaluru, which was classified as CPA in 2009 (73.68), scored 58.20 in 2018 CPCB assessment. The issues relating to Peenya and Mangaluru, which are the polluted areas coming under the purview of sampled ROs were examined. In these cases, implementation of actionable points in action plan prepared by KSPCB were to be monitored by the Local Area Committees (LAC) formed by KSPCB. A summary of number of actionable points and implemented is mentioned in the following **Table-2.1.3**. The detailed list of actionable points pertaining to these two industrial areas and actionable point wise compliance status is given in **Appendix-23**.

**Table -2.1.3**

#### Compliance to Actionable points given by KSPCB

Sl. No.	Name of the industrial area	Date of approval of Action Plan and No. of actionable points	Date of constitution of LAC	No. of actionable points implemented/ As of Month & year
1.	Peenya Industrial Area	July 2019/14	10 April 2019	5/April 2023
2.	Bakikampady Industrial Area, Mangaluru	NA/52	4 February 2011	19/June 2023

In respect of actionable points suggested for Peenya Industrial Area, two out of nine measures remained unimplemented, i.e., Preparation of feasibility study for eco-restoration of groundwater contamination and Establishment of CETP at Urban Eco-Park. Since these are the sole responsibilities of KSPCB, non-implementation of these measures (as of April 2023) shows lack of seriousness in implementation of its own recommendations.

In reply, KSPCB stated (April 2024) that feasibility study is to be conducted and as there was limited response to tender for establishment of CETP, retendering is under process. As such, these measures are yet to be implemented.

In the case of Bakikampady Industrial Cluster, out of 52 actionable points given by KSPCB, the LAC ensured compliance with 19 points which helped this area to improve its rating from CPA to Polluted Area.

In reply, further details were furnished by the Government (April 2024) which indicated that as many as 18 points were to still to be complied with. In addition,

five points were stated to have been complied which were to be verified by RO.

### 2.1.8. Inadequate monitoring and control over Air Pollution

Ministry of Environment, Forests and Climate Change launched (January 2019) the National Clean Air Programme (NCAP) as a time bound national level strategy to tackle air pollution comprehensively. Under the programme, among 102 cities in India four cities of Karnataka (Bengaluru, Hubballi-Dharwad, Kalaburagi<sup>48</sup> and Davanagere) were identified as Non-Attainment Cities (NACs) which failed to meet the prescribed standards for clean air.

Status of implementation of NCAP and extent of improvements in air quality achieved are discussed in the following paragraphs:

**2.1.8.1 Deficiencies in implementation of NCAP:** The NCAP aimed to bring down the particulate matter (PM<sub>10</sub>) pollution by 20 *per cent* to 30 *per cent* in NACs in five years i.e., by January 2024. An action plan was approved by the Board in this regard in April<sup>49</sup>/July 2019<sup>50</sup>. For implementation of NCAP financial assistance of ₹ 25.02 crore was released by CPCB to KSPCB. Of this, an amount of ₹ 19.42 crore was released by KSPCB to Corporations<sup>51</sup> (Local Bodies) to address issues relating to implementation of city action plans, creating green buffer zone, public awareness, etc. The details of the actionable points prescribed in the action plan and the extent of implementation are given in detail in **Appendix–24**. In this regard, the following observations emerged:

- KSPCB did not demand and collect Utilization Certificate (UC) from the Corporations (March 2023).
- Non-implementation/inadequate follow-up on actionable points such as uploading air quality index (AQI) data and enforcing actions against defaulting industries were noticed. As per the action plan, these points were to be implemented by KSPCB.
- Test results taken on Air Quality in the four NACs as of March 2023 revealed that the targeted reduction in PM<sub>10</sub> of 20 *per cent* over January 2019 readings was achieved by Bengaluru and Davanagere Districts. In Dharwad and Kalaburagi, PM<sub>10</sub> levels remained at the same level or increased. The trend in the PM<sub>10</sub> level is shown in the following **Chart - 6**.

<sup>48</sup> Previously known as Gulbarga

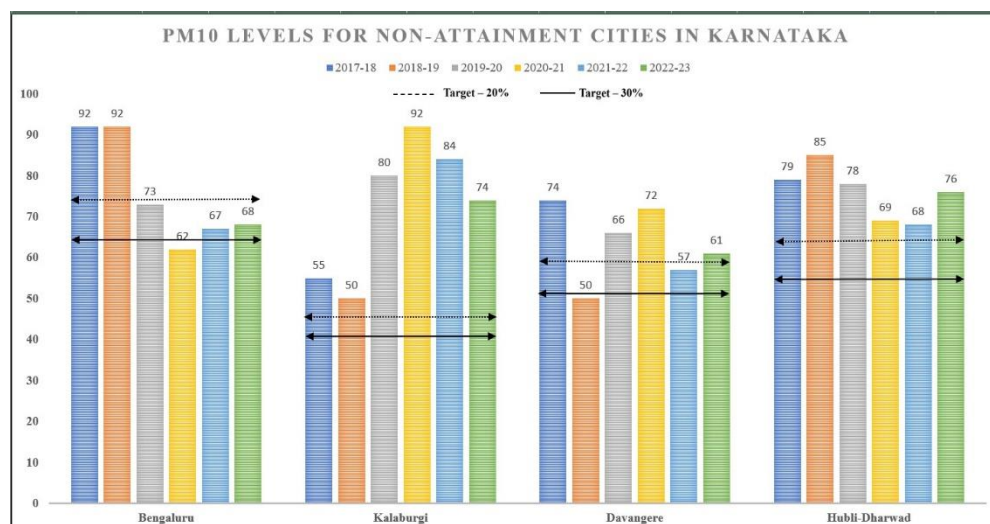
<sup>49</sup> For Davanagere, Kalaburagi and Hubballi-Dharwad

<sup>50</sup> For Bengaluru.

<sup>51</sup> BBMP (₹2.22 crore), Hubballi Dharwad Municipal Corporation (₹8.72 crore), Kalaburagi Corporation (₹5.04 crore) and Davanagere Corporation (₹ 3.44 crore).

Chart – 6

## Status of Particulate Matter pollution in Non-Attainment Cities



Though two NACs had achieved the targeted air pollution control with respect to PM<sub>10</sub>, monitoring of overall air quality in NACs was found to be inadequate.

In reply, KSPCB stated (April 2024) that letters have been issued to the Commissioners of the Corporations to expedite the process of grant utilization. Further, it was stated that Davanagere has furnished Utilisation Certificate for ₹ 2.9 crore, Kalaburagi for ₹40 lakh and no grant was utilized by Hubballi Dharwad. It was further stated that air quality improvement was observed in Bengaluru, Davanagere and Hubballi Dhaward. However, fact remains that none of these cities could achieve National Ambient Air Quality Standards till 2022-23 and the improvement in air quality was yet to be achieved in Kalaburagi.

**2.1.8.2 Inadequate assessment of air quality:** As per the National Ambient Air Quality Standards (NAAQS) notified (November 2009) by CPCB, ambient air quality to be measured for presence of 12 pollutants<sup>52</sup> and their concentration. The measurements are required to be carried out through Continuous Ambient Air Quality Monitoring Stations (CAAQMS) and Manual Stations. The records related to NAAQS reports submitted to NGT by the Board and the site visit by the Audit team revealed the following:

- The CAAQMS installed in State were not monitoring four<sup>53</sup> out of 12 air pollutants.
- The required number of CAAQMS and Manual Stations were not in place in three out of four NACs. The details are given in the following **Table – 2.1.4.**

<sup>52</sup> Particulate Matter (PM<sub>10</sub> and PM<sub>2.5</sub>), Sulphur Dioxide (SO<sub>2</sub>), Nitrogen Dioxide (NO<sub>2</sub>), Carbon Monoxide (CO), Ozone (O<sub>3</sub>), Ammonia (NH<sub>3</sub>), Benzene (C<sub>6</sub>H<sub>6</sub>), Benzo Pyrene, Arsenic (As), Lead (Pb) and Nickel (Ni)

<sup>53</sup> Lead (Pb), Benzo Pyrene, Arsenic (As) and Nickel (Ni)



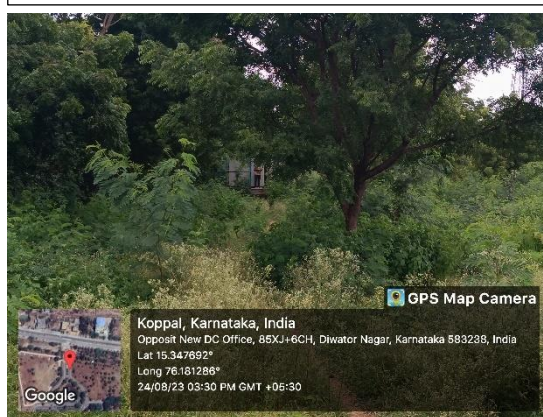
**Table -2.1.4**  
**CAAQMS and Manual Stations in the State**

City/ Town	CAAQMS			Manual Stations		
	Required	In place	Shortfall	Required	In place	Shortfall
<b>Bengaluru*</b>	12	14	-	4	13	-
<b>Hubballi-Dharwad</b>	3	1	2	3	2	1
<b>Kalaburagi</b>	3	1	2	3	2	1
<b>Davanagere</b>	1	1	0	3	2	1
<b>Total</b>	<b>7</b>	<b>3</b>	<b>4</b>	<b>9</b>	<b>6</b>	<b>3</b>

\* Since Bengaluru had an adequate number of monitoring stations, the same was not considered for the total.

Siting manual for Air Quality Monitoring Stations stipulated that these stations

**Picture 7: Civil Court Complex premises, Koppal**



are located in such places where free flow of air is available, intake should not be in a confined place/ corner/ balcony, height of the inlet to be 3-10 m above ground level, Sampler to be more than 20 m away from trees, etc. Audit examined the siting of 12<sup>54</sup> CAAQMS and 11<sup>55</sup> Manual Stations installed in jurisdiction of 13 Regional Offices and observed that only two CAAQMS (NTTF premises, Peenya and Near DC office, Raichur) were compliant to

the siting conditions. The other non-complying stations were surrounded by trees/buildings, placed very close to Road, samplers placed above 10 m from ground level. As 91 *per cent* (21 out of 23) of the Monitoring Stations were not installed as per CPCB guidelines, the air quality assessed through these stations would not be reliable.

- In six ROs<sup>56</sup>, both CAAQMS and AAQMS (Manual) have been installed at KSPCB's office premises. On a comparison of pollutant levels in respect of five<sup>57</sup> air pollutants recorded by CAAQM and AAQM Stations (during the years 2018 to 2023), the differences between the two instruments were in the range of 9.81 to 2,294 *per cent*.

The reason for installing two instruments at the same premises was not available on record. However, wide variation in the results from two different instruments at the same location raises doubts about the reliability of the air quality data recorded and reported/published by the Board. The details are given in **Appendix-25**.

<sup>54</sup> Located at Peenya, Mysuru, Mangaluru, Chikkamagaluru, Tumakuru, Belagavi, Raichur, Koppal, Vijayapura, Yadagiri, Chikkaballapura and Kolar

<sup>55</sup> Located at Peenya (2), Mangaluru, Mysuru (2), Tumakuru, Belagavi, Raichur, Ballari, Vijayapura, Kolar

<sup>56</sup> Belagavi, Bidar, Hassan, Kolar, Mysuru and Vijayapura

<sup>57</sup> SO<sub>2</sub>, NO<sub>2</sub>, PM<sub>10</sub>, PM<sub>2.5</sub>, and NH<sub>3</sub>

In reply, KSPCB (April 2024) stated that:

- There are no provisions to monitor metal parameters and Benzo (a) Pyrene in absence of analysers and these can be analysed through Manual Stations. However, Audit observed that these parameters are currently not being monitored through manual stations by KSPCB.
- With reference to generation of data from manual and CAAQM Stations, it was stated that the CAAQMS analyzers are more sensitive in capturing air pollutants and hence, data generated is varied.
- Steps were being taken to address other issues.

#### **2.1.9. Inadequate testing and follow-up by the Board**

KSPCB had established Central Environmental Laboratories (CEL) at Bengaluru and Davanagere and seven<sup>58</sup> Regional Laboratories (RL) in the State as of March 2023. However, review of records in the two selected laboratories and 13 selected ROs revealed that the laboratories were not adequately equipped to conduct all the mandatory tests<sup>59</sup>. Of the 307 pollutants to be analysed on water, sewage, industrial effluent, HW, air ambient and stack emissions, one CEL in Bengaluru was equipped to analyse only 79 *per cent* of the parameters. The CEL in Davanagere and seven RLs were capable on conducting only 40 to 48 *per cent* of the mandatory tests. Besides, none of the laboratories were equipped to test for 56 out of 307 pollutants. The details are given in **Appendix-26**.

Few instances of deviation are detailed below:

(i) 236 groundwater samples (for drinking water purpose) from nine Regional Offices were tested at two Regional Laboratories (Belagavi and Raichur) between February 2020 and March 2023. Of these, 35 samples were certified as complying with the prescribed standards, 160 were not found fit for drinking water and in 18<sup>60</sup> cases, no inferences were drawn. In the 35 samples that were found fit for drinking, Audit noticed that as against the 64 parameters required to be tested as per IS 10500:2012, only 11<sup>61</sup>/13<sup>62</sup> parameters were tested. The parameters that were not tested included bacteriological (3/3), pesticides (18/18) radioactive (1/1) toxic substances (12/11), general (16/15) and organoleptic and physical (3/3).

In reply, KSPCB stated (April 2024) that as it was not practically feasible to analyse all parameters and inferences were drawn pertaining to the tests performed. It was also stated that KSPCB has initiated development of other

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<sup>58</sup> Belagavi, Dharwad, Hassan, Kalaburagi, Mangaluru, Mysuru, and Raichur

<sup>59</sup> Notifications issued under Environment (Protection) Act and Bureau of Indian Standards (IS10500:2012) prescribe effluent standards for analysis of Water (Ground and Surface water), Domestic sewage and industrial effluent, Hazardous Waste (Waste/Soil/solid), Air-Ambient and Stack/source emissions.

<sup>60</sup> Raichur

<sup>61</sup> In Raichur

<sup>62</sup> In Belagavi

facilities to provide the results based on all parameters of drinking water.

(ii) In 34 samples of Treated trade effluent (TTE)/ Treated sewage effluent (TSE)/Leachate tested by RO, Mangaluru between April 2022 and March 2023, four<sup>63</sup> mandatory parameters were not analysed though the required facilities were available in RL, Mangaluru.

In reply, KSPCB stated (April 2024) that due to shortage of manpower and infrastructure that the mandatory parameters could not be analysed.

The Board is mandated with the responsibility of undertaking Water Quality Monitoring of Aquatic Resources and publication of information. Therefore, the Board should ensure adequate capacity of its laboratories to meet the demand and fulfil the mandate devolved on it. Considering that sufficient financial resources were available with the Board in terms of accumulated surplus, the Board could have prioritized upgradation of its laboratories. Further, the Board could also play a proactive role in bringing evading industries/operations under its consent administration jurisdiction and increase the enforcement activities as per the mandate.

Under-equipped laboratories would result in non-fulfilment of the responsibility envisaged under the WPCP Act and APCP Act. Apart from increasing the capabilities of its laboratories, the Board requires adequate technical and scientific personnel to discharge its mandated activities such as conducting inspections, drawing samples, testing, and analysing in laboratories, etc. Adequacy of manpower with the Board was analysed and important findings are given in the following paragraphs.

#### 2.1.10. Adequacy of Human Resources

The sanctioned strength for different cadres in the KSPCB was approved in the year 2017 under three different groups viz., Technical, Scientific and Ministerial. The position of working strength as of 31 March 2023 is given in the following **Table – 2.1.5**.

**Table – 2.1.5**  
**Manpower position**

Sl No.	Cadre	Sanctioned	Working				Vacancy (Percentage)
			Regular	Contract	Outsourced	Total	
1	Technical	278	148	1	0	149	129 (46.4)
2	Scientific	142	38	21	70	129	13 (9.15)
3	Non-technical/ministerial	303	113	41	254	408	105 (35 excess)

(Source: Information obtained from KSPCB)

The cadre-wise details of sanctioned and working strength of various posts and cadres have been detailed in **Appendix-27**.

<sup>63</sup> Nitrate, Fluoride, Cyanide and Fecal Coliform.



**2.1.10.1** Out of sanctioned strength of 142 under Scientific Cadres, 70 are related to the posts of Assistant Scientific Officer (ASO) to Chief Scientific Officer (CSO) and the remaining 72 are related to support staff. Against the total 44 vacancies of Scientific officers, the working strength was found to be only 26, including one ASO on contract basis. The 20 personnel under contract and 70 outsourced personnel were only support staff to the Scientific Officers. Thus, KSPCB's laboratories had a deficit of about 63 *per cent* SOs.

**2.1.10.2** The Officers in the Technical Cadres are responsible for overall technical matters from the RO to the Board level including planning for pollution abatement in their respective jurisdiction, supervise laboratories, ensure effective enforcement of all the Acts and Rules, etc. With 46 *per cent* vacancies in the Technical Cadres, mandatory activities of the KSPCB against non-complying Local Bodies/ industries were not being carried out as pointed out in paragraphs 2.1.3 to 2.1.9 of this Report.

KSPCB replied (March 2024) that the matter had been taken up with Government for filling up the vacancies.

Thus, the Board is not utilizing its financial resources to mobilise adequate human resources and laboratory infrastructure to discharge its mandated functions. Though the Board had ministerial/ non-technical staff, about 35 *per cent* in excess of the sanctioned strength, all these were in the non-critical support staff cadres such as data entry operators, drivers and peons. There were vacancies in the posts of Assistant Executive Engineer, Assistant Statistical Advisor, Assistant Administrative Officer, Superintendents and Law Assistants, which were essential for administrative purposes.

**Recommendation 4: The Government may permit the Board to take immediate action to fill all the vacancies in the technical and scientific cadres and upgrade the laboratories to enable them to conduct the required tests on different kinds of wastes, pollutants, etc. in accordance with the governing Acts, Rules and Regulations.**

#### **2.1.11. Non-submission of Environmental Statements**

Rule 14 of the Environment (Protection) Rules, 1986 requires that every industry, shall submit Environmental Audit Report<sup>64</sup> (EAR) for the year to the SPCB on or before 30 September of the following year. However, Audit noticed that during the period from 2018-19 to 2022-23, as against 45,961 statements required to be submitted only 2,554 (5 *per cent*) statements were submitted. The RO wise details of non-submission of EARs are given in **Appendix-28**. The ROs concerned failed to follow-up with notices or to invoke penal provisions to ensure EARs are filed by the industries/units.

In reply, KSPCB stated (April 2024) that during the last five years, 13,492 Environmental Statements have been received by Regional Offices. This data pertains to the State as a whole and cannot be compared with the data pertaining to sampled Regional offices. It was also stated that from April 2023 onwards,

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<sup>64</sup> Both the terms 'ES' and 'EAR' are used interchangeably in the EP Rules.

filing Environmental Statements has been made online.

The observations in paragraphs 2.1.3 to 2.1.10 indicate the lack of internal controls and inadequacy in enforcement of applicable environmental laws by the Board. The provisions of the environmental laws that empower the Board regarding enforcement activities and omission to frame guidelines or Standard Operating Procedure (SOP) by the KSPCB to invoke the penal provisions are discussed in the following paragraph.

#### **2.1.12. Non invoking penal provisions on defaulting industries/ Authorities/ organisations**

Section 33A of the WPCP Act and Section 31A of the APCP Act empowers the KSPCB to issue directions for the closure, prohibition or regulation of any industry, operations, or process, or the stoppage or regulation of supply of electricity, water, or any other service. The provisions available under the Rules framed under WPCP Act, APCP Act and EP Act are detailed in **Appendix-29**. Besides, the NGT's direction dated 12 March 2019 discussed in paragraph 2.1.5.2 also empowers the KSPCB to levy EC on all violations and establish pollution control measures.

Audit noticed that KSPCB has not issued any SOP outlining the specific steps, criteria and measures to be taken while addressing instances of non-compliance and violation by the industries/units.

In reply, KSPCB stated (April 2024) that steps would be taken to bring out an enforcement policy. In addition, it was stated that KSPCB would take steps to bring out uniform procedure for obtaining bank guarantee and various actions for non-compliances.

Non-framing of Enforcement Policy or SOPs for exercising the powers vested in the Board under Section 33A of the WPCP Act has led to inadequate follow-up by ROs in the cases of industries/units operating without obtaining or without renewing CFE/CFO, generation of waste exceeding the norms, un-scientific disposal of waste, etc.

**Recommendation 5: Government may direct the Board to prepare necessary Guidelines and SOPs for invoking the applicable penal provisions under the governing Acts, Rules and Regulations.**

#### **2.1.13 Conclusion**

The duties and responsibilities of prevention, control and abatement of water and air pollution devolved on the Board by WPCP Act and APCP Act are managed through issue of CFE/CFO and frequent inspection of the industries/units during the consent period. However, issue of deficient Consent Orders without stipulating or specifying higher than the applicable norms of the pollutants, failure to follow-up on CFEs/CFOs issued with regular inspections and testing of samples, etc. revealed that KSPCB did not adequately discharge its mandated functions.

Cross-verification with the Industries and Commerce Department, Commercial Taxes Department (GST) and Forest Department revealed that several industries/units were operating without obtaining/renewing consent from the Board. This points to lack of enforcement initiatives and co-ordination with other Government departments by the Board.

Instances of HCFs without Authorisation and facility for disposal of BMW, industries operating without HW Authorisation, permitting HW landfill violating siting conditions stipulated, etc. establish that the Board and its ROs were not efficiently functioning to fulfill responsibilities mandated as per the WPCP Act, APCP Act, EP Act and Rules made thereunder. Besides, the Local Bodies, Government Corporations and companies were found to be major polluters and over these sectors, KSPCB did not have control to ensure SW, Sewage and, C&D Waste were properly managed and disposed off.

While huge vacancies in technical and scientific officers could be the major reason for KSPCB's failure to attend to its mandatory duties, the Board also did not proactively initiate steps to fill up of the vacant posts. Though all the governing Acts, Rules and judicial orders issued by NGT empowered the Board to penalise violators, the Board failed to frame adequate Guidelines and SOPs, which resulted in consequent inaction.

## Public Works Department (PWD)

### 2.2 Management of Leases of Land and Non-residential Buildings by PWD

#### 2.2.1 Introduction

The Public Works Department (PWD) leases out its properties such as vacant or unused land/ non-residential buildings to various public and private users for a fixed term. The leases may be renewed for a further period and lease rent enhanced as per the terms and conditions of the lease agreement or at the time of renewal. The Department is required to ensure compliance with the conditions laid down in the lease agreement regarding usage, payment of lease rent, prohibition from sub-letting, etc. Maintenance of relevant records in respect of such leases and periodical inspections, duly recorded, are key for effective management of leased Government properties. Any omission or failure may result in loss of substantial revenue to the Government.

##### 2.2.1.1 Organisational Structure

The Department, at field level, has Five Zones namely Communication and Buildings (C&B) South Zone, (C&B) North Zone, (C&B) Northeast Zone, (C&B) Central Zone and National Highways. Each Zone is headed by a Chief Engineer. The Zones consist of Circles, Divisions and Sub-Divisions. Leasing of lands and buildings are to be managed at the Divisional Offices headed by the Executive Engineers.

##### 2.2.1.2 Audit Objective

The objective of this audit was to ascertain whether the '*Leases of lands and Non-residential buildings were effectively managed by the Department*'. Usage of the properties for the intended purposes and adhering to the conditions of lease by the lessees, accurate assessment and collection of lease rentals, timely renewal of leases wherever necessary, etc. were some of the important aspects examined under this Compliance Audit.

##### 2.2.1.3 Audit Criteria

The sources of Audit criteria were drawn from Karnataka Financial Code (KFC), Karnataka Public Works Department Accounts Code (KPWAC) and Karnataka Public Works Departmental Code (KPWDC), Karnataka Budget Manual, Karnataka Transparency in Public Procurement Act, PWD Standard Bidding Document (2008) and Government orders/circulars issued from time to time.

##### 2.2.1.4 Scope of Audit

Audit was conducted for the period from 2018-19 to 2022-23. As ascertained from the Department, there were 156 active leases in the State. These cases fall

under 12 Districts<sup>65</sup>. In nine Districts<sup>66</sup> there were no lease of properties by PWD. In respect of the remaining 10 Districts<sup>67</sup> no information was furnished by the Department, though called for in May 2023. Audit of 149 leases in six Public Works Divisions in four districts was taken up between June and November 2023.

#### **2.2.1.5 Audit Methodology:**

An Entry Conference was conducted on 27 June 2023 in which the Audit Objectives, Scope and proposed Methodology were discussed with the Principal Secretary to GoK, PWD. Records maintained in the selected PWD offices were reviewed. Comparative analysis of the lease rent fixed by the Department at the time leasing/renewal with respect to market value<sup>68</sup> of the leased properties was done. Lease rent collection particulars were verified and Joint physical verification of 63 properties was also conducted to ascertain the compliance by the lessees with the conditions stipulated in the respective lease agreements and monitoring by the jurisdictional PWD Divisions thereon. The Exit Conference was held on 24 January 2024 and Audit Findings, Conclusions and Recommendations were discussed with the Principal Secretary to GoK, PWD. Important observations made during the audit are detailed in the following paragraphs.

#### **2.2.2. Non-compliance with the prescribed internal control measures**

Internal control is an integral process that is effected by an entity's management and is designed to provide reasonable assurance of fulfilling accountability obligations, complying with applicable laws and regulations, executing orderly, ethical, economical, efficient and effective operations as also safeguarding resources against loss.

However, in the PWD Divisions selected for audit, Audit noticed that important control registers and information systems such as a Buildings Information System (BIS), Demand Collection and Balance (DCB) Register, etc., were not maintained and updated. As a result, the Divisions failed to ensure compliance with applicable laws and regulations and to safeguard the assets from unauthorized occupation, continued occupation beyond the agreement period. The Divisions also did not ensure timely collection of lease rents due, and in two cases, even lost track of properties leased. Major omissions noticed are discussed below:

##### **2.2.2.1 Lack of information on lands and buildings of the Department:**

Paragraph 55 of the KPWD Code stipulates that the Department shall prepare a BIS. This system shall have the information about the asset such as ownership,

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<sup>65</sup> Bengaluru (Rural), Bengaluru (Urban), Bagalkote, Belagavi, Dakshina Kannada, Dharwad, Hassan, Haveri, Kalaburagi, Mysuru, Shivamogga and Vijayanagara.

<sup>66</sup> Chikkaballapura, Chikkamagaluru, Chitradurga, Davanagere, Gadag, Mandya, Tumakuru, Udupi and Uttara Kannada.

<sup>67</sup> Ballari, Bidar, Vijayapura, Chamarajanagara, Kodagu, Kolar, Koppal, Raichur, Ramanagara and Yadgiri.

<sup>68</sup> As per the Guidance Market Value published by the Central Valuation Committee constituted from time to time by the Department of Stamps and Registration.

land, floor area, condition of building, rental provisions, lease details, lessee if leased out and such other information as will be useful for the top management. Paragraph 311 requires that survey number, area, date of lease agreement and period of lease, etc. for the land leased shall be recorded in a register. Further, the EE shall submit on the 30th of April every year, a certificate to the Chief Engineer (CE) for having verified the leased land and lease agreement. However, in the test checked Divisions, Audit noticed that BIS was not updated/monitored by the Department and lease register was not maintained in the prescribed form. Also, certificates of verification of leased lands were not submitted to CE by any of the selected Divisions.

After this was pointed out, Government replied (May 2024) that some of the Divisions were updating the details in the existing module of BIS, which has been developed based on KPWD code format. It was also stated that a new software is being developed to integrate BIS with other application software in the Department with GIS module in KRAMS (Karnataka Road Asset Management System) by PRAMC. Government assured that action would be taken to upload all building information and land information as soon as the software was developed.

**2.2.2.2 Non-constitution of valuation committees:** Paragraph 312 of the KPWD Code requires that the Chief Engineers at the zonal level shall constitute a committee comprising Engineers, representative(s) from the Institution of Valuers to work out details of cost of buildings normally constructed, arrive at the plinth area rates for different areas of the State, which will ensure greater uniformity in preparing the valuation of buildings for fixing fair rent. However, Audit noticed that none of the Chief Engineers constituted such committees till March 2023. The three Chief Engineers constituted (July/August 2023) committees, only after Audit pointed it out. In the absence of such committees, Audit could not verify the correctness of valuation of buildings for fixing fair rent for the buildings leased out during the period under audit. The consequence of non-constitution of valuation committee were commented in subsequent paras. At the instance of the Audit, Government agreed (May 2024) to take necessary action in this regard.

**2.2.2.3 Leasing of land without consulting Finance Department:** Paragraph 289 of KPWD code provides that if Government land is leased to some other Government Agency, the Government can fix the rent in consultation with the Finance Department. It was noticed in 20 out of 28 lands leased in six<sup>69</sup> test-checked Divisions (**Appendix-30**), the Finance Department was not consulted for fixing rent.

Government replied (May 2024), in four<sup>70</sup> out of the 20 cases pointed out by Audit, lease rents have been fixed after obtaining concurrence of the Finance Department and Cabinet. However, no documentary evidence was furnished in support of the Government reply.

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<sup>69</sup> Bengaluru Division, No.1 Buildings Division, No.2 Buildings Division, Mysuru, Belagavi and Kalaburagi

<sup>70</sup> Bangalore Golf Club, Bambarga taluk, Belagavi, Mysore Race Club, and Sri Anjaneya Temple, Mysuru

**2.2.2.4 Non-maintenance of Demand, Collection and Balance (DCB)**

**Register to ensure proper and timely collection of lease rent:** Article 33 (a) of KFC stipulates that every demand shall be made at once as payments become due, effective steps are taken for realisation of all amounts due and that proper records are kept to show the progress of recoveries and the outstanding amounts due to Government (DCB). In line with this, Paragraph 194 of the KPWA Code stipulates maintenance of the register of rents. Further, as per Article 34 of KFC, subordinate officers are required to verify the credits included in the Divisional accounts/returns with those in the treasury accounts (reconciliation). However, none of the test checked Divisions has maintained the DCB register and carried out reconciliation with treasury accounts with respect to collection of rent from leased properties. In the absence of DCB register, Audit could not verify the correctness of total assessment, realization and arrears of lease rent in the Divisions.

On this being pointed out, Government replied (May 2024) that Register of rents were being maintained in the Divisions. Despite the reply, the rent register were not furnished to audit. Further, Government stated that necessary instructions were issued once again to all the Divisions to maintain the DCB registers.

**2.2.2.5 Non-execution/registration of lease deeds:** Section 17(1)(d) of the Registration Act requires that leases of immovable property for any term exceeding one year shall be registered. However, it was noticed that 64 out of 149 leases in the test-checked Divisions (**Appendix-31**) were not registered with the Stamps and Registration Department. This had not only caused loss of revenue by way of Stamp Duty and Registration Fee to Government but also amounted to unauthorised occupation by the lessees which was facilitated by the PWD Divisions.

Government replied (May 2024) that seven properties have already been registered, five leases have been closed and action would be taken to register the lease agreements in the remaining 52 cases. Although the other five cases were stated to have been closed, it is pertinent to note that those leases were operated and closed without registering lease deeds and caused loss of revenue by way of Stamp Duty and Registration Fees.

**2.2.2.6 Non-conducting of prescribed inspections by the Divisional Officers:**

As per Para 297 of KPWD code, during the month of February of each year or earlier, it is mandatory for the officers of the Department at the section, sub-Division and Division level to inspect the buildings in their jurisdiction, record their findings in the registers prescribed. A certificate to that effect has to be furnished by them in the month of March to the higher officers. A register for inspection of public building shall be maintained in form PWF 20. However, except Belagavi Division none of the other selected Divisions ensured inspection of leased properties at least once in each year. Also, in none of the Divisions, Register of Inspection was maintained. As a result, Divisions failed to recognise encroachment of properties beyond the leased area, unauthorised constructions/modifications, violation of conditions of lease including sub-letting of whole or portion of the leased properties, etc., by the lessees. The

impact of non-inspection of leased properties was commented on in subsequent paras.

After this was pointed out, Government replied (May 2024) that instructions have been issued to all Executive Engineers to submit the certificate to the Chief Engineers for having verified leased land and lease agreement every year.

Failure to follow the prescribed procedures in grant of lease and non-maintenance or updating of prescribed control registers and other documents have led to inadequate monitoring of leases for compliance with terms and conditions of lease.

The Divisions also failed to ensure timely revision of lease rents and collection of lease rents and other amounts as and when they were due from the lessees. Important observations noticed are detailed in the following paragraphs.

**Recommendation 6: Government may direct the Department to ensure updating the BIS, rental registers, conducting periodical inspections and to comply with respect to provisions of KPWD Code and KFC with regard to leasing of properties and collection of rents.**

### **2.2.3. Non-renewal of expired lease agreements and Un-authorised Khatha<sup>71</sup> transfer obtained by the lessees in their favour**

In the six test checked Divisions, out of 149 leases examined, Audit noticed that though 41 leases expired, the lessees continued to occupy the property paying the rent fixed at the time of the original lease. In respect of 17 leases, the Divisions did not have any information regarding grant of original lease, renewal if any, thereafter, etc. Also, in five cases, it was noticed that the lessees/occupants have obtained Khatha in their favour unauthorisedly without the knowledge the PWD. The details of the properties, occupants, Guidance Market Value (GMV) as of the properties as of March 2023 are given in the **Appendix-32 A to 32 C**.

Allowing the lessees for continued occupation led to foregoing opportunities to earn higher lease rent from new lessees or by renewal of the lease agreement with the existing lessees. Besides, there was a threat of losing the property due to unauthorised Khatha transfer made by the lessees/occupants.

After this was pointed out, Government replied (May 2024) that in respect of KSCARD and KLE, Belagavi action has been initiated to transfer the Khatha in the name of PWD. Additionally, in respect of KSCC Bengaluru, KSCA Bengaluru, and MRC Mysuru, the Government clarified that these institutions are only paying property tax, and the properties are in the name of PWD. However, this reply is not acceptable as the Government did not provide copies of the Khatha for these cases, and the property tax receipts also did not list PWD

<sup>71</sup> Khatha of a property is when that property is recorded in the property register maintained in a Municipality or Corporation. When a property is registered with the Municipality or Corporation, it is assessed to tax, assigned a municipal number and records the person primarily responsible to pay the property tax.



as the owner.

**Recommendation 7: Government may direct Department to take action to get back Khatha in favour of the Department in all cases of unauthorised Khatha Transfer by the lessees.**

#### **2.2.4. Leasing at concessional rent to private parties and institutions for Commercial purposes in violation of codal provisions.**

Paragraph 206 of the KPWA code envisages procedures for leasing out of Government lands and buildings to private bodies, associations, companies and individuals. Accordingly, lease rent should be fixed based on the rates secured in open auction. In cases where auctions are not held, the rate should be fixed in consultation with the jurisdictional Deputy Commissioner with reference to those obtainable in similar localities. The lease in each case should not be more than 5 years at a time. Further, Paragraph 314 of the code stipulates that lease rent shall not be less than seven *per cent* of the capital cost<sup>72</sup> of the building.

Further, as per Paragraph 311(2) of KPWD code, if any request is received from private party/non-Government Organisation (NGOs/Non-Governmental Institution(NGI)) in the first instance, such request shall be rejected. The GoK vide circular dated 19<sup>th</sup> March 2009 also reiterated that no government land within the limits of a City or Town shall be granted to any individual or private institution and all such lands will be reserved for public or government purposes.

However, in the test-checked Divisions, it was noticed that in 24 Cases, (**Appendix-33**) lands were leased to NGOs/NGIs or private parties. Important observations noticed in these cases are detailed below:

##### **2.2.4.1 Grant of lease at a concessional lease rent, non-revision of lease rent and encroachment of surrounding properties by the lessee.**

Government of Karnataka(GoK) vide their Order dated 25 February 2004 leased two Nishan sheds and one RCC room measuring 193.28 Sqmt, which was constructed between two Official bungalows in Raceview premises of the Racecourse Road, Bengaluru to a private firm (M/s Bhoomika Interior and Exterior Decorators (BIED)). The two Official bungalows are generally allotted to Ministers of GoK. This property was under the jurisdiction of EE, PWD Building Division-1. A lease agreement was entered on 17 March 2008 and the lease was for a period of 25 years, commencing on 26 February 2004 with monthly rent of ₹1,500 only. The Government Order (G.O.) provided for revision of lease rent once in every three years and as per the agreement the lessee was liable to pay interest at the rate of 12 *per cent per annum* for delayed payment of rent.

