



**Report of the  
Comptroller and Auditor General of India  
on  
Local Government  
for the year ended 31 March 2022**



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



**Government of Bihar**  
*Report No. 3 of the year 2024*

**Report of the  
Comptroller and Auditor General of India  
on  
Local Government  
for the year ended 31 March 2022**

**Government of Bihar**  
*Report No. 3 of the year 2024*



## TABLE OF CONTENTS

CHAPTER	DESCRIPTION	Reference to	
		Paragraphs	Page
	Preface		v
	Overview		vii
<b>I</b>	<b>AN OVERVIEW OF THE FUNCTIONING, ACCOUNTABILITY MECHANISM AND FINANCIAL REPORTING ISSUES OF PANCHAYATI RAJ INSTITUTIONS</b>		
	Introduction	1.1	1
	Organisational setup of PRIs	1.2	2
	Functioning of PRIs	1.3	2
	Formation of various Committees	1.4	5
	Audit Arrangements	1.5	6
	Response to Audit Observations	1.6	7
	Accountability Mechanism	1.7	9
	Financial Reporting issues	1.8	11
<b>II</b>	<b>COMPLIANCE AUDIT</b>		
	<b>Panchayati Raj Department</b>		
	Fraudulent payment	2.1	17
<b>III</b>	<b>AN OVERVIEW OF THE FUNCTIONING, ACCOUNTABILITY MECHANISM AND FINANCIAL REPORTING ISSUES OF URBAN LOCAL BODIES</b>		
	Introduction	3.1	19
	Organisational setup of ULBs	3.2	20
	Functioning of ULBs	3.3	20
	Formation of various Committees	3.4	23
	Audit Arrangements	3.5	24
	Response to Audit Observations	3.6	25
	Accountability Mechanism	3.7	27
	Financial Reporting Issues	3.8	30
<b>IV</b>	<b>COMPLIANCE AUDIT</b>		
	<b>Urban Development and Housing Department</b>		
	Avoidable expenditure of interest and penalty	4.1	35
	Fraudulent payment	4.2	36
<b>V</b>	<b>PERFORMANCE AUDIT</b>		
	<b>Urban Development and Housing Department</b>		
	Introduction	5.1	40
	Status of SWM in Bihar	5.2	46

CHAPTER	DESCRIPTION	Reference to	
		Paragraphs	Page
	Accounting procedure and financial management	5.3	56
	Planning and Strategy of Solid Waste Management	5.4	62
	Segregation, Collection and Transportation of Municipal Solid Waste	5.5	70
	Processing and Disposal of Municipal Solid Waste	5.6	86
	Procurements under Solid Waste Management	5.7	108
	Intelligent Solid Waste Management System	5.8	118
	Special Waste and Other Waste Management	5.9	124
	Monitoring and Evaluation	5.10	129

## APPENDICES

APPENDIX	DESCRIPTION	Reference to	
		Paragraph	Page
4.1	Avoidable expenditure of interest and penalty	4.1	137
5.1	Organisational Set-up of Urban Local Bodies	5.1.1	142
5.2 (A)	Service level benchmarks for SWM (March 2017/ March 2018), as reported by the test-checked ULBs	5.2.1	143
5.2 (B)	Service level benchmarks for SWM (March 2022), as reported by the test-checked ULBs	5.2.1	144
5.2 (C)	Service level benchmarks for SWM (March 2022), as observed by Audit.	5.2.1	146
5.2 (D)	Service Level Benchmarks	5.2.1	150
5.3	Glimpses of Solid Waste Management in Bihar	5.2.1	151
5.4	Levy and collection of user charges for solid waste management	5.3.2	162
5.5	Delayed submission of Utilisation Certificates (UCs) of grants	5.3.5	164
5.6	Non-submission of Utilisation Certificates (UCs) of grants, upto August –December 2022	5.3.5	165
5.7	Status of IEC activities in ULBs, during 2017-22	5.4.4	166
5.8	Status of bins provided to households during 2016-22	5.5.2.2	167
5.9	Status of Community/litter bins, installed at various community places, during 2017-22	5.5.2.7	169
5.10	Vehicles without registration, insurance and PUC Certificates	5.5.6.2	171
5.11	Non-monitoring of vehicles engaged in the transportation of waste through GPS	5.5.6.5	172
5.12	Excess expenditure incurred on payment of fuel costs	5.5.6.6	173
5.13	Requirement of Decentralised Processing Centres	5.6.1.1	176
5.14	Sub-optimal utilisation of composters	5.6.1.2	179
5.15	Work-wise details, relating to the Centralised waste processing centre, at the Gaya Municipal Corporation	5.6.1.3	181

APPENDIX	DESCRIPTION	Reference to	
		Paragraph	Page
5.16	Excess trips of vehicles produced in the bills of processing of fresh mixed waste, in the Gaya Municipal Corporation	5.6.1.3 (iv)	183
5.17	Status of location of dumping sites in ULBs	5.6.3.2	184
5.18	SWM equipment kept unutilised since purchase	5.7.5	186
5.19	Status of sanctioned strength and persons-in-position for SWM	5.10.3	187
	<b>Glossary of Abbreviations</b>		<b>189</b>

## **PREFACE**

This Report of the Comptroller and Auditor General of India for the year ended March 2022 has been prepared for submission to the Governor of Bihar under Article 151 of the Constitution of India.

This Report contains significant results of the Compliance Audit of the Panchayati Raj Institutions and Urban Local Bodies in the state including the departments concerned and Performance Audit of Solid Waste Management in the Urban Local Bodies of Bihar.

The instances mentioned in this Report are those which came to notice in the course of test-audit for the period 2021-22 as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports. Instances related to the period subsequent to 2021-22 have also been included, wherever necessary, giving updated position. The audit observations contained in this Report are based on a limited test-check.

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





**OVERVIEW**



## OVERVIEW

This Report contains five chapters. The first and the third chapters contain an overview of the functioning, accountability mechanism and financial reporting issues of Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs), respectively. The second and the fourth chapters contain observations arising out of compliance audits of PRIs and ULBs, respectively. The fifth chapter contains the findings of Performance Audit on “Solid Waste Management in the Urban Local Bodies of Bihar”. A summary of the significant audit findings is presented in this overview.

### Compliance Audit- Panchayati Raj Institutions

Gram Panchayat, Budhua, failed to monitor the execution of works to be financed out of Finance Commissions grants and paid ₹ 12.50 lakh to the executing agent for works which were not carried out.

*(Paragraph 2.1)*

### Compliance Audit- Urban Local Bodies

Failure of Nagar Parishad, Saharsa, to ensure timely remittance of statutory contributions, to the Employees’ Provident Fund, resulted in an avoidable expenditure towards penalty for damages and interest charges of ₹ 1.14 crore.

*(Paragraph 4.1)*

Failure of Nagar Parishad, Sheikhpura, in exercising checks while making payment to a private firm, which had not participated in the tender process, for supply of Solar Power Plants (Roof Top), led to fraudulent payment of ₹ 91.14 lakh. In addition, the Nagar Parishad sustained a loss of ₹ 1.37 crore, due to irregular disqualification of an eligible firm, in the technical bid.

*(Paragraph 4.2)*

### Performance Audit on “Solid Waste Management in the Urban Local Bodies of Bihar”

‘Solid waste’ includes solid or semi-solid domestic waste, sanitary waste, commercial waste, catering and market waste and other non-residential waste, street sweepings *etc.* The Solid Waste Management (SWM) Rules, 2016, *inter alia* enjoined (April 2016) upon Urban Local Bodies (ULBs) the duties and responsibilities of preparing a solid waste management plan; arranging for door-to-door collection of generated and segregated solid waste, from all households, commercial and other non-residential premises; prescribing and collecting user fees from waste generators; setting-up material recovery facilities for sorting of recyclable materials; and facilitating construction, operation and maintenance of solid waste processing facilities, such as composting and sanitary landfills *etc.*

The Performance Audit (PA) on ‘Solid Waste Management in the ULBs of Bihar’, for the financial years 2017-18 to 2021-2022, was conducted to assess whether the management of Municipal Solid Waste (MSW) was effective and efficient and had been carried out economically and scientifically. The audit

methodology included scrutiny of the records of 28 sampled ULBs; collection of information/data from the Urban Development & Housing Department (UD &HD) and the Bihar State Pollution Control Board (BSPCB); joint physical verification of the management of waste at different places, including at landfills; and survey of 1,408 households/shopkeepers.

According to the Ministry of Urban Development, Government of India, there are eight service level benchmark indicators for Solid Waste Management. Upto March 2022, these service level benchmarks had not been achieved by any of the sampled ULBs (except for the Darbhanga Municipal Corporation) on all the eight parameters. The correctness of the achievements of benchmarks, as reported by the test-checked ULBs to UD&HD, was not verifiable, as the ULBs had not maintained documents in support of the achievement of these benchmarks. However, the actual status, as ascertained by Audit, was observed to be below the reported status.

The low achievement of benchmarks for SWM, was mainly on account of deficient planning; non-observance of SWM Rules and the policies and strategies framed by the Government of Bihar; shortage of manpower; *etc.*

### ***Recommendation***

*The UD&HD may ensure, by effective monitoring, observance of SWM rules and policy and strategy framed for SWM; maintenance of adequate and objectively verifiable documents for SWM; and achievement of the benchmarks, by ULBs.*

***(Paragraph 5.2)***

Thirteen out of the 28 test-checked ULBs, did not have any plans for SWM. The remaining 15 ULBs had a Detailed Project Report as the plan, in which infrastructure/fund requirements had been worked out for the year 2018 only (except in case of the Patna Municipal Corporation and Gaya Municipal Corporation, where the requirements had been worked out for the year 2023 and from 2015 to 2032, respectively). Lack of planning made the ULBs vulnerable to incurring expenditure on an *ad-hoc* basis, with the expenditure being driven by the availability of funds, rather than on the basis of a need-based analysis.

The deficient planning was evidenced from the purchase of dustbins costing ₹ 19.41 crore which were distributed to households, without ensuring source segregation and subsequent processing of waste; purchase of 213 auto tippers, costing ₹ 13.65 crore, in the excess of requirements; purchase of vehicles, for ₹ 3.11 crore, which were not suitable to local conditions and remained parked for eight to 62 months; purchase of SWM equipment, for ₹ 5.24 crore, which remained unutilised; purchase of 1,100 litres dustbins, for ₹ 1.97 crore, without having requisite lifting devices; and unplanned expenditure of ₹ 4.23 crore on IEC (information, education and communication activities) activities *etc.*

### ***Recommendation***

*Department may ensure that all the ULBs carry out planning for solid waste management, in the manner envisaged in the MSWM Manual. Department may ensure preparation of an effective MSWM Plan, including the current and future quality and quantity of waste, future projections and identification and analysis of gaps, for selection of appropriate systems and technologies in regard*

*to processing and disposal of waste. While budgeting, ULBs may ensure that inputs of citizens are obtained, through the prescribed mechanism/institutions and as per the stipulated timelines.*

**(Paragraph 5.4)**

None of the test-checked ULBs had carried out baseline studies/surveys and ward mapping, which were pre-requisites for door-to-door collection of segregated waste. Further, the lackadaisical approach of ULBs towards source segregation was also evident from the purchase/distribution of single dustbins, non-distribution of pairs of dustbins and their parking in the municipality stores.

Only 24 *per cent* households, in the test-checked ULBs, had carried out source segregation. Mixed waste was being dumped at landfills. Waste collected from commercial places, community bins and street sweeping, was also unsegregated and was being transported to landfills/dumping sites in uncovered vehicles.

The sampled ULBs furnished a list of 2,067 vehicles, being used by them for SWM activities. Audit observed that not all the vehicles had valid registration numbers, insurance and pollution under control certificates. Plying of such vehicles on the roads, for the purposes of waste collection and management, constituted a serious violation of the relevant legal provisions.

**Recommendation**

*ULBs may strictly ensure segregation of waste at source, door-to-door collection and segregation of recyclable waste material, either through developing deterrent measures or incentivizing segregation, in order to facilitate recycling, reusing and processing. ULBs may avoid transportation of waste without cover. They may also avoid using vehicles without registration, insurance and 'pollution under control' certificate. For collection of segregated waste, it may be ensured that the vehicles used for primary collection are containerized or partitioned, separate bag/baskets are carried for wet and dry waste, to facilitate the storage of segregated waste.*

**(Paragraph 5.5)**

Waste was not being processed in 18 ULBs. In seven ULBs, the extent of waste processing ranged upto to 14 *per cent* only, while, in three ULBs, waste processing could not be quantified, in the absence of relevant records.

Major irregularities, in the centralized processing of waste, were noticed in the Gaya Municipal Corporation. These included (i) payment of ₹ 11.54 crore to an agency, without processing/verification of the quantity of processed waste and (ii) excess payment of ₹ 17.02 lakh, due to lack of monitoring; fraudulent claim of agency, by showing higher number of vehicle trips than actual; unrealistic entry and exit times of vehicles; and carriage of waste by non-existent/off-road vehicles.