Scrutiny of records revealed the following:

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<sup>72</sup> Capital cost includes the cost of land and the cost of building thereon after allowing depreciation.

1. In the Report of the CAG for the year 2008-09, Revenue Receipts, GoK (Paragraph No. 7.2.8.2), it was pointed out that an amount of ₹20 lakh as revenue foregone between February 2004 and March 2008 in this lease due to fixation of concessional rent. However, no action was taken by the Department till the November 2018 to fix the correct lease rent despite the GO and the agreement which included a clause for revision of rent once in three years. In November 2018, the Division calculated the rent at the rate of seven *per cent* of GMV, with effect from March 2016 to October 2018 and the total due for 32 months amounting to ₹ 63.29 lakh was demanded. Against this demand, the lessee preferred an appeal before the Hon'ble High Court of Karnataka. The lessee was granted (14 May 2019) an interim conditional stay subject to depositing ₹40.00 lakh in the Court within six weeks. The lessee failed to deposit the said amount in the Court<sup>73</sup>. However, Division neither proceeded with levy and collection of lease rent nor for termination of lease and eviction of the lessee.
2. The reasons for leasing the property situated in high security premises to a private commercial firm were not forthcoming from the records. The rent fixed at ₹1,500 per month was lower than that worked out by Audit. The rationale for fixing lower rent for the lease given to a private commercial firm was also not available in the records maintained by the Division.
3. A notice issued by the Sub-Division in November 2018, showed that the lessee had encroached adjacent lands measuring 1,825.28 Sqmt. The lessee was directed to vacate the encroached property in the four notices issued between May 2014 and November 2018. But for issue of these notices, no effective action for eviction of encroached land was taken by the Division till date (January 2024). As noticed during JPV conducted in September 2023, the lessee continues to occupy the encroached land valued at ₹ 41.82 crore<sup>74</sup> at the GMV applicable up to March 2023.
4. Clause 5 of the agreement states that the lessor (PWD Division) reserves the right to revoke the lease (tenancy) even before the expiry of the term of lease and the lessee will have no right to claim any compensation for the termination of the lease. The Department failed to invoke this provision of the agreement even after the lessee refused to comply with the terms of the lease and encroached the adjacent land.

Even if the revenue dues are calculated on a conservative basis at seven *per cent* of GMV, published by Central Valuation Committee<sup>75</sup>, constituted by the

<sup>73</sup> In the proceedings held in Hon'ble High Court of Karnataka on 07 March 2023 it was recorded that the learned Counsel for the Government sought a week's time to ascertain whether a sum of ₹40 lakh has been deposited by the lessee. Subsequently, in a letter addressed to Government Advocate by the EE, PWD, No.1 Building Division, it was informed that the lessee had not deposited the said amount.

<sup>74</sup> The GMV of the property was ₹2,29,100/- per sq. mtr

<sup>75</sup> A Committee constituted under Section 45-B Karnataka Stamps Act, 1957 for estimation, publication and revision of market value guidelines of properties in any area in the State. The Deputy Inspector General of Registration (Intelligence), shall be the Member Secretary. The Inspector General of Registration and Commissioner of Stamps is the Chairman and the members include representatives from Directorate of Town planning, Directorate of Survey and settlement, BBMP, Bangalore Development Authority, Income Tax Department, Karnataka Public Works Department, Karnataka Irrigation Department, Institute of Chartered Valuers, Federation of Karnataka Chamber of Commerce and Industries and any other person having expertise in the subject. Total members not exceeding 20.

Stamps & Registration Department of GoK, the short recovery of rent in respect of leased property for the period from April 2008 to December 2023, worked out to ₹ 4.63 crore. The details of calculations are given in **Appendix-34**.

After this was pointed out, in reply (May 2024) Government reiterated the fact mentioned in the Audit observation that the lessee challenged the notice issued by the Department in the Hon'ble High Court of Karnataka. It was also stated that non-compliance with the Hon'ble High Court Order to deposit ₹40 lakh with the Department by the lessee was brought to the notice of the Government Advocate. There was no mention in the reply on whether or not the matter of non-depositing of ₹40 lakh was brought to the notice of the Hon'ble High Court, though as per the reply the last hearing on the matter was on 7 February 2024. The reply was also silent on the reasons for leasing the property situated in the high security zone to a private commercial firm.

**Recommendation 8: Government may direct the Department to**

- (i) deal with leases as per codal provisions where lessees are found to have violated the terms and conditions of the G.O sanctioning the lease or lease agreement.**
- (ii) to Constitute a Committee for valuation of the properties for fixing lease rent and revise the lease rent in respect of all the leases in force and to ensure compliance with all the statutory obligations including registration of lease agreements and renewals.**

**2.2.5 Failure to manage commercial shopping complexes by the Department**

PWD owns two commercial shopping complexes, one in Bengaluru and the other in Belagavi. Of these, shopping complex at Jeevanbheema Nagar, Bengaluru (JB Nagar Complex) consisting of two Office spaces and 13 shops, was under the jurisdiction of EE, PWD Building Division, Bengaluru. In Belagavi, there were 54 shops located at Atal Bihari Vajpayee Road, Belagavi town known as 'Tinisu Katte'. Examination of records related to these leases revealed the following:

**2.2.5.1 JB Nagar Shopping Complex**

The office spaces measuring 87.82 Sqmt and 435.44 Sqmt were leased to City Central Library (since January 1991) and State Bank of India (since January 2012), respectively. Of the 13 shops in the complex measuring 7.42 Sqmt to 13.2 Sqmt, 11 were leased to individuals between January 2005 and March 2013, one shop measuring 7.4 Sqmt was under lease with HOPCOMS since

October 1994 and one shop measuring 9.29 Sqmt to Karnataka State Cooperative Fisher's Ltd. from May 2019. The following observations were made in respect of these properties:

1. Records related to title of the property were not maintained and reasons for construction of shopping complex by the Department was not on record.
2. Standard terms and conditions such as penalties for delayed payment, collection of security deposit to safeguard the interest of the Government against any damage/misuse or default in payment of rents were not included in the agreements.
3. Registration of the lease/rental agreements was not ensured by the Divisions though the initial term of the lease was from two to 10 years.
4. Basis of allotment to individuals was not available on record. The lessees were allowed to occupy the properties beyond the agreed period without renewal of lease agreement. Consequently, this deprived the Government the opportunity of revising the lease rent from time to time based on the market value of the property.
5. The lessees were also found to have defaulted in payment of monthly rentals for 5 to 94 months. While the Division issued demand notices to the lessees for lease rent of ₹ 24.24 lakh as per original lease agreements, the lease rent was yet to be recovered (October 2023). All the occupants of 11 shops were evicted on 21 January 2023. Against this Audit worked out the actual lease rent due at ₹2.92 crore at seven *per cent* of the market value of the properties after expiry of the lease agreement till the date of eviction. However, no action was taken to recover the outstanding dues before or after their eviction.
6. With effect from 1 July 2017, GST was leviable on the lease rent collected and the same was to be recovered from the lessees.

The series of omissions and non-compliance with the provisions of KPWD Code and other legal obligations by the Divisions had led to unauthorised occupation of the Government properties. Due to lack of timely action by the Divisions and the Department as a whole, the chances of realisation of outstanding lease rent amounting to ₹ 2.92 crore are bleak. The details are given in **Appendix-35**.

After these cases were brought to notice, Government replied (May 2024) that all shops were already evicted on 21.01.2023. Action has been initiated to recover the balance rent from the defaulters as early as possible. However, details of action taken to recover the dues from the defaulters have not been furnished to Audit (June 2024).

#### **2.2.5.2 Tinisu Katte, Belagavi**

Unlike in Bengaluru Division, Belagavi Division leased all the 54 shops in a transparent manner, through tender, in three phases between February and October 2021 for a lease period of five years. The lease was awarded to individuals who quoted highest bids as rentals. It was also noticed that the

Division also collected security deposit from the tenants/lessees. The lease period was, however, extended to 30 years vide GO<sup>76</sup> dated 22 July 2022 on the request made by the lessees that they have obtained loans for purchase of furniture and other ornamental decorations and also suffered loss due to Covid-19.

The lease extension period to compensate for the loss due to Covid-19 impact should have been in proportion to the loss suffered by the lessees. Extending the leases from five years tenure to 30 years was irregular and was providing unintended benefit to the lessees. Had the intention to grant lease for 30 years mentioned in the notice inviting tenders, fetching better rental bids by the Department cannot be ruled out. In addition the following observations were also made:



**Picture 8: Lessees using open area in front of the leased shop premises**

utilizing the open space (PWD land) situated in front of these 54 shops for the purpose of customer sitting area, which forms part of their business. As the lessees were allowed to use space, charging of additional rent as per para 314(5) of the KPWD Code needs to be considered by the Department.

2. With effect from 1 July 2017, GST was leviable on the lease rent collected and the same was to be recovered from the lessees. In these cases, the lease agreement was effective from February 2021 and the annual lease rent revenue from 54 shops was ₹ 21.31 lakh and accordingly, the annual GST at 18 *per cent* works out to ₹ 3.84 lakh. The details are given in **Appendix-36**.

After these cases were pointed out by Audit, Government replied (May 2024) that the lessees are not allowed to use the space in front of the shops, since it is a part of the road. However, the shop keepers are using this area as any footpath vendors do but it might not be on a permanent basis. Hence, it is of the opinion that the percentage of return on the said open area shall be seven *per cent* only. As could be seen from the Picture 8 above, the lessees were using the open area in front of their shops within the shopping complex area and not in the public road/footpath as stated by the Government and hence, the reply is not acceptable. Further, Government agreed to recover GST on the rents collected.

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<sup>76</sup>Government Order No.PWD 202 BMS 2019 Bengaluru dated: 22 July 2022

**Recommendation 9: Government may direct the Department to**

- (i) to ensure compliance with all the statutory obligations including registration of lease agreements and renewals.
- (ii) ensure transparency in sanction of lease of lands and buildings.

**2.2.6. Violations of conditions of lease and construction of Commercial/Office Complexes by the lessees**

Every lease of land by Government to private persons and Non-Government Organizations for longer periods of time is for a specific purpose. In the three cases discussed below, the objective of the lease was to serve a defined public purpose. Therefore, it was essential to monitor such leases and ensure that lands were not diverted for other purposes to earn revenue by encashing the goodwill of the property. However, it was noticed that in the following cases that the Department, due to lack of timely action and active pursuance of the same, failed to ensure compliance with the terms of lease, failed to terminate the lease and takeover the lands even after noticing misuse by the lessees. This resulted in non-realisation of Government revenue of ₹ 137.15 crore. The details are as under:

**2.2.6.1 Misuse of land leased for creating facilities for farmers****A. Lease to Karnataka Pradesh Krishik Samaj (KPKS):**

In April 1966, the then Government of Mysore leased 60,258 sq. ft. of land to KPKS for 99 years at ₹1,000 per annum for setting up of cold storage and agricultural activities. In December 1967, the leased area was reduced to 53,328 sqft. The lessee paid lease rent of ₹1,000 per annum for the years 1984-85 to 1986-87. Surprisingly, the rent of ₹ 5,000 paid by the lessee for the years 2013-14 to 2017-18 was returned by the Division stating that no connected records were available in the Division.

The Departmental officers inspected the premises between July and October 2017 and reported that KPKS had neither established the intended cold storage, nor carrying out agricultural activities, instead, constructed an office complex and sub-let to nine tenants. Owing to this, the Division assessed and demanded ₹129.02 crore as the rent due for the period from January 1997 to February 2023. However, KPKS didn't pay any. During JPV (August 2023), it was found that KPKS apart from sub-letting to nine tenants, also constructed an additional five-floor building (excluding basement and ground floor) in the leased land and let for commercial purposes. Thus, the KPKS continued to violate lease conditions and diverted intended purpose of leasing Government land. Lack of timely action by the Department despite repeated violations and failure to adhere to the lease conditions raises concerns about the possibility of potential collusion between officials and the lessee, warranting further investigation.

In reply, the Government confirmed (May 2024) that KPKS had violated the lease terms by subletting the property for commercial purposes. Also, an

eviction order was issued on May 6, 2024, with the notice served on May 14, 2024.

**B Lease to an individual:**

The Government of Mysore sanctioned<sup>77</sup> lease of a land measuring 34.24 Guntas (37,287 Sqft) in Belagavi town opposite to NWKRTC Bus Stand, for 99 years in favour of Sri N. A. Hanamannavar, to build a cold storage unit, soil testing laboratory and farmers rest house. The lease agreement was executed on 11 June 1967 and lease rent was fixed at ₹ 86 per annum. The lease agreement, inter alia, stipulated that the land should not be used for purposes other than the purpose for which it was sanctioned and the Lessee shall not sub-lease the land to any individual or society or institution, without the prior permission of Government. Scrutiny of the records related to this lease in the PWD, Division, Belagavi revealed the following:

1. The lessee had constructed a shopping complex on the ground floor which was sub-let to 11 tenants and the first floor was sub-let to a tenant for running a lodge.
2. After the violations were noticed (December 2013) by the Department, the lessee preferred arbitration before Deputy Commissioner. The arbitration award fixed the rent for 10 years from 5 June 2007 to 4 June 2017. The initial rent was fixed ₹ 2.14 lakh per annum for 2007-08 at 1/300<sup>th</sup> of the GMV of ₹ 6.41 crore<sup>78</sup> of the property. The arbitration also ordered for 10 *per cent* increase in rent per annum and accordingly rent for the year 2016-17 was ₹ 5.04 lakh. The Arbitration Award was not in accordance with the provisions of the KPWD Code which stipulates that annual lease rent shall be seven *per cent* of the market value of the property which works out to ₹44.89 lakh for the year 2007-08. However, the Department failed to appeal before higher courts against this Order. Thus, the revenue realised was short by ₹ 4.15 crore for the 10 years period ending 4 June 2017 (calculated on a conservative basis of keeping rent uniformly at ₹ 44.89 lakh for all the 10 years).
3. Audit also noticed that the lessee continued to pay the lease rent of ₹ 5.04 lakh per annum till date (October 2023). No action was taken by the Department to fix the rent at seven *per cent* of GMV of the property even after the expiry of the arbitration award as on 4 June 2017 and to provide for annual increase. Short realisation of revenue to Government by way of lease rent works out to ₹ 2.29 crore calculated at the rate of 7 *per cent* on a conservative basis, adopting the same GMV used by the adjudicating authority in the arbitration award for the years from 2007 to 2017 and without providing for annual increase in the rent from June 2017 to Mar 2023.

Thus, inaction by Divisional Officers concerned had not only resulted in non-realisation of intended benefit to the society, for the farmer community of the State in particular, but also led to loss of revenue to Government and unintended financial benefit to the lessees due to misuse of properties for commercial

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<sup>77</sup> GO No: AFD-8-FGL-66 dated 11 March 1966 and AFD 31 FGL 66 dated 08 January 1967

<sup>78</sup> GMV=₹6,41,33,640/-; 10 *per cent* of GMV=₹64,13,364/-; lease rent for 2007-08 = ₹ 64,13,364 / 30 = ₹ 2,13,779/-

purposes.

After this was brought to notice, Government replied (May 2024) that action was initiated to evict the lessee from the property under the Karnataka Public Premises (Evection of Unauthorized Occupants) Act, 1974. The same was stayed by Hon'ble High Court of Karnataka. However, no reply was furnished with regard to inaction on the part of the Department to challenge the concessional rent fixed in arbitration award and non-revision of lease rent after termination of the arbitration award period in 2016-17 to till date. Since the matter of eviction of the lessee was only sub-judice and there was no stay order on revision of lease rents by any Court, reasons for not demanding applicable lease rent at seven *per cent* of the market value of the property requires explanation by the Authorities concerned.

#### **2.2.6.2 Breach of agreement by misuse of factory premises leased for revival.**

The Chief Engineer, C&B Bengaluru issued orders on 26 September 2005 to lease out 'Brick Factory' on land measuring nine acres five guntas to an individual (Shri Dhanaraj) to revive the defunct Brick Factory in Medahalli, Hosakote Taluk, Bengaluru. The period of lease was 25 years at an annual rent of ₹ 2.10 lakh with the condition to increase the rent by 10 *per cent* once in three years. The Order also provided for revision of the rent once in five years at the discretion of the Government. The lease agreement was executed on 5 October 2005 between the Executive Engineer, PWD Division, Bengaluru and the lessee. Scrutiny of the relevant records and joint physical inspection of the premises revealed that the lessee had not taken any actions to rejuvenate the brick factory, instead the land was being used as a dump yard for construction debris. A portion was also used for storing pavement tiles and other construction materials. Thus, a property which had a potential to earn good revenue to Government, was being allowed to be used by the individual for his own benefit at the cost of concessional lease rent fixed by the Government.

A notice for eviction was issued in March 2019 for breaching agreement conditions. The lessee challenged the eviction in a Writ Petition (No. 52736/2019), pending in the High Court of Karnataka as of the last hearing on 14 December 2019, with the next scheduled for 28 February 2024. No action was taken by the Department and the Government Pleader to seek early hearing on the matter and bring the breach of lease conditions by the lessee to the notice of Hon'ble High Court and to get the property vacated. The GMV of the property as on 31 March 2019 was ₹ 47.08<sup>79</sup> crore and even the bare land had the potential to earn annual lease rent of ₹ 5.11<sup>80</sup> crore.

After this was brought to the notice, Government replied (May 2024) that in a letter addressed by the jurisdictional Division on 10 April 2024, Advocate

<sup>79</sup> Guidance Market Value was ₹5.16 crore per acre. For 9 acres and 5 Guntas it was ₹ 47.08 crore. For industrial use as per the Guidance Market Value guidelines the value to be further appreciated by 55 per cent (Note 2 table sl.no.2 of the GMV Notification) which takes the Guidance Market Value to ₹ 72.98 crore.

<sup>80</sup> As per the PWD norms the expected Annual Rent is seven per cent of the market value of the property which is ₹ 72.98 crore X 7 *per cent*= ₹5.11 crore.



General of High Court has been requested to seek early hearing on the matter.

**Recommendation 10: Government may direct the legal counsels of the Department to take necessary steps to get the advanced hearings in Courts to get the stay orders vacated and ensure that early settlement of the cases pending in Courts.**

## **2.2.7 Violation of conditions of lease by Public Sector Undertakings of Government of Karnataka**

The Government lands and buildings were also leased to the State Government Corporations. As these corporations are managed by the Officers appointed by the Government, ensuring compliance with lease conditions, utilisation of properties for the intended purposes, timely collection of lease rents, etc. are expected to be ensured from both ends i.e., by the PWD Divisions concerned as well as by the lessees. However, it was noticed that the lessee Companies failed to adhere to the terms of the leases and the Department also failed in monitoring the same. As a result, encroachment of properties, sub-letting of the Government properties at a concessional lease rent to private individuals/organizations and other irregularities leading to financial loss to Government were found on records as well as during joint physical verification of the properties. The details are given in the following Table No.2.2.1:

**Table 2.2.1: Violations of conditions of lease by Government Corporations**

Sl. No.	Name of the Corporation, details of the property leased and terms of lease	Details of violations noticed and its impact
1.	<p>M/s Karnataka State Construction Corporation (KSCC)</p> <p>Land measuring 4,180 Sqmt, with 332.81 Sqmt. PWD Office building in Rajajinagar, Bengaluru at the lease rent of ₹ 5,000 per annum. The lease was for 30 years from August 1984 initially and renewed for 10 years with effect from August 2014 at nominal rent of ₹ 5,000 per month.</p> <p>The terms and conditions of lease stipulated that the lessee should not sub-let the property.</p>	<p>(i) The Corporation obtained Khatha (title to property) in its favour (Chairman, KSCC - BBMP PID No.14-1-2-1-1) which was illegal.</p> <p>(ii) The Corporation constructed an Annex Building without prior permission of the PWD and the building plan was not got approved by the Chief Architect.</p> <p>(iii) The Corporation sub-let the property to five tenants including three State Government Offices, one Joint Sector Company and one private firm<sup>81</sup>. The Corporation was earning rental revenue of ₹ 2.28 crore per annum as of March 2023. The total rent collected by the Corporation between October 2014 to September 2023 was ₹ 13.19 crore. This was a clear violation of the conditions of lease. As the land and building belonged to Government, the rent collected from sub-letting the property was due to Government.</p>

<sup>81</sup> For motor vehicle garage

Sl. No.	Name of the Corporation, details of the property leased and terms of lease	Details of violations noticed and its impact
		After this was brought to the notice, Government stated (May 2024) that the ownership as per khatha certificate and khatha extract is with the Department. Regarding breach of contract by KSCC by sub leasing to 5 tenants and obtaining rent of ₹ 13.19 crore during October 2014 to September 2023 matter has been referred to CE, C&B (S), Bengaluru and Secretary, Government of Karnataka, PWD for necessary action. However, copies of Khatha certificate and Khatha extract were not furnished to Audit for verification.
2.	<p>M/s Karnataka Road Development Corporation Limited (KRDCL)</p> <p>Land measuring 2,955 Sqmt. in Rajajinagar, Bengaluru for 30 years from April 2013 for the construction of administrative block. The lease rent of ₹ 14.78 lakh per annum was fixed along with the condition that 30 <i>per cent</i> of the built up area should be kept reserved for PWD use.</p> <p>Other terms and condition of the lease were as under:</p> <p>a) The building shall be of five floors only, not exceeding 24 metre height and Floor Area Ratio (FAR) of 2.25 to be maintained.</p> <p>b) The lessee should not sell/sub-let/Mortgage the land so leased. In case, beyond lease condition, if KRDCL lets out any portion of the building without prior approval from PWD, the income accrued will be forfeited to PWD. However, in March 2018, Government accorded approval for sub-letting the portion of building, which was in excess of the requirement of the KRDCL.</p>	<p>(i) During JPV it was noticed that KRDCL constructed Seven floors against five floors stipulated by the Government Order.</p> <p>KRDCL sought permission from Government to use the 30 <i>per cent</i> of the constructed property to PWD for its own purposes and to sub-let the property. Accordingly, permission was accorded by the Government vide their Order dated 5 March 2018 for sub-letting the property.</p> <p>(ii) It was noticed in May 2023 that KRDCL failed to pay the lease amount for the period from December 2014 to December 2022. After this being pointed out, KRDCL remitted entire lease rent amount ₹ 1.18 crore on 22 May 2023. However, the interest for belated payment of rent had not been demanded by Division.</p> <p>After this was pointed out, Government replied (May 2024) that KRDCL had constructed office building with two basements and five floors and it is within the prescribed FAR norm 2.25. The reply is not tenable as KRDCL had constructed a seven floor building with two basements. Possibility of violation of FAR norm of 2.25 prescribed for this building cannot be ruled out.</p>

### **2.2.8 Lack of monitoring of land and buildings leased to organisations in Co-operative Sector**

Land and buildings of PWD have been leased to two major Co-operative institutions in Bengaluru. However, due to absence of adequate monitoring, failure to ensure timely renewal of lease agreements, non-revision of lease rents and failure in collection of lease rent have led to accumulation of arrears of lease rent, unauthorised construction, and unauthorized occupation of property beyond the lease period by these institutions. The details are given in the following paragraphs:

#### **2.2.8.1 Un-authorised khatha transfer by the lessee not noticed by the Department.**

The Government of Karnataka leased (22.11.1968) 1,775 sq. yards (15,795 sq. ft.) in Chamarajapete, Bengaluru, to M/s Karnataka State Co-operative Agriculture and Rural Development Bank Limited (KSCARD) at ₹5325/- per annum for 30 years for the purpose of extending a bank building and raising a garden. The agreement expired in 1998 without renewal. The lessee continued occupying the property without renewing the lease, eventually requested for renewal in November 2016, 18 years after expiration, in contradiction to lease condition of renewal request to be made six months before the expiry.

Thereafter, the Division worked out the lease rent due from 1997-98 to 2016-17 at the rate of 6 per cent of the GMV of the property and demanded ₹ 5.42 crore from the lessee. However, the lessee did not pay the rent demanded by the Division and continued to occupy the property. The rent due till March 2023 calculated by the Division amounted to ₹ 8.60 crore

During JPV, it was noticed that the lessee had unauthorisedly obtained the Khatha of the leased property from Bruhat Bengaluru Mahanagara Palike (BBMP) in their name. Thus, non-maintenance of the control registers and other records as stipulated in the KPWD Code and KFC as discussed in paragraphs 2.2.2.1 to 2.2.2.6 had led to absence monitoring over the leased property, besides accumulation of huge arrears of lease rent of ₹8.60 crore. More alarmingly, such laxity had resulted in the Department altogether losing track of its property. Thus, but for the correspondence made by the lessee in November 2016, Department would have lost its property valued at ₹ 10.36 crore as per the GMV of 2016-17.

Government replied (May 2024) that action has been initiated to recover the rent as well as change of the name of the lessee in the Khatha and a legal notice was issued to evict the lessee under the Karnataka Public Premises (Eviction of unauthorized Occupants) Act, 1974 on 22.12.2023.

#### **2.2.8.2 Un-authorised occupation and lack of maintenance of property leased to a Co-operative institution.**

The Government purchased the Asiatic Building situated in 1 acre 20 guntas at Kempe Gowda Road, Bengaluru, in December 1951. Out of which building comprising of 32,893 Sqft was leased to Karnataka Co-operative Consumer Federation Ltd (KCCF) to run Janata Bazar for 30 years starting from March 1967. Although the lease ended in 1997, the lessee continued to occupy the

property without a valid lease and was paying ₹37,508 per month until December 2014. Thereafter, the lease was regularised from back dates and extended up to 2033 (21.03.2023).

During JPV, it was noticed that the property was liable to pay property tax of ₹ 8.78 lakh per annum between 2008-11 and ₹ 9.25 lakh from 2011-23. The terms and conditions of the lease agreement did not provide for payment of property tax by the lessee. The Division failed to include a property tax payment clause in the agreement, resulting in unpaid taxes to BBMP and now onus lies in the Department to clear the liability with applicable interest thereon. Besides, the building was poorly maintained. The Division also failed to include maintenance clause in the renewed lease agreement, as a result, it is obligatory on the part of the Department to bear building repair cost. Recovery of rent at a rate which is less than the property tax liability to the Government amounts to undue benefit granted to lessee.

In reply, the Government acknowledged the tax liability but did not explain why the lessee was not made responsible.

### **2.2.9 Short collection of lease rents due to error in computing gross income of the lessees**

A land measuring 153.39 acres in Kurubarahalli Village, Mysuru City was being used for conducting horse races since 1891. The Maharaja of Mysore sold this land to M/s Mysore Race Club Limited (MRC) in September 1971. Government of Mysore acquired this land during January/March 1976 under the provisions of Land Acquisition Act 1894 for the purpose of promoting Sports and Allied activities and paid compensation of ₹ 20.70 lakh to MRC. With effect from 1 April 1976, the lease was granted in favour of the MRC for the purpose of conducting horse races.

Loss of revenue to Government of ₹ 96.36 crore due to collection of concessional lease rent for the period from 1 April 2006 to 31 March 2009 was pointed out in the Audit Report 2008-09. After this was brought to the notice, Government renewed the lease on 10 February 2014 with retrospective effect from 1 April 2006 to 31 March 2016 and fixed the lease rent at two *per cent* of the Gross Income of the company with effect from 1 April 2006. The lease was extended for a further period of 30 years from 1 July 2016 to 31 July 2046 and lease rent fixed was continued two *per cent* of the Gross Income of the company.

Further, on a representation made by M/s Jayachamarajendra Wodeyar Golf Club (JWGC) that it is also using the same premises for its golf activities, it was decided that lease rent at the rate of two *per cent* of the gross income of JWGC would be collected by MRC and the same would be remitted to Government, in addition to the lease rent payable by the MRC. Scrutiny of the files related to assessment and collection of lease rent on the Gross Income of the MRC and JWGC revealed the following:

- (i) The MRC, instead of paying lease rent on Gross Annual Income, deducted the totalizator tax, entertainment tax, Corporation tax, Licence Fee paid to conduct horse races and interest received on deposits. Claiming such

deductions from the Gross Annual Income was irregular as the lease rent was payable at two *per cent* on the Gross Annual Income only. The erroneous deductions made by MRC, had resulted in short payment of ₹ 1.92 crore for the years from 2006-07 to 2022-23. However, no action was taken by the Division to ensure the correctness of the lease rent paid by MRC and to demand the differential amount.

(ii) The JWGC, had not prepared Profit and Loss Account or Income and Expenditure Account. The Gross Income was computed by considering the Income of the club from different Sections (business segments). However, JWGC did not consider the interest earned on its Fixed Deposit Investments. The interest earned on such investments and the lease rent due on the same at two *per cent* for the years 2016-17 to 2022-23 was worked out by Audit at ₹ 0.12 crore (details in **Appendix-37**). The Division failed to notice omission of interest accrued on investments and failed to demand the lease rent at two *per cent* thereon.

After these cases were brought to notice, Government replied (May 2024) that the differential amount of rent as pointed out by Audit would be recovered from the lessees.

#### **2.2.10. In-adequate follow-up on lands leased for educational purposes**

Government sanctioned lands on lease basis at a concessional or nominal lease rent to educational institutions for the specified purposes such as construction schools and colleges, cultural and other activities connected with education, etc. Therefore, it is the responsibility of the Divisional Officers to bring to notice of the Government, after due verification as stipulated under paragraph 311 of the KPWD Code, whether the land has been used by the lessee for the specified purposes. Also, on expiry of the lease period, further action such as either renewal or taking back the possession of the property has to be initiated by the Division.

However, during scrutiny of the records Audit noticed two leased cases of land for educational purposes where Divisions had not taken action to regulate the leases as per codal provisions. The details are given in the following **Table 2.2.2:**

**Table 2.2.2: Lack of regulatory control over lands leased for educational purposes**

Sl. No.	Name of the lessee, details of the land leased including extent of land in acres-guntas	Purpose of lease and Lease Rent stipulated	Issues noticed
1.	Karnataka Lingayat Educational Society, 6 acres – 21 guntas in Sy. No.100/B of Bambaragi Village, Belagavi Taluk.  Period for 10 years from 28 May 2007 to 27 May 2017	Educational purposes.  ₹20,228 per annum	The land leased had not been put to intended use till date of JPV (18 July 2023) conducted by Audit.  However, this was not verified and brought to the notice of the

Sl. No.	Name of the lessee, details of the land leased including extent of land in acres-guntas	Purpose of lease and Lease Rent stipulated	Issues noticed
	Further, GO was issued on 28 March 2023 for extending further period of 30 years.		<p>CE by the Division/SE. As a result, the Government renewed the lease by a G.O. dated 28 March 2023.</p> <p>It was also noticed that the lessee made unauthorised revenue Khatha in his name vide MR-53/2006-07 dated 31 July 2007. Later, the Division preferred an appeal before Revenue Department and got back the Khatha.</p> <p>After this was pointed out, Government replied (May 2024) that the lessee had been directed in December 2023 to use the land for the purpose for which it was leased to them.</p>
2.	Hyderabad Karnataka Educational (HKE) Society, 14 acres 27 Guntas, in Sy No. 127 of Badepur Village, Kalaburagi, Lease of land for 50 years from 16 May 1968 to 15 May 2018.	<p>Educational purposes.</p> <p>₹ 1/- per annum</p>	<p>The lessee has established and has been running the Mahadevappa Rampure Medical College (MRMC) in the said land.</p> <p>As the lease period expired in 2018, action needs to be taken to renew the lease and fix appropriate lease rent.</p> <p>Audit noticed that the lessee had obtained unauthorised Khatha in the year 1976.</p> <p>After this was brought to notice, Government replied (May 2024) that action had been initiated to get back the Khatha in favour of the Department and to revise the rent at ₹3.46 lakh per month.</p>

### **2.2.11 Conclusion**

The Public Works Department did not give due importance to the valuable lands and buildings in its possession. Adequate monitoring was not being carried out in respect of its properties leased to institutions. The monitoring and other controls measures prescribed under the codal provisions governing the Department such as maintenance and updating of BIS, rent register, periodic inspections, submission of verification reports to higher Authorities, etc. were not being followed. As a result, Department was not in a position to ensure that the lessees were using the properties for the intended purpose and adhering to the terms and conditions of lease. Also, the outstanding rental revenue due to non-recovery of rent in a timely manner was ₹ 155.26 crore in the test-checked cases. The Government lands and buildings were not being protected from unauthorised occupation or misuse of leased properties by the lessees. Periodical payment of lease rents by the lessees, timely renewal of the expired lease and revision of lease rents were not watched by the Divisional officers and as a result, Government was deprived of its revenue due in the form of lease rents. There was no transparent policy in the Department with respect to tenant selection and fixing of lease rents.



# *Chapter-III*



## *Other Compliance Audit Paragraphs*





## Chapter III: Other Compliance Audit Paragraphs

### Forest, Ecology and Environment Department

#### **3.1 Excess payment to contractors due to incorrect measurement of RCC quantity for barbed wire fence with Cement Pillar Fence Posts - ₹1.48 crore**

*Incorrect measurements of works executed and material consumed in the work had led to excess payment of ₹1.48 crore to contractors.*

Para 15 of Karnataka Financial Code (KFC) states that every Government servant, who incurs or authorises the incurring of expenditure of public money shall see that it does not contravene the canons of financial propriety. Para 15 also states “*every Government servant should exercise the same vigilance in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money*”. Also, as per Para 16 of KFC, it is the duty of every Government servant not merely to observe complete integrity in financial matters, but also to be constantly watchful to see that the best possible value is obtained for all public funds spent by him or under his control and to guard scrupulously against every kind of wasteful expenditure from public funds.

As per Para 115 of Karnataka Forest Account Code all payments for work or supplies are based on quantities recorded in Measurement Book or Field Note Book. It is incumbent upon the person taking the measurements to record the measurements clearly and accurately. Further, as per Para 118, for all payments made by Range Forest Officer, he should check measure 100 *per cent* of works carried out and Assistant Conservator of Forest should check measure 25 *per cent* before making payment. If at the time of check measurement of works, any deficiencies are noticed either in quantity or quality, the Deputy Conservator of Forest shall take action to recover the value of work which is charged and initiate disciplinary action against the concerned.

The mandate of the Forest Department, inter alia, includes protecting the forests and wildlife. To protect the forests, the Department has taken up the work of erecting barbed wire fencing. The scope of the work included erection of barbed wire fencing with Cement Pillar Fence Posts (Reinforced Cement Concrete-RCC poles) at 3 metre intervals with one additional supporting pole for every three poles erected along the boundaries of plantations. As per the estimate (Data Sheet approved for the scheme/programme), 444 RCC poles per running kilometre<sup>82</sup> were required to be erected. The dimension of each RCC pole was 1.65 metres x 0.125 metres x 0.15 metres. Out of 1.65 metres length of the pole,

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<sup>82</sup> No. of poles were estimated by the Forest Department per ha. As per the estimate 72 running meters required to be fenced with 32 poles per ha. Accordingly, per km of boundary line it works out to 444 poles.

0.45 metres was to be embedded in Plain Cement Concrete (PCC) footing below the ground level in excavated pits of specified size (0.30mx0.30mx0.50m).

It was noticed that in 13 Forest Divisions (between May and November 2023), while calculating the quantity of PCC to be filled in the pit, excavated for erecting RCC pillars, the Divisions did not deduct the quantity of PCC corresponding to the portion of RCC pole embedded in the pit. Considering the dimension of RCC poles, the excess quantity of PCC considered for payment worked out to 3.75 cum<sup>83</sup> per kilometre. A total of 644.10 kilometre of barbed fencing had been executed in these Divisions during 2021-22 and 2022-23 and the excess quantity considered for payment was 2,408.37 cum. Thus, incorrect measurement of quantity of the PCC used in the works by the Divisions had resulted in excess payment of ₹1.48 crore as detailed in the **Appendix-38**. In two<sup>84</sup> Divisions the measurement of PCC filled in the pit was done correctly, deducting the volume of the RCC pillar embedded in the pit.