Authorised sanitary landfill sites were not available in any of the sampled ULBs. Therefore, ULBs had chosen landfill/dumping sites as per their convenience. There were instances of serious non-observance of SWM Rules regarding disposal of waste. Contrary to the order of Hon'ble NGT, to commence legacy

waste remediation from 1 November 2019, only four out of 28 ULBs had started disposal of legacy waste.

***Recommendation***

*ULBs may speed up the operationalisation of waste processing centres, in order to ensure that minimum waste reaches the landfills. State Government may fix the responsibility in regard to non-bio-remediation of old open dumpsites, to be conducted within the prescribed timeline and in the existing operational dumpsites for their potential of bio-mining and bio-remediation. State Government may fix the responsibility in the cases of non-adherence to the SWM Rules, for management of landfills and waste disposal.*

***(Paragraph 5.6)***

Twenty-seven, out of the 28 test-checked ULBs, had not made any arrangements for collection of e-waste and 22 of the test-checked ULBs had not made any agreement for collection of domestic bio-medical waste. Resultantly, instances of used syringes and needles being found mixed with solid waste, were noticed in eight ULBs.

Recycling/channelization of plastic waste was not being carried out in any of the test-checked ULBs. All the plastic waste ended up at the dumping site, without any segregation and treatment. Further, the Patna Municipal Corporation failed to establish a plastic waste shredding unit, despite allotment of ₹ 5.12 crore by the Rural Works Department, due to which, subsequent use of shredded plastic waste, in road construction, could not materialize.

***Recommendation***

*State Government may determine and fix responsibility in regard to non-segregation of bio-medical waste from other municipal waste at source and inappropriate handling of waste at collection and storage points. ULBs may ensure safe disposal of e-waste, so that they do not get mixed with municipal waste and the risks to health are averted. ULBs may make efforts towards recycling of plastic waste. ULBs may maintain records, detailing the sources from where C&D waste was collected, the quantities thereof, its disposal places and quantities thereof.*

***(Paragraph 5.9)***

Deficient monitoring was evident from the non-existence of different institutions, viz. District Level Review and Monitoring Committees, Ward Level Committees and Subject Committees as well as deficiencies in the meetings of the Empowered Standing Committees. The test-checked ULBs had not assessed the risk from MSW and were not monitoring pollution levels (air and water quality), although this was envisaged in the SWM Rules 2016.

Short fall of designated staff, for Solid Waste Management, ranged from 90 to 100 *per cent*. The test-checked ULBs had not organized any capacity building training programmes for their staff and waste pickers. Further, none of the test-checked ULBs had registered waste pickers (except Darbhanga and Danapur) and only two ULBs (Danapur and Dalsingsarai Nagar Parishads) had engaged Self Help Groups of women, for recovery of recyclables.

**Recommendation**

*ULBs may activate monitoring Committees and also strengthen their internal control mechanisms. State Pollution Control Board may fix the responsibility in regard to non-monitoring of environmental requirements for designing, disposal, treatment and processing facilities. Department may take effective measures to fill the posts of Sanitary inspector/Chief Sanitary Inspector/Safai Jamadar, Assistant Public Sanitation and Solid Waste Management Officer/Public Sanitation and Solid Waste Management Officer and Clerks, for proper SWM, in ULBs.*

**(Paragraph 5.10)**

The other significant audit observations include absence of fund based accounting; under-recovery of user charges of ₹ 17.07 crore; avoidable expenditure of ₹ 10.29 crore, by the Patna Municipal Corporation, on hiring of earth mover machines, for waste stacking, in the absence of waste processing; expenditure of ₹ 1.25 crore on cloud server, despite availability of a free state service, made available by the Department for such purposes; avoidable expenditure of ₹ 70.89 lakh, due to delayed registration of vehicles; excess payment of ₹ 56.62 lakh on account of payment at a rate higher than the maximum retail price (MRP) by the Patna and Gaya Municipal Corporations; and avoidable payment of ₹ 23.16 lakh, towards network connectivity, to a private vendor, despite availability of the State Government (BSWAN) network, by the Patna and Gaya Municipal Corporations.





**PANCHAYATI RAJ  
INSTITUTIONS**



**CHAPTER-I**  
**AN OVERVIEW OF**  
**THE FUNCTIONING,**  
**ACCOUNTABILITY**  
**MECHANISM AND**  
**FINANCIAL REPORTING**  
**ISSUES OF PANCHAYATI RAJ**  
**INSTITUTIONS**



**CHAPTER – I**  
**AN OVERVIEW OF THE FUNCTIONING, ACCOUNTABILITY**  
**MECHANISM AND FINANCIAL REPORTING ISSUES OF**  
**PANCHAYATI RAJ INSTITUTIONS**

**1.1 Introduction**

The Seventy-Third Constitutional Amendment Act (73<sup>rd</sup> CAA), 1992, vested Panchayati Raj Institutions (PRIs) with constitutional status and established the following in their regard (i) a three-tier uniform structure (ii) system for elections (iii) reservation of seats for Scheduled Castes, Scheduled Tribes and Women (iv) system for devolution of funds to PRIs and (v) functions to be devolved to PRIs. As a follow-up, States were required to entrust PRIs with such powers, functions and responsibilities that would enable them to function as institutions of local self- government. PRIs aim to promote (a) participation of people and (b) effective implementation of rural development schemes for economic development and social justice, including those in relation to the 29<sup>1</sup> subject matters listed in the Eleventh Schedule of the Constitution of India.

Government of Bihar (GoB) enacted the Bihar Panchayat Raj Act (BPRA), 1993 (subsequently replaced by the BPRA, 2006, as amended from time to time) and established a system of three-tiers of PRIs, viz. Gram Panchayats (GPs) at the village level, Panchayat Samitis (PSs) at the Block level and Zila Parishads (ZPs) at the District level. For effective decentralization at the grassroots level, GPs were further divided into Wards and provisions of Gram Sabha<sup>2</sup> at the GP level and Ward Sabha<sup>3</sup> at the Ward level were made.

As per Economic Survey, 2022-23, GoB, there were 8,629 PRIs<sup>4</sup>, having 2,47,426 posts of representatives<sup>5</sup> in the State. Fifty *per cent* horizontal reservation of the total seats of the elected bodies of PRIs, was provided for women. The last general elections, to the elected bodies of PRIs in the State, were held during September-December 2021.

<sup>1</sup> *Agriculture, including agricultural extension; Land improvement, implementation of land reforms, land consolidation and soil conservation; Minor irrigation, water management and watershed development; Animal husbandry, dairying and poultry; Fisheries; Social Forestry and farm forestry; Minor forest produce; Small-scale industries, including food processing industries; Khadi, village and cottage industries; Rural housing; Drinking water; Fuel and fodder; Roads, culvers, bridges, ferries, waterways and other means of communication; Rural electrification, including distribution of electricity; Non-conventional energy sources; Poverty alleviation programme; Education, including primary and secondary schools; Technical training and vocational education; Adult and non-formal education; Libraries; Cultural activities; Markets and fairs; Health and sanitation, including hospitals, primary health centres and dispensaries; Family welfare; Women and child development; Social welfare, including welfare of the handicapped and mentally retarded; Welfare of weaker sections, and in particular, of the Scheduled Casts and the Scheduled Tribes; Public Distribution System; Maintenance of Community Assets*

<sup>2</sup> *Gram Sabha means a body consisting of persons registered in the electoral rolls, relating to a village comprised within the area of the Panchayat, at the village level.*

<sup>3</sup> *All persons registered under the electoral roll of the Ward shall be members of the concerned Ward Sabha.*

<sup>4</sup> *38 ZPs, 533 PSs and 8,058 GPs*

<sup>5</sup> *Mukhiyas: 8,058; Gram Panchayat members: 1,09,528; Members of PSs: 11,094; Members of ZPs: 1,160; Panchs: 1,09,528 and Sarpanchs: 8,058*

### 1.1.1 State Profile

Bihar is the 12<sup>th</sup> largest State in the country, with an area of 94,163 sq. km. (2.86 per cent of the total geographical area). The population growth rate in Bihar, in the last decade (2001-2011), was 25.4 per cent. As per Census 2011, out of the total population of 10.41 crore in the State, the rural population was 8.77 crore (84 per cent). The demographic and development statistics of the State are given in **Table 1.1**.

**Table 1.1**  
**Important statistics of the State**

Indicators	Unit	State Value
Population	Crore	10.41
Population Density	Per sq. km.	1,106
Rural Population	Crore	8.77
Gender Ratio	Females per thousand males	918
Literacy	Per cent	61.80
Number of districts	Number	38
Number of PRIs	Number	8,629
Decadal growth rate	Per cent	25.42
Rural Sex Ratio	Females per thousand males	921

(Source: Census 2011 and Economic Survey, 2022-23, GoB)

## 1.2 Organisational set-up of PRIs

At the State level, the Panchayati Raj Department (PRD) coordinates and monitors functioning of the PRIs. The ZP is headed by *Adhyaksha*, while the PS and the GP are headed by *Pramukh* and *Mukhiya*, respectively, who are elected representatives of the respective PRIs. The *Mukhiya* is responsible for the financial and executive administration of the GP.

The Chief Executive Officer (at the rank of District Magistrate or Additional District Magistrate) and the Block Development Officer-cum-Executive Officer (EO) are the executive heads of ZPs and PSs, respectively. Further, since June 2022, the District Panchayat Raj Officer is the Additional Chief Executive Officer of the ZP, while, in those Blocks where Block Panchayat Raj Officers are posted, they perform the roles and responsibilities of Executive Officer of the Panchayat Samiti. The Panchayat Secretary is in-charge of office of the GP and is also responsible for maintenance of the books of account and other records at the GP level.

## 1.3 Functioning of PRIs

### 1.3.1 Powers and Functions of PRIs

Articles 243G and 243H of the Constitution of India stipulate that the Legislature of a State may, by law, endow PRIs with the following powers, authority, and responsibilities, to enable them to function as institutions of self-government:

- preparation of plans and implementation of schemes for economic development and social justice, as may be entrusted to them, including those concerning the matters referred to in the Eleventh Schedule of the Constitution; and

- powers to impose taxes and constitute funds for crediting all moneys of the Panchayats.

Besides, Sections 22, 47, and 73 of the BPR, 2006, describe the nature of powers and duties to be performed by the GPs, PSs, and ZPs, respectively.

### 1.3.2 Powers of the State Government

The BPR, 2006, entrusts the State Government with the following significant powers, to enable it to monitor the proper functioning of the PRIs. A summary of powers and roles of the State Government, with regard to PRIs, is given in **Table 1.2**.

**Table 1.2**  
**Powers of the State Government**

Authority	Powers of the State Government
Section 11	Subject to the general or special orders of the Government, the District Magistrate may, by notification in the District Gazette, declare any local area, comprising a village or a group of contiguous villages or part thereof, to be a Gram Panchayat area, with a population within its territory as nearly as seven thousand.
Section 146	<b>Power to frame rules:</b> The State Government may, by notification in Official Gazette, make rules to carry out functions, as specified in BPR, 2006, subject to approval of the State Legislature.
Section 150, 152 and 153	<b>Power to make model Regulations, Inquiry, and Inspection:</b> The State Government may make standard rules for the purposes of the BPR, 2006 and has the power to inspect any office or records under the control of the PRIs.
Section 167	<b>District Planning Committee:</b> The State Government shall constitute, in every district, a District Planning Committee, to consolidate plans prepared by the Panchayats and the Municipalities in the district and to prepare a Draft Development Plan for the district as a whole.
Section 168	<b>Finance Commission for Panchayats:</b> The State Government shall constitute, in every five years, a Finance Commission, to review the financial position of PRIs and to make recommendations for devolution of funds and measures to improve the financial position of PRIs.
Section 27, 55 and 82	<b>Taxation:</b> PRIs may impose taxes on holdings, professions, and levy tolls, fees, and rates, subject to the maximum rates notified by the State Government.
Section 172	<b>Removal of difficulties:</b> If any difficulty arises in giving effect to the provisions of the Act, the State Government, may, by order, do anything necessary to remove the difficulty.
Section 18(5), 44(4), and 70 (5)	<b>Removal from the post:</b> The State Government may remove the <i>Mukhiya/ Up-Mukhiya, Pramukh/ Up-Pramukh, and Adhyaksha/ Upadhyaksha</i> , from their posts, on the ground of absence from the meeting, lack in performing duties as per BPR, 2006, misusing their powers or being convicted and absconding for more than six months, after allowing them to represent themselves.

(Source: BPR, 2006)

### 1.3.3 Devolution of Functions, Funds, and Functionaries to PRIs

The 73<sup>rd</sup> CAA envisages that all the 29 functions, listed in the Eleventh Schedule of the Constitution, along with funds and functionaries, would be eventually transferred to the PRIs, through suitable legislation of the State Government.