After these observations were pointed out Government replied in April 2024 that certain Divisions have stated that RCC pillars were embedded in a bed of PCC for strength. Concrete was also utilised above the ground around the pillar to strengthen the pillar and avoid water logging lest it is pushed down by wild animals. Certain Divisions have reported difference between the objected amount pointed out by Audit, due to the reasons like tender savings, non-execution of works etc. Government also stated that in case of some of the Divisions notices were issued to contractors and action being taken to recover the excess amount from the contractors.

This reply is not consistent as some of the Divisions accepted the audit observations and issued notices for recovery. The reply of the other Divisions stating that concrete has been measured as per the dimensions of the pit is not in accordance with the quantum of concrete actually used and is therefore not acceptable and is merely a justification for incorrect measurement and payments made.

**Recommendation 11: Government may direct the Forest Department to recover the excess payments made to contractors.**

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<sup>83</sup> For embedded length of 0.45 M per RCC Pole and considering 32 RCC poles per ha, as provided in the data sheet, the extra quantity of PCC per KM=  $0.125 \times 0.15 \times 0.45 \times 32 / 72 \times 1000 = 3.75$  cum.

<sup>84</sup> Chikkaballapura and Ramanagara

### Public Works Department (PWD)

#### 3.2 Irregular work measurements and payments - ₹ 21.32 crore

**Karnataka Public Works Departmental Code (KPWD Code) stipulates that no work should be measured and paid after 15<sup>th</sup> of March.**

**In Ballari and Koppal Divisions, works related to Construction and Improvement of CC Roads and Drains worth ₹ 21.32 crore were measured and paid within a span of 1 to 21 days from the date of entering into agreement with the Contractors, though the curing of concrete and test reports could be prepared only after 28 days.**

Para 202 of the KPWD Code states that to ensure equalization of expenditure throughout the year and to avoid the rush of expenditure at the end of each month and at the end of the year, it has been ruled that work done and measured in one month shall ordinarily be paid for during the next month. But no work should be measured after the 15<sup>th</sup> of March without the special order of Chief Engineer concerned and paid for till April.

Further, Para 228 (e) of KPWD code highlights the potential irregularities which may be caused by rush of expenditure in March which are as follows:

- i) Payments made before the work or service, for which they are due, is performed.
- ii) Hasty or imperfect measurements of works followed by hurried payments towards the close of the year.

These irregularities shall be scrupulously avoided and if committed, serious notice will be taken by Government of the conduct of the Government servants responsible for them.

Clause 602 of Ministry of Road Transport and Highways (MoRTH), 5<sup>th</sup> revision stipulates the procedure to be adopted for laying concrete roads. As per the said Clause Trial Mixes shall be made in presence of Engineer or his representative and that the Design mix be subject to approval of the Engineer. Further, during the execution of work, sample cubes from fresh concrete shall be cured and tested at 28 days as per IS 456:2000, which means that once the work is commenced it typically takes a minimum of 28 days for curing and testing the quality of concrete. The 28 days compressive strength shall be the criterion for acceptance and rejection of the concrete.

On a review of 32 Major works such as 'Construction and Improvement of CC Roads and Drains' taken in Koppal and Ballari Divisions under 5054 Head of Account (HoA), it was observed that the works were entrusted to the contractors by executing agreements between 25<sup>th</sup> February and 24<sup>th</sup> March 2022. However, disregarding the provisions of the KPWD Code, work measurements were done between 15<sup>th</sup> and 24<sup>th</sup> March 2022 and payments totaling ₹ 21.23 crore were made between 15<sup>th</sup> and 28<sup>th</sup> March 2022. The details are given in **Appendix-39**

(Koppal Division) and **Appendix-40** (Ballari Division). The payments were made within a short span of 1 to 21 days from the agreement date and hence, were in violation of the provisions of the KPWD code. Also, construction of CC roads and drains within such a brief period was not feasible. As the work could not be executed and completed within the short period of 1 to 21 days, Audit concludes that the work measurements in these cases were fictitious and the payments were made without actual work execution or the works were executed subsequent to release of payments.

On being pointed out by Audit in October 2023, Government replied in December 2023 that an action plan was prepared based on the grant allotted and the same was approved by the Superintending Engineer. These works were entrusted to experienced Class-I contractors having men and machinery. Bills for these works were prepared based on the actual progress and was paid by withholding a part of bills for want of test reports of compressive strength of concrete. After satisfactory test results, final bills were paid. The main objective of the Department is to ensure that Grants were not wasted and to carry out essential works in public interest.

As evident from the reply that in these cases though work had not reached the stage where measurements could have been taken, payments were made in advance trusting the contractor's ability by the Officers of the respective Divisions at their discretion instead of following the prescribed Rules and procedures. The payments made to avoid lapse of Grants received are clear violation of paragraphs 202 and 228 (e) of the KPWD Code.

While the Koppal Division had paid the entire amount as per the RA Bills, the Ballari Division paid the RA bills after withholding a meagre amount of ₹ 2 lakh per work for want of test reports. Preparation of RA bills without test Reports was irregular. Besides, the Quality Assurance reports enclosed with the Government reply also showed that the works were executed later. In 15 out of 20 works pertaining to Ballari Division, the date of measurement preceded the date of casting of concrete up to 70 days. The details are given in the **Appendix-41**. As per Para 228 (d) "no work measured after 15th March shall, without the special orders of the Chief Engineer, be paid for till April". As no such special orders of the Chief Engineer were found on record, the payments made were beyond the powers of the Divisional Engineers and were irregular. Furthermore, the Government reply is silent about the execution and measurement of work without the approval of the trial mixes.

**Recommendation 12: Government may investigate and fix responsibilities on Government servants as stipulated under Para 228(e) of the KPWD Code.**

### 3.3 Undue benefit to Network service providers towards road cutting charges - ₹ 7.32 crore

**While permitting the laying of Optical Fiber Cable networks from different service providers, four PWD Divisions adopted incorrect rate towards road cutting and restoration charges instead of collecting at the rate specified by GoK in this regard. This had resulted in undue benefit to Network service providers by way of short recovery of Road Cutting Charges of ₹7.32 crore.**

Electricity Supply Companies (ESCOMs) and various internet network service providers (NSPs) lay their electricity supply/distribution lines or optic fiber cables within the Right of Way (RoW) alongside roads. For this purpose, the ESCOMS and NSPs are required to obtain permission from the respective Road Management Authorities. The Public Works Division grants permission to the user agencies on payment of road cutting and restoration charges to compensate for any damage occurring during the process of road cutting.

Government of Karnataka (GoK), following up on World Bank's 'Doing Business Reports'<sup>85</sup>, to improve ease of doing business, standardized (June 2020) the rates<sup>86</sup> for cutting RoWs of State Highways (SHs) and Major District Roads<sup>87</sup> (MDRs) for the purpose of obtaining electricity connections. Further, GoK vide letter dated 19 April 2021 issued to all Chief Engineers of PWD, Karnataka State Highway Improvement Project and Karnataka Road Development Corporation Limited, directed that the rates prescribed under the GO dated 08 June 2020 must be applied to all road cutting activities, including the laying of cables and other related works in the State.

Audit observed (June 2023 to August 2023) that in four<sup>88</sup> test checked Public Works Divisions, permissions for road cutting in SHs/MDRs were given in 22 cases for a length of 153.73 Km. The Divisions in these cases had adopted their own rates, instead of adopting the rates fixed by the Government vide GO dated 08.06.2020. As a result, the road cutting charges collected in these four Divisions was only ₹0.37 crore as against ₹7.69 crore required to be collected. Thus, non-compliance with Government instructions by four PWD Divisions had resulted in undue benefit of ₹7.32 crore to network service providers as detailed in the **Appendix-42**. After these cases were pointed out, the Executive Engineer, PWD Mysuru Division agreed (August 2023) to recover the amount from the user agencies concerned.

After these cases were reported to the Government in October 2023, Government replied in December 2023 that GO dated 08 June 2020 and 08 February 2021 are applicable only for laying electricity cables and gas pipes respectively. Further, the Government stated that action has been taken to frame guidelines and rate chart for road cutting and use of RoW by network service providers and the guidelines would be issued in due course. The reply is not

<sup>85</sup> Study Report on the regulations that enhance business activity and those that constrain it.

<sup>86</sup> vide G.O dated 08.06.2020

<sup>87</sup> Gravel surface-₹500/M, Metal Road- ₹1000/M, Bituminous surface-₹1700/M and Concrete Road- ₹2000/M.

<sup>88</sup> Davanagere, Madikeri, Mysuru and Shivamogga Spl. Division

tenable as the Government vide GO dated 19 April 2021 had already made the rates prescribed under GO dated 08 June 2020 and 08 February 2021 applicable for laying optic fiber cables. The Divisions were required to collect the charges as per the directions of the GO dated 19 April 2021.

### 3.4 Non-adherence to provisions of Price Adjustment resulted in excess payment to the contractor - ₹ 5.76 crore

**Incorrect determination of base quarter and adoption of incorrect index item from the Wholesale Price Index (WPI) in computation of price adjustment had resulted in excess payment of ₹ 5.76 crore to contractors by two PWD Divisions.**

Country Procurement Assessment Report (CPAR) for India published by World Bank in December 2003, recommended that “Price Adjustment (PA) should be mandated in respect of all contracts of value more than ₹5 million and a completion period of more than 12 months. Price adjustment should be made applicable from the date of opening of tenders”. The recommendation was aimed at accounting for fluctuations in rates/prices of materials and as a means for fair claim and dispute resolution mechanisms in large and long duration public procurements.

In pursuance of the CPAR recommendation, Government of Karnataka (GoK) issued orders dated 26.11.2004 which stipulated that PA clause shall be included in works contract whose estimated cost exceeds ₹ 100 lakh and the period of completion is 12 months or more. The G.O. outlined the formula<sup>89</sup> to determine PA based on the Wholesale Price Index (WPI) published by GoI. Further Orders/clarifications were also issued by GoK on the subject in November 2008 and February 2016. The GOs stipulated, inter alia, the following procedure:

PA to be computed separately for (i) Labour, (ii) Cement (iii) Steel (iv) Bitumen (v) Fuel and Lubricant (vi) Plant and Machinery Spares and (vii) Other material components. The percentage of each component has to be worked out on the estimates of cost and incorporated in the tender documents before issue.

As per the formula provided in the GO, the PA shall be calculated on the basis of average consumer price index of the quarter in consideration<sup>90</sup> with respect to the base quarter which shall be ‘Three consecutive calendar months preceding

<sup>89</sup>  $V\alpha = 0.85 \times \alpha_p / 100 \times R \times (\alpha_i - \alpha_o) / \alpha_p$  - Where,

R = Total Value of the work done during the quarter

$V\alpha$  = Increase or decrease in the cost of work due to changes in the rates for the  $\alpha$  component  
 $\alpha_o$  = All India average Wholesale Price Index for the component  $\alpha$  for the quarter preceding the date of opening of bids.

$\alpha_i$  = All India average wholesale price index for the component  $\alpha$  for the quarter under consideration

$\alpha_p$  = Percentage of component  $\alpha$  in the work.

<sup>90</sup> Three consecutive Calendar months including the calendar month in which work was started in the first instance and thereafter next quarter shall be consecutive three calendar months following the preceding quarter.

the calendar month of opening the Tender’.

PA was not to be provided for value of works executed under variations<sup>91</sup>; for which PA (if any) is to be worked out separately based on the terms mutually agreed.

Audit test checked the records of two<sup>92</sup> PWD Divisions during August and December 2022. Verification of records related to Construction of Court Complex at Parvathi Nagar in Ballari and Construction of PWD Bhavan in Kalaburagi, between July<sup>93</sup> and October<sup>94</sup> 2017, revealed that clauses stipulated in the GOs were not followed by the Divisions while computing the PA and paid to the contractor<sup>95</sup>. The deviations from the conditions/clauses stipulated in the GOs noticed are given below:

The PA formula given in the G.O dated 26.11.2004 adopted the index value given for ‘Heavy machinery and parts’ for ‘Plant and Machinery Spares’ component was based on WPI with base year of 1993-94 which was discontinued from 28th August 2010. In the subsequent WPI, the item ‘Heavy machinery and parts’ was not published. Therefore, the Department should have adopted an appropriate item which closely represent this category in WPI<sup>96</sup> and required changes should have been made in the Bid document as this item carries significant weightage (22.5 per cent ) in PA calculations. However, no such action was taken by the Department. While the Ballari Divisions adopted index for Manufacture of Machinery and Equipment and the Kalaburagi Division adopted index for All Commodities from the WPI with base year 2011-12, which was incorrect. As both the works related to construction of buildings, the index for ‘Manufacture of machinery for Mining, Quarrying and Construction’ was the appropriate index.

The base quarter was taken as the calendar quarter preceding the quarter in which the tenders were opened instead of three consecutive calendar months preceding the calendar month of opening the tender by the PWD Ballari Division.

Kalaburagi Division computed and paid PA to the contractor on the total value of works including executed under variations. This was irregular as the Variations (EIRL<sup>97</sup>/Workslip) are yet to be approved by the competent authority and as no mutual terms by way of Supplementary Agreement were entered into, there was no contractual provision for payment of PA on variation items.

The non-compliance with the clauses stipulated in the GOs resulted in excess payment to the contractor amounting to ₹5.76 crore as given in the **Table No.3.1** below:

<sup>91</sup> Variations means quantity executed in excess of the estimation.

<sup>92</sup> Ballari and Kalaburagi

<sup>93</sup> To be completed in 24 months

<sup>94</sup> To be completed in 18 months

<sup>95</sup> M/s K.M.V Projects Ltd for both the works

<sup>96</sup> Comparable Substitute: Paragraph 4.168 of Manual on CPI: A comparable variety of the item, which is equivalent or nearest to the specified variety in quality and contents to the prescribed one, is selected and the prices are collected for this substitute on a continuing basis.

<sup>97</sup> Extra Item Rate List



**Table No. 3.1: Non-compliance with the Price Adjustment Clauses**

Sl. No.	Description	Construction of Court Complex at Parvathi Nagar in Ballari	Construction of PWD Bhavan in Kalaburagi	Remarks
		(₹ in crore)		
1	Price Adjustment paid	7.826	8.77	In respect of PWD Bhavan Kalaburagi, though the Division computed PA at ₹ 8.89 crore, the PA paid was only ₹8.77 crore.
2	Excess payment of Price Adjustment due to adoption of incorrect Index for ‘Plant and Machinery Spares’ and due to adoption of incorrect Quarter for Base Index. (Details are given in <b>Appendix – 43</b> )	0.97	1.29	Both the Divisions erred in classification of ‘Plant and Machinery Spares’. With respect to bid opening date of 28.02.2017 in Ballari Division, the base quarter was taken as October to December 2016 instead of November 2016 to January 2017.
3	Excess Price Adjustment Payment due to inclusion of Variation items for calculation of 'R' value. (Details are given in <b>Appendix-44</b> )	0	3.50	The contract of Kalaburagi was awarded (October 2017) at tendered cost of ₹ 46.58 crore. Subsequently, the scope of this work underwent modifications and as per EIRL/Work slips proposals submitted by CE to the Government, the total work has been proposed to be revised to ₹ 82.17 crore. The variations are yet to be approved (January 2024). Value of works executed under variations works out to ₹ 27.30 crore and PA payment of ₹ 3.51 crore has been paid contrary to stipulated provisions.
	<b>Total Excess PA paid (2+3)</b>	<b>0.97</b>	<b>4.79</b>	

After these cases were reported to Government in November 2023, Government endorsed the replies furnished by both Ballari and Kalaburagi Divisions. While Ballari Division accepted the Audit observations, Kalaburagi Division replied that since the index for 'Heavy Machinery and Parts' was discontinued in

August 2010, the Division had no option but to adopt index for all commodities provided in WPI. The reckoning of index for 'Manufacture of Mining, Quarrying and Construction' would have been erroneous as the work involves only execution of civil, electrical and plumbing works deploying machinery only. Since the scope of the work does not include manufacture of Machinery, the index item suggested by Audit cannot be adopted. Further, incorrect PA calculation would lead to contractual disputes.

Endorsement of differing replies given by the two Divisions by Government was contradictory. As soon as the index for 'Heavy, Machinery and Parts' was discontinued in WPI, Government should have notified the appropriate index item for calculation and payment of PA to 'Plant and Machinery Spares' component in the works expenditure. On a review of index items in the WPI, Audit found that 'Manufacture of Machinery for Mining, Quarrying and Construction' is the appropriate item which can be adopted for calculation and payment of PA with respect to use of 'Plant and Machinery Spares' in construction of buildings. However, no action was taken by the Government or PWD, Karnataka to instruct the Divisions to follow the applicable index item. It is pertinent to note that National Highway Authority of India (NHAI) and State of Orissa have notified the said WPI item to be considered in this regard. The details are as follows:

- (i) NHAI vide their OM dated 04 June 2018, has ordered adopting weighted average of 'Loader' and 'Concrete Vibrator and Mixer' for the purpose of calculating PA for construction machinery. These items are sub-items of the Group 'Manufacture of Machinery for Mining, Quarrying and Construction' in WPI.
- (ii) Similarly, PWD of Orissa State had issued instruction in November 2019 to adopt 'Manufacture of Machinery for Mining, Quarrying and Construction' item for PA in place of 'Heavy Machinery and Parts' which was discontinued from 2004-05.

In respect of PA allowed by the Kalaburagi Division, it was stated that the PA payments were provisionally admitted and paid for three-fourth of the variation quantity only. Reply is not acceptable as variation items were not eligible for payment of basic rate in the absence of administrative approval and supplementary agreement. Therefore, the question of provisionally admitting and paying PA does not arise.

Similar observation on incorrect PA was also noticed in Minor Irrigation Department and brought out in paragraph 3.8 of this Report.

**Recommendation 13: Government should notify the appropriate index item for calculation and payment of price adjustment for 'Plant and Machinery Spares' component in the works expenditure. The Government should take action to recover the excess amount paid to the Contractor and give directions to all Divisions to scrupulously adhere to the Government instructions regulating price adjustment payments.**

### **3.5 Double payment to contractors for an item of work due to incorrect estimates and measurements**

**Composite items of work in Schedule of Rates such as Stone Works, Bridge Works, etc. the cost of providing, fixing and removing ‘form work’, was included. In five works executed by State Highway Development Project (SHDP) in addition to the composite work items, the ‘form work’ was also paid. This had resulted in excess payment of ₹0.95 crore to contractors.**

Clause 1719 of the MORTH specification stipulates that unless mentioned separately as an item in the contract, the contract unit rate for concrete shall also include the cost of providing, fixing and removing ‘form’<sup>98</sup> work’ required for concrete work as per Section 1500 of these specifications. Further as per point 18 of General notes to the SR, Chapter 5 i.e. Stone works, Chapter 6 i.e. Brick works and Chapters 25 to 33 i.e. for Bridge works, the rates are inclusive of form works, scaffolding and centering. Similarly item 37.59 of Chapter 37 pertaining to providing and laying plain/reinforced cement concrete for side drains is also inclusive<sup>99</sup> of ‘form work’. Therefore, the estimates prepared for concrete works under Chapters 5, 6, 25 to 33 and 37 should not include ‘form works’ and no separate payment should be made for this component of work.

Audit scrutiny of five works costing ₹128.75 crore in State Highway Development Project (SHDP) and in Chitradurga P.W.D Division, revealed that item rates from chapter 25 to 33 and 37 of the SoR were adopted in the estimates. In these cases, it was noticed that ‘form work’ was included as a separate item in the estimates and paid. This had resulted in double payment to contractors amounting to ₹0.95 crore as detailed in the **Appendix-45**.

On this being pointed out the Government accepted (March 2024) the Audit Observation and stated that as per the General notes to SR, no separate payment should be made for form works. Further, Government stated that action would be taken to recover the payment made for the item of Providing and removing form work as separate item from the pending bills of the contractors concerned.

### **3.6 Excess payment of ₹ 0.99 crore to contractor due to adoption of incorrect rate for soft rock excavation**

**Though IS standard stipulate that Soft Rock does not require blasting for excavation, adoption of rate from Schedule of Rates of Water Resources Development Organisation (WRDO) for blasting of soft rock had resulted in excess payment of ₹0.99 crore to the contractor.**

Under the Indian Standard (IS) code IS 1200 (Part 1): 1992 (paragraph No.3(e)), Rock or boulders which may be quarried or split with crowbars are classified as

<sup>98</sup> Formwork is a structure used to contain poured concrete and to mould it to the required dimensions and to support until the concrete is able to support itself.

<sup>99</sup> Referred to as ‘cost of centering and shuttering’

‘Soft Rock’ and any rock or boulder for the excavation of which blasting is required is classified as ‘Hard Rock’. Accordingly, the Schedule of Rates (SR) prepared by Public Works Department (PWD) from time to time, provided rates for blasting only in respect of excavation of hard rock. In respect of soft rock, rates for manual and mechanical means of excavation are provided in the SRs.

The work of construction of Judicial Magistrate of First Class (JMFC) Court building at Harapanhalli was awarded to (August 2021) a contractor<sup>100</sup> by the Executive Engineer (EE), Hospet Division for a contract amount of ₹5.88 crore including GST. The land for the building was on a hillock, which was required to be levelled by cutting to Reduced Level (RL) of 122.50 mtr. The estimate therefore, had a provision to excavate the hillock to an extent of 46,620 cum for which the item of earthwork for lowering and levelling the ground other than foundation by mechanical means was operated. The estimated rate for this item (Item no.2.24) was ₹61 per cum.

During the inspection of the work (December 2021) by the Chief Engineer (CE), it was apprised by the Assistant Executive Engineer (AEE) that soft rock was encountered during excavation. The AEE further informed that the item 2.24 of the SR pertaining to excavation in gravel at ₹61 per cum was provided in the estimate based on superficial look. It was instructed to the officers present during inspection to measure the extent of ordinary/soft rock and prepare a revised estimate by providing for blasting and levelling the ordinary/soft rock and obtain approval of the competent Authority. Accordingly, a revised estimate of ₹7.00 crore was prepared and the same was approved by the Government in March 2022.

In the revised estimate, total quantity of earth to be excavated for levelling and lowering the ground was determined as 59,089.49 cum, of which 29,509.50 cum (50 per cent) was classified as soft rock excavation. The rate for soft rock excavation (₹370.98 per cum) was borrowed from the SR of Water Resource Department, which pertained to foundation excavation for canal cross drainage works in soft rock requiring blasting. This was incorrect and highly inflated the expenditure as the PWD Schedule of Rates itself provided the rate for soft rock excavation by mechanical means (Item no. 2.23.2) at ₹68.00 per cum. As per the tender conditions, any extra item required during the execution of work is to be paid at a rate derived from the SR (prevailing at the time of award of contract) plus or minus the Tender Premium (T.P). The SR meant here was basically the PWD SR and not any other SR. Therefore, the rate payable as per tender condition for soft rock excavation works out to ₹71.06/cum<sup>101</sup>. Thus, the adoption of incorrect higher rate for soft rock excavation in total disregard of tender conditions resulted in excess payment of ₹99.12 lakh (₹88,50,489.00<sup>102</sup>+12 per cent GST).

In reply, Government stated (October 2023) that the Chief Engineer had inspected the work in December 2021 and after careful examination of the variety of the soft rock encountered, was convinced that it required blasting. Also, it stated that a report had been taken from the Department of Civil

<sup>100</sup> Shri Basavana Gauda B Patil

<sup>101</sup> ₹68 + 4.5 per cent T.P = ₹71.06

<sup>102</sup> (₹370.98 – ₹71.06) \* 29,500.50 = ₹88,50,489

Engineering, BDT college. Accordingly, the Extra Item Rate List (EIRL) was approved by the Government in March 2022. The Audit contention that soft rock does not require blasting was incorrect, as in such a case Water Resources Development Organisation (WRDO) would not have provided an item in their SR. The rate for hard rock excavation at ₹ 741 per cum was more expensive than rate for soft rock requiring blasting at ₹ 371 per cum.

The reply is not acceptable on the following grounds:

- The contention that the item 2.24 of the SR pertaining to excavation in gravel at ₹61 per cum was provided in the estimate based on superficial look lacks justification as Para 93 of the KPWD code mandated that Trial Pits should invariably be taken at the site of work and the nature of soil ascertained by carrying out tests, Geotechnical investigations before preparing the estimates. Preparation of revised estimates based merely on inspection by the Chief Engineer and without carrying out requisite tests was irregular, being ultra-vires the codal provisions.
- Also, the test report of a private college is an afterthought as the same was sought by the Department (on 16 September 2023) after the issue of Draft Paragraph (on 6 September 2023). There was no test conducted before approval of revised estimates.

Thus, adoption of incorrect item for excavation of soft rock with blasting resulted in excess payment of ₹ 0.99 crore to the contractor.

**Recommendation 14: Government may direct the Department to classify rocks as per IS Code and execute excavations in accordance with the PWD Schedule of Rates. In all cases where rocks require blasting, the same may be classified as hard rock and the excavated material be taken to stock and disposed of in auction to earn revenue to Government.**

### Minor Irrigation and Ground Water Development Department

#### 3.7 Undue Financial Benefit to the Contractors

**Irregular payment of price adjustment contrary to the tender conditions resulted in undue financial benefit of ₹18.83 crore to the Contractors.**

The contract agreement is a legal pact between the Contractor and the Employer which defines the scope of work, cost, timeline and conditions for execution of work. Paragraph 180(2) of Karnataka Public Works Departmental Code (KPWD Code) proscribes payment of rates to the Contractors in excess of that provided in the agreement. Paragraph 186 of the KPWD Code also prohibits extending any concession to the Contractor which is not covered by the contract agreement.

During the Compliance Audit (August to December 2023) of Minor Irrigation Department (MID), Audit observed that in respect of the works listed in **Table No.3.2**, the price adjustment clause was not provided in the contract agreements:

**Table No.3.2: List of works where price adjustment clause was not provided in the agreements**

(₹ in crore)

Sl. No.	Name of the Work	Tendered cost of the work	Date of Agreement	Up to date payment	Date of completion of the work	Implementing Division
1.	Filling of Madarasana Tank from Bhairapura pick up and Dasarahalli tank from Hiremagaluru tank by Lift Irrigation Schemes in Lakhya Hobli Chikkamagalur Taluk Chikkamagalur District	31.50	15.02.2021	28.57	06.07.2022	Hassan
2.	Survey, investigation, design, supply, installation, testing and commissioning of LIS for providing Irrigation facility to the lands of Koujalagi, Gosabal and surrounding villages	140.34	05.02.2020	137.10	30.11.2021	Belagavi
3.	Protection work near Manikatta from Ch 0.00 to 3.0 KM and protection work near Aganashini 3.00 to 7.78 KM in Kumta Taluk, Uttara Kannada	33.74	26.06.2020	32.96	22.12.2022	Haliyal

Source: Information compiled from the tender/work files and Running Account bills

In respect of works listed at **Sl. No.1** and **2**, Clause 11.4 of Section 2 (Instructions to tenderers) of the tender document specified that the rates and prices quoted by the tenderer shall be fixed for the duration of the contract and shall not be subject to adjustment on any account. The price adjustment clause 40<sup>103</sup> was also deleted and not made applicable in the tender documents. However, after completion of the work, Contractor made (October 2022 and December 2022) requests for payment of price adjustment. In response, the Chief Engineers, MID (South and North) sought (December 2022 and January 2023) directions from Secretary to Government of Karnataka, MID regarding payment of price adjustment for the above works. In reply, the Secretary, MID issued (February and March 2023) orders allowing price adjustment in respect of above works with a condition that the Contractor had to repay the amount in case of any subsequent orders. Based on the above orders, the Contractors were paid price adjustment amounting to ₹16.55 crore.<sup>104</sup>

In respect of work listed at **Sl.No.3**, the tender document vide Clause 45 of the General Conditions of Contract (GCC) read with Particular Conditions of Contract (PCC) specified that contract was not subject to price adjustment. Accordingly, the bid of the successful Contractor was finalised. The work was completed in December 2022. However, Audit observed that the MID Division, Haliyal made (November 2022) the payment of ₹2.28 crore on account of price adjustment for the above work on the pretext that price adjustment was applicable for works having completion period of more than 12 months. It was further observed that additional price adjustment amount of ₹1.99 crore was also approved (March 2023) by the Division which is pending for payment with Chief Accounts Officer (September 2023).

In reply, Government stated (March 2024) that in respect of works listed at **Sl No.1** and **2** of the **Table**, the outbreak of Covid-19 resulted in abnormal increase in the rates of construction materials and labour and hence, based on the request of the Contractors, price adjustment was provided on the authority of speaking order issued by the Secretary to Government, MID.

The Government reply was not acceptable as Finance department, GoK vide order dated 13 July 2020 had provided specific relaxations in respect of civil works contracts in view of Covid 19 pandemic as detailed below:

- i) The Contract may be extended up to 6 months without levy of liquidated damages
- ii) Refund of Security Deposit proportionate to the rate of progress of completion of work.

The extension of price adjustment contrary to the agreed contract conditions was not part of the relaxations approved by the Finance Department, GoK; Further in respect of work at Sl No.1, the tenders were floated without the provision of price adjustment provision in September 2020 i.e. after the declaration of Covid 19 pandemic and the same was agreed and signed (February 2021) by this

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<sup>103</sup> As per the standard tender document KW-4 of Government of Karnataka

<sup>104</sup> MI Hassan Division - ₹ 5.45 crore and MI Belagavi Division - ₹ 11.10 crore

successful Contractor.

Thus, the Contractor was aware of the Covid-19 scenario as well as absence of provision of price adjustment while quoting his rates and signing the agreement for the work. Hence the concession provided to Contractors, which was not part of the agreed tender conditions, was not only in contravention of KPWD Code, but also vitiated the whole tendering process.

In respect of the work listed at **Sl.No.3** of the **Table**, Government stated that provision for price adjustment was available as per clause 6 of Special Conditions of Contract.

The reply is not acceptable as Part 3 of the tender agreement which specified the conditions of contract stated that GCC read in conjunction with PCC and other documents therein, should be a complete document expressing fairly the rights and obligations of both the parties. Accordingly, Clause 45 of GCC read in conjunction with PCC pertaining to clause 45, provided that the contract was not subject to price adjustment.

Thus, payment of price adjustment contrary to the agreed tender conditions amounting to ₹18.83<sup>105</sup> crore resulted not only in irregular undue benefit to the Contractors, but also vitiated the tendering process *ab-initio* as the same benefit was not made available to the other participating bidders at the time of tendering.

**Recommendation 15: Action may be taken to recover the price adjustment payments made to the Contractors which was contrary to the contract agreements and fix responsibility on the erring officials.**

### **3.8 Excess payment to Contractor**

**Adoption of incorrect method for determining the base index values for regulating price adjustment resulted in excess payment of ₹ 4.91 crore.**

To address the frequent fluctuations in rates of construction materials and labour, Government of Karnataka (GoK) issued (November 2004) order allowing price adjustment clause in all works whose estimated cost put to tender was ₹100 lakh or more and the period of completion was 12 months or more. Further, GoK vide its order dated 26 February 2016 issued clarifications on methods of calculating price adjustment. The order prescribed that for determining the base index for a specific component of work, the average of all India wholesale price index value<sup>106</sup> of the said component for three consecutive

<sup>105</sup>  $11.10 + 5.45 + 2.28 = ₹ 18.83$  crore

<sup>106</sup> Published by the Labour Bureau, Ministry of Labour, Government of India (for Labour component of work) and the office of Economic Advisor, Ministry of Commerce and Industry, Government of India (for other components of work like Cement, Steel, Bitumen, Plant and Machinery spares and other materials)



calendar months preceding the calendar month of opening the tender shall be considered.

The Executive Engineer (EE), Minor Irrigation Department, Tumakuru Division (Division) invited tenders (February 2021) for the work of “Survey, Investigation, Design, Supply, Installation, Testing *etc.*, for filling of tanks in Chikkanayakanahalli taluk of Tumakuru District” work at an estimated amount of ₹209.80 crore (excluding GST). Bids were opened in the month of March 2021 and after the due tendering process, the work was awarded to M/s. Sri. SSEM-ASR (Joint Venture), Bengaluru (Contractor) for the contract price of ₹276.64 crore (excluding GST). An agreement was entered into with the Contractor on 17 June 2021 with the stipulated period of completion of 30 months i.e., by 16 December 2023. The work was under progress as of March 2023 and the Division paid an amount of ₹194.59 crore (March 2023) to the Contractor for the work (including GST and excluding price adjustment).

During scrutiny of records of the Division (November 2023), Audit observed that clause 40 of the contract agreement provided for price adjustment on account of change in cost of labour and materials<sup>107</sup> in accordance with the principles and procedures prescribed in the Contract data. However, principles/formulae for calculation of price adjustment were not incorporated in the Contract data. In the absence of specific contract conditions, the price adjustment should have been regulated as per the applicable GoK orders/clarifications.

The Division passed six price adjustment bills for the work carried out by the Contractor till February 2023 and an amount of ₹23.01 crore was paid (as of March 2023) towards price adjustment. The Division while regulating the price adjustment of various components for the work<sup>108</sup> had adopted the wholesale price index value for the month of December 2020 as the base index. This was contrary to the GoK order which stipulated that the average wholesale price index of three calendar months preceding the month of opening the tender was to be adopted as the base index. Since the Government order did not specify whether to adopt the date of opening of financial bid or technical bid for calculating the base index, Audit on a conservative basis adopted the date of technical bid opening, viz 15 March 2021 and the base index was calculated as average price index of previous three months December 2020, January 2021 and February 2021

Audit re-calculated the price adjustment payable to the Contractor adopting the average value of wholesale price index for the three calendar months preceding the month of opening the tender which worked out to ₹16.52 crore<sup>109</sup>. However, the Division made price adjustment payment of ₹21.43 crore resulting in excess payment of ₹4.91 crore to the Contractor as detailed in the **Appendix-46**.

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<sup>107</sup> 1) Cement -6 percent ,2) Steel -14 percent, 3) Hot coiled & Roller sheets -40 percent 4) All commodities’ -10 percent ,5) Plant & Machinery -10 percent, 6) Labour- 10 percent 7) Fuel and lubricants -10 percent.

<sup>108</sup> Except for fuel and lubricants component, remaining six components.

<sup>109</sup> Excluding fuel and Lubricant component

After this was pointed out, Government accepted (June 2024) the Audit Observation and agreed to recover the excess payment from the future bills of the contractor.

Similar observation on incorrect PA was also noticed in PWD and brought out in paragraph 3.4 of this Report.

**Recommendation 16: The Government should take action to recover the excess amount paid to the Contractor and give directions to all Divisions to scrupulously adhere to the Government instructions regulating price adjustment payments. Government should also issue clarification regarding adopting the date of opening of technical bid for reckoning previous three months for arriving at base index in price adjustment calculations.**

### **3.9 Unfruitful expenditure in construction of Bhandara**

**Undue delay in termination of the contract and inaction on the part of the Department to complete balance works resulted in unfruitful expenditure of ₹79.69 lakh on incomplete construction of Bhandara at Bilagi.**

Government of Karnataka accorded administrative approval (December 2017) for the work of “Constructing a Bhandara<sup>110</sup> across Aghanashini River at Bilagi, Uttar Kannada District” with the objective of storing water for agriculture and providing drinking water to livestock. The Executive Engineer, Minor Irrigation Department (MID), Haliyal (Division) invited (February 2018) tenders for the above work at an estimated cost of ₹1.98 crore. After due tender process the work was awarded (July 2018) to a Contractor<sup>111</sup> at the quoted price of ₹ 2.08 crore with a stipulated period of completion of 11 months (by 17 June 2019).

Audit scrutiny (September 2023) of the Division’s records revealed that as per contract agreement clause 49.1, the Employer may terminate the contract, if the other party causes a fundamental breach of the contract. As per Clause 49.2(a) fundamental breaches of contract include but shall not be limited to the following: “the Contractor stops work for 45 days when no stoppage of work is shown on the current program and the stoppage has not been authorised by the Employer”.