**(i) Devolution of Functions**

Departments/wings<sup>6</sup> of GoB transferred (September 2001) their respective functions to PRIs, in terms of the subjects/functions listed in the Eleventh Schedule of the Constitution and prepared a tier-wise activity mapping of these functions/sub-functions. PRIs were entrusted with 621 types of responsibilities, by various departments of the State Government, from time to time. Chief Secretary, Bihar, however, observed that the notifications issued by the Departments, in regard to the devolution of functions and responsibilities to be performed by the three tiers of PRIs, were not clear and practical for adoption by the PRIs and directed (July 2014 and April 2019) the Departments concerned to frame clear operational guidelines for effective devolution of powers to PRIs. However, no progress was observed in this respect as of May 2022. Further, it was observed that functional Departments concerned had continued to receive budgetary allocations for carrying out the functions which had been devolved to PRIs. Thus, the functions devolved to PRIs overlapped with the functions being performed by the related Departments of the State Government. The Sixth State Finance Commission (SFC) also observed that (i) only a few functions were being performed by PRIs and (ii) activity mapping of most functions remained on paper and had not been acted upon. As such, the concerned Departments of the State Government had not transferred operational control, in regard to most of the devolved functions, to PRIs.

**(ii) Devolution of Funds**

The basic objective of the 73<sup>rd</sup> CAA was to empower Local Bodies (LBs), through functional and financial devolution, to enable them to function as vibrant units of self-government. Accordingly, PRIs were receiving funds in the form of grants/devolution from the Central/ State Government, State Plan heads *etc.*, through PRD, to carry out developmental works in rural areas. Funds released to PRIs, during the financial years 2017-18 to 2021-22, are as given in **Table 1.3**.

**Table 1.3**  
**Grants to PRIs at different Levels (FY 2017-18 to FY 2021-22)**

*(₹ in crore)*

Head	GP	PS	ZP
Rajiv Gandhi Panchayat Sashaktikaran Aabhiyan	138.00	0	0
Central Finance Commission Grants	19,616.8	1,595.6	1,076.6
State Finance Commission Grants	7,054.1	1,033.1	574.2
Construction of Panchayat Sarkar Bhawan	555.7	-	-
Contingency Grants	95.0	-	-
Payment and allowance to elected members/ functionaries	608.2	121.2	23.9
<b>Total</b>	<b>28,067.80</b>	<b>2,749.9</b>	<b>1,674.70</b>

*(Source: Economic Survey for the financial year 2022-23, GoB)*

<sup>6</sup> Agriculture; Revenue and Land Development; Water Resources (Minor Irrigation); Animal Husbandry and Fisheries; Environment and Forest; Industry; Public Health Engineering Department; Rural Development; Rural Engineering; Energy; Primary Education; Adult Education; Literacy; Cultural Activities; Medical; Family Welfare; Social Welfare; Welfare of the Handicapped; Public Distribution System; Relief and Rehabilitation.

Further, as per Sections 27, 55, and 82 of BPR, 2006, PRIs were authorised to impose taxes on holdings, professions and levy tolls, fees, and rates, subject to the maximum rates specified by the State Government. The SFCs had also recommended that the State Government was to specify the maximum rates of taxes, to enable PRIs to raise resources on a priority basis. However, GoB did not specify the rates at which the tax/ non-tax revenues were to be collected. In the absence of these rates, PRIs had not been able to levy and collect revenues from their own resources (as of August 2021).

On this being pointed out, the Department stated (August 2021) that framing of the Bihar Panchayat (Gram Panchayat, Account, Audit, Budget and Taxation) Rules was under process. Audit, however, observed in this regard, that framing of the aforesaid Rules had been in process for more than 10 years. Updated status was not furnished by the Department (April 2023).

### ***(iii) Devolution of Functionaries***

At the GP level, the Panchayat Secretary was the only full-time government employee, available to facilitate GPs in performing their mandated functions. It was, however, noted that (i) 6,055 posts (71.92 per cent of the sanctioned strength of 8,419) of Panchayat Secretaries were vacant, as of August 2021 (ii) Block Panchayat Raj Officers (BPROs) had been appointed, in Blocks, to work as Executive Officers of the Panchayat Samities and (iii) the staff of the Blocks were also performing functions relating to the PSs. As of June 2022, 308 BPROs were working in 534 Blocks of the State. The status of sanctioned strength and persons-in-position of ZPs was not available at the Department level.

Thus, PRIs had not been provided with adequate staff and were constrained to function with deficient manpower. The 6<sup>th</sup> SFC had observed that, although Departments had issued activity mapping orders regarding devolution of functions, they had not transferred the services of functionaries handling these activities (except for limited administrative control over *Aaganwadi* workers, health workers, and teachers), to PRIs.

Thus, the devolution of functions, funds, and functionaries to PRIs, as envisaged in the 73<sup>rd</sup> CAA, was not satisfactory.

## **1.4 Formation of various Committees**

BPR, 2006, provides that PRIs shall constitute various Committees, by election among their members, for effective discharge of their functions.

### ***1.4.1 Standing Committees***

As per Sections 25, 50, and 77 of BPR, 2006, PRIs are required to constitute various Standing Committees, for performing assigned functions. The Standing Committees, to be constituted at three-tier PRIs and the functions of these Committees, are given in **Table 1.4**.

**Table 1.4**  
**Standing Committees in PRIs**

Committees	GP	PS	ZP	Functions
General Standing Committee	No	Yes	Yes	General functions, co-ordination of the works of other Committees and all residuary functions not under the charge of other Committees.
Planning, Co-ordination & Finance Committee	Yes	No	No	General functions relating to GPs, co-ordination of the works of other Committees and all residuary functions not under the charge of other Committees.
Finance, Audit & Planning Committee	No	Yes	Yes	Functions relating to finance, audit, and budget & planning.
Production Committee	Yes	Yes	Yes	Functions relating to agriculture; land improvement; minor irrigation & water management; animal husbandry; dairy, poultry & fisheries; forestry-related areas; <i>khadi</i> , village & cottage industries; and poverty alleviation programmes.
Social Justice Committee	Yes	Yes	Yes	Functions relating to educational, social, cultural and economic promotion and protection of SCs, STs and weaker sections, from social injustice and all forms of exploitation besides welfare of children & women
Education Committee	Yes	Yes	Yes	Functions relating to education, including primary, secondary and mass education, libraries and cultural activities
Committee on Public Health, Family Welfare & Rural Sanitation	Yes	Yes	Yes	Functions relating to public health, family welfare and rural sanitation.
Public Works Committee	Yes	Yes	Yes	Functions relating to all kinds of construction and maintenance, including rural housing, sources of water supply, roads & other means of communication, rural electrification and related works.

(Source: Sections 25, 50 and 77 of BPRA, 2006)

The Department had no information about how many PRIs had constituted the above mentioned Standing Committees and how many Committees were actually functional.

## 1.5 Audit Arrangements

### 1.5.1 Primary Auditor

The Eleventh Finance Commission (FC) had recommended that the Comptroller and Auditor General of India (CAG) should be entrusted with the responsibility of exercising control and supervision over proper maintenance of accounts and audit, for all tiers/levels of Panchayats. The 13th and 14<sup>th</sup> FCs had also recommended that CAG must be entrusted with the function of Technical Guidance and Support (TGS) over the audit of all local bodies (LBs), at every tier/category and his Annual Technical Inspection Report (ATIR), as well as the Annual Report of the Director of Local Fund Audit (DLFA), must be placed before the State Legislature.

Accordingly, the terms and conditions for audit of the accounts of LBs, under the TGS arrangement, as laid in the Regulations on Audit and Accounts, 2007, were accepted by GoB, in December 2015. Subsequently, audit of the accounts of LBs under TGS, by the CAG, commenced from January 2017. And, the Directorate of Local Fund Audit (under the Finance Department, GoB) started performing the role of the primary external auditor for audit of the LBs, from January 2017.

## 1.6 Response to Audit Observations

### 1.6.1 Response to AG's Inspection Reports on LBs

After completion of audit by the office of AG (Audit), IRs, containing audit findings, were issued to the PRIs concerned, with a copy to the Department concerned. The Deputy Development Commissioner-cum-Chief Executive Officers of the ZPs, the EOs of PSs and the *Mukhiyas* of GPs, were required to respond to the audit observations contained in the IRs and send compliance reports within three months. However, the status of compliance of audit paragraphs was not satisfactory, as evident from the increasing number of outstanding paragraphs. Details of paragraphs outstanding for compliance, for the last five financial years (2017-18 to 2021-22), are given in **Table 1.5**.

**Table 1.5**  
**Audit paragraphs outstanding for the last five financial years**  
**(2017-18 to 2021-22)**

Year	No. of IRs	No. of Paragraph in IRs	Amount involved (₹ in crore)	No. of paragraphs settled	Amount of settlement (₹ in crore)	No. of paragraphs outstanding	The money value of paragraphs outstanding (₹ in crore)
1	2	3	4	5	6	7 (3-5)	8 (4-6)
2017-18	1,365	8,476	1,173.853	23	1.301	8,453	1,172.552
2018-19	156	1,069	72.88	0	0	1,069	72.88
2019-20	113	874	222.57	26	22.293	848	200.277
2020-21	14	212	158.13	0	0	212	158.13
2021-22	99	996	3.50	0*	0	996	3.50
<b>Total</b>	<b>1,747</b>	<b>11,627</b>	<b>1,634.933</b>	<b>49</b>	<b>23.594</b>	<b>11,578</b>	<b>1,607.339</b>

(Source: Inspection Reports)

\*847 paras were settled in the year 2021-22 which were related to the years prior to 2021-22

On this being pointed out, the Internal Financial Advisor, PRD, replied (May 2023) that letters were written from time to time (May 2019, August 2019, February 2020 and February 2021), to the District Magistrates, for compliance of the paragraphs and taking action against the erring officials to ensure settlement of the outstanding audit paragraphs.

The large number of audit paragraphs remaining outstanding for settlement was indicative of inaction by the PRIs and the Department.

### 1.6.2 Compliance/status of Annual Audit Reports

Prior to January 2017, audit of Local Bodies in Bihar was conducted by the Examiner of Local Accounts (ELA) under overall control of the Accountant General (Audit). An Annual Report by consolidating the audit findings contained in the Inspection Reports had been prepared for the period 2005-06 to 2013-14 and the report was titled as ELA's Report on Local Bodies.

Subsequently, Audit Report on Local Bodies, countersigned by the CAG, was prepared for the period 2014-15 and 2015-16.

Further, Audit of the accounts of Local Bodies under TGS arrangement was commenced under TGS arrangement from January 2017. Consequently, the role of primary auditor was shifted from the CAG to the DLFA, a wing functioning under the Finance Department, (GoB). Thereafter, Annual Technical Inspection Report (ATIR) for the period 2017-19 was prepared and submitted to the Governor of the State for placement of the same before State Legislature. Annual Technical Inspection Reports (ATIRs) for the period 2019-20 and 2020-21 were prepared and placed before the State Legislature (July 2023).

**(i) ELA's Annual Report**

Finance Department, GoB, had constituted (March 2010) three-tier Committees – High Level, Departmental Level, and District Level - for review/ compliance of the audit paragraphs contained in the ELA's Annual Audit Reports. The District Level Committee<sup>7</sup> had the responsibility of ensuring compliance of audit paragraphs/ reports received from the PRIs and ULBs of that district. The Department Level Committee<sup>8</sup> was expected to review the compliance of audit paragraphs/reports prepared by the District Level Committees. The High-Level Committee<sup>9</sup> was required to meet once in six months, to review the functioning of the District and Department Level Committees.

The Monitoring Officer, PRD, replied (March 2022) that (i) meetings of the District Level Committee were held in two districts, in the year 2020 and in six districts, in the year 2021 (ii) the Department Level Committee meetings would be held after receiving the proceedings of the meetings of District Level Committees from all the Districts.

Audit observed that no Departmental Level Committee meetings had been held since July 2015 and no High-Level Committee meetings had been held since August 2013.

Thus, the purpose of constituting three-tier committees was not fulfilled. The ELA's Annual Audit Reports on LBs, for the years ended March 2013 and March 2014, were placed before State Legislature in March 2016.

Thus, the purpose of constituting three-tier Committees was not fulfilled and the audit observations contained in the ELA's Reports were not discussed.

**(ii) CAG's Audit Report**

Sections 31(4), 59(4), and 86(4) of the BPR (Amendment) Act, 2011, stipulate that the Annual Report of the CAG of India or an authority authorised by him, shall be laid before both Houses of the State Legislature.

The first CAG Report on LBs in Bihar, for the financial year 2014-15, was laid before the State Legislature on 04 April 2016. Three paragraphs of the report, related to PRD, were discussed in the PAC. Though the paras were discussed, recommendation of the PAC has not been received till date (March 2022). Further, the CAG Report on LBs in Bihar, for the financial year 2015-16, was laid before the State Legislature on 23 August 2017.

---

<sup>7</sup> Headed by the District Magistrate/Deputy Development Commissioner

<sup>8</sup> Headed by the Principal Secretary/Secretary of the Panchayati Raj Department, GoB

<sup>9</sup> Headed by the Principal Secretary to the Finance Department, GoB, and the Pr. A.G. (Audit), Bihar, as a member

## 1.7 Accountability Mechanism

### 1.7.1 Lok Prahari (Ombudsman)

As per Section 152(5) of BPR 2006, a *Lok Prahari* (Ombudsman) was to be appointed by the State Government for the Panchayats and the GoB had to frame the service conditions, duties, and powers *etc.*, for the *Lok Prahari*.