Audit observed that the Contractor did not show interest in commencing the work *ab-initio*. The Contractor began the work belatedly in January 2019 after the receipt of a notice (December 2018) from the Division. The Contractor executed the work up to foundation level by June 2019 and achieved a financial progress of ₹ 0.80 crore (July 2019) as against the targeted milestone of 100 *per cent* (₹ 2.08 crore). Thereafter, the Contractor discontinued the work and there was no financial/physical progress till date (December 2023).

<sup>110</sup> Small vented dam

<sup>111</sup> M/s. Shri B Dhanush Srinivas

Assistant Executive Engineer, Sirsi sub-division, MID (AEE) observed the lack of progress in the work and issued notices ( February 2021 to July 2021) to the Contractor to resume the work, but the Contractor did not show any interest to restart the work. Hence, the Division proposed (October 2021) to the Chief Engineer (CE), MID, North Zone for termination of the contract. On receipt (February 2022) of the approval, the Division terminated (May 2022) the contract at the risk and cost of the contractor under clause 49.2 of the agreement/tender.

Audit Observations were as follows:

- As per the clause 49 of the contract conditions, the Division was required to terminate the contract in the event of Contractor stopping the work unauthorisedly for 45 days. Despite observing lack of progress in the work since June 2019, the Division proposed for termination of the contract only in October 2021 after delay of 28 months. The inordinate delay in termination of contract by the Division lacked justification, as the progress of works was not as per the agreed schedule and the Contractor failed to reach the physical milestones from the beginning and showed no willingness to resume the work.
- The Division, despite terminating the agreement in May 2022, did not make any efforts till date (December 2023) to evaluate the balance work and invite new tender to complete the works even after 18 months from the termination of the contract. Also, the Division failed to forfeit the payable dues of the contractor such as Earnest Money Deposit, Security Deposit or any other bills payable. Though, termination of contract was approved by CE, North Zone on 15 February 2022, the Division failed to take timely action to forfeit/renew the available bank guarantee of the Contractor of ₹10.41 lakh which expired on 19 February 2022.

Audit team along with the AEE, conducted a site visit on 14 September 2023. During the visit, Audit observed that the foundation structure had been left unattended, with no further action taken to protect it from exposure to the elements of nature making it susceptible to deterioration.

The failure on the part of the Division in timely termination of contract and completing the balance works by inviting new tender not only resulted in the incurred expenditure of ₹79.69 lakh becoming unfruitful for the last four years, but also defeated the intended objective of providing water for drinking and irrigation purposes.

Government replied (March 2024) that the delay in re-tendering was due to the objection from the farmers to restart the work. It was further replied that fresh tenders would be called for balance works estimated at ₹2.28 crore as per Current Schedule of Rate of 2023-24. After finalisation of the tender, the amount to be recovered from the Contractor would be assessed and deducted from any payable amount or from works taken up in other Departments.

Reply cannot be accepted as the Division neglected to take necessary action to terminate the contract when faced with the contractor's lack of interest in even commencing the work. This inaction of the Division was compounded with non-revoking of the Bank Guarantee and forfeiture of the Earnest Money Deposit. The incurred expenditure is also unfruitful as the Bhandara is incomplete and

susceptible to damage and deterioration. The cost escalation due to delay in retendering runs the risk of the original Contractor contesting the risk and cost due to the delay. The Government will likely have to bear the increased cost which would have been avoidable.

**Recommendation 17: The Department should take immediate action to complete the balance works and fix responsibility on the delinquent officials for inaction causing loss to Government as well as for cost and time overruns.**



Bengaluru  
The

(Vimalendra A. Patwardhan)  
Principal Accountant General (Audit-II)  
Karnataka

11 APR 2025

Countersigned



New Delhi  
The

(K. Sanjay Murthy)  
Comptroller and Auditor General of India

16 APR 2025





# *Appendices*



**Appendix-1****A. List of Departments under the jurisdiction of Audit II  
(Paragraph 1.2)**

Sl.no.	Department
1	Electronics Information Technology Biotechnology and Science & Technology
2	Transport
3	Forest, Ecology and Environment
4	Infrastructure Development, Ports & Inland Water Transport
5	Public Works
6	Energy
7	Electrical Inspectorate
8	Commerce and Industries
9	Textiles and Handlooms
10	Mines and Geology
11	Cane Development
12	Factories and Boilers
13	Tourism
14	Kannada and Culture
15	Archives
16	Archaeology and Museums
17	Hindu Religious Institutions and charitable endowment
18	Agriculture
19	Horticulture
20	Sericulture
21	Animal Husbandry
22	Fisheries
23	Co-operation
24	Food & Civil Supplies
25	Home
26	Law
27	Minor Irrigation
28	Water Resources

**B. List of Autonomous Bodies under the jurisdiction of Audit II**

Sl.no.	Autonomous Bodies
1	Karnataka Biodiversity Board
2	Karnataka State Compensatory Afforestation Fund Management and Planning Authority
3	Karnataka Electricity Regulatory Commission
4	Karnataka Industrial Areas Development Board
5	Karnataka State Khadi & Village Industries Board
6	Karnataka State Legal Services Authority
7	Karnataka Human Rights Commission



## Appendix-2

### (Paragraph 1.7.1)

Year-wise breakup of outstanding Inspection Reports and Paragraphs ISSUED UP TO 31st March 2023												
Sl.no.	Department	Less than One Year		1 to 2 years		2 to 5 years		5 to 10 years		More than 10 years		Total
		No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	
1	Electronics Information Technology Biotechnology and Science & Technology	0	0	2	2	4	16	17	75	2	5	98
2	Transport	43	444	25	223	77	458	159	372	10	22	1519
3	Forest, Ecology and Environment	44	555	68	739	71	416	178	746	78	149	2605
4	Infrastructure Development, Ports & Inland Water Transport	0	0	8	50	9	35	17	66	2	4	155
5	Public Works	58	542	2	11	146	1001	236	1066	71	172	2792
6	Energy	16	141	18	184	26	168	55	206	6	13	712
7	Electrical Inspectorate	0	0	0	0	14	58	17	37	0	0	95
8	Commerce and Industries	5	106	23	141	45	218	47	223	16	102	790
9	Textiles and Handlooms	1	3	10	51	3	23	14	41	0	0	118
10	Mines and Geology	1	5	10	56	32	237	59	246	0	0	544
11	Cane Development	0	0	0	0	1	6	5	21	3	12	39
12	Factories and Boilers	0	0	0	0	6	29	0	0	1	2	31
13	Tourism	0	0	7	46	25	155	3	51	2	69	321
14	Kannada and Culture	0	0	0	0	13	75	28	170	47	194	439
15	Archives	0	0	0	0	3	16	0	0	0	0	16
16	Archaeology and Museums	0	0	0	0	5	27	6	29	9	16	72

Year-wise breakup of outstanding Inspection Reports and Paragraphs ISSUED UP TO 31st March 2023													
Sl.no.	Department	Less than One Year		1 to 2 years		2 to 5 years		5 to 10 years		More than 10 years		Total	
		No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras
17	Hindu Religious Institutions and charitable endowment	0	0	1	7	5	80	4	44	4	16	14	147
18	Agriculture	0	0	0	0	0	0	112	667	151	491	263	1158
19	Horticulture	5	27	0	0	78	458	91	319	161	471	335	1275
20	Sericulture	22	118	0	0	2	4	50	221	56	122	130	465
21	Animal Husbandry	0	0	0	0	22	256	69	369	118	225	209	850
22	Fisheries	0	0	0	0	39	468	19	90	51	130	109	688
23	Co-operation	24	218	0	0	2	7	39	186	70	208	135	619
24	Food & Civil Supplies	0	0	0	0	26	287	17	82	21	43	64	412
25	Home	61	552	41	424	92	595	60	109	50	58	304	1738
26	Law	13	72	0	0	67	395	14	37	72	108	166	612
27	Minor Irrigation	0	0	0	0	24	188	62	381	32	91	118	660
28	Water Resources	0	0	0	0	0	0	0	0	0	0	0	0
	Total	293	2783	215	1934	837	5676	1378	5854	1033	2723	3756	18970

**Appendix-3**  
**(Paragraph 1.7.2)**  
**Details of departmental Notes pending as on 31st March 2024**  
**(Excluding General and Statistical Paragraphs)**

Sl. no.	Department	1996-97	1997-98	1998-99	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
1	Electronics Information Technology Biotechnology and Science & Technology	-	-	-	1	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	1	-	-	-	-
2	Transport	-	-	-	5	1	1	4	4	4	2	3	3	1	-	-	2	-	-	-	-	-	-	-	-
3	Forest, Ecology and Environment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-
4	Infrastructure Development, Ports & Inland Water Transport	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Public Works	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-
6	Commerce & Industries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-
7	Kannada & Culture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-
8	Mines & Geology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	2	-	-	-	-	-
9	Home	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	1	-	-	-
10	Minor Irrigation	-	-	-	1	2	1	2	1	3	2	1	-	1	2	3	5	1	-	1	-	-	-	-	-
11	Water Resources (Major and Medium Irrigation)	1	1	1	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	1	-	-	-
12	Animal Husbandry	-	-	-	-	1	-	-	-	-	1	-	1	-	-	-	-	-	-	-	-	1	-	-	-
13	Food and Civil Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	1	-	-	1	-	-	-	-
14	Agriculture	-	-	-	-	-	-	-	1	-	-	-	-	1	-	-	-	-	-	-	-	1	-	-	-
15	Co-operation	-	-	-	-	-	2	-	1	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-
16	Horticulture	-	-	-	-	-	1	-	-	-	-	-	-	-	1	-	-	-	2	-	-	-	-	-	-
	Total	1	1	1	7	4	5	6	7	7	5	5	4	4	4	3	11	5	4	4	4	4	0	0	0

### Appendix-4 (Paragraph 1.7.3) Paragraphs to be discussed by the PAC

SL no.	Department	1996-97	1997-98	1998-99	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Total
1	Electronics Information Technology Biotechnology and Science & Technology	-	-	-	1	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	1	-	-	-	-	3
2	Transport	-	-	-	5	1	1	4	4	4	2	3	3	1	-	-	2	-	-	-	-	1	-	-	-	31
3	Forest, Ecology and Environment	-	-	-	-	-	-	-	1	-	-	-	1	-	-	-	1	1	-	-	1	-	-	-	-	5
4	Infrastructure Development, Ports & Inland Water Transport	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
5	Public Works	-	-	-	-	-	-	-	-	-	-	-	-	5	-	-	5	-	-	-	3	-	1	-	-	14
6	Commerce & Industries	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	1	-	-	-	-	2	-	-	4
7	Kannada & Culture	-	-	-	-	-	-	-	-	-	-	-	-	5	2	5	3	3	3	1	2	-	-	-	-	21
8	Mines & Geology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	1
9	Home	-	-	-	-	-	-	-	-	-	-	1	-	-	1	-	-	-	-	-	-	1	-	-	-	3
10	Minor Irrigation	-	-	-	1	2	1	2	1	3	2	1	-	1	2	3	5	1	-	-	1	-	-	-	-	26
11	Water Resources (Major and Medium Irrigation)	1	1	1	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	1	-	-	-	5
12	Animal Husbandry	-	-	-	-	1	-	-	-	-	1	-	1	-	-	-	-	-	-	-	-	1	1	-	-	5
13	Food and Civil Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	1	-	-	-	1	-	-	-	4
14	Agriculture	-	-	-	-	-	-	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-	1	-	-	3
15	Co-operation	-	-	-	-	-	2	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	4
16	Horticulture	-	-	-	-	-	1	-	-	-	-	-	-	-	1	-	-	-	-	2	-	-	-	-	-	4
	Total	1	1	1	8	4	5	6	8	7	5	5	5	14	8	9	18	7	7	4	7	4	7	0	0	134

## Appendix-5

## (Paragraph 1.8)

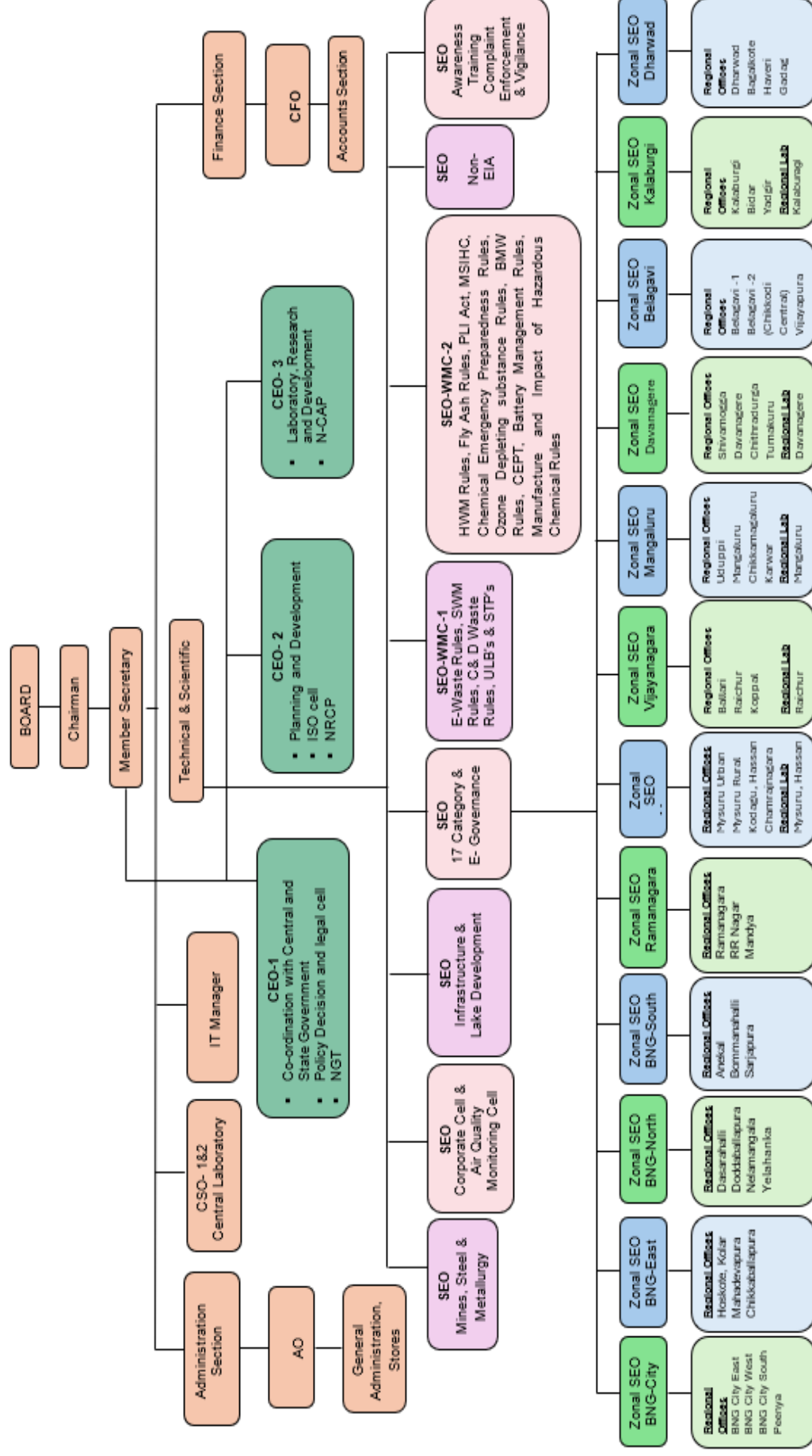
## Annual return on review of entrustment of autonomous bodies audited (As on 31.03.2024)

Sl.no.	Name and Address of Institution audited under Section	Period of entrustment of audit by Govt under Section	Year up to which accounts rendered	Year up to which audit report issued	Placement of audit reports before the Legislature	Year to which accounts due	Period of delay in submission of accounts up to 30th June 2024
1	Karnataka Biodiversity Board	2020-21	2021-22	2021-22	2017-18 accounts placed on 18.02.2020	2022-23	2022-23 accounts not received.
2	Karnataka State Compensatory Afforestation Fund Management and Planning Authority	NA*	2022-23	2019-20	Yet to be submitted	Nil	NA
3	Karnataka Electricity Regulatory Commission	NA*	2022-23	2022-23	2021-22 accounts placed on 04.07.2023	Nil	NA
4	Karnataka Industrial Areas Development Board	2019-20 to 2024-25	2021-22	2020-21	2020-21 accounts placed on 13.02.2024	2022-23	2022-23 accounts not received.
5	Karnataka State Khadi & Village Industries Board	2022-23 to 2026-27	2021-22	2020-21	2020-21 accounts placed on 13.02.2024	2022-23	2022-23 accounts not received.
6.	Karnataka State Human Rights Commission	NA*	2022-23	2021-22	2021-22 accounts placed on 19.07.2023	Nil	NA
7.	Karnataka State Legal Services Authority	NA*	2022-23	2022-23	2021-22 accounts placed on 04.04.2023	Nil	NA

\* Mentioned in the Act

## Appendix-6

## (Paragraph 2.1.1.2) KSPCB Organisational Set-up



## Appendix-7

### (Paragraph 2.1.2.3)

#### Short collection of Consent Fees

Sl.no.	Regional/ Zonal Office	No. of Industries	Amount (₹)
1	Belagavi	10	6548750
2	Ballari	7	9026646
3	Chikkaballapura	10	4365500
4	Chikkamagaluru	1	150000
5	Kolar	13	2413322
6	Koppal	11	6875755
7	Mangaluru	10	2619750
8	Mysuru-1	2	336255
9	Peenya	1	113331
10	Raichur	9	7741696
11	Tumakuru	9	4304236
12	Vijayapura	10	11485255
13	Yadgiri	15	7328856
Grand Total		108	63309352

## Appendix – 8

### (Paragraph 2.1.3)

#### Details of applications received, consents issued, under processing and refused

Application type	Applied		Issued		Refused	
	State	Sampled ROs	State	Sampled ROs	State	Sampled ROs
CFE – Fresh	9125	2819	8741	2702	384	117
CFE - Expansion	1885	492	1792	468	93	24
CFE- Product Change	23	11	21	11	2	0
<b>Total CFEs</b>	<b>11033</b>	<b>3322</b>	<b>10554</b>	<b>3181</b>	<b>479</b>	<b>141</b>
CFO – Fresh	11211	2824	10842	2741	369	83
CFO - Expansion	1314	332	1286	325	28	7
CFO - Renewal	11426	3774	11035	3628	391	146
CFO – Reapply	303	83	278	74	25	9
<b>Total CFOs</b>	<b>24254</b>	<b>7013</b>	<b>23441</b>	<b>6768</b>	<b>813</b>	<b>245</b>
Grand Total as per XGN	<b>35287</b>		<b>33995</b>		<b>1292</b>	
Grand Total as per KSPCB Annual Reports	23736	-	20254	-	210	-
<b>Difference</b>	<b>11551</b>	<b>-</b>	<b>13741</b>	<b>-</b>	<b>1082</b>	<b>-</b>
239 applications were in process under CFE, and 537 applications were in process under CFO as of March 2023						



**Appendix-9****(Paragraph 2.1.3.1)****Industries/establishments functioning without valid Consent****A-Industries**

Sl.no.	Name of the Regional Office	No. of cases examined	No. of Industries found common in F-Register and Industries & Commerce database	No. of industries not in F-Register when compared to Industries & Commerce database
1	Ballari	260	185	75
2	Belagavi-1	106	86	20
3	Chikkaballapura	93	43	50
4	Chikkamagaluru	19	13	6
5	Kolar	125	65	60
6	Koppal	50	46	4
7	Mangaluru	74	56	18
8	Mysuru-1	38	29	9
9	Peenya	353	241	112
10	Raichur	71	22	49
11	Tumakuru	47	32	15
12	Vijayapura	127	35	92
13	Yadgiri	53	18	35
	<b>Total</b>	<b>1416</b>	<b>871</b>	<b>545</b>

**B-Saw Mills**

Sl.no.	Name of the Regional Office <sup>1</sup>	No. of Sawmills as per details obtained from Karnataka Forest Department	No. of Sawmills which have valid consent as of March 2023	No. of Sawmills which did not have valid consent as of March 2023
1	Ballari	34	0	34
2	Belagavi I and II	259	1	258
3	Chikkaballapura	44	0	44
4	Chikkamagaluru	87	5	82
5	Kolar	55	0	55
6	Koppal	59	0	59
7	Mangaluru	102	0	102
8	Mysuru I and II	221	16	205
9	Raichur	54	1	53
10	Tumakuru	152	3	149
11	Vijayapura	157	16	141
12	Yadgiri	45	0	45
	<b>Total</b>	<b>1269</b>	<b>42</b>	<b>1227</b>

<sup>1</sup> In respect of Mysuru and Belagavi which have two Regional Offices, the F registers of both the Regional Offices have been included in these districts.

## C-Railway Stations/Sheds/Sidings

Sl.no.	Regional Office	Railway stations		Goods sheds		Railway Sidings		Total	
		No of cases examined	Operating without Consent	No of cases examined	Operating without Consent	No of cases examined	Operating without Consent	No of cases examined	Operating without Consent
1	Ballari	4	2	3	3	4	4	11	9
2	Belagavi	2	0	2	2	1	1	5	3
3	Chikkaballapura	1	1	0	0	0	0	1	1
4	Chikkamagaluru	4	3	0	0	0	0	4	3
5	Kolar	4	2	2	2	0	0	6	4
6	Koppal	2	2	2	2	1	0	5	4
7	Mangaluru	6	3	4	4	7	7	17	14
8	Mysuru	1	0	1	1	2	2	4	3
9	Raichur	1	0	1	1	2	2	4	3
10	Tumakuru	2	1	2	2	1	1	5	4
11	Vijayapura	3	2	1	1	1	1	5	4
12	Yadgiri	2	1	2	2	0	0	4	3
	<b>Total</b>	<b>32</b>	<b>17</b>	<b>20</b>	<b>20</b>	<b>19</b>	<b>18</b>	<b>71</b>	<b>55</b>

## Appendix-10

## (Paragraph 2.1.3.2)

## Lack of follow-up on Consent for Establishments (CFE) issued

Sl.no.	Name of the Regional Office	Industries/units with CFE not obtaining CFO	No. of Apartments/ layouts / commercial units with CFE not obtaining CFO	Total units with CFE not obtaining CFO
1	Ballari	252	28	280
2	Belagavi	35	74	109
3	Chikkaballapura	60	44	104
4	Chikkamagaluru	67	12	79
5	Kolar	228	32	260
6	Koppal	51	4	55
7	Mangaluru	289	214	503
8	Mysuru-I	160	272	432
9	Peenya	3	0	3
10	Raichur	469	41	510
11	Tumkur	90	7	97
12	Vijayapura	84	16	100
13	Yadgiri	21	3	24
	<b>Total</b>	<b>1809</b>	<b>747</b>	<b>2556</b>

## Appendix – 11

## (Paragraph 2.1.3.4)

## Deficiencies noticed in the Consent Orders issued by KSPCB

Sl.no.	Deficiencies noticed	Name of RO	Name of the Industry	Remarks
1.	Emission/Effluent standards not prescribed	Ballari	Ballari Railway Staton	As per inspection report of EO (June 21), WWG is 74 KLD and as per letter received from Sr DME, SWR, Hubballi (Aug 21), WWG is 32 KLD and treated in 50 KLD STP. Also discharge standards for STP not stipulated. The changes in WWG not issued through a corrigendum.
		Ballari	Biogreen Technochem Pvt Ltd	No effluent standards stipulated for ETP.
		Chikkamagaluru	Surya Panel Private Limited	Operating Thermal Fluid Heater not included in consent for which effluent standards and Air pollution control devices not stipulated.
		Chikkamagaluru	Shakthi cars Pvt. Ltd	Standards for ETP treated effluent not stipulated.
		Raichur	M/s Hutti Gold Mines Co. Ltd.	The last two consents issued by KSPCB to the industry on 18-05-2018 & 15-10-2022 prescribed standards for ambient air but did not prescribe any standards for stack emission. As per the monthly reports submitted by the industry up to May 2023, there are 13 stacks inside their premises. Hence, the issue may be re-examined. Also, no air samples were tested in the last five years.
		Tumakuru	M/s Indo Swiss Anti-Shock Ltd.	No standards prescribed for stack emission in the previous consent. Also, no stack emission report found on record for last five years even though the industry is operating 2 DG sets of 250 KVA each & one chimney of 7 Meter height for Plating & Blackening Section.

Sl.no.	Deficiencies noticed	Name of RO	Name of the Industry	Remarks		
				Standards as per MoEF	Standards as per KSPCB	Remarks
2.	Standards prescribed by KSPCB were not in accordance with Industry specific standard issued by MoEF.	Mangaluru	Bharath Auto Cars (P) Ltd	pH-6.5 to 8.5, TSS – 50, COD – 150	SS – 200, pH- 5.5 to 9.0	Effluent parameters excluded COD. Also, the effluent standards were in deviation from MoEF notification dated 26/12/2019 for service stations.
		Mangaluru	ENOCH Trading Pvt Ltd	pH-6.5 to 8.5, TSS – 50, COD – 150	SS – 200, pH- 5.5 to 9.0	
		Mangaluru	Cauvery Motors Limited	pH-6.5 to 8.5, TSS – 50, COD – 150	SS – 200, pH- 5.5 to 9.0	
		Mangaluru	Jubilant Auto works Pvt Ltd	pH-6.5 to 8.5, TSS – 50, COD – 150	SS – 200, pH- 5.5 to 9.0	
		Mangaluru	Pai Sales Private Limited	pH-6.5 to 8.5, TSS – 50, Oil & Grease- 10, COD – 150	SS – 600, pH- 5.5 to 9.0, Oil & Grease -20	
		Mangaluru	West Coast Motors	pH-6.5 to 8.5, TSS – 50, Oil & Grease- 10, COD – 150	SS – 600, pH- 5.5 to 9.0, Oil & Grease -20	
		Chikkamagaluru	Automatrix	pH-6.5 to 8.5, TSS – 50, COD – 150	SS – 200, pH- 5.5 to 9.0	
		Chikkamagaluru	FM service station	pH-6.5 to 8.5, TSS – 50, COD – 150	SS – 200, pH- 5.5 to 9.0	
		Chikkamagaluru	Arvind motors, Kadur	pH-6.5 to 8.5, TSS – 50, COD – 150	SS – 200, pH- 5.5 to 9.0	
		Chikkamagaluru	Arvind motors, Kadur	pH-6.5 to 8.5, TSS – 50, COD – 150	SS – 200, pH- 5.5 to 9.0	

Sl.no.	Deficiencies noticed	Name of RO	Name of the Industry	Remarks		
				8.5, TSS – 50, COD – 150	to 9.0	
		Belagavi	Manickbag automobiles Pvt Ltd	pH-6.5 to 8.5, TSS – 50, Oil & Grease-10, COD – 150	SS – 100, pH- 5.5 to 9.0	
		Belagavi	Sutaria Automobiles	pH-6.5 to 8.5, TSS – 50, Oil & Grease-10, COD – 150	SS – 100, pH- 5.5 to 9.0	
		Kolar	Sri Devaraj Urs Academy of Higher Education and Research (Red-Large)	Permission from KGWA for operating five borewells is not on record.		
		Kolar	R. L. Jalappa Hospital & Research Centre (Red-Large)	As per the CFO-Renewal application submitted by the industry and the Inspection Report of the DEO, the source of water is borewell (7 Nos.). However, permission from the KGWA for operating the borewells is not on record.		
		Kolar	BEML Ltd. (Red-Large)	Permission from the KGWA for operating borewells is not on record.		
		Kolar	M/s Kolar-Chikkaballapura District Co-operative Milk Producers Societies Union Ltd. (KOMUL) (Red-Large)	Permission from KGWA for operating borewells not on record.		
		Kolar	Sambhram Institute of Medical Sciences & Research (Red-Large)	Only source of water is borewell, hence, permission from KGWA is mandatory for their operation.		
4	Time gap between two consecutive consent orders ranged from 90 to 775 days.	Mysuru	Sunanda Organics (MM Herbs)	CFO valid up to 30/9/2022 and next CFO valid from 26/12/2022. Period not covered by CFO was 1/10/2022 to 25/12/2022 (86 days).		

Sl.no.	Deficiencies noticed	Name of RO	Name of the Industry	Remarks
5	Wastewater generation assessed in the Consent Order was found to be less than the quantity that was required to be assessed as per IS Standards.	Raichur	Heritage Foods Ltd.	Gap in consent from 01-10-2021 to 20-10-2021.
		Tumakuru	KGCIPL-GSC (Joint Venture)	Gap in consent from 02-02-2021 to 26-08-2021. The industry was in operation during the said period as evident from their milestone progress report.
		Tumakuru	M/s Gowri Akshaya Crusher Plant & M-Sand	Gap in consent period from 01-10-2017 to 15-11-2019 (775 days).
		Tumakuru	M/s Jodhani Papers Ltd.	The industry has declared in its annual returns that it has an employee strength of 296 and domestic sewage capacity is 4.0 KLD which is discharged into the soak pit. However, as per industry standards 296 employees would generate a minimum of 11 KLD of sewage water considering WC at 45 litres per employee and WWG at 36 litres. The issue may be re-examined.
		Tumakuru	M/s VRG Products Pvt. Ltd.	As per CFO Application, the industry had stated their employee strength as 250. Minimum domestic sewage generation will be 10 KLD instead of 7 KLD which may necessitate an STP.
6	Capital Investment was incorrectly reckoned value for calculating consent fee	Tumakuru	Govt. General Hospital Pavagada	As per last consent, 8.8 KLD wastewater was being discharged to Septic Tank & Soak Pit. Adequacy of a soak pit/septic tank for discharge of 8.8 KLD of wastewater is questionable without proper reasons.
		Koppal	District Teaching Hospital, Koppal	Considering the bed capacity of 300, the water consumption would be 135 KLD (450 lpcd per bed) and wastewater generation would be 108 KLD. However, KSPCB assessed the wastewater generation as 38 KLD only.
		Tumakuru	Heidelberg Cements Pvt. Ltd.	Consent Fee collected for the period 2021-26 was based on the investment value Rs.62.33 crore. As per the last consent granted for the period 2016-21, the investment was Rs.211 crore. The reason for reduction in capital investment value of the industry was not sought and consent was renewed.

## Appendix-12

## (Paragraph 2.1.3.5)

## Incorrect standards adopted for testing sewage samples

Sl.no.	Name of the industry	CFO period	Sample No. and date	Type of sample	Mandatory Parameters to be checked. (7 parameters for TSE and as per consent for TTE)	Parameters analysed	Parameters not analysed	Inference of the report
1	Town Municipal Council, Indi	CFO expired	Legal sample dt. 10.1.23	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, T.S.S, Oil & grease	COD, Ammoniacal nitrogen, total nitrogen, Faecal coliform	Non-conforming
2	B.M.Patil Medical college & Hospital & Research center, , BLDE Road, Vijayapura	01-07-2021 to 30-06-23	1306/19.02.19	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, TSS, COD	Ammoniacal nitrogen, total nitrogen, Faecal coliform	Non-conforming
3	Al-Ameen Medical college, Hospital, Women's & Children Hospital & Dental College, Athani road, Vijayapura	01-07-2021 to 30-06-26	Legal sample dt. 26.10.2021	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, TSS, COD, Oil & Grease	Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming
4	STP, CMC, Chikkamagaluru	No CFO	734/21-02-23, 46/25-04-22  207/07-09-21	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform  pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, COD, T.S.S, Ammoniacal Nitrogen, total Nitrogen,  pH, BOD, T.S.S, Oil and Grease	Faecal coliform  COD, Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming  Conforming
5	Trivik Hotels and Resorts	11-10-2021 to 30-09-2030	196/19-07-2022  695/24-03-21	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform  pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, T.S.S, BOD, COD, Ammoniacal Nitrogen, total Nitrogen  pH, BOD, T.S.S, Oil and Grease, Odour and Colour	Faecal coliform  COD, Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming  Conforming



Sl.no.	Name of the industry	CFO period	Sample No. and date	Type of sample	Mandatory Parameters to be checked. (7 parameters for TSE and as per consent for TTE)	Parameters analysed	Parameters not analysed	Inference of the report
			197/19-07-22	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, T.S.S, BOD, COD, Ammoniacal Nitrogen, total Nitrogen	Faecal coliform	Conforming
6	Gateway Hotel	11-10-2021 to 30-09-2031	522/07-12-2022,	TSE	Colour, Odour, TSS, Oil and Grease, BOD	pH, BOD, Oil and Grease, TSS, TDS, Chloride, Sulphate	COD, Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming
7	Kirloskar Ferrous Industries Ltd, Bevinahalli, Koppal	Till 30-06-2026	37/26-04-2019 & 66/15-05-2019	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	BOD, TSS	pH, COD, Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming
8	Solara Active Pharma Science Ltd.	28-09-2021 to 27-09-2026	174/28.04.23	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, TSS, BOD	COD, Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming
9	Yenepoya university medical college hostel	28-12-2018 to 30-06-2020	331/24.09.20	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, Oil & Grease, TSS, Residual Chloride, Turbidity	COD, Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming
10	Hindalco Industries Ltd, Belagavi.	01-07-2021 to 30-06-23	421&422/28-07-2022, 477&478 /16-08-2022, 1081&1082/ 21-09-22	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, Phosphate as P, COD, Oil & Grease, Suspended solids.	Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming
11	Ashok Iron Works Pvt Ltd Plant II, Plot No 67 to 71 & 95 to 99, Machhe Industrial Estate, Belagavi	01-10-2020 to 30-06-2025	1295/10-11-2022	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, T.S.S, Oil & Grease	COD, Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming
12	Gogte Infrastructure Development Corporation Ltd.	01-07-2022 to 30-06-2027	1410/16-12-2022	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, T.S.S, TDS, Conductivity, Oil & Grease	Ammoniacal nitrogen, total nitrogen, Faecal coliform	Non-conforming

Sl.no.	Name of the industry	CFO period	Sample No. and date	Type of sample	Mandatory Parameters to be checked. (7 parameters for TSE and as per consent for TTE)	Parameters analysed	Parameters not analysed	Inference of the report
13	Reliance Prolific Traders Pvt. Ltd., Kangrali B.K. Industrial Area	01-10-2022 to 31-12-2036	1673/22-02-23	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen	Faecal coliform	Non-conforming
14	BHS Lake View Heart and Superspeciality Hospital Mahatma Pule Road, Shastri nagar, Belagavi	10-06-21 to 30-09-22	508/17-08-21, 1688/17-03-2022	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform, Bio assay Test.	pH, BOD, TSS, Oil & Grease	COD, Ammoniacal nitrogen, total nitrogen, Faecal coliform, Bio assay Test.	Non-conforming
15	Garrison Engineers (Air force)	05-07-19 to 30-06-23	432/28-07-21, 1146&1147/23-11-21, 418/27-07-22	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, turbidity, Total residual chlorine	COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	Non-conforming
			1698/17-03-20	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, COD, T.S.S, total nitrogen,	Ammoniacal nitrogen, Faecal coliform	Conforming
16	KLEs prabhakar kore, Hospital & Research Centre	01-07-21 to 30-06-26	1404/16-12-2022	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, TSS, TRC, Oil & Grease, Turbidity	COD, Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming
17	BIMS (Belagavi institute of medical science)	31-05-2017 to 30-06-2021	1140/07-10-2022	TSE	pH, BOD, COD, T.S.S, Ammoniacal nitrogen, total nitrogen, Faecal coliform	pH, BOD, TSS, COD, TRC, Oil & Grease,	Ammoniacal nitrogen, total nitrogen, Faecal coliform	Conforming

## Appendix – 12 A

## Incorrect standards prescribed for testing of samples

(Al-Ameen Medical College)

Actual standards as per KSPCB Office memorandum on STPs Dt. 01.03.2021		Standards mentioned in the analysis report/consent in respect of Al-Ameen Medical College.		Test Result	
Parameter	Standards	Parameter	Standards	Parameter	Result
pH	6.5-8.5	pH	6.0-8.5	pH	8.43
BOD	<10 mg/l	BOD	100 mg/l	BOD	20
COD	<50 mg/l	COD	250 mg/l	COD	88
TSS	<10 mg/l	TSS	100 mg/l	TSS	40
Ammoniacal Nitrogen	<5 mg/l	Ammoniacal Nitrogen	Not monitored	Ammoniacal Nitrogen	Not monitored
Total Nitrogen	<10 mg/l	Total Nitrogen	Not monitored	Total Nitrogen	Not monitored
Faecal coliform	<100 MPN/100 ml	Faecal coliform	Not monitored	Faecal coliform	Not monitored

## Appendix – 13

## (Paragraph 2.1.3.5)

## Non-complying effluent/emission reports in sampled industries

Name of Regional Office	Effluent				Emission			
	Total test done	Number of industries where tests done	Total non-complying	Number of industries where test result is non-complying	Total test done	Number of industries where tests done	Total non-complying	Number of industries where test result is non-complying
Ballari	607	15	175	12	177	11	25	5
Belagavi	275	20	71	16	7	4	2	2
Chikkaballapura	25	7	16	7	10	1	3	1
Chikkamagaluru	19	4	0	0	0	0	0	0
Kolar	120	17	55	17	0	0	0	0
Koppal	25	5	18	3	80	10	18	5
Mangaluru	163	9	23	8	52	6	1	1
Mysuru - I	78	18	21	8	22	5	4	2
Peenya	101	14	55	13	0	0	0	0
Raichur	1126	14	426	14	0	0	0	0
Tumakuru	57	7	52	7	3	2	1	1
Vijayapura	270	19	120	19	102	8	48	7
Yadgiri	27	9	0	0	11	2	4	1
<b>Total</b>	<b>2893</b>	<b>158</b>	<b>1032</b>	<b>124</b>	<b>464</b>	<b>49</b>	<b>106</b>	<b>25</b>

**Appendix – 14****(Paragraph 2.1.3.5)****Transport Depots operating without Effluent Treatment Plant (ETP)**

<b>RO</b>	<b>No. of Depots</b>	<b>ETP installed</b>
Chikkamagaluru	3	0
Tumakuru	8	0
Raichur	7	3
Belagavi	9	0
Koppal	5	0
Vijayapura	8	0
Ballari	6	0
Yadgiri	4	0
Kolar	5	4
<b>Total</b>	<b>55</b>	<b>7</b>

**Appendix-15****(Paragraph 2.1.3.6)****Industries exceeded OCEMS limit /prescribed norms**

<b>Regional Office</b>	<b>Number of Industries</b>	<b>Total Number of Days of Exceedance</b>	<b>Total Number of Exceedances</b>
Ballari	21	1117	35808
Belagavi	7	212	7101
Kolar	1	111	6648
Koppal	9	764	6735
Raichur	3	730	23539
Vijayapura	6	288	5286
Yadgiri	2	51	339
<b>Total</b>	<b>49</b>	<b>3273</b>	<b>85456</b>

## Appendix-16

(Paragraph 2.1.5.1)

Year-wise details of BMW generation, treatment, and list of HCFs not submitting Annual Returns

Year	Total No. of HCFs	No. of HCFs covered by CBWTFs	BMW Generation per day (kgs)	Qty treated per day (kgs)	Gap (kgs) (%)	Untreated waste per annum (in tons)
2018	35869	22980	65621	43216	22405 (34%)	8178
2019	36021	17999	77546	36300	41246 (53%)	15055
2020	41709	25104	82604	38951	43653 (53%)	15933
2021	44685	27135	77639	48096	29543 (38%)	10783
2022	48431	32998	78441	70018	8423 (11%)	3074

Year	Total No. of HCFs	No. of HCFs not submitting Annual Returns	% of HCFs not submitting Annual Returns
2018	35869	31579	88
2019	36021	32940	91
2020	41709	37351	90
2021	44685	40027	90
2022	48431	43030	89

## Appendix-17

## (Paragraph 2.1.5.2.1)

## Environmental Compensation leviable on Health Care Facilities operating without valid authorization

Sl.no.	Name of the Regional Office	Total number of HCFs operating as per BMW Annual Report 2021/ 2022	HCFs operating without BMW Authorisation	Percentage of HCFs operating without BMW Authorisation	EC leviable ₹ in lakh (at ₹1,200/- per day for one year <sup>2</sup> )	HCFs submitted annual reports (2021/ 2022)	Percentage of HCFs submitted annual reports
1	Ballari	1602	258	16	1130.04	132	8
2	Belagavi	3860	177	5	775.26	272	7
3	Chikkaballapura	595	23	4	100.74	70	12
4	Chikkamagaluru	685	82	12	359.16	41	6
5	Kolar	908	0	0	0	5	1
6	Koppal	613	5	1	21.90	0	0
7	Mangaluru	2098	378	18	1655.64	118	6
8	Mysuru 1	1355	38	3	166.44	184	14
9	Peenya	15	0	0	0	14	93
10	Raichur	665	0	0	0	250	38
11	Tumakuru	1335	76	7	332.88	136	10
12	Vijayapura	1389	136	10	595.68	101	7
13	Yadgiri	682	7	1	30.66	0	0
	<b>Total</b>	<b>15802</b>	<b>1180</b>	<b>7</b>	<b>5168.40</b>	<b>1323</b>	<b>8</b>

<sup>2</sup> EC for only year calculated on conservative basis irrespective of the number of years the HCFs were functioning without valid authorisation.