However, the Draft Bihar Local Government Ombudsman Rules, 2014, for appointment of the *Lok Prahari* (Ombudsman) for the Panchayats, had not been finalized (as of March 2022).

### 1.7.2 Social Audit

Rule 2(A) of the Bihar Gram Sabha (Co-ordination of meeting & Procedure for conduct) Rules, 2012, provides for Social Audit of all the development work executed in the village by the Gram Sabha. Further, Para 2.1.7 of the 5<sup>th</sup> SFC recommends that accountability through Social Audits should be pursued, to make the PRIs institutions of ‘smart’ self-governments.

The basic objective of Social Audit is to ensure public accountability in the implementation of social projects, laws, and policies.

GoB had created (June 2015) various posts, on contractual basis, for functioning of the Social Audit Society (SAS) and constituted the SAS in April 2017. The SAS was assigned social audit of MGNREGS in PRIs and various other schemes, such as the *Pradhan Mantri Aawaas Yojana*, *Lohiya Swachh Bihar Abhiyan*, Public Distribution System, *Nir Nirmal* Project, and National Social Assistance Programme (implemented by Blocks and Districts). However, apart from the audit of MGNREGS, no Social Audits had been conducted for the Schemes implemented by the PRD, GoB (as of March 2022). The PRD, GoB did not approach Social Audit Society effectively to conduct the audit of other schemes. Reasons for the same were not pointed out by the Department.

### 1.7.3 Submission of Utilisation Certificates

As per GoB instructions, read with provisions contained in Rule 342 of the Bihar Financial Rules (BFR), the time limit for submission of Utilisation Certificates (UCs), for grants sanctioned for specific purposes, is 18 months from the date of allotment of the grants.

Audit observed that PRD had released grants amounting to ₹ 59,995.90 crore, under different scheme heads, to PRIs, during the financial years 2003-04 to 2021-22, but PRIs had submitted UCs for an amount of ₹ 34,129.49 crore (56.89 *per cent*) only (as of March 2023), as depicted in **Table 1.6**.

**Table 1.6**  
**Submission of UCs by PRIs for funds allotted till FY 2021-22**

(₹ in crore)

Financial Year	UCs due	UCs submitted	UCs outstanding
2003-04 to 2021-22	59,995.90	34,129.49	25,866.41

(Source: Office of the A.G. (A&E), Bihar, Patna)

#### 1.7.4 Internal Audit and Internal Control System of PRIs

As per the recommendation of the 5<sup>th</sup> SFC for sustainable improvements, qualified Accountants were to be appointed regularly, apart from contracting CAs as internal Auditors, as an interim measure. Further, the Finance Department, GoB, in the light of 14<sup>th</sup> FC recommendations, made it mandatory (February 2016) for LBs to submit the expenditure accounts and internal audit report, along with UCs of the previous year's grants, for release of the 2<sup>nd</sup> and subsequent instalments. This necessitated the setting up of an internal audit mechanism in the Department.

As per the PRD instructions (May 2020), District Level Committees, under the Chairmanship of the concerned District Magistrates, were authorised for the selection of CA firms eligible for the audit of the accounts of the PRIs and *Gram Kachahari*.

The status of audit of PRIs and *Gram Kachahari*, conducted by CA firms, during FY 2019-20 to FY 2021-22, is given in **Table 1.7**.

**Table 1.7**  
**Status of Internal Audit by Chartered Accountants\***

Financial Year	Total no. of GPs	No. of GPs audited	Total no. of Gram Kachaharies	No. of Gram Kachaharies audited	Total no. of PSs	No. of PSs audited	Total no. of ZPs	No. of ZPs audited
2019-20	8,387	8,207	8,387	7,594	534	502	38	32
2020-21	8,387	7,924	8,387	7,063	534	485	38	28
2021-22	8,058	3,709	8,057	2,627	533	232	38	14

(Source: Panchayati Raj Department and Economic Survey, 2022-23, GoB)

\*Data provided by the Department in May 2023

The Department instructed (January 2020) all District Magistrates to complete audit of the accounts of the PRIs and *Gram Kachaharies* up to the financial year 2018-19, by January 2020. However, audit for the financial years 2017-18 and 2018-19 had not been completed (as of February 2022). It was replied (November 2022) by the Department that due to Covid-19, coverage of audit by CAs was low.

The Monitoring Officer of PRD stated (March 2022) that directions had been issued (November 2021) to take stern action in cases of non-cooperation in audit work or negligence in performance of duties and intimate the same to the Department.

Further, a State Level Audit and Financial Management Consultant was to be appointed for (i) reviewing the work of the CAs (ii) supervision (iii) compilation of reports received from the district, at the State level (iv) compliance of objections and (v) other audit-related work, at the Department level. However, the Department had not appointed any Consultant for this work (as of May 2023). Accordingly, review of the work of the CA, supervision, compilation of reports received from the district at the State level, compliance of objections and other audit-related work, could not be ensured.

### **1.7.5 Construction of District Panchayat Resource Centres**

Under the *Rashtriya Gram Swaraj Abhiyan* (RGSA) of Government of India, funds were provided to construct District Panchayat Resource Centres (DPRCs) for strengthening institutions for capacity enhancement of PRIs at various levels, in order to enable them to achieve adequate quality standards in infrastructure, facilities, human resources, and outcome-based training. Under this Scheme, the existing DPRCs were to be strengthened or new centres were to be established. These centres were expected to be focal points for the conduct and coordination of training, research and analysis, documentation, communication and were expected to develop training networks with academic and research institutions.

PRD, in the light of 5<sup>th</sup> SFC recommendations, released ₹ 194.05 crore to ZPs of the State, for construction of DPRCs during September 2018 and February 2019. The estimated cost for the DPRCs, was ₹ 5.1479 crore per unit for 24 districts and ₹ four crore per unit, for the remaining 14 districts. Thus, the total estimated cost, for all DPRCs of the State, was ₹ 179.55 crore. The ZPs were to execute the construction of the DPRCs, through an e-tender process. Three floors (ground floor, 1<sup>st</sup> floor and 2<sup>nd</sup> floor) were to be constructed. However, as of April 2023, construction of DPRCs in five districts had been completed; in 17 districts, construction work had not been commenced; in four districts, construction of the first and second floors had been completed; and, in the remaining 12 districts, construction work was at the beginning stages.

### **1.7.6 Construction of Panchayat Sarkar Bhawan**

GoB had decided to construct a *Panchayat Sarkar Bhawan* (PSB) in every Panchayat of the State, with the objective that each PSB would function as the office of the concerned GP, for discharging assigned functions, such as issue of certificates, permits and licenses, as well as for use as a central point for functions like holding of *Gram Sabhas*, providing information *etc.*

During FYs 2012-13 to 2018-19, GoB had sanctioned construction of 3,200 PSBs to be executed by three different implementing agencies<sup>10</sup>. Thereafter, 244 PSBs were sanctioned for construction. However, it is planned by the GoB to construct 8,058 PSBs in the State. Against the sanctioned target of 3,444 PSBs, only 1,488 PSBs were constructed and out of that 1,399 were made functional till 23 November 2022.

## **1.8 Financial Reporting Issues**

### **1.8.1 Sources of Funds**

The resource base of PRIs comprises (i) their 'own revenue', generated by way of collection of tax and non-tax revenues (ii) devolution of funds, in terms of the recommendations of the State and Central Finance Commissions

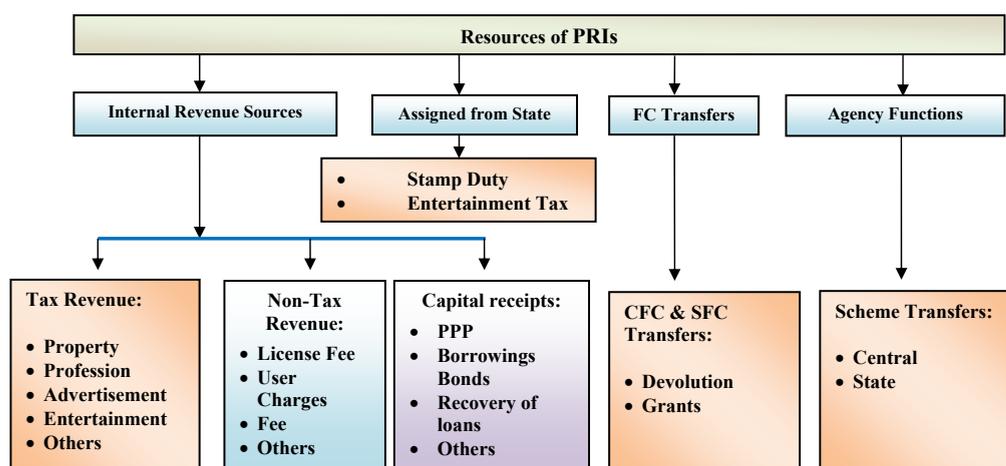
---

<sup>10</sup> Bihar Gram Swaraj Yojana Society (BGSYS), a society under PRD, Local Area Engineering Organisation (LAEO) and GPs were the implementing agencies for construction of PSBs. The PSBs were being constructed by aforesaid three different agencies. BGSYS had undertaken the construction of PSBs from the funds received from the World Bank while LAEO was engaged by the PRD for construction of PSBs by the PRD and GPs were also executing the construction work.

(iii) Central and State Government grants for maintenance and other development purposes, including grants for provision of basic services and (iv) other receipts.

As per Sections 27, 55, and 82 of BPR, 2006, PRIs were authorised to impose taxes on holdings, professions and levy tolls, fees, and rates, subject to a maximum rate, as notified by the State Government. A flow chart of the sources of finances of PRIs, is depicted in **Chart 1.1**.

**Chart 1.1: - Sources of Finances**



(Source: Provisions in the BPR, 2006 and the 5<sup>th</sup> State Finance Commission Report)

Out of the three-levels of PRIs, only the ZPs had their own sources of non-tax revenue, viz. rent of shops/Inspection Bungalows, leasing of ponds/bus-stand, etc., while PRIs did not levy taxes and fees, as the State Government had not yet (March 2022) notified the maximum rates of taxes, tolls, and fees etc.

### 1.8.1.1 State Budget allocation vis-à-vis expenditure

The budget provisions of the State Government for PRD, including the State share towards GoI schemes and grants received under recommendations by the Central Finance Commissions (CFCs), for the financial years 2017-18 to 2021-22, is given in **Table 1.8**.

**Table 1.8**  
**Budget allocation vis-à-vis expenditure**

(₹ in crore)

Particulars	Head	2017-18	2018-19	2019-20	2020-21	2021-22	Total
1	2	3	4	5	6	7	8 (3 to 7)
1. Budgetary Allocation	Revenue	9,148.71	10,245.17	13,376.35	12,597.84	13,224.87	58,592.94
	Capital	0.01	1.00	250	480.00	321.00	1,052.01
	<b>Total</b>	<b>9,148.72</b>	<b>10,246.17</b>	<b>13,626.35</b>	<b>13,077.84</b>	<b>13,545.87</b>	<b>59,644.95</b>
2. Expenditure	Revenue	8,540.95	8,408.50	8,689.62	8,236.01	8,057.27	41,932.35
	Capital	0.00	0.00	45.12	166.40	121.58	333.10
	<b>Total</b>	<b>8,540.95</b>	<b>8,408.50</b>	<b>8,734.74</b>	<b>8,402.41</b>	<b>8,178.85</b>	<b>42,265.45</b>
3. Savings (1-2)		<b>607.77</b>	<b>1,837.67</b>	<b>4,891.61</b>	<b>4,675.43</b>	<b>5,367.02</b>	<b>17,379.50</b>
4. Percentage of savings		<b>7</b>	<b>18</b>	<b>36</b>	<b>36</b>	<b>40</b>	<b>29</b>

(Source: Appropriation Accounts, GoB, for the financial years 2017-18 to 2021-22)

It is evident from **Table 1.8** that PRD could not fully utilise its budgetary allocation and the percentage of savings ranged between seven *per cent* and 40 *per cent* during the years 2017-22. Further, the total expenditure under the Capital head was only 32 *per cent* of the total allocation under the head. Further, non/low utilisation of funds allocated under ‘Capital head’ resulted in non-creation of assets like Panchayat Sarkar Bhawan, Resource Centres *etc.* which were to be used as GP office and resource centres. This adversely affected the PRIs in discharging the devolved functions like issue of certificates, permits and licenses, as well as for use as a central point for functions like holding of *Gram Sabhas*, providing information to public, delivering of various types of service, imparting training to large number of public representatives, officials *etc.*

### 1.8.2 Recommendations of the State Finance Commission

In terms of Article 243-I of the Constitution of India and as per the provisions contained in Section 168 of the BPR, 2006, GoB had constituted State Finance Commissions<sup>11</sup>, from time to time, with the mandate of assessing the financial status of LBs in the State and to determine the principles based on which adequate financial resources would be ensured to these LBs. The 6<sup>th</sup> SFC first submitted an interim report in January 2020, covering the financial year 2020-21 and then submitted its final report, for the period covered by the financial years 2021-22 to 2024-25, in April 2021.