**Appendix-18****(Paragraph 2.1.5.2.2)**

**Environmental Compensation (EC) Leviable on Health Care Facilities not entered into agreement with the local Common Bio-Medical Waste Treatment Facilities (CBMWTFs)**

Sl.no.	Regional office	No. of HCFs without Agreement	EC leviable ₹ in lakh (at ₹1,200/- per day for one year <sup>3</sup> )
1	Ballari	171	748.98
2	Chikkaballapura	217	950.46
3	Chikkamagaluru	385	1686.30
4	Kolar	254	1112.52
5	Mangaluru	972	4257.36
6	Yadgiri	190	832.20
	<b>Total</b>	<b>2189</b>	<b>9587.82</b>

**Appendix – 19****(Paragraph 2.1.6.1)****Inadequate Sewage Treatment Capacity**

Sl.no.	Name of the Regional Office	No of ULBs coming under the purview	Sewage generation in MLD	STPs installed capacity in MLD	Sewage Treated in MLD	Untreated sewage in MLD	Percent of untreated Sewage
1	Mysuru 1	9	232	180.6	180.6	51.4	22
2	Mangaluru	14	123	100	56	67	54
3	Chikkamagaluru	9	22.41	20	13	9.41	42
4	Tumakuru	11	55.85	31	31	24.85	50
5	Belagavi	38	113.47	26.50	9.81	103.66	91
6	Raichur	13	59.48	28	28	31.48	45
7	Koppal	9	24.55	14	12.90	11.65	47
8	Ballari	8	65.57	28	28	37.57	57
9	Vijayapura	15	85	43.46	18.10	66.90	79
10	Yadgiri	8	42.40	3	3	39.40	93
11	Chikkaballapura <sup>4</sup>	6	10.5	15.10	5.6	4.90	47
12	Kolar	6	21.04	23.56	18.04	3	14
	<b>Total</b>	<b>146</b>	<b>855.27</b>	<b>513.22</b>	<b>404.05</b>	<b>451.22</b>	<b>53</b>

<sup>3</sup> EC for only year calculated on conservative basis irrespective of the number of years the HCFs were functioning without valid authorisation.

<sup>4</sup> Data available for only three out of six ULBs



**Appendix – 20**  
**(Paragraph 2.1.6.1)**

**Contamination of Water Bodies**

Sl.no.	Name of the Regional office	Source of pollution	Waterbodies polluted	Remarks
1.	Mangaluru	Non-conforming sewage from Jeppinamogaru STP	Nethravati River	Treated water from STP Jeppinamogaru is non- conforming to stipulated standards and was allowed to discharge into Nethravati River.
		Non-conforming sewage from Madhyapeedavu STP	Nandhini River	Treated water from STP Madhyapadavu is non- conforming to stipulated standards and was allowed to discharge into Nandhini River via SWD.
		Untreated sewage/sullage is being let out into the River through Nallas.	Gurupura (Phalguni) River	Of the estimated quantum of 52.25 MLD of sewage generated in MCC coming under the sewerage system under Gurupura (Phalguni) River catchment area, only 25 MLD was taken at STP. Audit party along with DEO visited few points <sup>5</sup> on 01-06-2023 and 03-06-2023 and found that untreated sewage/sullage is being let out into the River through Nallas.
2.	Mysuru	Sewage/effluent from missing links (in UGD) from the City Corporation area is being let out in these lakes.	Hebbal Lake	In last five years, the water quality of all these nine lakes is hovering between category (C, D and E)
			Kukkarahalli Lake	
			Dalavai Lake	
			Yennehole Lake	
			Lingambudhi Lake	
			Kukkarahalli Lake	
			Dalavai Lake	
			Yennehole Lake	
			Lingambudhi Lake	
			Shettikere Lake	
			Karanji Lake	
			Varuna Lake	
			Bommanahalli lake	
			Shettikere Lake	
			Karanji Lake	
			Varuna Lake	
			Bommanahalli lake	
3	Bengaluru	<ul style="list-style-type: none"> <li>BWSSB sewage line near the outlet of shivapura lake i.e. the input of</li> </ul>	Shivapura Lake  Karihobanahalli Lake	In the last five years, the water quality of these two lakes are hovering between

<sup>5</sup> Dhakke, II Stage Harbor, Near Old Port, Kudroli, Near Slaughterhouse, Kudroli

Sl.no.	Name of the Regional office	Source of pollution	Waterbodies polluted	Remarks
		Karihobanahalli lake <ul style="list-style-type: none"> <li>Untreated effluent into Shivapura lake via SWD from M/s Krishna Fabricators, 4<sup>th</sup> Phase, Peenya Industrial Area.</li> </ul>		category D and E.
4.	Chikkamagaluru	Untreated sewage from the ULBs	Yagachi River	Untreated sewage flowing in the storm water drain near private bus stand of Chikkamagaluru town which ultimately joins Yagachi river.
5.	Belagavi	Untreated sewage from the ULBs	Markhandeya River Malaprabha River Ballari Nala	Non- installation of STPs and consequently untreated sewage flowing into water bodies and polluting rivers/water bodies like Markhandeya, Malaprabha and Ballari Nala.
6.	Koppal	Untreated sewage from the ULBs	Hirehalla River Tungabhadra River	Untreated sewage from CMC limits of Koppal and TP Bhagyanagar is allowed to let out in SWD which joins Hirehalla river which ultimately falls into backwaters of Tungabhadra River.
		Untreated sewage from the ULBs	Durgamanahalli River Tungabhadra River	Untreated sewage from CMC limits of Gangavathi discharged into Durgamanahalli river which ultimately joins Tungabhadra River.
7	Vijayapura	Untreated sewage from the ULB	Hanchinala Lake	Untreated sewage was discharged into the Hanchinala Lake.
8	Chikkaballapura	Non-conforming sewage from Chikkaballapura STP	Amanigopalakrishna Lake	Sewage from STP (Oxidation Pond) was non- conforming but allowed to discharge into Amanigopalakrishna Lake
		Non-conforming sewage from Chinthamani STP	Boorgamakalaha lli Lake	Sewage from STP (Oxidation Pond) was non-conforming but allowed to discharge into Boorgamakalahalli Lake
		Non-conforming sewage from Sidhalghatta STP	Belluti Lake	Sewage from STP (Oxidation Pond) was non- conforming but allowed to discharge into Belluti Lake.
9	Tumakuru	Untreated sewage from City limits	Maralur Tank Bheemasandra tank Melekote Tank Gangasandra Tank Hemavathi Canal Bugudanahalli Tank Mydala Tank Shimsha River,	Non-conforming sewage from the city limits entering into these tanks. Consequently, water quality of all these tanks/water bodies are hovering between category D and E.

Sl.no.	Name of the Regional office	Source of pollution	Waterbodies polluted	Remarks
			Yediyur Doddakere Tank, Kunigal Gottikere Tank, Kunigal	
			Torehalla	Wet-well constructed at Gangasandra was not functioning properly leading to flow of sewage to Torehalla.
			Tumkur Branch Canal	Sewage of Tiptur joining Tumakuru Branch canal of Hemavathi irrigation Project.
10.	Ballari	Untreated sewage from Havambavi and surrounding area	Irrigation canal	Sewage generated at Havambavi and surrounding area was being directly led to irrigation canal.
		Untreated sewage from the city limits	Aiyyanakere tank	
		Untreated sewage entering the tanks	Allipura Lake Moka lake Daroji Tank Gollarahalli Kere	
11.	Yadgiri	Untreated sewage from the city limits	Bhima River	Sullage/Sewage from the drains of Yadgiri Town was joining a Nala which further joins Bhima River near the bridge in Yadgiri town.

## Appendix – 21

## (Paragraph 2.1.6.2.1)

## MSW sites/SWM facilities operating without valid authorization

Sl.no.	District	No. of ULBs	No. of MSW sites/facility with valid authorization	No. of MSW sites/facility operating without valid authorization	No. of ULBs yet to identify the sites for SWM facility	Remarks
1	Chikkamagaluru	9	3	4	2	2 ULBs have not identified sites for MSW facilities.
2	Belagavi (Belagavi-I and Chikkodi)	36	0	17	19	Authorization for 17 ULBs expired. 19 ULBs are newly identified, and land allotment is under progress.
3	Koppal	9	0	6	3	Out of 9 ULBs, 6 are operating without valid authorization. 3 ULBs are newly formed.
4	Vijayapura	15	0	6	9	Details of rest of the 9 ULBs are not on record.
5	Chikkaballapura	6	0	6	0	Authorization for all the 6 MSW sites expired on 31-12-22.
6	Tumakuru	10	0	10	--	All MSW sites are operating without valid authorization.
7	Raichur	13	0	9	4	Out of 13 ULBs, lands for MSW sites are yet to be identified for 4 ULBs.
8	Ballari	8	0	7	1	Out of 8 ULBs, land for MSW site are yet to be identified for 1 ULB.
9	Yadgiri	8	4	0	4	Out of 8 ULBs, lands for MSW sites are yet to be identified for 4 ULBs.
10	Kolar	7	0	6	1	Out of 7 ULBs, one ULB is newly formed and land is yet to be identified.
<b>Total</b>		<b>121</b>	<b>7</b>	<b>71</b>	<b>43</b>	

**Appendix – 22**

(Paragraph 2.1.6.3)

**Non-Installation of Leachate Management System in the ULBs**

Sl.no.	District	Name of the ULB	Dumpsite Location	Quantity of Waste at Dumpsite in tonnes	Has Leachate Management System been provided
1	Bengaluru Rural	Doddaballapur CMC	Near Oddarapalya Village Kasaba, Doddaballapur Taluk	49000	Yes
2		Hoskote CMC	Kallahalli	0	No
3		Nelamangla CMC	Kanegowdanahalli	14000	No
4		Devanahalli TMC	Near Vijayapura Road	18000	No
5		Vijayapura TMC	Kurabarakunte, Devanahalli Taluk	18000	No
6	Bengaluru Urban	Anekal	170 gудde	4380	No
7		BBMP	Mavallipura	1095000	No
8			Mandur	2190000	No
9			Bingipura and Laxmipura	2409000	No
10			Bagalur	438000	Yes
11			Bellahalli and Mittaganahalli	3650000 and 978200	Yes
12	Tumakuru	Tumakuru CC	Ajjagondanahalli	90000	Yes
13		Tiptur CMC	Annapura	27000	Yes
14		CMC, Sira	Bhuvanahally	55000	Under Construction
15		TMC, CN Halli	Dabegatta	3000	Yes
16		Madhugiri TMC	Poojahally survey no 11/1 Measurement 12.17 H	54000	Yes
17		Kunigal TC	Govimata	35000	Yes
18		TMC Pavagada	Kannevenahalli	16000	No
19		Koratagere TP	Bodabandenahalli road	9750	No
20		Gubbi TP	Channashettihalli survey No 23	10000	No
21		Turuvekere TP	T Hosahalli	11000	No
22	Kolar	Kolar CMC	Laximisagara	31620	No
23		KGF CMC	Parandahalli	55000	No
24		Mulbagal CMC	Rachabandahalli	25000	No
25		TMC Malur	Harohalli village	24000	No
26		Bangarapet TMC	Bydbele survey No. 21	500	Yes
27		TMC Srinivasapura	Hebbata village	20000	No
28	Mysuru	Mysuru CMC	Vidyaranyapuram	300000	Yes
29		Nanjanagud CMC	Veeradevanapura (CMC processing site)	35000	Yes

Sl.no.	District	Name of the ULB	Dumpsite Location	Quantity of Waste at Dumpsite in tonnes	Has Leachate Management System been provided
30		K R Nagara TMC	Moodalakoppalu	10000	No
31		Bannur TMC	Chamanahalli Gudda	8000	Yes
32		T Narasipura TMC	Kudluru Village survey No. 144	0	No
33		Periyapatna TMC	Kaggundi	1900	Yes
34		H D Kote TMC	Vaddaragudi	0	No
35		Sargur TP	Narasipura rd	22141	No
36	Dakshina Kannada	Mangaluru	Kudapu Pachanady	971000	No
37		Batwala TMC	-	-	No
38		Belthangady TP	Koyyuru Village	0	Yes
39		Moodubidire TMC	Not Available	0	No
40		Mulki Town Panchayat	Bappanadu Village S No.95/1	10500	No
41		Sullia TP	Kalcharpe	68500	Under Construction
42		Someshwara TMC	-	0	No
43		Town Panchayath Kadaba	Kakkettimaru	0	No
44	Belagavi	CC Belagavi	Khasbag (11,12 acre) RS No. 12B, 15,17,18,19,22,23,16	300000	Yes
45		CMC Nippani	Pattankudi S No.345	16000	No
46		CMC Gokak	Abibatti survey No. 175	17000	Yes
47		TMC Bailhogal	Amatur Village (Vevalapur road) R.S.No.43/2A, 43/2B & 44/2)	3887	Yes
48		TMC Athani	RS No-452 Chamakeri Maddi	3500	Yes
49		TMC Chikkodi	Chanyan Daddi, Survey No. 136	10000	No
50		TMC Ramdurg	Rurnur Swm Site	7726	No
51		TMC Mudalagi	Gurlapur Hallur Survey No. 141/1 & 292/2	500	No
52		TMC Sankeshwar	Haragapur Gad Village Sy No 428	8960	No
53		TMC Kudachi	Gani Kudi Morab road, Kudachi	3500	Yes
54		TMC Sadalaga	Near Govt ITI college, Bhainakawadi, Sy No. 839	4500	No
55		TMC Konnur	Shivapur Maradi sy no. 387/d	17150	No
56		TP Raibag	Shahupark, sy No 418/B	0	No
57		TMC Munavalli	Madlur road Survey No.548	0	No
58		TMC Ghataprabha	-	0	No
59		TP Chinchali	-	0	No
60		TP Kankanawadi	-	0	No

Sl.no.	District	Name of the ULB	Dumpsite Location	Quantity of Waste at Dumpsite in tonnes	Has Leachate Management System been provided
61	Gadag	Gadag Betageri CMC	Balaganur road Gadag	21853	No
62		Gajendragad TMC	Kustagi road	3275	Yes
63		Laxmeshwar TMC	Gojanur road	3200	Yes
64		Mundaragi TMC	Hesur road	3158	No
65		Naragund TMC	Savadatti road	2372	No
66		Ron TMC	Abbigeri road	3800	No
67		Mulgund TP	Gadag road	2200	No
68		Naregal TP	Dympur road	1550	No
69		Shirhatti TP	Chabbi road	1500	No
70	Koppal	CMC Koppal	Landfill site, Hiresindogi	37000	Yes
71		CMC Gangavati	Malakanamardi (Landfill site)	34000	Under Construction
72		TMC Kustagi	Tengunti road, Kustagi	9000	No
73		TMC Karatagi	Ward No.13, near Dalali Bazar	10000	No
74		TP Yelburga	Malaksamudra road	4500	Yes
75		TP Tavaragera	Ward No. Basavanna camp	5000	No
76		TP Kanakagiri	Karadi Gudda road, Kanakagiri	4000	No
77		TP Kukanur	Gavaral road, ukanur	1277	No
78		TP Bhagyanagar	Near Graveyard ward-09	1788	No
79	Ballari	Ballari CC	Surve No. 158, Near Haragina Doni village	200000	No
80		Hospet CMC	Sy No. 185/2, Sanklapur Hosapete	18000	No
81		Siraguppa CMC	Ballari main road	1500	No
82		Kampli TMC	Kottal road Kampli town	10000	Yes
83		Hadagali TMC	Swn site near Holagundi road	10000	No
84		Sandoor TMC	Hulikundta 18 Sy No. 90/2	10000	Yes
85		Kurekuppa TMC	No Dumbsite Available	0	No
86		Kurugodu TMC	Bailur road	0	No
87		Hagari Bommanahalli TMC	Behind Ishwara temple 2 <sup>nd</sup> ward	900	No
88		Harapanahalli TMC	Homnabagattilabd fill site	1050	No
89		Tekkalakote TP	Malapura road	0	No
90		Kudathini TP	Ballari dumbsite location near Veniveerapura	0	No
91		Kamalapura TP	1 <sup>st</sup> ward, Jai Bheem Nagar	9000	No
92		Kottur TP	SWM site Thimalapura road, Kottur	9000	Yes
93		Kudligi TP	Near NH 50, 17 <sup>th</sup> ward	8000	Yes

Sl.no.	District	Name of the ULB	Dumpsite Location	Quantity of Waste at Dumpsite in tonnes	Has Leachate Management System been provided
			Kudligi		
94		Mariyammana Halli TP	Near Iyyanahali village	0	No
95	Ramanagara	CMC Ramanagara	Sy No.31, 32 Shidlagatta, Gramapanchayath	18250	No
96		CMC Channapatna	Sy No. 254, Kuttgal bobli, Ippemaradadoddi, Chamanahalli, 20 acres	2230	No
97		CMC Kanakapura	Aralalu Grama	590	No
98		TMC Magadi	Thirumale, Survey No. 166	48000	Yes
99		TMC Bidadi	Near Railway station, Bidadi	3700	No
100	Chikkaballapura	CMC Chikkaballapura	Puttathimanahali Manchanabale road, Chikkaballapur	55000	No (DPR under process)
101		CMC Chintamani	Kanishetty halli cross, Chelur road	17000	Yes
102		CMC Sidligatta	Hithlahalli village	11000	Yes
103		CMC Gouribidnur	Idaguru road, Gauribidanur	2589	Yes
104		TMC Bagepalli	Kashapura	7000	Yes
105		TP Gudibande	Sy No. 76 Yapasandra village, Kasaba	200	Yes
106	Chitradurga	Chitradurga CMC	Old Dymantvanahlli	65000	Yes
107		Challakere CMC	Sy No. 704 & 706	12000	Yes
108		Hirigur CMC	103 cross Hemadala	15000	Yes
109		TMC Hosadurga	Sy No.31, Shivanekatte Hosadurga tq	0	Yes
110		Holalkere TMC	Bunderi road	300	Yes
111		Molkalmuru TP	Gundloor Village	200	Yes
112	Davanagere	CC Davnagere	Avaragolla, Kondajji road, Davanagere tq	231000	Yes
113		DMC Harihara	Mahajenahalli Near Bypass, Harihara	35000	No
114		TMC Channagiri	Sl No. 176, Chikkulikere village, Channagiri tq	1000	No
115		TP, Honnali	Masadi Honnali tq	2000	No
116		TP Jagalur	Ujjini road Jagalur tq	15000	Yes
117	Shivamogga	CMC Bhadravathi	Hiriyur	9540	Yes
118		Shivamogga	Anuopinakatte	18650	Yes
119		Shikaripura	Haliyuru	5650	Yes
120		Shiralakoppa	Ballgavi	2600	Yes
121		Sagara	Sangala	2000	Yes
122		Soraba	Maruru	26000	Yes
123		Thirathahalli	Hunasavalli	4800	Yes



Sl.no.	District	Name of the ULB	Dumpsite Location	Quantity of Waste at Dumpsite in tonnes	Has Leachate Management System been provided
124	Mandya	Jog Kargal	Iduvani	0	Yes
125		Hosanagara	Kaluru	0	Yes
126		Mandya	Kalenahalli village	76540	No
127		Maddur	Hootagere village	32850	No
128		Malavalli	Devalinganapura	40320	No
129		SR Patna	Allapatna	1960	No
130		KR pete	Hosaholalu	4000	No
131		Pandavapura	Rangana Koppalu	27000	No
132		Nagamangala	Karadahalli	14600	No
133	Chamarajanagara	Chamarajanagara CMC	Sy No. 361, Haradanahalli village	20332	Yes
134		Kollegala CMC	Madhumalegudda, sy no. 601	20000	Yes
135		Gundlupete TMC	Madahalli Village sy no 218	14725	Yes
136		Hanur TP	Hulusu gudda village sy no. 302, 305	0	Yes
137		Yelandur TP	Mudala agraahara sy no 89	0	No
138	Kodagu	CMC Madigeri	Karnageri village	40000	No
139		TP Kushalnagar	Huvanagir	25000	No
140		TP Somwaret	Siddalingapura	0	No
141		TP Virajpet	Perumbadi	15000	No
142	Hassan	CMC Hassan	Agile	60000	Yes
143		CMC Arasikere	Yadapura road	40000	Yes
144		TMC Channarayapata	Nallur solid waste Management place	20000	No
145		TMC Holenarisipura	Kodangi Koppalu	15000	No
146		TMC Sakaleshpura	Malali	200	No
147		TMC Belur	Prasadihalli belur	12000	Yes
148		TP Arkalgud	Devarahalli	0	No
149		TP Alur	Soppinahalli Alur	0	No
150	Chikkamagaluru	CMC Chikkamagaluru	Indavara, Chikkamagaluru	20000	Yes
151		TMC Kadur	Sy No. 4, ISWM unit, Haralaghatta, Kadur tq	12000	No
152		TMC Birur	Mutthinakatte Birur	1170	No
153		TMC Tarikere	Sy no 46/1, aliyur, Tarikere	10000	No
154		TP NR Pura	Lingapura	2000	Yes
155		TP Koppa	Addada survey no. 39/40	3500	Yes
156		TP Sringeri	Hanumanthanagara Sringeri	2000	Yes
157		TP Mudigere	Kademaadkal	2500	Yes
158		TP Ajjampura	Near Market	5000	No
159		Kuduremukha	-	0	No

Sl.no.	District	Name of the ULB	Dumpsite Location	Quantity of Waste at Dumpsite in tonnes	Has Leachate Management System been provided
160	Udupi	Udupi	Karvalu, Alevooru village	10000	Yes
161		Kaup TMC	Kaup pete	480	Yes
162	Uttara Kannada	CMC Karwar	-	0	No
163		CMC Sirsi	S No. 151/A1, Keregundi road, Sirsi	96000	No
164		CMC Dandeli	-	0	No
165		TMC Bhatkal	Bailakhanda Sagar road	3000	No
166		TMC Kumta	-	0	No
167		TMC Ankola	Bogribail	0	No
168		TMC Haliyal	-	0	No
169		TP Honnavar	Ramthirtha	0	No
170		TP Siddapur	Hosur	0	No
171		TP Yellapur	Shistumudi	40	No
172		TP Mundgod	Malgankoppa	0	No
173		TP Jali	-	0	No
174	Kalaburagi	CC Kalaburagi	Udanoor	254409.19	Yes
175		CMC Shahabad	Bhankur road Shahabad	60	Yes
176		TMC Alanda	Tadkal road	62	Yes
177		TMC Afzalpur	Old Baloorgi road	18250	Yes
178		TMC Chittapur	Land fill site Yargalbase Chittapur	20440	Yes
179		TMC Chincholi	Nimma Hossalli road Chincholi	4130	Yes
180		TMC Jewargi	Beside BSNL tower Shahapur main road, Jewargi	15	Yes
181		TMC Sedam	Kodla cross Sedam	0	Yes
182		TMC wadi	-	0	No
183		TP Kalagi	-	0	No
184		TP Kamalapur	-	0	No
185		TP Yadrami	-	0	No
186		NAC Shahabad	-	0	No
187	Yadgiri	CMC Yadgir	Badladi	750	No
188		CMC Shahapur	S no.100/1/2/3	2190	No
189		CMC Shorapur	Venkatapur	1460	No
190		TMC Gurumitkal	S No.333/1 Chandraki road	730	No
191		Kakkera TMC	UKP Pickup camp	0	No
192		TP Hunasagi	0	0	No
193		NAC Bheemarayan gudi	0	0	No
194	Raichur	Raichur CMC	Eklaspur	80000	No

Sl.no.	District	Name of the ULB	Dumpsite Location	Quantity of Waste at Dumpsite in tonnes	Has Leachate Management System been provided
195		Sindhanur CMC	Bappur road, Sindhanur	6000	No
196		Manvi TMC	Mustur Road	5500	No
197		Devadurga TMC	Koppar cross Devadurga	1200	No
198		Lingasuguru TMC	Narayanapuri road	1573	No
199		Mudgal TMC	Lingasagur road	869	No
200		Maski TMC	At Mudugal road	0	No
201		Sirwar TP	Marram Kory	0	No
202		Kavital TP	Rajamma pool, Raichur lingasgur road	0	No
203		Balganur TP	Ward no 01, near bus stand	0	No
204		Turvihal TP	Near Karigudd turvihal	0	No
205		Hutti TP & NAC	Hatti	0	No
206		Hatti gold mines	0	0	No
207	Bidar	CMC Bidar	Sultanpur (J) survey No. 39/A & 39/C 24	5000	Yes
208		CMC Basavakalyan	Sy no.42, Pratapur village area	1650	No
209		TMC Bhalki	SWM site TMC Bhalki	3200	No
210		TMC Humnabad	Sy no. 12/B Sindankera tq Humnabad	1500	No
211		TMC Chittaguppa	Near Rampur cross Chittaguppa	500	No
212		TMC Hallikheda	S no. 285	500	No
213		TP Aurad B	S no 4 Aurad B	500	No

**APPENDIX – 23**  
**(Paragraph 2.1.7)**  
**CEPI – Actionable Point-wise Compliance of Critically Polluted Areas**  
**PEENYA INDUSTRIAL AREA**

Sl.no.	Actionable point /	Responsible stake holder	Short / Long term and target date	Current position (as per 8 <sup>th</sup> LAC meeting)	Remarks
1	Energy auditing and use of solar roof top	Large Industries and PIA	Short (SI 2) / 31-3-2020	Completed	-
2	Establishment of two new AAQM station in impact zone	KSPCB	Short (SI 4) / 31-03-2020	One established in Yeshwanthpur Police station and adequate.	However, in the meeting conducted by Chairman, KSPCB in April 2022, it has been recorded that one AQMS established at Yeshwanthpur Police Station and one more is yet to be established. However, in the 8 <sup>th</sup> meeting it was decided that the AQMS are adequate. Hence, basis/authority for the conclusion in 8 <sup>th</sup> LAC meeting needs to be furnished.
3	Establishment of one new CAAQMS in impact zone	KSPCB	Short (SI 5) / 31-03-2020	One new CAAQMS established at NTTF, Peenya and is operative from 1/2/2023.	The new CAAQMS has been established at NTTF, Peenya and functional from January 2023 i.e, two years after the due date.
4	Promoting green belt within study area	BBMP and PIA	Short (SI 6)/ 31-3-2020	Letters addressed to DCF, BBMP and PIA to submit action plan for the year 2022-23, not submitted.	However, considering that the study area is an industrial area with very less open lands available, the location in which greenbelt is to be created/area available for creating of greenbelt should have been identified. Without the details of open areas/locations available for creating greenbelt, the actionable point was not achievable.
5	Improvement of existing roads, providing infrastructure facilities for parking of vehicles in study area	BBMP/BTP	Long (SI 7)/ NA	The proposal (₹ 167 crore) stated to be sent to GOK for development of road in Dasarahalli Division. The proposal pending with Finance Department. However, the latest position not forthcoming in 8 <sup>th</sup> meeting as CE had not attended the meeting.	The current position to be obtained from BBMP. Also, whether this includes all the roads of Peenya Industrial Cluster may have to be ascertained and necessary action taken. Besides, the issue of providing infrastructure for parking of vehicles was not forthcoming.

Sl.no.	Actionable point /	Responsible stake holder	Short / Long term and target date	Current position (as per 8 <sup>th</sup> LAC meeting)	Remarks
6	Conducting source apportionment study	KSPCB	-	This is a new point included in the 8 <sup>th</sup> meeting. However, timeline for the same is yet to be finalised.	In the absence of Source Apportionment Study, the major polluting sources and action to be taken to address them would not be possible.
7	Water auditing of large industries	Large industries	Short (SI 1) / 31-3-2020	Completed	-
8	Adopting latest technology, alternative use of Eco-friendly chemicals in plating/ powder coating and surface treatment industries and best practices.	Industries	Short (SI 3) 31-03-2020	Continuous activity to be adopted as and when suggested.	However, as per para 2.6.3 of the action plan detailed study should have been undertaken to identify technological interventions required to ensure better compliance. It was also stated that detailed study would be undertaken for identification of new areas for adoption of cleaner technology within the core & impact zone of the study area. However, as evidenced from absence of such references, no such studies have been undertaken by KSPCB.
9	Providing faecal sludge treatment and disposal facilities	BWSSB	Short (SI 7)	The industries/ households which are continued to use septic tanks and soak pits. The handling of Faecal sludge does not come under the purview of either BBMP or BWSSB.	Till the seventh meeting, the onus of implementation was considered as that of BWSSB/BBMP. Action plan was prepared in July 2019 and in the eighth LAC meeting (9/11/2022) i.e., after three years, it was realized that this component does not come under either of these agencies. However, since no agency is identifiable for this action point, the action plan needs to be revisited and revised.
10	Establishment of CETP at Urban Ecopark	KSPCB and PIA	Long (SI 1)/ 31/12/2021	A committee has been formed and based on discussions it was finalised to consider CETP of 125 KLS. However, based on PIA request, CETP capacity being re-designed to 200 KLD.	Though timeline stipulated in the action plan provided the target of this component as 31/12//2021, the capacity of CETP is yet to be finalised. Further, preparation of DPR, tendering and entrustment will take further time.
11	Preparation of for remediation	KSPCB,	Long (SI 2)/ 31-	NGRI Hyderabad has been	Since the work order is yet to be issued, the

Sl.no.	Actionable point /	Responsible stake holder	Short / Long term and target date	Current position (as per 8 <sup>th</sup> LAC meeting)	Remarks
	of ground water contamination in the study area in consultation with Technology and experts Interest (EOI)		12-2021	finalised by the Board and work to be awarded.	feasibility study is yet to commence.
12	Strengthening of existing storm water drains, rajakaluve in the Study Area	BBMP	Long (SI 3)/	Revised timelines to be provided by BBMP Solid waste management Division. Detailed action plan to be submitted.	This being a capital-intensive work could require huge funds and hence might need Government intervention/grants. KPSCB may have to take up the matter with Government at appropriate levels.
13	Strengthening of existing UGD network and new UGD facility to avoid discharge of missing link sewage through storm water drains into natural water bodies in the study area.	BWSSB	Long (SI 5)/ 31032021	BWSSB has committed to complete the UGD work in entire Peenya Industrial Area within March 2023. The latest status was to be submitted.	The current status of UGD network, duly indicating whether the entire work has been completed by BWSSB, may have to be obtained and furnished.
14	Rejuvenation of Karihobanahalli, Doddabidarakallu, Andharahalli and Shivapura tanks in study area	BDA/BBMP	Long (SI 6)/ .....	BBMP Lakes Zone, Dasarahalli has prepared DPR for Shivapura(₹ 200 lakh) and Karihobanahalli (₹ 450 lakh) lakes. Tenders to be floated.	The current position to be obtained from BBMP and furnished. However, the works are yet to be taken up.