The 6<sup>th</sup> SFC recommended that, during the financial years 2021-22 to 2024-25, ₹ 29,876 crore<sup>12</sup> may be devolved to LBs, with the share of PRIs being ₹ 19,419 crore and the financial year-wise allocation being as given in **Table 1.9**.

**Table 1.9**  
**Grants and devolution recommended for release to PRIs**

(₹ in crore)

Particulars	Projected				
	2021-22	2022-23	2023-24	2024-25	2021-25
Total SFC transfer to LBs	6,008	7,014	7,883	8,971	29,876
Transfer to PRIs	3,905	4,559	5,124	5,831	19,419

(Source: Report of 6<sup>th</sup> SFC)

The State Government had decided (August 2021) to implement the important recommendations of 6<sup>th</sup> SFC, for the period covered by the financial years 2021-22 to 2024-25, in the following manner:

- The amounts of devolution would be 10 *per cent* of the State’s Own Tax Revenue (SOTR).
- The amounts of grants would be 2.5 *per cent* of the actual expenditure of the State for previous financial year. Out of the total amounts of grants, 50 *per cent* would be released directly to LBs and the remaining 50 *per cent* would be released to the functional Departments of the State Government, with the aim of executing schemes for development of LBs.

<sup>11</sup> First SFC: April 1994, Second SFC: June 1999, Third SFC: July 2004, Fourth SFC: June 2007, Fifth SFC: December 2013 and Sixth SFC: February 2019

<sup>12</sup> Devolution: ₹ 11,713 crore and Grants: ₹ 18,163 crore

- Funds under devolution and grants would be allocated to PRIs and ULBs in the ratio of 65:35, respectively.
- The *inter se* distribution of funds, among ZPs, PSs and GPs, would in the ratio of 15:15:70, respectively.
- The grants and devolution would be transferred to PRIs under the following three heads (i) Development Fund (30 *per cent*) (ii) Maintenance Fund (20 *per cent*) and (iii) General Fund (50 *per cent*).
- The horizontal distribution of funds, under the 6<sup>th</sup> SFC, to LBs, would be based on population and area, in the weightage of 90 *per cent* and 10 *per cent*, respectively.

### 1.8.3 Recommendations of the 15<sup>th</sup> Finance Commission

Articles 280(3)(bb) and 280(3)(c) of the Constitution of India mandate the Finance Commission (FC) to recommend measures to augment the Consolidated Fund of a State, to supplement the resources of Panchayats and Municipalities.

The President of India had constituted (27 November 2017) the 15<sup>th</sup> FC, under Article 280 of the Constitution, to make recommendations for a period of five years, commencing 01 April 2020. The Commission submitted its report in two parts (i) an interim report, covering the financial year 2020-21, in November 2019 and (ii) the main report, covering the financial years 2021-22 to 2025-26, in October 2020. Vide its interim report, the Commission recommended that 50 *per cent* of the grants to rural local bodies may be untied, while the remaining 50 *per cent* (*i.e.* grants for sanitation and water supply) may be tied.

For rural local bodies, no conditions were prescribed for release of grants in FY 2020-21. However, from FY 2021-22 onwards, the entry level condition, for rural local bodies receiving these grants, would be the timely submission of audited accounts. Details of the grants received from GoI and released to PRIs during FY 2021-22 (up to 11 March 2022), are given in **Table 1.10**.

**Table 1.10**  
**Details of grants received from GoI and released to units**

(₹ in crore)

Financial Year	Receipt from GoI				Grant released to units			
	Tied Grant		Untied Grant		Tied Grant		Untied Grant	
	Date	Amount	Date	Amount	Date	Amount	Date	Amount
2021-22	27/8/21	1,112.70	10/5/21	741.80	6/9/21	1,112.70	18/5/21	741.80
	11/3/22	1,112.70	23/12/21	741.80	15/3/22	1,112.70	28/12/21	741.80
<b>Total</b>		<b>2,225.40</b>		<b>1,483.60</b>		<b>2,225.40</b>		<b>1,483.60</b>

(Source: Information furnished by PRD, GoB)

### 1.8.4 Maintenance of Accounts by PRIs

#### 1.8.4.1 Maintenance of Accounts by PRIs/Model Accounting System

GoI, in consultation with the CAG, prescribed (2009) the Model Accounting System (MAS) for the maintenance of accounts of PRIs. Consequently, PRD notified (July 2010) that the account of PRIs would be maintained in the MAS format, from April 2010 onwards. The MAS contained eight formats and data was to be entered in PRIASoft (an accounting software developed by MoPR).

The Department decided (August 2018) to implement e-Panchayat in PRIs<sup>13</sup>, based on the Panchayat Enterprises Suite (PES) application, containing 10 application softwares for different purposes, developed by MoPR, with PRIASoft being one of these Applications. E-Panchayat was, however, not implemented and MoPR launched eGramSwaraj (April 2020), in which e-Panchayat was merged. eGramSwaraj is a single platform, which intends to incorporate the entire gamut of the planning and accounting needs of Panchayats. However, in Bihar, online accounting was implemented in regard to only the 15<sup>th</sup> FC grants.

#### **1.8.5 Issues related to AC/DC Bills**

Rule 177 of the Bihar Treasury Code (BTC), 2011, provides that the Drawing and Disbursing Officer is to furnish a certificate to the effect that (i) money withdrawn on the contingent bills would be spent within the same financial year and (ii) the unspent amount would be remitted to the Treasury, before 31 March of the year. Further, as per Rule 194 of the BTC, 2011 (i) countersigned Detailed Contingent (DC) bills are to be submitted to the AG (A&E), within six months following the month in which the related Abstract Contingent (AC) bills were drawn and (ii) no AC bills are to be encashed after the end of this period of six months, unless the corresponding DC bills have been submitted.

As of July 2022, DC bills, of ₹ 97.18 crore<sup>14</sup>, withdrawn through AC bills, during the financial years 2002-03 to 2021-22 (up to 30 September 2021), were pending for adjustment.

Thus, PRD failed to ensure utilisation of entire amounts drawn through AC bills, as well as timely submission of DC bills.

Non-submission of DC bills within the prescribed period breaches financial discipline. Further, non-adjustment of advances, for long periods, is fraught with the risk of misappropriation of public money.

#### **1.8.6 Impact of Audit**

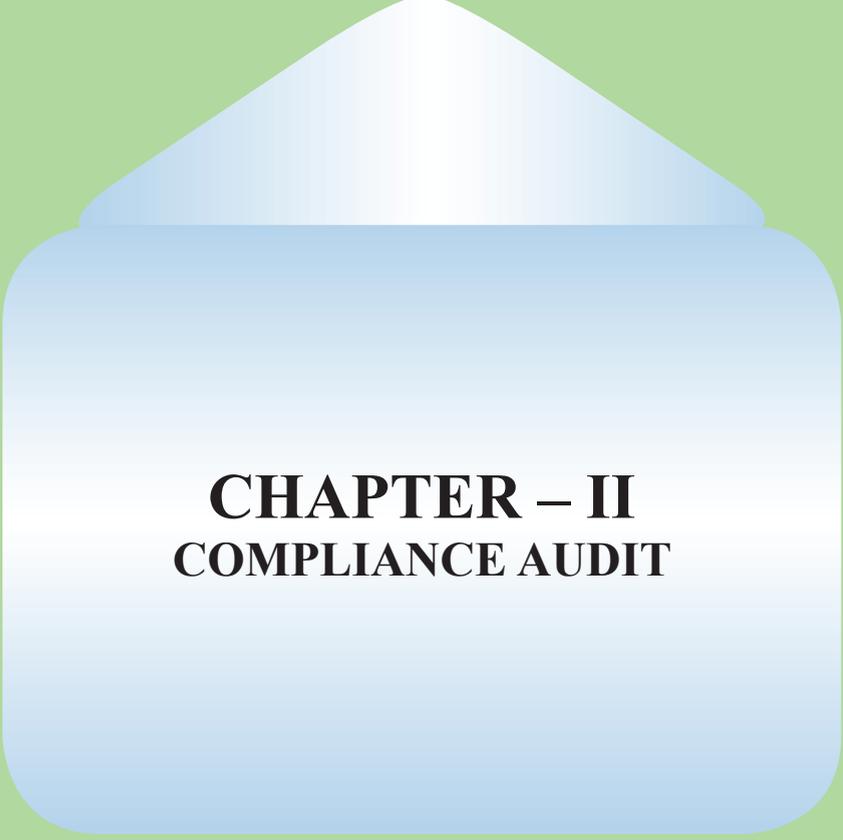
Amount of ₹ 8.48 crore were suggested for recovery in the financial year 2021-22 during the audit of 13 units of PRIs in which ₹ 6.30 crore were pertaining to only three units viz. ZP, Siwan (₹ 176.23 lakh), ZP, Begusarai (₹ 290.92 lakh) and ZP, Bhagalpur (₹ 162.44 lakh). However, no amount has been recovered so far.

---

<sup>13</sup> *The MoPR has undertaken e-Panchayat Mission Mode Project (MMP) with a view to introduce and strengthen e-Governance in Panchayati Raj Institutions (PRIs) across the country and build associated capacities of the PRIs for effective adoption of the e-Governance initiative. Under this project, Panchayat Enterprise Suite (PES) has been conceptualised which comprises 11 Core Common applications.*

<sup>14</sup> *Total amount drawn by the PRIs through AC Bills is ₹ 1,292.19 crore and against them State Government submitted DC Bills of ₹ 1,195.01 crore to the AG (A&E) for adjustment. DC bills against the balance of AC Bills amounting to ₹ 97.18 crore were pending for adjustment.*





**CHAPTER – II**  
**COMPLIANCE AUDIT**



## CHAPTER –II COMPLIANCE AUDIT

### PANCHAYATI RAJ DEPARTMENT

#### 2.1 Fraudulent payment

**Gram Panchayat, Budhua, failed to monitor the execution of works to be financed out of Finance Commissions grants and paid ₹ 12.50 lakh to the executing agent for works which were not carried out.**

Section 244 of the Bihar Public Works Department Code, provides that the Measurement Book (MB) shall be considered as the most important record, since it is the basis of all accounts of quantities, whether of work done by the daily labour or by the piece or by contract or of materials received, which have to be counted or measured. The competent authority (not below the rank of a Sub-divisional Officer (SDO)) is required to ensure that the payments made are not more than the quantity of work actually executed. Further, Section 17 (1) of the Bihar Panchayat Raj Act (BPRA), stipulates that the *Mukhiya* of the Gram Panchayat (GP) is responsible for financial and executive administration of the GP and is to exercise administrative control and supervision over the work of the employees and officers of the GP, as well as employees whose services may be placed at the disposal of the GP by any other authority. Further, according to the Bihar Panchayat (Inspection of Offices and Inquiry into Affairs, Supervision, and guidelines) Rules (BPR) 2014, the Block and District levels authorities<sup>15</sup> were responsible for inspection of GP offices at prescribed intervals<sup>16</sup>.

Audit scrutiny (July 2022) of records of the GP, Budhua under the Panchayat Samiti, Akbarpur (Nawada), for the financial years 2016-17 to 2021-22 (updated as on March 2023), revealed that the GP had undertaken (February 2020 to July 2020) works relating to construction of drain<sup>17</sup>, from 5<sup>th</sup> State Finance Commission grants and construction of a PCC Road<sup>18</sup>, from 14<sup>th</sup> Central Finance Commission grants, at total estimated cost of ₹ 15.93<sup>19</sup> lakh. The GP nominated (April & May 2019) the then Panchayat Secretary of the GP, as the executing agent, for execution of both the aforesaid works, with

<sup>15</sup> Block Panchayati Raj Officer (BPRO), Block Development Officer (BDO), Sub-divisional Officer (SDO)/District Panchayat Raj Officer (DPRO)/Divisional Deputy Director (Panchayat), Deputy Development Commissioner (DDC), District Magistrate (DM), and Divisional Commissioner

<sup>16</sup> At least one GP each month by BDO, at least two GPs in each month by BPRO, at least two GPs in three months by SDO and DPRO, at least two GPs in every six months by Divisional Deputy Director (Panchayat) and the DDC, at least two GPs in a year by DM and, as per convenience, by the Divisional Commissioner.

<sup>17</sup> Scheme number 01/19-20 (5<sup>th</sup> State Finance Commission Grants) Construction of drain and cover from the residence of Rajesh Thakur to the residence of Ravindra Yadav in Telbhadro.

<sup>18</sup> Scheme number 02/19-20 (14<sup>th</sup> Central Finance Commission Grants) Construction of PCC road from residence of Pintu Yadav to the residence of Sunil Yadav in Telbhadro.

<sup>19</sup> The estimated cost of Scheme no. 1/2019-20 was ₹ 5.95 lakh and the estimated cost of Scheme no. 2/2019-20 was ₹ 9.98 lakh. Thus, the estimated cost of the two works was ₹ 5.95 lakh + ₹ 9.98 lakh = ₹ 15.93 lakh.

the direction that these works be completed within one year from the date of issuance of the work order<sup>20</sup> (May and April 2019, respectively).