## BAKIKAMPADY INDUSTRIAL AREA

Sl. No.	Action Points	Timeline	Remarks & Recommendation by the Committee with revised timeline
<b>M/S. MANGALORE REFINERY AND PETROCHEMICALS LIMITED, KUTHETHOOR, MANGALURU</b>			
1	Shifting of Pet Coke Silos	March 2019	Complied
2	Shifting of Heavy Slop Oil Tanks located nearby Kalavara village	March 2019	Complied
3	Providing of APC equipment to PFCC plant	March 2019	Complied
4	Shifting of flare gas stack located near Kalavara Govt. School	December 2019	MRPL has been directed to submit the latest data to quantify reduction of Hydrocarbon
5	Providing of additional O&G trap to all drain's outlets	May 2019	I/As shall submit inlets and outlets quantifiable data in terms of percentage.
6	Providing of surge pit at ETP to recycle any discharges	May 2019	Complied
7	Providing of additional CAAQMS at Jokatte, Kalavar, in consultation with KSPCB.	May 2019	Location not yet identified.
8	Providing of Zero Liquid Discharge Plant	December 2019	Dropped
9	Change of fuel from oil to Natural Gas.	December 2019	The authorities of Gail India Ltd. are ready to supply the gas. Not yet implemented.
<b>M/S. NEW MANGALORE PORT AUTHORITY, MANGALURU</b>			
10	Providing of Road dust sucking vehicle.	May 2019	Not yet done.
11	Providing of CAAQMS at up & downwind direction.	May 2019	Not yet done.
12	Providing of Coal settling ponds.	May 2017	Final action pending.
13	Providing slop & sludge disposal facility for foreign Ships	May 2019	Complied.
<b>M/S. BASF INDIA LTD., BALA SURATKAL, MANGALURU</b>			
14	Providing of ETP Sludge Drier.	May 2019	Complied.
15	Providing of Zero Liquid Discharge Plant	December 2019	Not yet complied
16	Providing of CAAQMS at up & downwind direction	May 2019	Location not yet identified.
17	Change of fuel from oil to Natural gas	December 2019	No requirement of LNG as per Industry. Technical study is not

Sl. No.	Action Points	Timeline	Remarks & Recommendation by the Committee with revised timeline
<b>M/S. MANGALORE SPECIAL ECONOMIC ZONE LIMITED (MSEZL), MANGALURU</b>			
18	Up gradation of existing ETP by providing tertiary treatment like PSF, ACF, UF, RO etc. & reuse for non-potable purposes in member industries.	May 2019	Not yet complied.
19	Providing of Zero Liquid Discharge Plant	December 2019	Not yet complied.
20	Providing of CAAQMS at up and downwind direction	May 2019	Complied.
21	Provide Change of fuel from oil to Natural gas inside MSEZ.	December 2020	Not yet implemented.
22	Provide Additional ETP for biological & chemical bearing effluents.	May 2019	Not yet Complied
23	Provide Hazardous Waste disposal & solid waste disposal site inside MSEZ	December 2019	Not yet complied.
24	Increase greenery	August 2019	Complied.
<b>M/S. MANGALORE CHEMICALS &amp; FERTILIZERS LIMITED, PANAMBUR, MANGALURU</b>			
25	Providing APC equipment to Urea Prill Tower	December 2019	Not yet Complied
26	Providing of additional O&G trap to all drain outlets	May 2019	Not yet Complied.
27	Providing of greenery beside NH	August 2019	Dropped
<b>M/S. ADANI WILMAR LIMITED, BAIKAMPADY INDUSTRIAL AREA, MANGALURU</b>			
28	Providing of Zero Liquid Discharge Plant	May 2019	Complied.
<b>M/S. UNITED BREWERIES LIMITED, BAIKAMPADY INDUSTRIAL AREA, MANGALURU</b>			
29	Providing STP & RO Plant to ETP	May 2019	Complied.
30	Additional Greenery	August 2019	Complied.
<b>M/S. RUCHI SOYA INDUSTRIES LIMITED, BAIKAMPADY INDUSTRIAL AREA, MANGALURU</b>			
31	Providing of RO Plant to ETP	May 2019	Complied.
32	Improve internal Roads	May 2019	Complied.



Sl. No.	Action Points	Timeline	Remarks & Recommendation by the Committee with revised timeline
33	Improve Coal Handling area & provide coal settling ponds	May 2019	Not yet complied.
34	Increase Greenery	August 2019	Not yet complied.
<b>M/S. ANAGHA REFINERIES LIMITED, BAIKAMPADY INDUSTRIAL AREA, MANGALURU</b>			
35	Providing of RO Plant to ETP	May 2019	Not yet complied.
36	Increase Greenery	August 2019	Not yet complied.
<b>M/S. ONGC MANGALORE PETROCHEMICALS LIMITED (OMPL), MSEZ, PERMUDE.</b>			
37	Change of fuel from oil to Natural gas	December 2019	Not yet complied.
38	Increase Greenery	August 2019	Complied.
39	Providing of Zero Liquid Discharge Plant	December 2019	Not yet complied.
<b>M/S.KIOCL LIMITED, MANGALURU.</b>			
40	Improve Coal Handling areas & up gradation of fugitive emissions	December 2019	Not yet complied.
41	Store raw materials inside the shed	May 2019	Not yet complied.
42	Change of fuel from Oil to Natural gas	December 2019	Not yet complied.
<b>M/S. ESWARI GLOBAL METAL INDUSTRIES PRIVATE LIMITED, BAIKAMPADY INDUSTRIAL AREA.</b>			
43	Performance evaluation of APC devises	May 2019	Not yet complied.
<b>M/S. SOLARA ACTIVE PHARMA SCIENCES LIMITED, BAIKAMPADY INDUSTRIAL AREA.</b>			
44	Performance evaluation of ETP	May 2019	Complied
<b>M/S. JONAS PETRO PRODUCTS PRIVATE LIMITED, BAIKAMPADY INDUSTRIAL AREA.</b>			
45	Performance evaluation of ETP	May 2019	Revised performance evaluation to be submitted
<b>M/S. BLUE WATER FOODS AND EXPORTS LIMITED, BAIKAMPADY INDUSTRIAL AREA.</b>			
46	Performance evaluation of ETP devises	May 2019	The industry is closed and taken over by some other Industry. Action taken not available on records
<b>M/S. OCEAN PROTEINS PRIVATE LIMITED, BAIKAMPADY INDUSTRIAL AREA.</b>			
47	Performance evaluation of ETP devises	May 2022	Not yet complied.

Sl. No.	Action Points	Timeline	Remarks & Recommendation by the Committee with revised timeline
<b>M/S. CARDOLITE SPECIALTY CHEMICALS INDIA LLP. MSEZ.</b>			
48	Performance evaluation of ETP devises	May 2019	Complied.
<b>M/S. SYNGENE INTERNATIONAL PRIVATE LIMITED, MSEZ, PERMUDE.</b>			
49	To carry out R&D studies with respect to reusability of MEE salts and ETP sludge which is sent for TSDF currently.	June 2022	Complied.
50	Shall carry out VOC monitoring in & around villages near the industry.	June 2022	IAs have to submit VOC monitoring report.
51	To increase the solar panel installation in the industry premises.	June 2022	IAs have to submit revised action plan.
<b>M/S. CATASYNTH SPECIALITY CHEMICALS, MSEZ, PERMUDE.</b>			
52	To make tertiary treatment units to ETP and reuse the treated water within industry premises rather than sending the pre-treated water to CETP. The proposal shall be submitted by 30.05.2022.	June 2022	Not yet complied.

## Appendix – 24

## (Paragraph 2.1.8.1)

## Status of KSPCB actionable points of city specific NCAP Action Plans

Sl.no.	Non-attainment City	Total Number of actionable points	Action needed by KSPCB	Action needed	Current Status
1	Bengaluru	44	3	<p>Conducting Source apportion Study</p> <p>Carrying out ambient air quality monitoring of air pollutants and publish the air quality index in the website and communicate the air quality status to line departments on a regular basis.</p> <p>Carrying out regular monitoring of industries and initiate action against defaulting industries.</p>	<p>Source Apportionment Study of Bangalore has been submitted in February 2022 against the target of June 2020.</p> <p>Being published in the website.</p> <p>Short fall in Inspections and lack of action against defaulting industries were observed in Peenya RO.</p>
2	Davanagere, Kalaburagi and Hubli-Dharwad	27	5	<p>Establishment of additional CAAQMS</p> <p>Conducting source apportionment study</p> <p>Ensuring operation of air pollution control systems in industries to meet emission standards, regular monitoring of industries and initiation action against defaulting units</p> <p>publishing air quality monitoring data in local news media, strengthening of complaint redressal mechanism, awareness programmes on urban pollution issues</p>	<p>Against target date of March 2020, provided during 2022-23.</p> <p>Apportionment Study for three cities of Davanagere, Kalaburagi and Hubli-Dharwad entrusted to IIT, Madras (January 22) yet to be completed (March 2023) against target date of March 2021.</p> <p>Inspection shortfall noticed and details of action taken not on record.</p> <p>Complaint redressal mechanism in place and air quality monitoring data is available in website.</p>

## Appendix – 25

## (Paragraph 2.1.8.2)

## Variation in readings of AAQMS &amp; CAAQMS Instruments in same location

Sl.no.	Name of Monitoring Station	Year	Monitoring Days	Variation between AAQMS & CAAQMS Values (difference in absolute terms)											
				SO2			NO2			PM10			PM2.5		
				Avg. Variance	%		Avg. Variance	%		Avg. Variance	%		Avg. Variance	%	
1	KSPCB Office Premises, Kolar	2018	9	6.69	334		21.73	75.34		41.72	59.97		-	18.05	74.14
		2019	7	21.06	1053		6.52	32.1		55.78	54.46		-	2.45	19.74
		2020	9	26.98	1349		14.05	55.09		32.76	38.12		-	16.09	61.06
		2021	9	30.03	1501		5.03	32.38		36.42	45.48		22.32	11.04	79.85
		2022	9	45.88	2294		4.79	30.23		51.25	34.47		-	12.69	68.37
2	KSPCB Bldg. Hebbal Ind. Area, Mysuru	2018	-	-	-		-	-		-	-		-	-	-
		2019	-	-	-		-	-		-	-		-	-	-
		2020	9	3.34	154.24		8.85	63.27		8.35	26.1		-	8.01	58.69
		2021	9	1.38	68.78		5.79	38.8		12.46	26.75		-	5.92	45.52
		2022	9	6.66	201.67		1.54	9.81		13.38	31.37		-	2.29	14.76
3	KSPCB Office Premises, Bidar	2018	-	-	-		-	-		-	-		-	-	-
		2019	-	-	-		-	-		-	-		-	-	-
		2020	-	-	-		-	-		-	-		-	-	-
		2021	4	18.88	868.51		1.34	18.65		16.84	111.97		-	54.48	47.57
		2022	5	32.29	1028.24		1.83	26.53		61.8	120.86		-	22.03	90.52
4	KSPCB Office Building, Hassan	2018	-	-	-		-	-		-	-		-	-	-
		2019	-	-	-		-	-		-	-		-	-	-
		2020	-	-	-		-	-		-	-		-	-	-
		2021	8	14.71	462.49		5.4	22.53		50.36	84.62		5	0.84	11

Sl.no.	Name of Monitoring Station	Year	Monitoring Days	Variance between AAQMS & CAAQMS Values (difference in absolute terms)									
				SO2		NO2		PM10		PM2.5		NH3	
				Avg. Variance	%	Avg. Variance	%	Avg. Variance	%	Avg. Variance	%	Avg. Variance	%
5	KSPCB Office Building, Belagavi	2022	9	19.24	391.62	10.66	47.76	15.13	24.79	5.2	19.92	4.69	39.72
		2018	-	-	-	-	-	-	-	-	-	-	-
		2019	-	-	-	-	-	-	-	-	-	-	-
		2020	-	-	-	-	-	-	-	-	-	-	-
		2021	36	25.84	1291.88	5.45	45.28	38.51	72.23	15.9	78.37	2.79	28.83
		2022	19	19.41	970.76	10.75	87.41	37.16	50.9	16.41	68.24	3.69	38.06
6	Karnataka SPCB Office Premises, Vijayapura	2018	-	-	-	-	-	-	-	-	-	-	-
		2019	-	-	-	-	-	-	-	-	-	-	-
		2020	-	-	-	-	-	-	-	-	-	-	-
		2021	24	2.4	118.52	5.4	47.43	32.8	40.06	12.4	50.11	4.9	56.32
		2022	20	2.8	139.68	5.4	44.69	46.3	47.04	19.4	48.97	7.1	71.59

Average Variance (absolute values): Average of differences between AAQMS & CAAQMS readings in a month

% : Variation over AAQMS

## Appendix – 26

(Paragraph 2.1.9)

## Testing of Mandatory Parameters by KSPCB

Sl.no.	Group/Sub-Group	Mandatory Parameters (Nos.)	Number of Parameters not being tested in any Laboratory
I	Water: Ground/Surface Water	87	6
II	Wastewater: Domestic Sewage	7	0
	Wastewater: Industrial Effluent	93	7
III	Hazardous Waste: Waste/Soil/Solid	48	3
IV	Air: Ambient	41	15
	Air: Stack/Source Emission	31	25
Grand Total			56
			18%

**APPENDIX – 27**  
**(Paragraph 2.1.10) Cadre-wise Sanctioned & Working Strength of KSPCB**

Sl.no.	Cadre	Sanctioned	Men in Position as on March 2023			Short/ Excess	%
			Regular	Contract	Outsourced		
Technical Staff							
1	Chief Environmental Officer	3	3	0	0	3	0
2	Senior Environmental Officer	20	20	0	0	20	0
3	Environmental Officer	58	57	0	0	57	1
4	Deputy Environmental Officer	52	38	0	0	38	14
5	Assistant Environmental Officer	144	29	1	0	30	114
6	Manager IT	1	1	0	0	1	0
	<b>Total</b>	<b>278</b>	<b>148</b>	<b>1</b>	<b>0</b>	<b>149</b>	<b>129</b>
1	Chief Scientific Officer	2	0	0	0	0	2
2	Senior Scientific Officer	4	2	0	0	2	2
3	Scientific Officer	15	4	0	0	4	11
4	Deputy Scientific Officer	15	3	0	0	3	12
5	Assistant Scientific Officer	34	16	1	0	17	17
6	Scientific Assistant	51	4	3	25	32	19
7	Senior Field Assistant	4	4	0	0	4	0
8	Field Assistant	17	5	17	45	67	-50
	<b>Total</b>	<b>142</b>	<b>38</b>	<b>21</b>	<b>70</b>	<b>129</b>	<b>13</b>
Non-technical/Ministerial Staff							
1	Administrative Officer	1	1	0	0	1	0
2	Chief Accounts Officer	1	1	0	0	1	0
3	Law Officer	1	1	0	0	1	0
4	Public Relation Officer	1	1	0	0	1	0
5	Assistant Executive Engineer	2	1	0	0	1	1
6	Assistant Statistical Officer	1	0	0	0	0	1
7	Librarian	1	0	1	0	1	0

Sl.no.	Cadre	Sanctioned	Men in Position as on March 2023				Short/ Excess	%
			Regular	Contract	Outsourced	Total		
8	Law Assistant	6	3	0	0	3	3	50
9	Assistant Horticulture Officer	1	1	0	0	1	0	0
10	Junior Engineer	1	1	0	0	1	0	0
11	Assistant Administrative Officer	21	12	0	0	12	9	43
12	Superintendent	24	8	0	0	8	16	71
13	First Division Assistant	41	31	0	7	38	3	7
14	Stenographer	6	1	0	0	1	5	83
15	Senior Data Entry Operator	9	1	0	0	1	8	89
16	Data Entry Operator	16	11	0	50	61	-45	-281
17	Junior Data Entry Operator	20	0	8	0	8	12	60
18	Second Division Assistant	68	8	19	36	63	5	7
19	Driver-Grade A	4	3	0	1	4	0	0
20	Driver-Grade B	13	10	0	82	92	-79	-608
21	Driver	15	0	7	0	7	8	53
22	Office Assistant	12	10	0	0	10	2	17
23	Attender	19	6	0	0	6	13	68
24	Peon/Watchman	19	2	6	78	86	-67	-353
	<b>Total</b>	<b>303</b>	<b>113</b>	<b>41</b>	<b>254</b>	<b>408</b>	<b>-105</b>	
	<b>Grand Total</b>	<b>723</b>	<b>299</b>	<b>63</b>	<b>324</b>	<b>686</b>	<b>37</b>	



**Appendix – 28**  
**(Paragraph 2.1.11) Non-submission of Environmental Statements**

Sl.no.	Name of the Regional Office	Total No of Environmental Statements to be received during the five-year period	Total number of industries which submitted Environmental Statement	Shortfall	Percentage Shortfall
1	Peenya	5860	678	5182	88
2	Mysuru I	2681	255	2426	90
3	Mangaluru	5547	235	5312	96
4	Chikkamagaluru	9346	44	9302	99.5
5	Tumakuru	3300	275	3025	92
6	Belagavi	3608	275	3333	92
7	Raichur	2421	38	2383	98
8	Koppal	2220	59	2161	97
9	Ballari	4004	278	3726	93
10	Vijayapura	2382	33	2349	98.6
11	Yadagiri	593	9	584	98
12	Chikkaballapura	1305	63	1242	95
13	Kolar	2694	312	2382	88
	<b>Total</b>	<b>45961</b>	<b>2554</b>	<b>43407</b>	<b>94.55</b>

**Appendix – 29**  
**(Paragraph 2.1.12)**  
**Penal provisions in various Acts**

Sl.no.	Act	Section	Penal provisions
1	WACP	32	Emergency measures in case of pollution of stream or well.
		33	To make application to courts for restraining apprehended pollution of water in streams or wells.
		33A	Power to direct: (a) the closure, prohibition or regulation of any industry, operation or process; or (b) the stoppage or regulation of supply of electricity, water or any other service.
		41	Penalties and procedure for Failure to comply with directions under sub-section (2) or sub-section (3) of section 20, or orders issued under clause (c) of sub-section (1) of section 32 or directions issued under sub-section (2) of section 33 or section 33A.
		42	Penalty for certain acts.
		43	Penalty for contravention of provisions of section 24.
		44	Penalty for contravention of section 25 or section 26.
		45	Enhanced penalty after previous conviction.
		45A	Penalty for contravention of certain provisions of the Act.
		46	Publication of names of offenders.
		47	Offences by companies.
		48	Offences by Government Departments.
		22A	Power of Board to make application to court for restraining person from causing air pollution.
		31A	Power to direct: (a) the closure, prohibition or regulation of any industry, operation or process; or (b) the stoppage or regulation of supply of electricity, water or any other service.
2	APCP		

Sl.no.	Act	Section	Penal provisions
4		37	Failure to comply with the provisions of section 21 or section 22 or with the directions issued under section 31A.
		38	Penalties for certain acts
		39	Penalty for contravention of certain provisions of the Act.
		40	Offences by companies.
		41	Offences by Government Departments.
	EP	5	Power to direct (a) the closure, prohibition or regulation of any industry, operation or process; or (b) stoppage or regulation of the supply of electricity or water or any other service.
		15	Penalty for contravention of the provisions of the act and the rules, orders and directions.
		16	Offences by companies.
		17	Offences by government departments.

**Appendix – 30**  
**Leasing of land without consulting the Finance Department**  
**(Paragraph 2.2.2.3)**

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Land/ Building/Both	Date of agreement	Period of agreement
1	NGV Koramangala, M Rajendra Babu, No1289, 13th Cross, Indiranagar,2nd Stage, Bengaluru-38 Petrol Bunk	NGV Koramangala,	1050 Sqmt	NGV Koramangala, M Rajendra Babu, No1289, 13th Cross, Indiranagar,2nd Stage, Bengaluru-38 Petrol Bunk	Land	19.09.1994	20 years
2	NGV, Koramangla Petrol Bunk Smt. Indu Muddappa, No:18 B, Judiciary Block Layout, Sanjay Nagar, Bengaluru	NGV Koramangala,	3040.63 Sqmt	NGV, Koramangla Petrol Bunk Smt. Indu Muddappa, No:18 B, Judiciary Block Layout, Sanjay Nagar, Bengaluru	Land	09.11.1998	30 years
3	Bangalore City Civil Cout, Vehicle Parking, Shri. Masti Gowda	Bengaluru City Civil Cout,	16000 Sqmt	Bengaluru City Civil Cout, Vehicle Parking, Shri. Masti Gowda	Land	01.02.2018	2 years
4	Managing Director, Karnataka State Cooperative Consumers Federation Ltd, No:4, Pampa Mahakavi Road, Chamrajpete, Bengaluru-560018	Chamrajpete, Bengaluru	15795 Sqft	Managing Director, Karnataka State Cooperative Consumers Federation Ltd, No:4, Pampa Mahakavi Road, Chamrajpete, Bengaluru-560018	Land	22.11.1968	30 years
5	Indian Oil Corporation, Mysore Bank Circle, palace Road, Bengaluru, Main Division Director, No:20, Indian Oil Bavana, P Kaliga Road (Mission Road) Bengaluru-560027	(Mission Road) Bengaluru- 560027	334.42 Sqmt	Indian Oil Corporation, Mysore Bank Circle, palace Road, Bengaluru, Main Division Director, No:20, Indian Oil Bavana, P Kaliga Road (Mission Road) Bengaluru-560027	Land	Agreement not provided	Agreement not provided

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Land/ Building/Both	Date of agreement	Period of agreement
6	Flat No 20, Sector 30-A, Vasvi, Navi Mumbai, Mysore Sales International Limited	Flat No 20, Sector 30-A, Vasvi, Navi Mumbai, Mysore Sales International Limited	2520.00 Sqmt	Flat No 20, Sector 30-A, Vasvi, Navi Mumbai, Mysore Sales International Limited	Land	01.10.2008	30 years
7	Karnataka State Cricket Association	No. 124, Shantala Nagar, Cubbon Road, Bengaluru	17 Acre 11 Gunta	Karnataka State Cricket Association	Land	07.07.1969	99 years
8	Bangalore Golf Club	Sankey Road, Bengaluru	59 Acre 18 Gunta	Bangalore Golf Club	Land	16.05.2023	30 years
9	Bangalore Turf Club	52, Racecourse road, Bengaluru-560001	73 Acre 34.99 Gunta	Bangalore Turf Club	Land	Supplementary agreement 25/07/2008	20 years
10	Brick plant at Medahalli	Medahalli, Hosakote Taluk, Bengaluru Rural District	9 Acre 5 Gunta	Sri. Dhanraj Thalmpali	Land	05.10.2005	25 years
11	City Survey No.8, BEP premises, Rajajinagar 1st block	BEP premises, Rajajinagar 1st block	4180 Sqmt	KSCC	Land	09.08.2014(G.O.)	10 years
12	City Survey No.8, BEP premises, Rajajinagar 1st block	BEP premises, Rajajinagar 1st block	2955 Sqmt	KRDCL	Land	11.12.2014	30 years
13	Site (Survey No.1, Badepur)	Survey No.1, Badepur	1 Acre 18 Gunta	KSRTC, Kalburgi Super Market, Kalaburagi	Land	12.12.2012	30 years

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Land/ Building/Both	Date of agreement	Period of agreement
14	Site (Survey No.127, Badepur)	Survey No.127, Badepur	14 acre 27 Gunta	MPMC Medical college Kalaburagi	Land	26.07.1968	50 years
15	Site No.161, C.T. Survey No. 2075	Vacant site sheet No.161, C.T. Survey No. 2075 near to railway station	2750 Sqft	Contractor Association, Kalaburagi	Land	20.01.2023	3 years
16	Central Bus station, Belagavi town, B.C. No.316	Survey No.316, Cantonment area, Belagavi	37287 Sqft	Central Bus station, Belagavi town, B.C. No.316	Land	09.01.1967	99 years
17	Mahantesh Nagar near to Belagavi Road, Rs No.1041	Mahantesh Nagar near to Belagavi Road, Rs No.1041	3253.33 Sqft	Jagadeesh M Patil Mahantesh Nagar Belagavi	Land	11.01.2005	20 years
18	Bambaraga taluk, Belagavi R.S. No.100/B	Bambaraga taluk, Belagavi R.S. No.100/B	6 Acre 21 Gunta	President, KLE, Belagavi	Land	28.05.2017	30 years
19	Mysore Race Club Mysuru	Survey No 4 & 74 of Kurabarahalli, Mysore	139.39 Acre	Mysore race club, Mysuru	Land	28.03.1996	20 years (Agreement expired on 31.03.2016)
20	Shri Anjaneya Temple Mysuru	UPOR No S15/3514/2	2000 Sqmt	Uttardimatha	Land	01.09.2022	30 years

**Appendix – 31**  
**Non-execution/Registration of lease deeds (Paragraph 2.2.2.5)**

S.No.	Name of the property	Address	Extent	Name of the lessee	Date of agreement/ Date from which lessee permitted occupy the property.	Period of agreement/ permitted
1.	Sneha Xerox, K R Circle	KR Circle	4.53 Sqmt	Sneha Xerox, K R Circle	25.02.2001	3 years
2.	Raju Beda Stall, K R Circle	KR Circle	9.30 Sqmt	Raju Beda Stall, K R Circle	11.01.1993	3 years
3.	NGV Koramangala, Hopcoms, Bengaluru	NGV Koramangala, Hopcoms, Bengaluru	14.80 Sqmt	NGV Koramangala, Hopcoms, Bengaluru	10.12.2003	2 years
4.	NGV Koramangala, K Ramaiah, No476, 13th Cross, 7th Main, Rajendranagar, 2nd Stage, Koramangala, Bengaluru-47	NGV Koramangala, (Nandini milk parlour)	14.80 Sqmt	NGV Koramangala, K Ramaiah, No476, 13th Cross, 7th Main, Rajendranagar, 2nd Stage, Koramangala, Bengaluru-47	25.07.2007	2 years
5.	NGV Koramangala, M Rajendra Babu, No1289, 13th Cross, Indiranagar, 2nd Stage, Bengaluru-38 Petrol Bunk	NGV Koramangala,	1050 Sqmt	NGV Koramangala, M Rajendra Babu, No1289, 13th Cross, Indiranagar, 2nd Stage, Bengaluru-38 Petrol Bunk	19.09.1994	20 years
6.	NGV, Koramangla Petrol Bunk Smt. Indu Muddappa, No:18 B, Judiciary Block Layout, Sanjaynagar, Bengaluru	NGV Koramangala,	3040.63 Sqmt	NGV, Koramangla Petrol Bunk Smt. Indu Muddappa, No:18 B, Judiciary Block Layout, Sanjaynagar, Bengaluru	09.11.1998	30 years
7.	Karnataka Krishika Samaja, Karnataka Pradesh Krishik Samaj, Samaj, No18, Krishi Bavana, Nrupatunga Road, Bengaluru	Krishi Bavana, Nrupatunga Road, Bengaluru	60258 Sqmt	Karnataka Krishika Samaja, Karnataka Pradesh Krishik Samaj, No18, Krishi Bavana, Nrupatunga Road, Bengaluru	12.04.1966	99 years

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Date of agreement/ Date from which lessee permitted occupy the property.	Period of agreement/ permitted
8.	Bengaluru City Civil Court, Vehicle Parking, Shri. Masti Gowda	Bengaluru City Civil Court,	16000 Sqmt	Bengaluru City Civil Court, Vehicle Parking, Shri. Masti Gowda	01.02.2018	2 years
9.	Managing Director, Karnataka State Cooperative Consumers Federation Ltd, No:4, Pampa Mahakavi Road, Chamrajpete, Bengaluru-560018	Chamrajpete, Bengaluru	15795 Sqft	Managing Director, Karnataka State Cooperative Consumers Federation Ltd, No:4, Pampa Mahakavi Road, Chamrajpete, Bengaluru-560018	22.11.1968	30 years
10.	Indian Oil Cooperation, Mysore Bank Circle, palace Road, Bengaluru, Main Division Director, No:20, Indian Oil Bavana, P Kaliga Road (Mission Road (Mission Road) Bengaluru-560027	(Mission Road) Bengaluru-560027	334.42 Sqmt	Indian Oil Cooperation, Mysore Bank Circle, palace Road, Bengaluru, Main Division Director, No:20, Indian Oil Bavana, P Kaliga Road (Mission Road) Bengaluru-560027	Agreement not produced	Agreement not produced
11.	Flat No 20, Sector 30-A, Vasvi, Navi Mumbai, Mysore Sales International Limited	Flat No 20, Sector 30-A, Vasvi, Navi Mumbai, Mysore Sales International Limited	2520.00 Sqmt	Flat No 20, Sector 30-A, Vasvi, Navi Mumbai, Mysore Sales International Limited	01.10.2008	30 years
12.	Wilson Garden Annapoorneshawari Store	Wilson Garden Annapoorneshawari Store	144.00 Sqft	Wilson Garden Annapoorneshawari Store	22.09.2014	3 years
13.	Wilson Garden Provision Store	Wilson Garden Provision Store	144.00 Sqft	Wilson Garden Provision Store	22.09.2014	3 years
14.	Wilson Garden Fish Shop	Wilson Garden Fish Shop	9.29 Sqmt	Wilson Garden Fish Shop	09.06.2015	10 years
15.	Karnataka State Government Employees Association, Cubbon	KR Circle	9600 Sqft	KR Circle	08.08.2021	30 years



Sl.no.	Name of the property	Address	Extent	Name of the lessee	Date of agreement/ Date from which lessee permitted occupy the property.	Period of agreement/ permitted
	Park, Bengaluru					
16.	City Survey No.8, BEP premises, Rajajinagar 1st block	BEP premises, Rajajinagar 1st block	4180 Sqmt	KSCC	09.08.2014 Government Order (G.O.) granting the lease.	10 years
17.	Building (34 D Quarters)	Jewargi Quarters	222.97 Sqmt	MI Quality Control sub division, Kalaburagi	30.12.2020	3 years
18.	Building (36 D Quarters)	Jewargi Quarters	222.97 Sqmt	MI Quality Control sub division, Kalaburagi	30.12.2020	3 years
19.	Building (13 D Quarters)	Rajapur Survey No. 84	144.71 Sqmt	Deputy Registrar, Co-operative Society, Kalaburagi	26.05.2020	3 years
20.	Building (14 D Quarters)	Rajapur Survey No. 84	144.71 Sqmt	Deputy Registrar, Co-operative Society, Kalaburagi	26.05.2020	3 years
21.	Building (19 D Quarters)	Rajapur Survey No. 84	144.71 Sqmt	Deputy Registrar, Co-operative Society, Kalaburagi	26.05.2020	3 years
22.	Building (21 D Quarters)	Rajapur Survey No. 84	144.71 Sqmt	Deputy Registrar, Co-operative Society, Kalaburagi	26.05.2020	3 years
23.	Building (17 D Quarters)	Rajapur Survey No. 84	144.71 Sqmt	District Office, District minority welfare department, Kalburgi	26.05.2020	3 years
24.	Building (12 D Quarters)	Rajapur Survey No. 84	144.71 Sqmt	Superintendent of Police, Internal Security division, Northwest East, Kalaburagi	26.05.2020	3 years
25.	Building (18 D Quarters)	Rajapur Survey No. 84	144.71 Sqmt	Superintendent of Police, Internal Security division, Northwest East, Kalaburagi	26.05.2020	3 years
26.	Building (89 D Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	536.8 Sqmt	Circle Inspector Station Bazar Police Station Kalaburagi office	10.12.2020	3 years

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Date of agreement/ Date from which lessee permitted occupy the property.	Period of agreement/ permitted
27.	Building (90 D Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	536.8 Sqmt	Zonal office-1, City Corporation, Kalaburagi	10.12.2020	3 years
28.	Building (71 E Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	1012.5 Sqmt	Superintendent of Police Anti- Corruption Bureau Kalaburagi	10.12.2019	3 years
29.	Building (106 D Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	536.8 Sqmt	Health and Family Welfare Department, Karnataka.	10.12.2020	Not Available
30.	Building (110 D Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	536.8 Sqmt	Office of the Health and family department	10.12.2020	Not Available
31.	Building (108 D Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	536.8 Sqmt	Electric Subdivision, Kalaburagi	10.12.2020	Not Available
32.	Building (E-1 Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	1012.5 Sqmt	GESCOM M. D	10.12.2020	Not Available
33.	Building (E-2 Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	1012.5 Sqmt	GESCOM	10.12.2020	Not Available
34.	Building (A-3 & D-3 Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	144.71 Sqmt	Executive Engineer, K.R.D.C.L., Kalburgi	26.05.2020	3 years
35.	Site (Survey No.127, Badepur)	Survey No.127, Badepur	14 acre 27 Gunta	MRMC Medical college Kalaburagi	26.07.1968	50 years
36.	Building (Suvery No 28 & 29 Daddapur)	Survey No. 28 & 29 Daddapur	2285.1 Sqmt	Mahila Seva Samaj Education Organization (Women Hostel Kalaburagi)	06.04.1970	30 years

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Date of agreement/ Date from which lessee permitted occupy the property.	Period of agreement/ permitted
37.	Building (1st floor, PWD Administrative Section, Near to Public Garden)	1st floor, PWD Administrative Section, Near to Public Garden	185.8 Sqmt	Karnataka Renewable Energy limited, Kalaburagi	01.03.2021	3 years
38.	Building (PWD Office, Near to Public Garden)	PWD Office, Near to Public Garden	577.85 Sqmt	Joint Commissioner for Transport Kalaburagi	01.05.2022	2 years
39.	Building (Old Accounts Section, First floor, extent 165.25 Sqmt, at PWD office premise)	Old Accounts Section, First floor, extent 165.25 Sqmt, at PWD office premise	165.25 Sqmt	Recreation Club, Kalaburagi	10.01.2023	3 years
40.	Site (Vacant site sheet No.161, C.T. Survey No. 2075 near to railway station.)	Vacant site sheet No.161, C.T. Survey No. 2075 near to railway station	255.48 Sqmt	Contractor Association	20.01.2023	3 years
41.	Building (Office of the AEE, PWD, near Public Garden)	Office of the AEE, PWD, near Public Garden	759.12 Sqmt	Office of the Asst. Executive Engineer, CMO&M Sub Div, Kalaburagi	07.03.2023	3 years
42.	Building (20 D Quarters)	Rajapur survey No. 84	144.71 Sqmt	Karnataka State Archives Department, Rajapura, Kalaburagi	30.03.2023	3 years
43.	Central Bus station, Belagavi town, B.C. No.316	Survey No.316, Cantonment area, Belagavi	37287 Sqft	Central Bus station, Belagavi town, B.C. No.316	09.01.1967	99 years
44.	Mahantesh Nagar near to Belagavi Road, Rs No.1041	Mahantesh Nagar near to Belagavi Road, Rs No.1041	3253.33 Sqft	Jagadeesh M Patil Mahantesh Nagar Belagavi	11.01.2005	20 years
45.	Bambaraga taluk, Belagavi R.S. No.100/B	Bambaraga taluk, Belagavi R.S.	6 Acre 21 Gunta	President, KLE, Belagavi	28.05.2017	30 years

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Date of agreement/ Date from which lessee permitted occupy the property.	Period of agreement/ permitted
		No.100/B				
46.	1371	Vishweshwaraiah Nagar, Belagavi	9.765 Sqmt	Archana Baburao Shinge, Vishweshwara Nagar	09.07.2010	10 years
47.	1371	Vishweshwaraiah Nagar, Belagavi	27.87 Sqmt	Lalitha Vasantha Murao, Vishweshwara Nagara	09.07.2010	10 years
48.	1371	Vishweshwaraiah Nagar, Belagavi	27.87 Sqmt	Baburoa Lande, Vishweshwara Nagar	07.07.2020	5 years
49.	1371	Vishweshwaraiah Nagar, Belagavi	27.87 Sqmt	D H Janedi, Vishweshwara nagar	07.07.2020	5 years
50.	1371	Vishweshwaraiah Nagar, Belagavi	13.95 Sqmt	Santhosh P Simpi, Vishweshwarayya Nagara	07.07.2020	5 years
51.	1371	Vishweshwaraiah Nagar, Belagavi	14.57 Sqmt	C M Hiremat, Vishweshwarayya Nagar	07.07.2020	5 years
52.	1371	Vishweshwaraiah Nagar, Belagavi	29.46 Sqmt	Anand P Shinde, Vishweshwarayya Nagar	07.07.2020	5 years
53.	316	Compound of Forest Department near to Keerti hotel	29.86 Sqmt	M N Bagalakota, Compound of Forest Department near to Keerti hotel	07.07.2020	5 years
54.	316	Compound of Forest Department near to Keerti hotel	43.35 Sqmt	L N Mohite	07.07.2020	5 years
55.	316	Compound of Forest Department near to Keerti hotel	44.90 Sqmt	R G Kanagoudar	09.02.2010	Not Available
56.	1814	Near to Shahapur Dock Bangalow	8.1 Sqmt	R J Madulkar	07.07.2020	5 years
57.	1814	Near to Shahapur Dock Bangalow	20.21 Sqmt	P A Nayak	07.07.2020	5 years

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Date of agreement/ Date from which lessee permitted occupy the property.	Period of agreement/ permitted
58.	1814	Near to Shahapur Dock Bangalow	13.95 Sqmt	Balakrishna Shetty	01.04.2017	3 years
59.	1814	Near to Shahapur Dock Bangalow	4.47 Sqmt	Dayanand Gangaram Kadam	10.22.2012	5 years
60.	Premises rented to Postmaster, Saraswathipuram Post Office Mysuru	Premises rented to Postmaster, Saraswathipuram Post Office Mysuru	No Information provided/available by/with the department.			
61.	Office of the Senior Postmaster, Head Post Office, Mysuru	Office of the Senior Postmaster, Head Post Office, Mysuru				
62.	Zee Collection, #2 Hamilton Building, Ashoka Road, Mysuru	Zee Collection, #2 Hamilton Building, Ashoka Road, Mysuru				
63.	Sheetal Fashions, Hamilton Building, Ashoka Road, Mysuru	Sheetal Fashions, Hamilton Building, Ashoka Road, Mysuru				
64.	Arihant Infotech, Shop No -3, Hamilton Building, Ashoka Road, Mysuru	Arihant Infotech, Shop No -3, Hamilton Building, Ashoka Road, Mysuru				

## Appendix – 32-A

## Non-renewal of expired lease agreements

## (Paragraph 2.2.3)

Sl.no.	Name of the property	Address	Extent/ Area	Name of the lessee	Date of Agreement/Grant of lease	Period of agreement
1.	Sneha xerox , K R Circle	KR Circle	4.53 Sqmt	Sneha xerox , K R Circle	25.02.2001	3 Years
2.	Raju Beda Stall, K R Circle	KR Circle	9.30 Sqmt	Raju Beda Stall, K R Circle	11.01.1993	3 Years
3.	Shop No:1, Jeevanbhimananagar,	J B NAGAR	7.36 Sqmt	Shop No:1, Jeevanbhimananagar, Shri. Nanjunda, No1582, 12th Main Road, 6th Cross, HAL 3rd Stage, Indiranagar, Bengaluru	18.03.2013	17.03.2015 (2 years)
4.	Shop No:2, Jeevanbhimananagar,	J B NAGAR	7.36 Sqmt	Smt. V Ramani, No.350/B, Jeevanbhimananagar, Bengaluru	01.07.2008	30.06.2010 (2 years)
5.	Shop No:3, Jeevanbhimananagar,	J B NAGAR	7.36 Sqmt	Managing Director, Horticulture Department, Lalbagh Nursery, Bengaluru	1.10.1994	2 years
6.	Shop No:4, Jeevanbhimananagar,	J B NAGAR	7.36 Sqmt	Shop No:4, Jeevanbhimananagar, K Vijaykumar, No.350/B, 6th Main Road, Anandpuram, New Thipasandra, Bengaluru-75	01.10.2008	2 Years
7.	Shop No:5, Jeevanbhimananagar,	J B NAGAR	21.81 Sqmt	Shop No:5, Jeevanbhimananagar, Shri. Dr. K Ravishankar Adiga, Commerical Complex, Bengaluru-75	01.08.2005	2 years

Sl.no.	Name of the property	Address	Extent/ Area	Name of the lessee	Date of Agreement/Grant of lease	Period of agreement
8.	Shop No:6, Jeevanbhimanagar,	J B NAGAR	9.42 Sqmt	Shop No:6, Jeevanbhimanagar, Smt.Loli Thomas, No26, 13th Cross, Jagadeesh Nagar, Bengaluru-75	01.01.2008	2 years
9.	Shop No:7, Jeevanbhimanagar, Shri Venkataram/ S.Venugopal, No31,'D' Block, KPWD Quarters Bengaluru-75	J B NAGAR	13.20 Sqmt	Shop No:7, Jeevanbhimanagar, Shri Venkataram/ S.Venugopal, No31,'D' Block, KPWD Quarters Bengaluru-75	03.01.2013	2 years
10.	Shop No:8A, Jeevanbhimanagar, Shri S. Simon No:176/1, 6th Main, Anjeneya Temple Road, Maleshpalya, N.T.Post, Bengaluru-75	J B NAGAR	9.42 Sqmt	Shop No:8A, Jeevanbhimanagar, Shri S. Simon No:176/1, 6th Main, Anjeneya Temple Road, Maleshpalya, N.T.Post, Bengaluru-75	02.01.2013	2 years
11.	Shop No:8B Jeevanbhimanagar, Smt. I Kolila, No.509 B, Amma Reddy Colony, Jeevanbhimanagar, Bengaluru-75	J B NAGAR	9.42 Sqmt	Shop No:8B Jeevanbhimanagar, Smt. I Kolila, No.509 B, Amma Reddy Colony, Jeevanbhimanagar, Bengaluru- 75	01.01.2008	2 years
12.	Shop No:09 Jeevanbhimanagar, Shri. Kaleem Mulla, M/s K M Fancy Center, Shopping Complex, Jeevanbhimanagar, Bengaluru-75	J B NAGAR	7.41 Sqmt	Shop No:09 Jeevanbhimanagar, Shri. Kaleem Mulla, M/s K M Fancy Center, Shopping Complex, Jeevanbhimanagar, Bengaluru- 75	02.08.2008	2 years

Sl.no.	Name of the property	Address	Extent/ Area	Name of the lessee	Date of Agreement/Grant of lease	Period of agreement
13.	Shop No:10 Jeevanbhimannagar, Shri. Kaleem Mulla, M/s K M Fancy Center, Shopping Complex, Jeevanbhimannagar, Bengaluru-75	J B NAGAR	7.36 Sqmt	Shop No:10 Jeevanbhimannagar, Shri. Kaleem Mulla, M/s K M Fancy Center, Shopping Complex, Jeevanbhimannagar, Bengaluru- 75	Not Available	Not Available
14.	Shop No:11 Jeevanbhimannagar, K Ayyappa Swamy, 1st Cross, C-16, Sriramnagar, HAL Post Jeevanbhimannagar, Bengaluru-75	J B NAGAR	9.42 Sqmt	Shop No:11 Jeevanbhimannagar, K Ayyappa Swamy, 1st Cross, C-16, Sriramnagar, HAL Post Jeevanbhimannagar, Bengaluru-75	01.01.2009	2 years
15.	Shop No:12 Jeevanbhimannagar, Chief Manager, SBI, Jeevanbhimannagar, Bengaluru-75	J B NAGAR	552.30 Sqmt	Shop No:12 Jeevanbhimannagar, Chief Manager, SBI, Jeevanbhimannagar, Bengaluru-75	07.01.2012	2 years
16.	Shop No:13 Jeevanbhimannagar, Deputy Director, Central Library Jayanagar, Bengaluru	J B NAGAR	87.85 Sqmt	Shop No:13 Jeevanbhimannagar, Deputy Director, Central library Jayanagar, Bengaluru	09.12.1982	2 years
17.	Shop No:14 Jeevanbhimannagar, Managing Director, Karnataka State Cooperative Fisher's Ltd, No.37/B, 1st Stage, Industrial Area, Mysuru-08	J B NAGAR	9.29 Sqmt	Shop No:14 Jeevanbhimannagar, Managing Director, Karnataka State Cooperative Fisher's Ltd, No.37/B, 1st Stage, Industrial Area, Mysuru-08	09.06.2015	2 years



Sl.no.	Name of the property	Address	Extent/ Area	Name of the lessee	Date of Agreement/Grant of lease	Period of agreement
18.	NGV Kormangala, Hopcoms, Bengaluru	NGV Kormangala, Hopcoms, Bengaluru	14.80 Sqmt	NGV Kormangala, Hopcoms, Bengaluru	10.12.2003	2 years
19.	NGV Kormangala, K Ramaiah, No476, 13th Cross, 7th Main, Rajendranagar, 2nd Stage, Kormangala, Bengaluru-47	NGV Kormangala, (Nandini milk parlour)	14.80 Sqmt	NGV Kormangala, K Ramaiah, No476, 13th Cross, 7th Main, Rajendranagar, 2nd Stage, Kormangala, Bengaluru-47	25.07.2007	2 years
20.	NGV Kormangala, M Rajendra Babu, No1289, 13th Cross, Indiranagar, 2nd Stage, Bengaluru-38 Petrol Bunk	NGV Kormangala,	1050 Sqmt	NGV Kormangala, M Rajendra Babu, No1289, 13th Cross, Indiranagar, 2nd Stage, Bengaluru-38 Petrol Bunk	19.09.1994	20 years
21.	Bangalore City Civil Court, Vehicle Parking, Shri. Masti Gowda	Bengaluru City Civil Court,	16000 Sqmt	Bangalore City Civil Court, Vehicle Parking, Shri. Masti Gowda	01.02.2018	2 years
22.	Managing Director, Karnataka State Cooperative consumers Federation Ltd, No:4, Pampa Mahakavi Road, Chamrajpete, Bengaluru-560018	Chamrajpete, Bengaluru	3244.35	Managing Director, Karnataka State Cooperative consumers Federation Ltd, No:4, Pampa Mahakavi Road, Chamrajpete, Bengaluru-560018	22.11.1968	30 years
23.	Indian Oil Corporation, Mysore Bank Circle, palace Road, Bengaluru, Main Division Director, No:20, Indian Oil Bavana, P Kaliga Road (Mission Road) Bengaluru-560027	(Mission Road) Bengaluru-560027	334.42 Sqmt	Indian Oil Corporation, Mysore Bank Circle, palace Road, Bengaluru, Main Division Director, No:20, Indian Oil Bavana, P Kaliga Road (Mission Road) Bengaluru-560027	Agreement not produced	Agreement not produced

Sl.no.	Name of the property	Address	Extent/ Area	Name of the lessee	Date of Agreement/Grant of lease	Period of agreement
24.	Wilson Garden Annapoorneshawari Store	Wilson Garden Annapoorneshawari Store	144.00 Sqft	Wilson Garden Annapoorneshawari Store	22.09.2014	3 yearss
25.	Wilson Garden Provision Store	Wilson Garden Provision Store	144.00 Sqft	Wilson Garden Provision Store	22.09.2014	3 yearss
26.	Bangalore Turf Club	52, Race Course road, Bengaluru-560001	73 Acres 34.99 Guntas	Bangalore Turf Club	21/12/1983 (Supplementary 25/07/2008, applicable upto Dec 2009)	20 Years
27.	Bhoomika interiors & Exteriors Ltd	Race Course Road Bengaluru	193.28 Sqmt	Bhoomika interiors & Exteriors Ltd	26.02.2004	25 years
28.	Building (106 D Qrts)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	536.8 Sqmt	Health and Family Welfare Department, Karnataka.	10-12-2020	Not Available
29.	Building (110 D Qrts)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	536.8 Sqmt	Office of the Health and family department	10-12-2020	Not Available
30.	Building (108 D Qrts)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	536.8 Sqmt	Electric Subdivision, Kalaburagi	10-12-2020	Not Available
31.	Building (E-1 Qrts)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	1012.5 Sqmt	GESCOM M. D	10-12-2020	Not Available
32.	Building (E-2 Qrts)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	1012.5 Sqmt	GESCOM	10-12-2020	Not Available
33.	Site (Survey No.127, Badepur)	Suvery No.127, Badepur, Kalaburagi	14 acre 27 Gunta	MVMC Medical college Kalaburagi	26.07.1968	50 years
34.	Building (Suvery No 28 & 29 Daddapur)	Survey No. 28 & 29 Daddapur, Kalaburagi	2575.27 Sqmt	Mahila Seva Samaj Education Organizataion (Women Hostel Kalaburagi)	06.04.1970	30years

Sl.no.	Name of the property	Address	Extent/ Area	Name of the lessee	Date of Agreement/Grant of lease	Period of agreement
35.	Shop in Survey No. 1371	Vishweshwaraiah Nagar, Belagavi	9.765 Sqmt	Archana Baburao Shinge, Vishweshwara Nagar	09.07.2010	Proposed for renewal
36.	Shop in Survey No. 1371	Vishweshwaraiah Nagar, Belagavi	27.87 Sqmt	Lalitha Vasantha Murao, Vishweshwara Nagara	09.07.2010	Proposed for renewal
37.	Shop in Survey No. 1371	Vishweshwaraiah Nagar, Belagavi	14.57 Sqmt	C M Hiremat, Vishweshwarayya Nagar	07.07.2020	Proposed for renewal
38.	Shop in Survey No. 316	Compound of Forest Department near to Keerti hotel	44.90 Sqmt	R G Kanagoudar	09.02.2010	Proposed for renewal
39.	Shop in Survey No. 1841	Near to Shahapur Dock Bangalow	13.95 Sqmt	Balakrishna Shetty	01.04.2017	3 years
40.	Shop in Survey No. 1814	Near to Shahapur Dock Bangalow	4.47 Sqmt	Dayanand Gangaram Kadam	22.10.2012	5 years
41.	Mysore Race Club Mysore	Survey No 4 & 74 of Kurabarahalli, Mysuru	139.39 Acres	Mysore race club, Mysuru	28.03.1996	Agreement expired on 31.03.2016

## Appendix – 32-B

Leases in respect of which the Divisions did not have any information regarding grant of original lease, renewal, etc.  
(Paragraph 2.2.3)

Sl.no.	Name of the property	Address	Area (In Sqmt)	Name of the Occupants
1	Building (34 D Quarters)	Jewargi Quarters	222.97	MI Quality Control sub division, Kalaburgi
2	Building (36 D Quarters)	Jewargi Quarters	222.97	MI Quality Control sub division, Kalaburgi
3	Building (13 D Quarters)	Rajapur Survey No. 84	144.71	Deputy Registrar, Co-operative Society, Kalaburagi
4	Building (14 D Quarters)	Rajapur Survey No. 84	144.71	Deputy Registrar, Co-operative Society, Kalaburagi
5	Building (19 D Quarters)	Rajapur Survey No. 84	144.71	Deputy Registrar, Co-operative Society, Kalaburagi
6	Building (21 D Quarters)	Rajapur Survey No. 84	144.71	Deputy Registrar, Co-operative Society, Kalaburagi
7	Building (17 D Quarters)	Rajapur Survey No. 84	144.71	District Office, District minority welfare department, Kalburgi
8	Building (12 D Quarters)	Rajapur Survey No. 84	144.71	Superintendent of Police, Internal Security division, Northwest East, Kalaburagi
9	Building (18 D Quarters)	Rajapur Survey No. 84	144.71	Deputy Registrar, Co-operative Society, Kalaburagi
10	Building (89 D Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	536.8	Circle Inspector Station Bazar Police Station Kalaburagi office
11	Building (90 D Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	536.8	Zonal office-1, City Corporation, Kalaburagi
12	Building (71 E Quarters)	Aiwan-A-Shahi Survey No.26, 27,28,29 & 30	1012.5	Superintendent of Police Anti-Corruption Bureau Kalaburagi
13	O/o the Postmaster, Saraswathipuram Post Office Mysuru	NA	NA	Premises rented to Postmaster, Saraswathipuram Post Office Mysuru
14	Office of the Senior Postmaster, Head Post Office, Mysuru	NA	NA	Office of the Senior Postmaster, Head Post Office, Mysuru
15	Zee Collection, #2 Hamilton Building, Ashoka Road, Mysuru	NA	NA	Zee Collection, #2 Hamilton Building, Ashoka Road, Mysuru
16	Sheetal Fashions, Hamilton Building, Ashoka Road, Mysuru	NA	NA	Sheetal Fashions, Hamilton Building, Ashoka Road, Mysuru
17	Arihant Infotech, Shop No -3, Hamilton Building, Ashoka Road, Mysuru	NA	NA	Arihant Infotech, Shop No -3, Hamilton Building, Ashoka Road, Mysuru

## Appendix – 32-C

### Un-authorised Khatha transfer obtained by the lessees in their favour (Paragraph 2.2.3)

Sl.no.	Name of the property	Extent of land (in Sqmt or acres)	Guidance Value (₹)	Value of the land (₹ in crore)
1	KSCARD, Bengaluru	1467.4 Sqmt	91000 per Sqmt	13.35
2	KLE, Belagavi	6.5 Acre	1400000 per Acre	0.91
3	KSCC, Bengaluru	4180 Sqmt	150000 per Sqmt	62.70
4	KSCA, Bengaluru	69909.44 Sqmt	186000 per Sqmt	1300.31
5	MRC, Mysuru	139.39 Acre	13000000 per Acre	182.00
	<b>Total</b>			<b>1,559.27</b>

**Appendix - 33**  
**Leasing at concessional rent to private parties and institutions**  
**(Paragraph 2.2.4)**

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Land/ Both	Building/ of	Date agreement	Period of agreement
1	Temporary Canteen, K R Circle	KR Circle, Bengaluru	9.29 Sqmt	Temporary Nigamma Canteen, K R Circle	Land		31.02.2019	5 years
2	Sneha Xerox, K R Circle	KR Circle, Bengaluru	4.53 Sqmt	Sneha Xerox, K R Circle	Land		25.02.2001	5 years
3	Raju Beda Stall, K R Circle	KR Circle, Bengaluru	9.30 Sqmt	Raju Beda Stall, K R Circle	Land		Not Available	Not Available
4	Nandini Milk Parlor, K R Circle	KR Circle, Bengaluru	9.29 Sqmt	Nandini Milk Parlor, K R Circle	Land		18.06.2020	5 years
5	NGV Koramangala, Hopcoms, Bengaluru	NGV Koramangala, Hopcoms, Bengaluru	14.80 Sqmt	NGV Koramangala, Hopcoms, Bengaluru	Land		10.12.2003	2 years
6	NGV Koramangala, K Ramaiah, No476, 13th Cross, 7th Main, Rajendra Nagar, 2nd Stage, Koramangala, Bengaluru-47	NGV Koramangala, (Nandini milk parlour), Bengaluru	14.80 Sqmt	NGV Koramangala, K Ramaiah, No476, 13th Cross, 7th Main, Rajendra Nagar, 2nd Stage, Koramangala, Bengaluru-47	Land		25.07.2007	2 years
7	NGV Koramangala, M Rajendra Babu, No 1289, 13th Cross, Indiranagar, 2nd Stage, Bengaluru-38 Petrol Bunk	NGV Koramangala, Bengaluru	3040.63 Sqmt	NGV Koramangala, M Rajendra Babu, No 1289, 13th Cross, Indiranagar, 2nd Stage, Bengaluru-38 Petrol Bunk	Land		19.09.1994	20 years
8	NGV, Koramangla Petrol Bunk Smt. Indu Muddappa, No:18 B, Judiciary Block Layout, Sanjaynagar, Bengaluru	NGV Koramangala, Bengaluru	3040.63 Sqmt	NGV, Koramangla Petrol Bunk Smt. Indu Muddappa, No:18 B, Judiciary Block Layout, Sanjaynagar, Bengaluru	Land		09.11.1998	30 years

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Land/ Both	Building/ Both	Date of agreement	Period of agreement
9	Karnataka Samaja, Karnataka Pradesh Krishik Samaj, No18, Krishik Bavana, Nrupatunga Road, Bengaluru	Krishik Bavana, Nrupatunga Road, Bengaluru	60258.00 Sqmt	Karnataka Krishika Samaja, Karnataka Pradesh Krishik Samaj, No18, Krishik Bavana, Nrupatunga Road, Bengaluru	Land		12.04.1966	99 years
10	Bengaluru City Civil Court, Vehicle Parking, Shri. Masti Gowda	Bengaluru City Civil Court,	28328 Sqmt	Bengaluru City Civil Court, Vehicle Parking, Shri. Masti Gowda	Land		01.02.2018	2 years
11	Managing Director, Karnataka State Cooperative Consumers Federation Ltd, No:4, Pampa Mahakavi Road, Chamrajpete, Bengaluru-560018	Chamrajpete, Bengaluru	15795 Sqft	Managing Director, Karnataka State Cooperative Consumers Federation Ltd, No:4, Pampa Mahakavi Road, Chamrajpete, Bengaluru-560018	Land		22.11.1968	30 years
12	Indian Oil Cooperation, Mysuru Bank Circle, palace Road, Bengaluru, Main Division Director, No:20, Indian Oil Bavana, P Kaliga Road (Mission Road) Bengaluru-560027	(Mission Road) Bengaluru-560027	399.48 Sqmt	Indian Oil Cooperation, Mysuru Bank Circle, palace Road, Bengaluru, Main Division Director, No:20, Indian Oil Bavana, P Kaliga Road (Mission Road) Bengaluru-560027	Land		Not Available	Not Available
13	Flat No 20, Sector 30-A, Vasvi, Navi Mumbai, Mysuru Sales International Limited	Flat No 20, Sector 30-A, Vasvi, Navi Mumbai, Mysuru Sales International Limited	2520.00 Sqmt	Flat No 20, Sector 30-A, Vasvi, Navi Mumbai, Mysuru Sales International Limited	Land		01.10.2008	30 years
14	Karnataka State Cricket Association	No. 124, Shantala Nagar, Cubbon Road, Bengaluru	17 Acre 11 Gunta	Karnataka State Cricket Association	Land		07.07.1969	99 years
15	Bangalore Golf Club	Sankey Road, Bengaluru	59 Acre 18 Gunta	Bangalore Golf Club	Land		16.05.2023	30 years

Sl.no.	Name of the property	Address	Extent	Name of the lessee	Land/ Both	Building/ Both	Date of agreement	Period of agreement
16	Bangalore Turf Club	52, Racecourse Road, Bengaluru-560001	73 Acre 34.99 Gunta	Bangalore Turf Club	Land		21.12.1983 Supplementary 25.07.2008	20 years
17	The Institute of Engineers (India)	No. 3, Dr. BR Ambedkar road, Bengaluru	3300 Sq. yard	The Institute of Engineers (India)	Land		06.08.1990	30 years
18	The Ladies club	No. 1, Infantry Road, Bengaluru.	1697.79 Sqmt	The Ladies club	Land		15.06.1968	50 years
19	Bhoomika interiors & Exteriors Ltd, Bengaluru	Racecourse Road Bengaluru	193.28 Sqmt	Bhoomika interiors & Exteriors Ltd	Land		26.02.2004	25 years
20	Brick plant at Medahalli, Bengaluru	Medahalli, Hosakote Taluk, Bengaluru Rural District	9 Acre 5 Gunta	Sri. Dhanraj Thalimpali	Land		05.10.2005	25 years
21	City Survey No.8, BEP premises, Rajajinagar 1st block, Bengaluru	BEP premises, Rajajinagar 1st block, Bengaluru	4180 Sqmt	KSCC	Land		09.08.2014	10 years
22	City Survey No.8, BEP premises, Rajajinagar 1st block	BEP premises, Rajajinagar 1st block, Bengaluru	2955 Sqmt	KRDCL	Land		11-12-2014	30 years
23	Mysore Race Club Mysuru	Survey No 4 & 74 of Kurabarahalli, Mysuru	139.39 Acre	Mysore race club, Mysuru	Land		28.03.1996	20 years (Agreement expired on 31.03.2016). The lease was extended from 2016 for further period of 30 years by a GO dated 17.01.2020.
24	Shri Anjaneya Temple Mysuru	UPOR No S15/3514/2	2000 Sqmt	Uttardimatha	Land		01.09.2022	30 years



## Appendix-34

## Short collection of lease rent from M/s Bhoomika Interior and Exterior Decorators

## (Paragraph 2.2.4.1)

Start date	End date	Guideline value per Sqft (in ₹)	Area in Sqft	Annual value (₹ in crore)	Add 40% for commercial purposes (₹ in crore)	Total annual value (₹ in crore)	Annual Rent @ 7% (₹ in lakh)	Monthly Rent (₹ in lakh)	Duration (No. of months)	Rental due as per GMV (₹ in lakh)	Rent collected (in ₹)	Short collection of Rent (₹ in lakh)
As per para-No. 7.2.8.2 of CAG Report 2008-09 Nontax receipts												20.00
01.04.2008	25.12.2010	5000	2079.69	1.04	0.42	1.46	10.19	0.85	22	18.68	33000	18.35
26.12.2010	25.12.2013	5000	2079.69	1.04	0.42	1.46	10.19	0.85	36	30.57	54000	30.03
26.12.2013	25.12.2016	12600	2079.69	2.62	1.05	3.67	25.68	2.14	36	77.04	54000	76.50
26.12.2016	25.12.2019	18018	2079.69	3.75	1.50	5.25	36.72	3.06	36	110.17	54000	109.63
26.12.2019	25.12.2022	21291	2079.69	4.43	1.77	6.20	43.39	3.62	36	130.18	54000	129.64
26.12.2022	31.12.2023	21291	2079.69	4.43	1.77	6.20	43.39	3.62	22	79.55	19500	79.22
										Total short collection of rent for the period from April 2008 to December 2023	268500	443.37
										Grand total – Short collection of rent for the entire lease period till December 2023		463.37

**Appendix – 35**  
**Outstanding lease rent of JB Nagar Shopping Complex**  
**(Paragraph 2.2.5.1)**

Shop No.	Name of the lessee, Extent as per agreement (in Sqmt), lease period	Date of Agreement	Date of eviction	Rent fixed (in ₹)	Date of expiry of lease	Start date	End date	GMV/ Sqmt (in ₹)	Lease Rent @ 7% of GMV due (in ₹)	Total Rent Due (in ₹)	Total Rent paid (in ₹)	Short collection of Rent (in ₹)
1	Sh. Nanjunda 21 Sqmt 2 years	20.03.2013	21.01.2023	3500	19.05.2015	20.05.2015	31.03.2016	70000	55109	48374		
				3500		01.04.2016	31.12.2018	77000	59856	166935		
				3500		01.01.2019	21.01.2023	84700	65640	269853		
									<b>Total</b>	<b>485161</b>	<b>204109</b>	<b>281052</b>
2	Shri. Ramani 7.4 Sqmt 2 years	01.07.2008	21.01.2023	2000	30.06.2010	01.07.2010	25.09.2011	32280	25040	31370		
						26.09.2011	11.08.2013	41964	33252	63179		
						12.08.2013	12.11.2014	64560	49882	63322		
						13.11.2014	31.03.2016	70000	55034	77048		
						01.04.2016	31.03.2017	77000	59791	60456		
						01.04.2017	31.12.2018	77000	59791	106130		
						01.01.2019	21.01.2023	84700	65568	269741		
										<b>671247</b>	<b>46600</b>	<b>624647</b>
3	MD HOPCOMS 7.4 Sqmt 2 years	01.10.1994	21.01.2023	200	30.09.1996	03.12.1998	13.10.2005	16144	12653	88044		
						14.10.2005	18.04.2007	17759	14583	22316		
						19.04.2007	31.07.2010	32288	25140	83732		
						01.08.2010	25.09.2011	32288	25074	29253		
						26.09.2011	11.08.2013	41975	33297	63357	<b>28373</b>	<b>835668</b>

Shop No.	Name of the lessee, Extent as per agreement (in Sqmt), lease period	Date of Agreement	Date of eviction	Rent fixed (in ₹)	Date of expiry of lease	Start date	End date	GMV/ Sqmt (in ₹)	Lease Rent @ 7% of GMV due (in ₹)	Total Rent Due (in ₹)	Total Rent paid (in ₹)	Short collection of Rent (in ₹)
						12.08.2013	12.11.2014	64577	49949	63407		
						13.11.2014	31.03.2016	70000	55094	77132		
						01.04.2016	31.03.2017	77000	59856	60522		
						01.04.2017	31.12.2018	77000	59856	106245		
						01.01.2019	01-01-2023	84700	65640	270035		
										<b>864042</b>		
4	Vijayakumar 7.4 Sqmt 2 years	01.10.2008	21.01.2023	2000	30.09.2010	01.10.2010	25.09.2011	32288	25857	25785		
						26.09.2011	11.08.2013	41975	34626	92624		
						12.08.2013	12.11.2014	64577	51425	65282		
						13.11.2014	31.03.2016	70000	57119	79966		
						01.04.2016	31.03.2017	77000	61751	62437		
						01.04.2017	31.12.2018	77000	61751	109608		
						01.01.2019	21.01.2023	84700	65640	270035		
										<b>705736</b>	<b>42467</b>	<b>663270</b>
5	Shri. K. Ravi Shankar Adiga 9.42 Sqmt 2 years	01.01.2005	21.01.2023	945	31.07.2007	01.08.2007	25.09.2011	32280	164730			
						26.09.2011	11.08.2013	41964	96140			
						12.08.2013	12.11.2014	64560	96300			
						13.11.2014	31.03.2016	70000	118150			
						01.04.2016	31.03.2017	77000	91800			
						01.04.2017	30.06.2018	77000	162945			

Shop No.	Name of the lessee, Extent as per agreement (in Sqmt), lease period	Date of Agreement	Date of eviction	Rent fixed (in ₹)	Date of expiry of lease	Start date	End date	GMV/ Sqmt (in ₹)	Lease Rent @ 7% of GMV due (in ₹)	Total Rent Due (in ₹)	Total Rent paid (in ₹)	Short collection of Rent (in ₹)
						01.07.2018	22.01.2023	84700	415174			
										<b>1167439</b>	<b>193775</b>	<b>973664</b>
6	Smt. Lovely Thomas 9.42 Sqmt 2 years	01.01.2008	21.01.2023	975	31.12.2009	01.01.2010	25.09.2011	32280	32049	56264		
						26.09.2011	11.08.2013	41964	42559	104866		
						12.08.2013	12.11.2014	64560	63843	89417		
						13.11.2014	31.03.2016	70000	70438	98613		
						01.04.2016	31.03.2017	77000	76527	159880		
						01.04.2017	31.12.2018	77000	76527	135835		
						01.01.2019	21.01.2023	84700	83920	<b>345006</b>	<b>130325</b>	<b>859557</b>
										<b>989882</b>		
7	Shri. V. Venkataram bin S Venugopal 13.2 Sqmt 2 years	12.12.2012	21.01.2023	7,700	01.02.2015	01.01.2015	31.03.2016	77000	161100			
						01.04.2016	31.03.2017	77000	139800			
						01.04.2017	31.12.2018	84700	248145			
						01.01.2019	21.01.2023	84700	627450			
										<b>1176495</b>	<b>130900</b>	<b>1045595</b>
8A	Shri. A. Simon 9.42 Sqmt 2 years	12.12.2012	21.01.2023	4,500	01.01.2015	02.01.2015	31.03.2016	77000	115050			
						01.04.2016	31.03.2017	77000	99720			
						01.04.2017	31.12.2018	84700	177003			

Shop No.	Name of the lessee, Extent as per agreement (in Sqmt), lease period	Date of Agreement	Date of eviction	Rent fixed (in ₹)	Date of expiry of lease	Start date	End date	GMV/ Sqmt (in ₹)	Lease Rent @ 7% of GMV due (in ₹)	Total Rent Due (in ₹)	Total Rent paid (in ₹)	Short collection of Rent (in ₹)
						01.01.2019	21.01.2023	84700	447756			
										839529	283525	556004
8B	Smt. I. Kokila 9.42 Sqmt 2 years	01.01.2008	21.01.2023	870	31.12.2019	01.01.2010	25.09.2011	41964	67830			
						26.09.2011	11.08.2013	64560	96140			
						12.08.2013	12.11.2014	70000	96300			
						13.11.2014	31.03.2016	77000	118150			
						01.04.2016	31.03.2017	77000	91800			
						01.04.2017	31.12.2018	84700	162945			
						01.01.2019	21.01.2023	84700	415174			
										1048339	40890	1007449
9	Shri. Kaleemulla 7.42 Sqmt 2 years	08.02.2008	21.01.2023	3,140	08.01.2010	02.08.2010	25.09.2011	41964	35560			
						26.09.2011	11.08.2013	64560	75900			
						12.08.2013	12.11.2014	70,000	75,900			
						13.11.2014	31.03.2016	77,000	93,160			
						01.04.2016	31.03.2017	77,000	72,240			
						01.04.2017	31.12.2018	84,700	1,26,420			
						01.01.2019	21.01.2023	84,700	3,24,380			
										803560	247920	555640
10 Sh.		01.05.2005	21.01.2023	740	31.01.2007	01.02.2007	18.04.2007	16144	13417	2832	77182	679028

Shop No.	Name of the lessee, Extent as per agreement (in Sqmt), lease period	Date of Agreement	Date of eviction	Rent fixed (in ₹)	Date of expiry of lease	Start date	End date	GMV/ Sqmt (in ₹)	Lease Rent @ 7% of GMV due (in ₹)	Total Rent Due (in ₹)	Total Rent paid (in ₹)	Short collection of Rent (in ₹)
	Kaleemulla 7.4 Sqmt 2 years					19.04.2007	25.09.2011	32288	25074	112833		
						26.09.2011	11.08.2013	41975	33297	63357		
						12.08.2013	12.11.2014	64577	49949	63407		
						13.11.2014	31.03.2016	70000	55094	76979		
						01.04.2016	31.03.2017	77000	59856	60522		
						01.04.2017	31.12.2018	77000	59856	106245		
						01.01.2019	21.01.2023	84700	65640	270035		
										<b>756210</b>		
		01.01.2009	21.01.2023	2000	31.12.2010	01.01.-011	25.09.2011	32280	32049	23770		
						26.09.2011	11.08.2013	41964	42559	103034		
11	Sh Aiyyasamy 9.42 Sqmt 2 years					12.08.2013	12.11.2014	64560	63843	89417		
						13.11.2014	31.03.2016	70000	70438	107137		
						01.04.2016	31.03.2017	77000	76527	77377		
						01.04.2017	31.12.2018	77000	76527	148959		
						01.01.2019	21.01.2023	84700	83920	574745		
										<b>1124438</b>	<b>38400</b>	<b>1086038</b>
		07.01.2012	In possession	177109	01.06.2017	07-01.2017	31.03.2017	77000	3554712	819559		
						01.04.2017	31.12.2018	77000	3554712	6309614		
						01.01.2019	31.03.2023	84700	3883295	16719744	<b>13413055</b>	<b>10435862</b>
12	Chief Manager, SBI 435.44 Sqmt 5 years											

Shop No.	Name of the lessee, Extent as per agreement (in Sqmt), lease period	Date of Agreement	Date of eviction	Rent fixed (in ₹)	Date of expiry of lease	Start date	End date	GMV/ Sqmt (in ₹)	Lease Rent @ 7% of GMV due (in ₹)	Total Rent Due (in ₹)	Total Rent paid (in ₹)	Short collection of Rent (in ₹)
										23848917		
13	Deputy Director City Central Library 87.82 Sqmt No agreement	01.01.1991	In possession			01.01.2006	18.04.2007	10764	113617	148964		
						19.04.2007	25.09.2011	32292	298894	1345021		
						26.09.2011	11.08.2013	41979	396913	755238		
						12.08.2013	12.11.2014	64584	595412	754189		
						13.11.2014	31.03.2016	70000	656674	919343		
						01.04.2016	31.03.2017	77000	713436	721363		
						01.04.2017	31.12.2018	77000	713436	1266349		
						01.01.2019	31.03.2023	84700	782367	3368525		
										9278992	42960	9236032
14	The Managing Director, Karnataka State cooperative Fisher's Ltd 9.29 Sqmt 10 years	02.04.2020	In possession	6427	In possession	09.06.2015	08.04.2023	Lease is in force; Rent is as per agreement.	610565	610565	247920	362645
												29202151