Against the value of work of ₹ 13.05 lakh<sup>21</sup>, booked in the Measurement Book (MB) by the Junior Engineer (JE), the executing agent was made payment of ₹ 12.50 lakh<sup>22</sup>, during May to July 2020. However, in joint physical verification, conducted by Audit (July 2022) along with the Technical Assistant and the present Panchayat Secretary of the GP, it was observed that, works had not been executed by the executing agent.

The amount had been paid to the executing agent by the *Mukhiya* (the Panchayat Secretary was the joint signatory for withdrawing amounts from GP funds), on the basis of the measurements in the MB, as booked by the Junior Engineer (JE) and countersigned by the Executive Engineer, DRDA, Nawada. The *Mukhiya* of the GP did not monitor the actual execution of works and paid ₹ 12.50 lakh to the then Panchayat Secretary, without verifying the work at site. Besides, contrary to the provisions of BPR, 2014, there was no evidence of inspection by the Block and District level authorities.

On this being pointed in audit (March 2023), the present Panchayat Secretary replied that explanation would be called for from the then Panchayat Secretary, who had retired from service.

Payment, without actual execution of the works, was rendered possible, as the authorities, *viz.* the *Mukhiya* and Block level officers, responsible for monitoring and inspection of the execution of work, did not monitor the work, the JE made false entries of the works in the MB and the Executive Engineer countersigned the MB, resulting in fraudulent payment of ₹ 12.50 lakh from the GP Fund.

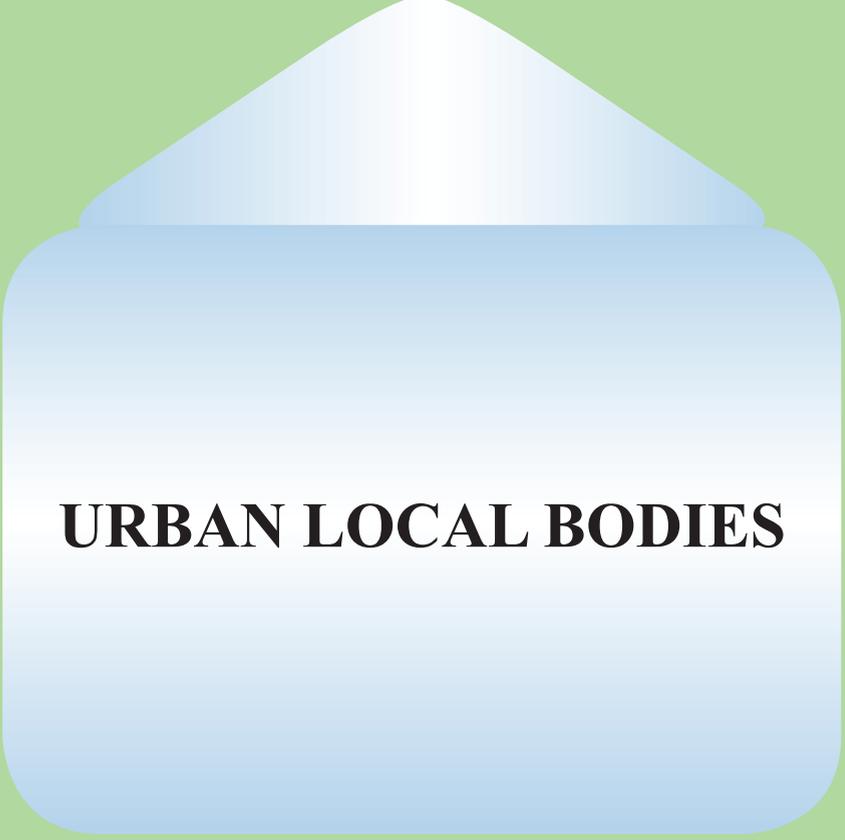
The matter had been reported to the State Government, no reply had been received (as on October 2023).

---

<sup>20</sup> *The date of issuance of work order for Scheme no. 01/19-20 was 1/5/2019, whereas the date for 02/2019-20 was 1/4/2019.*

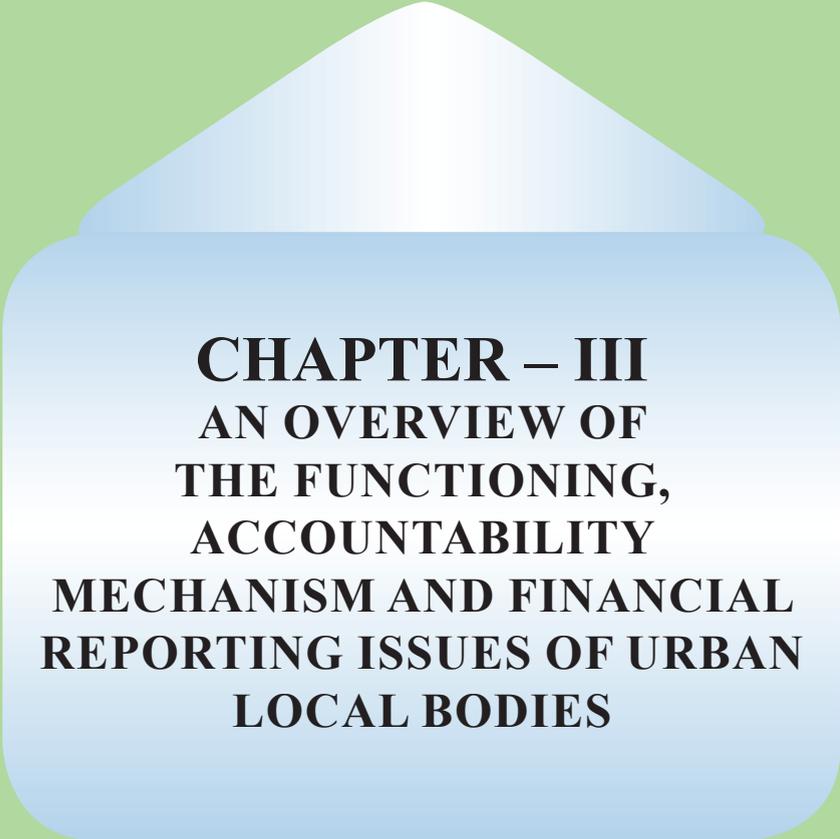
<sup>21</sup> *The value of work done (as per MB) in Scheme no. 1/2019-20 was ₹ 5.95 lakh and the value of work done in Scheme no. 2/2019-20 was ₹ 7.10 lakh. Thus the value of work done, as per the measurement recorded in MB, was ₹ 5.95 lakh + ₹ 7.10 lakh = ₹ 13.05 lakh.*

<sup>22</sup> *Payment made for Scheme no. 1/2019-20 was ₹ 5.50 lakh and payment made for Scheme no. 2/2019-20 was ₹ 7.00 lakh. Thus, total payment made was ₹ 5.50 lakh + ₹ 7.00 lakh = ₹ 12.50 lakh.*



**URBAN LOCAL BODIES**





**CHAPTER – III  
AN OVERVIEW OF  
THE FUNCTIONING,  
ACCOUNTABILITY  
MECHANISM AND FINANCIAL  
REPORTING ISSUES OF URBAN  
LOCAL BODIES**



**CHAPTER – III**  
**AN OVERVIEW OF THE FUNCTIONING, ACCOUNTABILITY**  
**MECHANISM AND FINANCIAL REPORTING ISSUES OF URBAN**  
**LOCAL BODIES**

**3.1 Introduction**

The Seventy-Fourth Constitutional Amendment Act (74<sup>th</sup> CAA), 1992, had envisaged creation of local self-government for the population of urban areas. Accordingly, Municipalities were provided constitutional status for governance. As a follow up, the States were required to entrust Municipalities with powers, functions and responsibilities, in order to enable them to function as institutions of local self-government and carry out the responsibilities conferred upon them, including the 18 subjects<sup>23</sup> listed in the Twelfth Schedule of the Constitution of India.

GoB enacted the Bihar Municipal Act (BMA), 2007 (subsequently amended from time to time), wherein Municipalities were devolved functions and responsibilities and the powers to carry out these functions. Further, GoB framed the Bihar Municipal Accounting Rules (BMAR), 2014, the Bihar Municipal Accounting Manual (BMAM) and the Bihar Municipal Budget Manual, for preparation and maintenance of accounts by the Municipalities of the State.

**3.1.1 State Profile**

Bihar is among the least urbanised states in the country. As per Census 2011, the urban population of Bihar was 1.18 crore. However, as per economic survey 2022-23, GoB, the projected urban population in Bihar in 2022 was 2.02 crore due to having additional urban population in the light of amendment (2020). Urban population in Bihar is about 4.2 *per cent* of the total urban population of India in 2022. But, there exists considerable economic disparity among the districts of Bihar in addition to wide variation in terms of the level of urbanisation as reflected in the range which varies from 44.3 *per cent* (Patna) to 3.6 *per cent* (Madhubani). Further, only one city (Patna) of the State had a population of more than one million. The comparative demographic and development statistics of the State are given in **Table 3.1**.

<sup>23</sup> (i) Urban planning including town planning (ii) Regulation of land-use and construction of buildings (iii) Planning for economic and social development (iv) Roads and bridges (v) Water supply for domestic, industrial and commercial purposes (vi) Public health, sanitation conservancy and solid waste management (vii) Fire services (viii) Urban forestry, protection of the environment and promotion of ecological aspects (ix) Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded (x) Slum improvement and upgradation (xi) Urban poverty alleviation (xii) Provision of urban amenities and facilities such as parks, gardens, playgrounds (xiii) Promotion of cultural, educational and aesthetic aspects (xiv) Burials and burial grounds; cremations, cremation grounds; and electric crematoriums (xv) Cattle pounds; prevention of cruelty to animals (xvi) Vital statistics including registration of births and deaths (xvii) Public amenities including street lighting, parking lots, bus stops and public conveniences (xviii) Regulation of slaughter houses and tanneries.

**Table 3.1**  
**Important statistics of the State**

Sl. No.	Indicators	Unit	State	All over India
1.	Urban Population	Million	11.76	377.11
2.	Urban Population Density	Person per Sq. km	4,811	3,836
3.	Urban Literacy	Per cent	76.86	84.11
4.	Urban Sex ratio	females per thousand males	895	900
5.	Urban poverty level	Per cent	31.2	13.7
6.	Municipal per capita own revenue	₹	58	2,540
7.	Number of districts	Number	38	765

(Source: Census 2011 and the Local Government Directory published by the Ministry of Electronics & Information Technology, GoI)

### 3.2 Organisational setup of ULBs

Organisational set-up of ULBs has been detailed in **Paragraph 5.1.1.**

### 3.3 Functioning of ULBs

#### 3.3.1 Powers of the State Government

BMA 2007, provides the State Government with certain powers, to monitor the functioning of the ULBs. Some powers were devolved to ULBs for delivery of services, as stipulated in the BMA 2007, but decisions on all key issues were being taken by the State Government. A brief summary of the powers of the State Government is given in **Table 3.2.**

**Table 3.2**  
**Powers of the State Government**

Authority	Powers of the State Government
Sections 3 and 6	<b>Constitution of Municipal Area:</b> The State Government may, after making such enquiry as it may deem fit, and having regard to the population of any urban area, density of population therein, the revenue generated for the local administration of such area, may, by notification, constitute such large urban area, city, town or transitional area or any specified part thereof, as a municipal area under the Act.
Section 44	<b>State Municipal Vigilance Authority:</b> The State Government shall appoint a <i>Lok Prahari</i> to inquire into any allegation of corruption, misconduct, lack of integrity or any kind of malpractice or mal-administration or misdemeanour of Chief/Deputy Chief Councillor/ officers and other employees of the municipality.
Sections 65 and 66	<b>Power to inspect office, call for records etc.:</b> The State Government may depute an officer to inspect any office or call for the records under the control of the ULBs.
Section 87	<b>Preparation of Manual:</b> The State Government shall prepare and maintain a Manual viz., the Bihar Municipal Accounting Manual, for implementation of accrual based double entry accounting system, containing details of all financial and accounting matters and procedures in Municipalities.
Section 419	<b>Power to make Rules:</b> The State Government may, by notification, make rules to carry out the purpose of BMA, 2007 subject to approval by the State Legislature.
Sections 421 and 423	<b>Power to make regulations:</b> The Municipality may make regulations for the purpose of giving effect to the provisions of BMA 2007, subject to approval of the State Government.
Section 487	<b>Removal of difficulties:</b> If any difficulty arises in giving effect to the provisions of BMA 2007, the State Government may do anything necessary to remove such difficulty.

(Source: BMA, 2007)

### 3.3.2 Devolution of functions, funds and functionaries

#### (i) Devolution of Functions

The 74<sup>th</sup> CAA, 1992 enables ULBs to perform functions relating to 18 subjects referred to in the Twelfth Schedule of the Constitution. Accordingly, GoB made provisions in the BMA, 2007, for functions relating to 17 out of 18 subjects (*i.e.* except for fire services) which were to be carried out by the ULBs. However, it was observed that only 13 out of 17 functions were being performed by ULBs, while the remaining four functions/ activities were still being performed by the concerned Departments, even after a lapse of more than 28 years of the 74<sup>th</sup> CAA having come into force.

Moreover, during FY 2021-22, it was observed that works related to tap water connection in urban areas of the State under *Mukhyamantri Shahri Payjal Nishchay Yojana*, was entrusted to ULBs, BUIDCO and PHED simultaneously. This shows that the overlapping of functions still persists.

With regard to devolution of functions, the Department stated (November 2021) that (i) these four functions /activities would be implemented after recruitment of the requisite manpower (ii) the necessary recruitment is under process. Audit was not updated about the further development (April 2023).

#### (ii) Devolution of Funds

Section 72(3) of the BMA 2007, provided that the State Government had to provide grants to Municipalities, for implementation, in full or in part of any scheme included in the Annual Development Plan of the Municipalities. The Central/State Governments had provided funds under different heads, such as the Central Finance Commission (CFC), State Finance Commission (SFC) and State Plan, Scheme specific grants *etc.*, to assist ULBs in carrying out their mandated functions.

Details of funds released during the financial years 2015-16 to 2020-21, under CFC, SFC and State Plan *etc.*, are given in **Table 3.3**.

**Table 3.3**  
**Release of grants under CFC, SFC and CSS**

Sl. No.	Grant Head	Financial Year(s)	Funds released (₹ in crore)
1.	15 <sup>th</sup> FC	2020-2021	1,412.00
2.	5 <sup>th</sup> SFC	2015-16 to 2020-21	5,729.27
3.	Smart City	2015-16 to 2020-21	952.00
4.	SBM	2015-16 to 2020-21	1,009.36
5.	AMRUT	2015-16 to 2020-21	1,616.47
6.	NULM	2015-16 to 2019-20	248.92

(Source: 6<sup>th</sup> SFC report and allotment letters of UD&HD, GoB)

Further, details of grants released by the Department to ULBs under different heads for the FY 2021-22 was not furnished (April 2023).

Further, it was observed that the dependence of ULBs on government grants, for meeting their establishment expenditure, was increasing, as reflected in the projection of the own receipts of ULBs and the establishment expenditure incurred by the Department.

**(iii) Devolution of functionaries**

Section 36 of the BMA, 2007, provided for a number of posts for ULBs, but most of these posts were vacant. As per information furnished by the Department (May 2023), persons-in-position against sanctioned strength for administrative and technical posts are given in the **Table 3.4**.

**Table 3.4**  
**Persons-in-Position against the Sanctioned Strength of administrative and technical posts**

Sl No	Post	Sanctioned Strength	Persons-in-position	Vacancy	Percentage of vacancy
<b>Administrative posts</b>					
(i)	Municipal Commissioner	18	18	00	0
(ii)	Deputy Municipal Commissioner	55	21	34	62
(iii)	Executive officer	253	155	98	39
(iv)	City Manager	391	62 (03 regular and 59 on contract)	329	84
<b>Sub Total (A)</b>		<b>717</b>	<b>256</b>	<b>461</b>	<b>64</b>
<b>Technical posts</b>					
(v)	Chief Engineer	07	02	05	71
(vi)	Superintending Engineer	23 (Civil) + 02 (Mechanical) = 25	14 (Civil)	11	44
(vii)	Executive Engineer	93 (Civil) + 06 (Mechanical) + 12 (Electrical) = 111	36 (Civil) + 04 (Mechanical) + 01 (Electrical) = 41	70	63
(viii)	Assistant Engineer	237 (Civil) + 68 (Mechanical) + 06 (Electrical) = 311	92 (Civil) + 31 (Mechanical) + 02 (Electrical) = 125	186	60
(ix)	Junior Engineer	486 (Civil) + 70 (Mechanical) + 50 (Electrical) = 606	67 (Civil) + 08 (Mechanical) + 00 (Electrical) = 75	531	87
<b>Sub Total (B)</b>		<b>1,060</b>	<b>257</b>	<b>803</b>	<b>76</b>
<b>Grand Total (A + B)</b>		<b>1,777</b>	<b>513</b>	<b>1,264</b>	

*(Source: Information furnished by the UD&HD, GoB)*

It is evident from the above table that 717 administrative posts had been sanctioned for ULBs, out of which, only 256 posts had been filled up and 461 posts (64 per cent) remained vacant while out of 1,060 sanctioned technical posts, only 257 posts had been filled up and 803 posts (76 per cent) remained vacant.

The Sixth SFC also observed that the manpower at the disposal of the ULBs in the State was grossly inadequate for performing the mandated functions effectively.

### 3.4 Formation of various committees

#### 3.4.1 Empowered Standing Committees

Sections 21 and 22 of BMA, 2007, provided that (i) there would be an Empowered Standing Committee (ESC) in every Municipality, (ii) the executive powers of a Municipality would be vested in the ESC and (iii) the Chief Councillor would exercise such powers and functions, as delegated to him/her, by the ESC. The composition of the ESCs is shown in **Table 3.5**.

**Table 3.5**  
**Empowered Standing Committees**

Category of ULBs	Presiding Officer	Composition of ESC
Municipal Corporation	Mayor	Mayor, Deputy Mayor and seven other Councillors
Class ‘A’ or ‘B’ Municipal Council	Municipal Chairperson	Municipal Chairperson, Municipal Vice-Chairperson and five other Councillors
Class ‘C’ Municipal Council	Municipal Chairperson	Municipal Chairperson, Municipal Vice-Chairperson and three other Councillors
Nagar Panchayat	Municipal President	Municipal President, Municipal Vice-President and three other Councillors

(Source: Section 21 of the BMA, 2007)

The ESCs were collectively responsible to the Municipal Corporation, the Municipal Council and the Nagar Panchayat, as the case may be. On constitution of the ESC, the UD & HD replied (January 2022) that ESCs had been constituted in all the Municipalities in the State, in the light of Section 21 of BMA, 2007.

#### 3.4.2 Municipal Accounts Committee

Section 98 of the BMA, 2007, provides that the Municipality shall, at its first meeting in each year or as soon as may be at any meeting subsequent thereto, constitute a Municipal Accounts Committee. The important functions of the Committee are as follows:

- to examine the accounts of the Municipality, showing the appropriation of sums granted by the Municipality for its expenditure and the annual financial accounts of the Municipality.
- to examine and scrutinise the report on the accounts of the Municipality, by the Auditor appointed under the BMA, 2007; and
- to review and approve the Action Taken Report, following each report by the Auditor and the Internal Audit.

With regard to constitution of the Municipal Accounts Committees in ULBs, the Project Officer-cum-Additional Director, UD&HD stated (January 2022) that Municipal Accounts Committee had not been constituted in ULBs. However, the reason for non-constitution of the Municipal Accounts Committees was not mentioned. Audit was not updated about the further development (April 2023).

Due to non-constitution of the Municipal Accounts Committees, necessary scrutiny of accounts of Municipalities could not be ensured.

### **3.4.3 Subject Committee**

Rule 32 of BMA, 2007, provides that a Municipal Corporation or a Class 'A' Municipal Council, may, from time to time constitute Subject Committees, consisting of Councillors, to deal with matters such as (a) water-supply, drainage and sewerage and solid waste management (b) urban environment management and land use control and (c) slum up-gradation and basic services for the urban poor. The recommendations of a Subject Committee are to be submitted to the ESC, for its consideration.

The UD&HD stated (January 2022) that Subject Committees, to be constituted in the light of Section 32 of BMA, 2007, had not been constituted. However, the reason for non-constitution of the Subject Committee was not mentioned. Audit was not updated about the further development (April 2023).

Due to non-constitution of Subject Committees, specialised advice/recommendations, on functions/matters to be entrusted to the Committees, remained unavailable to the ESCs.

### **3.4.4 Wards Committee**

Section 30 of BMA, 2007, provided that every Municipal Corporation having a population of three lakh or more, may, at its first meeting after the election of Councillors thereto or as soon as may be thereafter, group the Wards of the Corporation in such manner that each group consists of not less than three Wards, and constitute a Wards Committee for each such group. Each Wards Committee is to consist of the Councillors elected from the Wards constituting the group.

Within the local limits of the group of Wards and subject to the general supervision and control of the ESC, a Wards Committee was expected to discharge, the functions of the Municipality relating to the provision of supply-pipes and drainage and sewerage connections to premises; removal of accumulated water on the streets or public places, due to rain and otherwise; collection and removal of solid waste; disinfection; provision of health immunisation services; slum services; provision of lighting *etc.* The Sixth SFC had, however, observed that Wards Committees were not functional in the State.

In this regard, the UD&HD replied (January 2022) that Wards Committees had not been constituted in the ULBs. However, the reason for non-constitution of the Wards Committees was not mentioned. Audit was not updated about the further development (April 2023).

## **3.5 Audit Arrangements**

### **3.5.1 Primary Auditor**

Section 91(1) of the BMA, 2007, provides that the accounts contained in the financial statements, including the accounts of special funds, if any, and the balance sheet, shall be examined and audited by the Director Local Fund Audit (DLFA), or his equivalent authority or auditor appointed by the State Government from the panel of professional Chartered Accountants. Further, as per Section 91(2) of BMA, 2007 (amended in 2014) (i) the CAG of India shall provide Technical Guidance and Support (TGS) over proper maintenance

of accounts and audit of the accounts of ULBs (ii) an Annual Report, prepared based on the TGS, shall be placed before the ESCs of the Municipalities and (iii) the CAG may, at his discretion, place the report before the State Legislature.

The State Government authorised (November 2007) the Examiner of Local Accounts of the office of the Accountant General (Audit), Bihar, to work as the Director Local Fund Audit (DLFA). Accordingly, the ELA conducted audit of the ULBs, until adoption (December 2016) of the TGS system for audit of the accounts of Local Bodies (LBs).

Further, in pursuance of CFC recommendations, the State Government had notified (June 2015) establishment of a Directorate of Local Fund Audit, headed by the Chief Controller of Accounts -cum- DLFA, under the Finance Department, GoB, to conduct the audit of LBs. The Directorate has since been functioning (since 11 June 2015). The terms and conditions for audit of the accounts of LBs, under the TGS arrangement, as laid in the Regulations on Audit and Accounts, 2007, were accepted by the GoB in December 2015 and subsequently, audit of the accounts of LBs, by the CAG, under the TGS system, commenced in the State from January 2017. Consequently, the DLFA has been performing the role of Primary External Auditor for LBs, since January 2017.

### ***3.5.2 Audit by the Comptroller and Auditor General of India***

The 11th Finance Commission had recommended that (i) the CAG should be entrusted with the responsibility of exercising control and supervision over the proper maintenance of accounts and (ii) audit for all tiers/levels of LBs and his ATIR, as well as the Annual Report of the DLFA, must be placed before the State Legislature.

The Finance Department, GoB intimated (December 2015) the Accountant General (Audit), Bihar, that the State Government had accepted the Standard Terms and Conditions, under the Regulations on Audit and Accounts, 2007, for audit of LBs under the TGS arrangement. Consequently, audit under TGS arrangement commenced in the State, from January 2017. AG (Audit) Bihar conducted audit of 28 ULB units<sup>24</sup>, during FY 2021-22, under the TGS arrangement.

## **3.6 Response to audit Observations**

### ***3.6.1 Poor response to IRs issued by AG (Audit)***

Consequent upon the completion of field audit, IRs, containing audit findings, were to be sent to the audited entities, with a copy to the concerned Department of GoB. The Municipal Commissioners/Executive Officers of the audited entities concerned were required to (i) respond to observations contained in the IRs and (ii) submit compliance reports, within three months from the date of receipt of the IRs.

Audit observed that Municipal Commissioners/Executive Officers did not take effective steps to furnish compliance of the audit observations contained in the IRs, which was evident from increasing number of outstanding audit paragraphs, year by year. Moreover, the Finance Department, GoB constituted

---

<sup>24</sup> Nagar Nigam (05), Nagar Parishad (21) and Nagar Panchayat (02)

(March 2010) three tiers of Committees viz. High level, Departmental level and District level for review/ compliance of audit paragraphs. But, for the last three years i.e. from 2019-20 to 2021-22, no District level Committee meeting was held. This was one of the reasons for non-compliance of audit paragraphs. The status of settlement of audit paragraphs, for the last five financial years (as of March 2023), is given in **Table 3.6**.

**Table 3.6**  
**Outstanding audit paragraphs for the last five financial years**  
**(2017-18 to 2021-22)**

(₹ in crore)

Financial Year	No. of IRs	No. of paragraphs in IRs	Amount involved	No. of paragraphs settled	Amount of settlement	No. of paragraphs outstanding	Money value of paragraphs outstanding
1	2	3	4	5	6	7 (3-5)	8 (4-6)
2017-18	32	884	957.61	315	3.36	569	954.25
2018-19	31	644	383.46	4	0.086	640	383.37
2019-20	27	826	731.90	1	0.0072	825	731.89
2020-21	01	58	536.36	0	0	58	536.36
2021-22	28	474	1,488.97	0	0	474	1,488.97
<b>Total</b>	<b>119</b>	<b>2,886</b>	<b>4,098.30</b>	<b>320</b>	<b>3.4532</b>	<b>2,566</b>	<b>4,094.85</b>

(Source: Inspection Reports of ULBs)

It is evident from the table above that, out of the 2,886 audit paragraphs contained in 119 IRs, only 320 paragraphs (11 per cent) were settled, whereas, 2,566 paragraphs, involving an amount of ₹ 4,094.85 crore, remained outstanding (as of March 2023).