## Appendix -36

## Arrears of lease rentals - Tinisu Katte, Belagavi

## (Paragraph 2.2.5.2)

Shop No.	Name of the lessee	Purpose of leasing	Extent of leased area in Sqmt	Date of agreement	Period of lease (original and extended)	Open area used or not	Rent fixed Per month (in ₹)	Annual rent (in ₹)	GST recoverable (in ₹)
1	Lakshmi Manjunath Mirgi	Paan Aroma-(Food)	7.43	03.08.2023	30 years	Used	2,800	33,600	6,048
2	Manali Mahantesh Hishobakar	Grills/Rolls-(Food)	7.43	03.08.2023	30 years	Used	2,700	32,400	5,832
3	Sujath Ramesh Dhalavi	Chill Zone- (Food)	7.43	03.08.2023	30 years	Used	2,650	31,800	5,724
4	Lalith Subrav Kolakar	Cake World-(Food)	7.43	03.08.2023	30 years	Used	2,600	31,200	5,616
5	Pallavi Aravinda Gunjikar	Benne Dosa - (Food)	7.43	03.08.2023	30 years	Used	2,700	32,400	5,832
6	Priyank Praveen Alakunte	Badnekai Bhaji - (Food)	7.43	03.08.2023	30 years	Used	2,900	34,800	6,264
7	Janaki Chandrakanth Kalenatti	Fusion Play - (Food)	7.43	03.08.2023	30 years	Used	2,600	31,200	5,616
8	Sudha Basavaraj Maragi	Fusion Play-(Food)	7.43	03.08.2023	30 years	Used	2,700	32,400	5,832
9	Geetha Umakhant Sutar	Jodhpurwala - (Food)	7.43	03.08.2023	30 years	Used	2,700	32,400	5,832
10	Vandana Bharama	Rice Bowl- (Food)	7.43	03.08.2023	30 years	Used	2,850	34,200	6,156



Shop No.	Name of the lessee	Purpose of leasing	Extent of leased area in Sqmt	Date of agreement	Period of lease (original and extended)	Open area used or not	Rent fixed Per month (in ₹)	Annual rent (in ₹)	GST recoverable (in ₹)
	Shivanache								
11	Suman Ramesh Bhandekar	Belagavi Alipak- (Food)	7.43	03.08.2023	30 years	Used	2,900	34,800	6,264
12	Mahadevi Bheemrao Dhandagala	Chay Katta- (Food)	7.43	03.08.2023	30 years	Used	2,850	34,200	6,156
13	Mahadevi Bhalayya Pujari	South Tiffin - (Food)	7.43	03.08.2023	30 years	Used	3,000	36,000	6,480
14	Sevantha Arjun Maragi	Dosa Corner - (Food)	7.43	03.08.2023	30 years	Used	2,900	34,800	6,264
15	Sadevva Hanamantha Talavar	Japanese Noodles- (Food)	7.43	03.08.2023	30 years	Used	2,600	31,200	5,616
16	Padmashree Bhahubali Kademani	Akha Masoor - (Food)	7.43	03.08.2023	30 years	Used	2,800	33,600	6,048
17	Roopa Ravindra Majaguav	Puneri Misal - (Food)	7.43	03.08.2023	30 years	Used	2,800	33,600	6,048
18	Rajeshwari B. K	Sangli Vada Pav- (Food)	7.43	03.08.2023	30 years	Used	2,600	31,200	5,616
19	Vaishali Shreekanth Kambale	Panipuri Chats- (Food)	7.43	03.08.2023	30 years	Used	2,800	33,600	6,048
20	Deepa Santhosh Sheelavanth	Kolhapur Bhel - (Food)	7.43	03.08.2023	30 years	Used	2,900	34,800	6,264
21	Bharati Krishna	Mumbai Pav Bhaji	7.43	03.08.2023	30 years	Used	2,700	32,400	5,832

Shop No.	Name of the lessee	Purpose of leasing	Extent of leased area in Sqmt	Date of agreement	Period of lease (original and extended)	Open area used or not	Rent fixed Per month (in ₹)	Annual rent (in ₹)	GST recoverable (in ₹)
	Raykar	(Food)							
22	Akshata Praveen Pilanakar	Delhi Chats- (Food)	7.43	03.08.2023	30 years	Used	2,900	34,800	6,264
23	Suchitra Vijay Hosamani	Fresh Juice- (Food)	7.43	03.08.2023	30 years	Used	2,900	34,800	6,264
24	Surekha Anil Kuranakar	Rajasthan Kulfi- (Food)	7.43	03.08.2023	30 years	Used	2,500	30,000	5,400
25	Sujata M Pateel	Fruits Cream - (Food)	7.43	03.08.2023	30 years	Used	2,750	33,000	5,940
26	Chandravva Chinnappa Yadaal	Desi Sweets (Food)	7.43	03.08.2023	30 years	Used	2,900	34,800	6,264
27	Veena A Bhandhari	Born Babies (Garments)	7.34	03.08.2023	30 years	Used	3,900	46,800	8,424
28	Neeta Mangesh Pawar	Gown House (Garments)	7.34	03.08.2023	30 years	Used	2,900	34,800	6,264
29	Sonaka Jayavanth	Drishti (Garments)	7.34	03.08.2023	30 years	Used	3,500	42,000	7,560
30	Saraswati B Yarajharvi	Beauty Bar (Beauty Products)	7.34	03.08.2023	30 years	Used	3,400	40,800	7,344
31	Baby Shivaji Kambale	Lotus (Beauty Products)	7.34	03.08.2023	30 years	Used	2,925	35,100	6,318
32	Mandakini Nagappa Nayak	Oriflame (Beauty Products)	7.34	03.08.2023	30 years	Used	2,900	34,800	6,264
33	Lakshmi Mahesh Vadagavi	Yoganand (Jewelry)	7.34	03.08.2023	30 years	Used	2,925	35,100	6,318

Shop No.	Name of the lessee	Purpose of leasing	Extent of leased area in Sqmt	Date of agreement	Period of lease (original and extended)	Open area used or not	Rent fixed Per month (in ₹)	Annual rent (in ₹)	GST recoverable (in ₹)
34	Madhura Ganesh Desai	Glory 1Gm Jewelry	7.34	03.08.2023	30 years	Used	3,250	39,000	7,020
35	Anitha Gurudas Nesarikar	Bags	7.34	03.08.2023	30 years	Used	3,100	37,200	6,696
36	Lakshmi Ramachandra Ewake	Fashion Pallet (Garments)	7.34	03.08.2023	30 years	Used	3,200	38,400	6,912
37	Jayashree A Kolakar	Mehandi Arts	7.34	03.08.2023	30 years	Used	3,250	39,000	7,020
38	Bharati Trust (r0	Conical Gaufres (Waffle Chocolates)	7.34	03.08.2023	30 years	Used	3,500	42,000	7,560
39	Shruti Saurav Khemalapur	Jagadamb (Vedic Products)	7.34	03.08.2023	30 years	Used	2,900	34,800	6,264
40	Priyadarshini Surendra Sankanna	Shrifal (Fruits)	7.34	03.08.2023	30 years	Used	3,400	40,800	7,344
41	Roopali Ravindra Bhapashetti	Seva Cart (Toffies Pan Masala, Handicrafts)	7.34	03.08.2023	30 years	Used	3,400	40,800	7,344
42	Savita Mahesh Varnekar	Coffee Treat - (Food)	7.34	03.08.2023	30 years	Used	4,100	49,200	8,856
43	Vedika Vijay Jadhav	Argo Shakti - (Food)	7.34	03.08.2023	30 years	Used	3,550	42,600	7,668
44	Roopesh Bapashetty	Cotton Candy - (Food)	7.34	03.08.2023	30 years	Used	3,200	38,400	6,912

Shop No.	Name of the lessee	Purpose of leasing	Extent of leased area in Sqmt	Date of agreement	Period of lease (original and extended)	Open area used or not	Rent fixed Per month (in ₹)	Annual rent (in ₹)	GST recoverable (in ₹)
45	Jayashree Prashanth Kangalakar	Posh (Garments)	7.34	03.08.2023	30 years	Used	3,200	38,400	6,912
46	Meenakshi Mahesh Sutar	Spring Potato - (Food)	7.34	03.08.2023	30 years	Used	3,100	37,200	6,696
47	Supriya Manoj Suji	Brahmi Boutique	17.29	03.08.2023	30 years	Used	5,650	67,800	12,204
48	Shobha Ganesh Malalikar	Toy Zone	17.29	03.08.2023	30 years	Used	5,600	67,200	12,096
49	Radha Ravindra Badde	Laxmi Fabrics (Garments)	15.09	03.08.2023	30 years	Used	5,200	62,400	11,232
50	Jyoti Anil Bandivaddar	Solanki's Dry fruits	14.67	03.08.2023	30 years	Used	5,000	60,000	10,800
51	Jayashree Shivakumar Hiremat	Thakur Peda	14.67	03.08.2023	30 years	Used	4,900	58,800	10,584
52	Namitha Shailesh Bandivadekar	Snaky Treat (Food)	14.67	03.08.2023	30 years	Used	4,900	58,800	10,584
53	Mallikarjun Bharanatti	Aditya Milk	14.67	03.08.2023	30 years	Used	4,800	57,600	10,368
54	Manjula Mahesh Bandivaddar	Peanut Chikki (Food)	10.9	03.08.2023	30 years	Used	3,900	46,800	8,424
<b>Total</b>								<b>2,130,600</b>	<b>383,508</b>

## Appendix – 37

(Paragraph 2.2.9)

## Details of Gross income, incorrect deductions made, and actual rent paid by Mysore Race Club &amp; Jayachamarajendra Wodeyar Golf Club (Paragraph 2.4.9)

## A. Short payment of rent by MRC

Year	Income of MRC as per its Balance sheet				Certain Expenditure of MRC deducted by MRC from gross income while calculating lease rent @ 2% of Gross Annual income										Rent Paid by MRC				(₹ in crore)
	Income from races	Share of income from other clubs	Other income including interest earned on S/B A/c	Total income - A	Totalizator tax	Enter-tainment tax	Corpo-ration tax	License Fee	Interest received	Club house and veterinary income	Provisions no longer required	Bad debts written off	GST on total turnover	Total of Expenditure reduced from Income for the purpose of calculation of 2% of GAI	Net income arrived by MRC	2% of Net income paid by MRC as rent	Rent payable @ 2% of GAI by MRC - (2% of PWD)	Actual lease rent paid by MRC	
2006-07	13.77	4.35	0.79	18.91	2.41	0.18	0.06	0.12	0.12	0.00	0.00	0.00	0.00	2.89	16.02	0.32	0.38	0.32	0.06
2007-08	17.99	4.67	1.37	24.03	3.35	0.21	0.06	0.12	0.16	0.00	0.00	0.00	0.00	3.90	20.14	0.40	0.48	0.40	0.08
2008-09	18.65	3.45	1.35	23.44	6.25	0.21	0.05	0.10	0.18	0.00	0.00	0.00	0.00	6.79	16.65	0.33	0.47	0.33	0.14
2009-10	24.25	6.15	1.18	31.58	9.28	0.26	0.49	0.12	0.20	0.00	0.00	0.00	0.00	10.34	21.24	0.42	0.63	0.42	0.21
2010-11	28.41	5.36	1.62	35.39	9.41	0.25	0.41	0.11	0.19	0.00	0.00	0.00	0.00	10.37	25.02	0.50	0.71	0.50	0.21
2011-12	38.41	5.61	1.53	45.55	10.66	0.28	0.36	0.11	0.25	0.00	0.00	0.00	0.00	11.67	33.88	0.68	0.91	0.68	0.23
2012-13	27.95	6.37	1.65	35.97	0.00	0.00	0.34	0.12	0.54	0.00	0.14	0.01	0.00	1.14	34.83	0.70	0.72	0.70	0.02
2013-14	31.78	5.39	1.55	38.72	0.00	0.00	0.33	0.12	0.67	0.00	0.00	0.00	0.00	1.12	37.60	0.75	0.77	0.75	0.02
2014-15	34.66	5.04	1.87	41.57	0.00	0.00	0.33	0.12	0.80	0.00	0.00	0.00	0.00	1.25	40.32	0.81	0.83	0.81	0.03
2015-16	38.41	5.52	3.65	47.58	0.00	0.00	0.39	0.12	0.57	0.00	0.00	0.00	0.00	1.09	46.49	0.93	0.95	0.93	0.02
2016-17	44.48	0.00	2.43	46.90	0.00	0.00	0.39	0.12	0.57	1.56	0.00	0.00	0.00	2.65	44.25	0.88	0.94	0.90	0.04
2017-18	76.40	0.00	3.08	79.48	0.00	0.00	0.50	0.12	1.86	0.00	0.00	0.00	0.00	2.48	77.00	1.54	1.59	1.54	0.05
2018-19	51.12	1.13	5.95	58.20	0.00	0.00	0.50	0.14	3.59	0.00	0.00	0.00	28.22	32.46	25.75	0.51	1.16	0.51	0.63
2019-20	26.10	0.73	4.47	31.29	0.00	0.00	0.50	0.13	3.01	0.00	0.00	0.00	0.00	3.64	27.65	0.55	0.63	0.61	0.02
2020-21	5.07	0.00	3.03	8.11	0.00	0.00	0.52	0.05	0.74	0.00	0.00	0.00	0.00	1.30	6.80	0.14	0.16	0.14	0.03
2021-22	12.55	0.00	1.48	14.03	0.00	0.00	2.65	0.06	0.60	0.00	0.00	0.00	0.00	3.31	10.72	0.21	0.28	0.21	0.07
2022-23	29.13	0.00	1.79	30.93	0.00	0.00	2.26	0.12	0.64	0.00	0.00	0.00	0.00	3.02	27.91	0.56	0.62	0.56	0.06
<b>Total</b>	<b>₹19.14</b>	<b>₹3.76</b>	<b>38.80</b>	<b>611.70</b>	<b>41.36</b>	<b>1.38</b>	<b>10.16</b>	<b>1.90</b>	<b>14.69</b>	<b>1.56</b>	<b>0.14</b>	<b>0.01</b>	<b>28.22</b>	<b>99.42</b>	<b>512.27</b>	<b>10.25</b>	<b>12.23</b>	<b>10.31</b>	<b>1.92</b>

## A. Short payment of Rent by JWGC

(₹ in crore)

Particulars	Canara Bank (Syndicate bank during 2019-20)		FD with HDFC Bank	
	Amount	FD interest @ 7%	Amount	FD interest @ 7%
2016-17	11.22	0.79	0.00	0.00
2017-18	12.15	0.85	0.00	0.00
2018-19	13.24	0.93	0.00	0.00
2019-20	12.61	0.88	0.00	0.00
2020-21	11.29	0.79	0.00	0.00
2021-22	8.20	0.57	4.54	0.32
2022-23	8.35	0.58	5.31	0.37
<b>Total</b>	<b>77.06</b>	<b>5.39</b>	<b>9.85</b>	<b>0.69</b>
<b>Total Interest earned</b>	<b>6.08</b>			
<b>2% of Interest earned</b>	<b>0.12</b>			

## Appendix-38

(Paragraph 3.1) Excess payment due to non-deduction of quantity of RCC poles embedded in PCC

Sl.no.	Name of the Division	Name of the Circle	Year	Dates of Audit & Date of Issue of IR	Excess quantity of PCC measured per KM (Cum)	Total extent of fencing in KM	Total excess quantity paid for (Cum)	Total excess amount paid (₹)
1	Bagalkote	Belagavi	2021-22 & 2022-23	15-05-2023 to 20-05-2023 & 12-06-2023	3.75	67	251.25	1638195
2	Gokak	Belagavi	2021-22 & 2022-23	15-05-2023 to 20-05-2023 & 12-06-2023	3.75	78.13	292.99	1922159
3	Vijayapura	Belagavi	2021-22 & 2022-23	15-05-2023 to 20-05-2023 & 12-06-2023	3.46	20.99	72.62	413389
4	Belagavi	Belagavi	2021-22 & 2022-23	22-05-2023 to 03-06-2023 & 28-06-2023	3.75	89.29	334.84	2155473
5	Mysuru	Mysuru	2022-23	12-06-2023 to 16-06-2023 & 07-07-2023	3.75	11.52	43.2	259444
6	Mandya	Mysuru	2021-22 & 2022-23	12-06-2023 to 16-06-2023 & 07-07-2023	3.75	50.9	190.88	1148066
7	Mangaluru	Mangaluru	2021-22 & 2022-23	04-08-2023 to 23-08-2023 & 13-09-2023	3.75	21.11 25.3	78.26 94.87	506596 616987
8	Kundapura	Mangaluru	2021-22 & 2022-23	03-10-2023 to 17-10-2023 & 15-11-2023	3.75	5	18.75	112770
9	Bengaluru Rural	Bengaluru	2021-22	26-06-2023 to 01-07-2023 & 27-07-2023	3.75	13.26	49.73	283118
10	Ramanagara	Bengaluru	2021-22	26-06-2023 to 01-07-2023 & 27-07-2023	3.75	32	120	683172
11	Hassan	Hassan	2021-22 & 2022-23	29-05-2023 to 12-06-23 & 11-07-2023	3.75	7.04 56.36	26.4 211.35	157425 1269292
12	Tumakuru	Hassan	2021-22 & 2022-23	07-08-2023 to 24-08-2023 & 20-09-2023	3.75	29.4 85.86	110.25 321.96	627664 1933576
13	Gadag	Dharwad	2021-22 & 2022-23	28-08-2023 to 12-09-2023 & 11-10-2023	3.75	29.32 21.62	109.95 81.07	625956 486907
<b>Total</b>						<b>644.1</b>	<b>2408.37</b>	<b>14840189</b>

**Appendix-39****(Paragraph 3.2 - Irregular work measurements and payments)****(Koppal Division)**

Sl.no.	Name of the Work	Agreement No	Agreement/ Estimate Amount	Date of commencement	Measurement Book No. & Page No.	Date of measurement	No of days from date of Agreement	Sub-Division/Division Bill Register	Running Account bill reference	Amount in ₹ lakh	
										Work done	Amount Paid
1	Construction of CC roads and drain in SC colonies of Viraappura, Rangapura, etc. WI-146771	223/8.3.22	192.16	08-03-2022	563 1-16	22-03-2022	14	169/3.22 752/23.3.22	I & Part	185.72	96.01
					566 1-11	23-03-2022	15	172/3.22 757/23.3.22	II & Part		89.71
2	Construction of CC road and drainage in Gandageri tanda, Vataravi and improvements to Ganadal Katagihalli road. WI-148534	245/18.3.22	109.21	18-03-2022	569 1-11	22-03-2022	4	92/3.22 753/23.3.22	I & Part	96.15	96.15
3	Improvements to Ginigera Gondabal road Km 0.00 to 1.00. WI-146787. S S	238/11.3.22	129.52	11-03-2022	611 1-2	23-03-2022	12	139/23.3.22 762/24.3.22	I & Part	84.14	84.14



Amount in ₹ lakh											
Sl.no.	Name of the Work	Agreement No	Agreement/ Estimate Amount	Date of commencement	Measurement Book No. & Page No.	Date of measurement	No of days from date of Agreement	Sub-Division/Division Bill Register	Running Account bill reference	Work done	Amount Paid
	Patil.										
4	Improvements to Ginigera Gondabal road Km 1.00 to 2.00. WI-146789. S S Patil.	239/11.3.22	109.90	11-03-2022	610 1-2	23-03-2022	12	140/23.3.22 761/24.3.22	I & Part	71.45	34.57
5	Constriction of CC road in Sc colonies of Hanwal Doctor camp and Vapiraddy camp. WI-148675. Venkoba Wodeyar.	299/21.3.22	102.92	21-03-2022	569 NA	25-03-2022	4	176/3.22 786/25.3.22	I & Part	75.21	64.21
6	Construction of CC roads and drain in SC colonies of Siddikeri. WI-146772. Sharanabasava Gaddi.	231/9.3.22	37.64	10-03-2022	565 1-14	22-03-2022	13	170/3.22 755/23.3.22	I & Final	30.44	30.44
7	Construction of CD near	309/24.3.22	17.32	24-03-2022	965	25-03-2022	1	98/3.22	I &	16.16	16.16

Amount in ₹ lakh											
Sl.no.	Name of the Work	Agreement No	Agreement/ Estimate Amount	Date of commencement	Measurement Book No. & Page No.	Date of measurement	No of days from date of Agreement	Sub-Division/Division Bill Register	Running Account bill reference	Work done	Amount Paid
	Hunasihal and Ganadal villages. WI-147126. Ayyanagouda R K				83-87			NA	Final		
8	Improvements to Talakal Adavihalli road KM 0.00 to 6.00. WI-149067. Mallaoa Neelappa Gouda	294/21.3.22	200.00	21-03-2022	570 1-14	24-03-2022	3	95/3.22 767/24.3.22	I & Part	194.35	194.35
9	Improvements to Kukanur Arakera road KM 0.00 to 6.60. WI-149068.Amaresh K Hosangadi.	304/22.3.22	117.94	22-03-2022	572 1-9	24-03-2022	2	96/03.22 769/24.3.22	I & Part	119.69	5.60
10	Construction of CC road and drain in Dyampur, Chandur & Yadiyapur	293/19.3.22	104.55	19-03-2022	574 1-9	24-03-2022	5	100/3.22 774/24.3.22	I & Part	92.54	36.10

Amount in ₹ lakh											
Sl.no.	Name of the Work	Agreement No	Agreement/ Estimate Amount	Date of commencement	Measurement Book No. & Page No.	Date of measurement	No of days from date of Agreement	Sub-Division/Division Bill Register	Running Account bill reference	Work done	Amount Paid
	villages. WI-149064. Gaddeyya B Myagalamanth.										
11	Construction of CC road in ST colony of Mallapur village. WI-146773. G K Sridhar.	226/9.3.22	18.66	09-03-2022	NA 1-9	22-03-2022	13	174/3.22 759/23.3.22	I & Part	17.69	17.69
12	Construction of bridge to SH-130 at KM 13.70, 15.80 & 16.90. WI-143630. T Shivaprasad	301/22.3.22	300.00	22-03-2022	573 1-4	24-03-2022	2	99/3.22 NA	I & part	213.57	10.00
			1,439.82							1,197.11	775.13

**Appendix-40**  
**(Paragraph 3.2) Irregular work measurements and payments**  
**(Ballari Division)**

Sl.no.	Work Index	Agency	Agreement No/ Date of Agreement	Agreement Amount	RA bill ref	Date of measurement	No of days from date of Agreement	SBR/DBR No	Work done	Amount in ₹ lakh	
										Up to date expenditure	Amount Paid
1	145691	B Ramesh	NA 02-03-2022	116.94	II & Part	18-03-2022	16	242/21.03.22 1458/22.03.22	129.86	129.86	26.25
2	145967	V Srinivas	447 05-03-2022	113.23	I & Part	16-03-2022	11	102/16.03.22 1361/17.03.22	65.04	30.00	30.00
3	145976	R C Pampana Gouda	461 09-03-2022	100.00	I & Part	NA	7	105/16.03.22 1432/21.03.22	65.13	30.00	30.00
4	146781	N Nagaraj Reddy	395 25-02-2022	209.66	I & Part	15-03-2022	18	550/17.03.22 1399/18.03.22	178.08	178.08	178.08
5	147230	Srinivas K	440 03-03-2022	66.52	I & Part	24-03-2022	21	256/24.03.22 1506/25.03.22	52.63	50.63	50.63
6	147902	Kedar Gowda	465 09-03-2022	104.55	I & Part	22-03-2022	13	610/25.03.22 1525/25.03.22	67.29	67.29	67.29
7	148023	M/S Sri Srinivasa Infra Projects Ltd	457 07-03-2022	104.70	I & Part	18-03-2022	11	581/22.03.22 1463/22.03.22	48.24	48.24	48.24

Sl.no.	Work Index	Agency	Agreement No/ Date of Agreement	Agreement Amount	RA bill ref	Date of measurement	No of days from date of Agreement	SBR/DBR No	Work done	Up to date expenditure	Amount Paid
8	148244	Umamaheshwara Gowda G	510 05-03-2022	104.57	I & Part	16-03-2022	11	539/03.22 1341/16.03.22	58.87	58.87	58.87
					II & Part	24-03-2022	19	616/25.03.22 1550/28.03.22	98.99	95.00	36.13
9	148493	Somangouda G	573 18-03-2022	104.82	I & Part	22-03-2022	4	587/23.03.22 1544/28.03.22	67.09	62.00	62.00
10	148495	Somangouda G	468 09-03-2022	104.79	I & Part	NA	6	99/15.03.22 1309/15.03.22	96.65	94.65	94.65
					II & Final	23-03-2022	14	118/23.03.22 1504/25.03.22	104.77	102.77	8.12
11	148566	Kedar Gowda	539 15-03-2022	104.64	I & Part	18-03-2022	3	236/18.03.22 1415/19.03.22	60.57	58.57	58.57
					II & Part	25-03-2022	10	267/25.03.22 1524/25.03.22	89.08	86.06	27.48
12	148568	Kedar Gowda	538 15-03-2022	104.76	I & Part	24-03-2022	9	258/24.03.22 1507/25.03.22	33.22	31.22	31.22
13	148571	Kedar Gowda	NA 15-03-2022	103.59	I & Part	18-03-2022	3	237/18.03.22 1416/19.03.22	31.32	29.32	29.32
14	148573	Kedar Gowda	536 15-03-2022	104.60	I & Part	24-03-2022	9	257/24.03.22 1508/25.03.22	45.95	43.95	43.95

Sl.no.	Work Index	Agency	Agreement No/ Date of Agreement	Agreement Amount	RA bill ref	Date of measurement	No of days from date of Agreement	SBR/DBR No	Work done	Up to date expenditure	Amount Paid
15	148660	Kedar Gowda	NA 14-03-2022	104.45	I & Part	18-03-2022	4	232/18.03.22 1405/18.03.22	67.78	65.78	65.78
16	148754	Basavaraj L	541 14-03-2022	104.93	I & Part	19-03-2022	5	238/18.03.22 1417/19.03.22	59.71	56.71	56.71
					II & Part	25-03-2022	11	264/25.03.22 1521/25.03.22	89.00	87.00	30.29
17	148755	Basavaraj L	540 14-03-2022	104.90	I & Part	25-03-2022	11	263/25.03.22 1522/25.03.22	80.78	78.78	78.78
18	148836	M/s Sri Siddarameshwara Constructions	475 10-03-2022	104.86	I & Part	15-03-2022	5	93/15.03.22 1296/15.03.22	80.30	78.30	78.30
					II & Part	21-03-2022	11	111/21.03.22 1446/21.03.22	96.99	94.99	16.68
19	148946	Kedar Gowda	466 09-03-2022	104.80	I & Part	NA	6	98/15.03.22 1308/15.03.22	88.24	86.24	86.24
					II & Final	23-03-2022	14	117/23.03.22 1505/25.03.22	104.78	102.78	16.54
20	149124	K Nagabushan Reddy	516 15-03-2022	104.76	I & Part	25-03-2022	10	266/25.03.22 1526/25.03.22	65.75	47.10	47.10
				<b>2176.07</b>							<b>1357.22</b>

**Appendix-41**  
**(Paragraph 3.2):**  
**Details of Test Reports**

Sl.no.	Indent No	Date of casting	Date of Measurement	Days
1	145691	06-03-2022	18-03-2022	-8
		08-03-2022		
		10-03-2022		
2	145967	21-03-2022	16-03-2022	5
		21-03-2022		
		21-03-2022		
3	145976	28-05-2022	21-03-2022	70
		29-05-2022		
		30-05-2022		
4	147230	21-04-2022	24-03-2022	55
		18-05-2022		
5	147902	25-03-2022	22-03-2022	6
		28-03-2022		
6	146781	11-03-2022	15-03-2022	28
		12-04-2022		
7	148023	30-03-2022	18-03-2022	14
		01-04-2022		
8	148493	28-03-2022	22-03-2022	6
9	148495	14-03-2022	23-03-2022	-8
		15-03-2022		
10	148566	20-03-2022	18-03-2022	2
		26-03-2022	25-03-2022	1
		26-03-2022		
11	148568	21-03-2022	24-03-2022	1
		25-03-2022		
12	148571	16-03-2022	18-03-2022	9
		27-03-2022		
13	148573	18-03-2022	24-03-2022	33
		25-03-2022		
		26-04-2022		
14	148660	27-03-2022	18-03-2022	9
		27-03-2022		
15	148754	24-03-2022	19-03-2022	9
		28-03-2022		
16	148755	24-03-2022	25-03-2022	-3
		22-03-2022		

Sl.no.	Indent No	Date of casting	Date of Measurement	Days
17	148836	14-03-2022	21-03-2022	1
		15-03-2022		
		21-03-2022		
		14-03-2022		
		15-03-2022		
		21-03-2022		
		22-03-2022		
18	148496	14-03-2022	23-03-2022	-8
		15-03-2022		
19	149124	20-03-2022	25-03-2022	0
		25-03-2022		
20	148244	12-05-2022	24-03-2022	51
		14-05-2022		



## Appendix-42

### (Paragraph 3.3)

#### Short Collection of Road Cutting Charges

Sl.no.	Name of the Division	No of permission issued and length of road	Rate of Road Cutting charges (₹)	Road cutting charges to be collected as per the GO dated 8.6.2020 read with clarification 19.4.2021 (₹)	Road cutting charges collected (₹) (*)	Short collection (₹)
1	Mysuru	7 Nos. 50700 M	500	25350000	1283940	24066060
2	Davanagere	6 Nos. 49360 M	500	24680000	891230	23788770
3	Madikeri	5Nos. 34770 M	500	17385000	493276	16891724
4	Shivamogga	4 Nos. 18900 M	500	9450000	998709	8451291
<b>Total</b>		<b>22 Nos. 153730 M</b>	<b>500</b>	<b>76865000</b>	<b>3667155</b>	<b>73197845</b>

(\*) Excluding the amounts collected as Security Deposits.

## Appendix-43

## (Paragraph 3.4)

## 1. Construction of Court Complex at Parvathi Nagar, Ballari

Excess payment of Price Adjustment due to adoption of incorrect Index for Plant and Machinery (P&M) and due to adoption of incorrect Quarter for Base Index					
RA Bill No.	Bill Amount (₹)	Price Adjustment payable (₹)	Price Adjustment paid (₹)	Date of payment	Difference (₹)
1	74660803	3762605	7710152	03.09.2018	1211589
2	40640878	2735957			
3	35891672	3035701	15127068	14.12.2018	1889955
4	24974205	2112307			
5	42337654	3729074			
6	8703521	766601			
7	40797634	3593430			
8	11416928	1005596	23730564	21.03.2019	455608
9	48460906	4218035			
10	128270345	11164645			
11	79122991	6886680	21540503	07.01.2020	5286854
12	42925807	4163347			
13	35171352	3411248			
14	44800199	4171875			
15	48400910	4507179			
16	39283767	3658175	10148540	07.03.2020	853073
17	59692863	5637292			
Total	805552435	68559748	78256827		9697079

## 2. Construction of PWD Bhavan at Kalaburagi

Excess payment of Price Adjustment due to adoption of incorrect Index for Plant and Machinery						
RA Bill No	Bill amount including Variation (₹)	PA Paid (₹)	Date of Payment	PA Payable (₹)	Excess PA (₹)	
1	42364886	2816189	18.02.2019	2291482		524707
2	26355842	2411912		1993291		418621
3	16774389	1663850		1434420		229430
4	50352894	5550947		4772215		778732
5	21827907	2311792		1893233		418559
6	12264552	1094891	03.02.2020	946568		148323
7	86280172	9015738		7668469		1347269
8	45478834	4444203		3560093		884110
9	11109587	1074575		854447		220128
10	48466230	4867145	13.03.2020	3899764		967381
11	80981274	9748641		8108196		1640445
12	28783529	3251024		2721340		529684
13	36711066	5082702	24.03.2022	4261954		820748
14	25018716	3463879		2904475		559404
15	64727022	12049165		10389321		1659844
16	20531915	3822089		3295574		526515
17	57036521	12416487		10607535		1808952
18	17332433	3773162		3223452		549710
<b>Total Calculated</b>	<b>692397769</b>	<b>88858391</b>		<b>74825827</b>		<b>14032564</b>
<b>Total Paid</b>	<b>692397769</b>	<b>87741274</b>		<b>74825827</b>		<b>12915447</b>

## Appendix-44

(Paragraph 3.4)

## Construction of PWD Bhavan at Kalaburagi

Excess payment of Price Adjustment due to inclusion of Variation item in 'R' Value							
RA Bill No	Bill Amount (₹)	Variation executed (₹)	R Value excluding Variation (₹)	PA Paid (₹)	Date of Payment	PA Payable (₹)	Excess P.A (₹)
1	42364886	4903361	37461525	2816189	18.02.2019	2026263	789926
2	26355842	1380057	24975785	2411912		1888918	522994
3	16774389	6051032	10723357	1663850		916981	746869
4	50352894	26252593	24100301	5550947		2284115	3266832
5	21827907	9629215	12198692	2311792		1058048	1253744
6	12264552	0	12264552	1094891		946568	148323
7	86280172	29498156	56782016	9015738	03.02.2020	5046712	3969026
8	45478834	10269326	35209508	4444203		2756208	1687995
9	11109587	2763837	8345750	1074575	13.03.2020	641878	432697
10	48466230	17634341	30831889	4867145		2480843	2386302
11	80981274	22731855	58249419	9748641		5832184	3916457
12	28783529	9686508	19097021	3251024		1805529	1445495
13	36711066	25846459	10864607	5082702		1261321	3821381
14	25018716	8846993	16171723	3463879		187735	3276144
15	64727022	37374046	27352976	12049165	24.03.2022	4390421	7658744
16	20531915	12111234	8420681	3822089		1351602	2470487
17	57036521	32566511	24470010	12416487		4550882	7865605
18	17332433	15483866	1848567	3773162		343795	3429367
Total Calculated	692397769	273029390	419368379	88858391		39770001	49088390
Total Paid	692397769	273029390	419368379	87741274		39770001	47971273
Excess Price Adjustment Payment due to adoption of incorrect Index for Plant and Machinery spares							
Excess Price Adjustment Payment due to inclusion of Variation items for calculation of 'R' value				12915447			
Excess Price Adjustment Payment due to inclusion of Variation items for calculation of 'R' value				35055826			

## Appendix-45

(Paragraph 3.6)

## Double payment to contractors for an item of work due to incorrect estimates and measurements

Sl.no.	Package No	Agency	Est. Cost in Cr	Quantity in Sq. Mtr	Contract Rate	Excess Payment in ₹	Remarks
1	244	Uday Shetty	24.00	62.10	253	15711	Actual executed quantity
				53	266.50	14124	
				2079	253	525987	
				74.10	253	18747	
				72.98	328	23937	
				5878.40	328	1928115	
2	250	M/s Iqbal Ahmed Infra	31.75	1188.62	318.33	378373.00	Actual executed quantity
3	256	Sri CHVN Reddy	36.00	3165.26	345.45	1093439	
		12% GST				479812	
		<b>Total (A)</b>	<b>91.75</b>			<b>4478245</b>	
4	W.I. 115695	M/s Balaji Krupa Projects Pvt. Ltd.	18.00	3882.00	350.00	1358700	
		> 125%		4496.62	522.00	2347236	
5	W.I 80331	M/s Balaji Krupa Projects Pvt. Ltd.	19.00	487.50	300.00	146250	
		>125%		932.30	440.96	411107	
		18% GST				767393	
			37.00			<b>5030686</b>	
		<b>Grand total</b>	<b>128.75</b>			<b>9508931</b>	
						<b>(A)+(B)</b>	

## Appendix-46

(Paragraph 3.8)

Statement showing excess payment of price adjustment to the Contractor.

(Amount in ₹)

Sl.no.	Name of the Component of the work	Price Adjustment payable	Price Adjustment paid
1	Cement	15877292.31	16568632.03
2	Steel	12863584.01	14960546.56
3	Hot Coils & Roller Sheets	83752117.77	126203415.00
4	All Commodities	19641068.84	19669176.70
5	Plant & Machinery	8716608.05	8060016.87
6	Labour	6637660.33	5869403.02
	<b>Total Price Adjustment</b>	<b>147488331.32</b>	<b>191331190.18</b>
	<b>Total Price adjustment (including GST at 12 per cent)</b>	<b>165186931.07</b>	<b>214290933.00</b>
	<b>Excess price adjustment paid to the Contractor</b>	<b>49104001.93</b>	



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