Lack of action on compliance of IRs was fraught with the risk of perpetuating serious financial irregularities, as pointed out in these reports.

### 3.6.2 Compliance to the ELA's and CAG's Annual Audit Reports

In Bihar, ELA's reports were prepared for the period covered by the financial years 2005-06 to 2013-14, followed by CAG's Audit Reports on LBs, for the financial years 2014-15 and 2015-16. Thereafter, the first Annual Technical Inspection Report (ATIR), for the financial years 2017-19, was prepared and submitted to the Governor of the State. The report had been placed before State Legislature (16 December 2022). Annual Technical Inspection Reports (ATIRs) for the period 2019-20 and 2020-21 were prepared and placed before the State Legislature (July 2023).

#### (i) ELA's Annual Audit Report

The Finance Department, GoB, constituted (March 2010) three-tiers of Committees, viz. High Level, Departmental Level and District Level, for review/ compliance of the Annual Audit Reports prepared by the ELA. The District Level Committee<sup>25</sup> had the responsibility of ensuring compliance of audit paragraphs/ reports received by the ULBs in that district. The Department Level Committee<sup>26</sup> was required to review the status of compliance made by the

<sup>25</sup> Headed by the District Magistrate/Deputy Development Commissioner

<sup>26</sup> Headed by the Principal Secretary/Secretary of the UD&HD, GoB

District Level Committees, while the High Level Committee<sup>27</sup> had to meet once in six months, to review the functioning of the District Level and Department Level Committees.

It was, however, observed that during the financial years 2021-22, no District Level Committee meetings were held (against the proposed 57 meetings<sup>28</sup>). As such, the audit paragraphs contained in the ELA's report remained unsettled. Further, no meetings of Departmental Level and High Level Committees were held during FY 2021-22 till April 2023. The last High Level Committee meeting and Department Level Committee meeting were held in August 2013 and July 2015, respectively.

Thus, the purpose behind the constitution of these three level Committees was defeated and the audit observations contained in the ELA's Annual Audit Report remained unattended.

### **(ii) Compliance to C&AG's Report on LBs**

As per provisions contained in Section 91(2) of the BMA 2007 (amended in January 2014), the Annual Report on account of ULBs, prepared by the CAG, may be laid before the State Legislature.

The first CAG's Report on LBs, GoB, for the financial year ended March 2015, was tabled in the State Legislature on 4 April 2016. Five paragraphs of the report were discussed in 16 meetings of Public Accounts Committee held during April 2016 to February 2023 but no audit observation had been settled (as of March 2023).

Further, the CAG's Report on LBs, for the year ended March 2016, was tabled in the State Legislature on 23 August 2017. But, no paragraph of the report has been discussed till March 2023.

## **3.7 Accountability Mechanism**

### **3.7.1 Lok Prahari (Ombudsman)**

Section 44(1) of the BMA, 2007, provides for appointment of a *Lok Prahari* (Ombudsman), for looking into any allegations of corruption, lack of integrity, malpractice *etc.*, of the authorities of the ULBs. As per the Act, the qualification; terms and conditions and tenure of appointment; and the powers and duties of the *Lok Prahari* (Ombudsman) shall be as prescribed by the Government. The 13<sup>th</sup> FC and the 5<sup>th</sup> SFC had also recommended putting in place an independent *Lok Prahari* (Ombudsman) for LBs. Further, the Ministry of Housing & Urban Affairs, GoI, issued (February 2018) a letter, to the Chief Secretary, GoB, regarding appointment of "*Lok Prahari* (Ombudsman)" for the ULBs in Bihar.

The UD&HD stated (April 2022) that appointment of *Lok Prahari* was still under process. Audit was not updated about the further development (April 2023).

---

<sup>27</sup> Headed by the Principal Secretary to the Finance Department, GoB and with the Principal Accountant General (Audit), Bihar, as a member.

<sup>28</sup> Seven districts had proposed a total of 57 district level committee meetings, as follows: Arwal-14, Bihar Sharif- 09, Gopalganj- 01, Jamui- 12, Kaimur- 09, Kishanganj- 09, Samastipur-03

### **3.7.2 Social Audit**

Social Audit primarily aims to ensure public accountability in the implementation of projects, laws and policies, through public participation. The 5<sup>th</sup> SFC had recommended that Social Audit be conducted in ULBs, as an accountability measure, with Social Audit for slum and poverty alleviation programmes being absolutely necessary. The Sixth SFC had also recommended that the practice of carrying out Social Audit be introduced in ULBs.

However, no Social Audit of schemes implemented by ULBs had been conducted, (as of November 2021). The UD&HD did not furnish any reasons for non-conduct of Social Audit. Audit was not updated about the further developments (April 2023).

### **3.7.3 Property Tax Board**

Section 138(A) of the BMA, 2007, provides for putting in place a State level Property Tax Board, for providing independent and transparent procedures, to optimise the assessment, collection and recovery of Property Tax. The 13<sup>th</sup> FC had also recommended the setting up of a State level Property Tax Board, to assist ULBs in putting in place an independent and transparent procedure for assessing Property Tax.

UD&HD, GoB, had framed and notified (May 2013) the Bihar Property Tax Board Rules, 2013, which necessitated the constitution of a Property Tax Board. However, the board had not been constituted (as of November 2021). UD&HD, GoB replied (November 2021) that suitable action was under process. Audit was not updated about the further development (April 2023).

Due to non-constitution of the Property Tax Board, even after a lapse of 10 years since framing of the Property Tax Board Rules, widening of the tax net and collection and recovery of Property Tax in ULBs, could not be optimised. Further, the performance of each ULB could not be evaluated on a continuous basis, as had been envisaged.

### **3.7.4 Fire Hazard Response**

As per the 13<sup>th</sup> FC's recommendation, all Municipal Corporations, with a population of more than one million (2001 census), must put in place a Fire Hazard Response and Mitigation Plan, for their respective jurisdictions. In Bihar, the population of only one ULB (*i.e.*, the Patna Municipal Corporation) was more than one million, as per 2011 census.

UD&HD, GoB, had notified (March 2011) the Fire Hazard Response and Mitigation Plan, for the Patna Municipal Corporation (PMC). On the functioning & implementation of the Fire Hazard Response and Mitigation Plan in PMC, the Municipal Commissioner, PMC, replied (April 2019) that necessary compliance would be made at the earliest. On this being pointed out in audit, UD&HD stated (November 2021) that suitable action was under process. Audit was not updated about the further development (April 2023).

### **3.7.5 Submission of Utilisation Certificates**

Rule 342 (1) of the Bihar Financial Rules (BFR) provides that grantee entities are to submit Utilisation Certificates (UCs) for grants, within 18 months from

the date of receipt of grants. Instructions contained in the allotment letters of the funds released to the ULBs also required furnishing of UCs to the State Government in a timely manner, to avoid delay in further release of grants.

As per data relating to UCs, compiled by the office of the AG (A&E), Bihar Patna, it was observed that UD&HD had sanctioned Grants-in-Aids (GIA) of ₹ 31,564.70 crore, during the period from FYs 2003-04 to 2021-22 against which UCs of ₹ 19,445.30 crore were submitted while ₹ 12,119.42 crore (38 per cent) were pending for adjustment (as of March 2023), as given in **Table 3.7**.

**Table 3.7**  
**Percentage of pending UCs**

(₹ in crore)

Year	UCs due	UCs submitted	Outstanding UCs	Percentage of Pending UCs
2003-04 to 2021-22	31,564.70	19,445.30	12,119.42	38

(Source: O/o AG (A&E), Bihar)

The huge pendency of UCs for a long period was indicative of weak internal control and a poor monitoring mechanism and was fraught with the risk of mis-utilisation of funds.

### 3.7.6 Internal Audit and maintenance of accounts

#### (i) Internal Audit

The Department had engaged (April 2016) 17 CAs, for internal audit of the accounts of 140 Municipalities, for the financial years 2014-15 to 2016-17. For the financial years 2017-18 to 2019-20, the Department engaged (January 2019) six CA firms for this purpose. Audit of the accounts of ULBs was to be completed till September 2020. The status of audit, as of May 2023, is given in **Table 3.8**.

**Table 3.8**  
**Units audited and reports submitted by CA firms**

Sl. No.	Financial Year	No. of audits to be conducted	Audits completed	Reports submitted by the CA firms	No. of reports uploaded
1.	2017-18	141	141	141	141
2.	2018-19	141	141	141	141
3.	2019-20	141	104	104	104
4.	2020-21	46	46	45	45
5.	2021-22	46	43	25	25
<b>Total</b>		<b>515</b>	<b>475</b>	<b>456</b>	<b>456</b>

(Source: Information provided by UD&HD, Bihar)

As evident from the preceding Table, out of the 515 internal audits to be conducted, 475 internal audits were actually conducted during FYs 2017-18 to 2021-22 and only 456 reports were finally uploaded on the UD&HD website (as of May 2023).

#### (ii) Maintenance of accounts by ULBs in Double Entry Accounting System

The Ministry of Urban Development, GoI, in consultation with the CAG, had prepared (2004) the National Municipal Accounts Manual, for maintenance of

accounts by ULBs, on accrual basis. Sections 86, 87 & 88 of the BMA, 2007, also stipulate that (i) the State Government shall prepare a Municipal Accounting Manual for implementation of the accrual based Double Entry Accounting System (DEAS) and (ii) the Chief Municipal Officer shall, within four months of the close of a year, cause to prepare financial statements, consisting of a Cash Flow Statement, an Income and Expenditure Account, Receipt and Expenditure Account and a Balance Sheet, for the preceding year. UD&HD, GoB, notified (January 2014) the ‘Bihar Municipal Accounting Rules, 2014’ for preparation and maintenance of financial statements, based on the accrual based Double Entry System, in Municipalities, with effect from 1 April 2014. These Rules were, based on the National Municipal Accounts Manual (NMAM) issued by the Ministry of Urban Development, GoI.

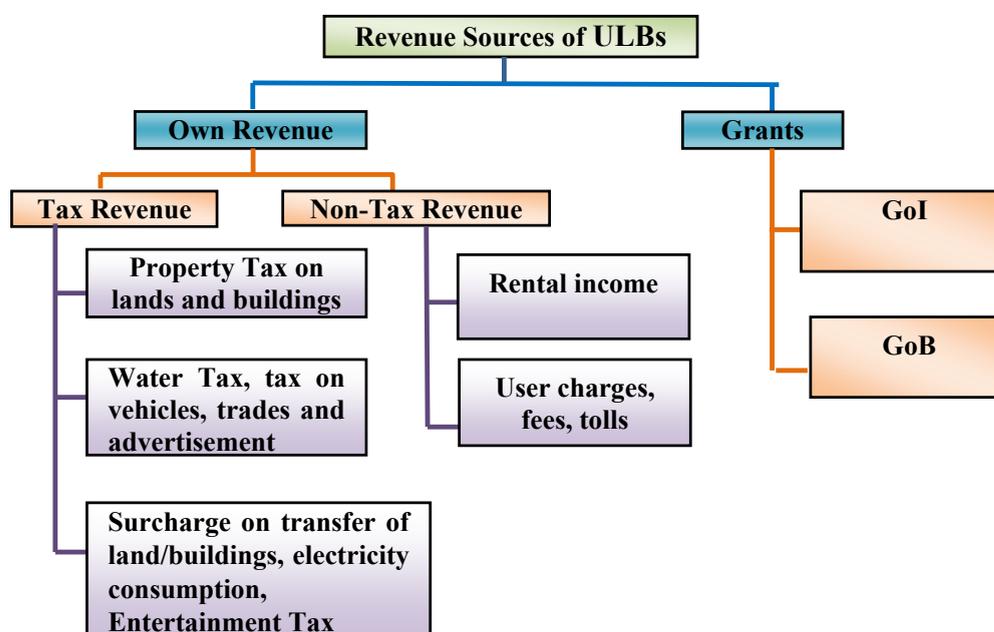
About the present status of implementation of DEAS, the Department stated (May 2023) that, out of total 261 ULB, full implementation of accounts in DEAS was done in only 63 ULBs, while, in the 76 ULBs, it was partially implemented and in the remaining 122 ULBs, it was not started.

### 3.8 Financial Reporting Issues

#### 3.8.1 Sources of Funds

The Bihar Municipal Act, 2007, lists out the set of taxes which the Municipalities may levy for raising revenues. The Municipalities may additionally levy users-charges, for delivering the various services mentioned in the Act. Further, fees and fines are leviable on the sanction of building plans, issue of municipal licenses for use of lands *etc.* The BMA also provides for grants-in-aid for Municipalities, based on the recommendations of CFC and SFC. The sources of funds for ULBs are shown in **Chart 3.1**.

**Chart 3.1: Sources of Funds**



(Source: Section 127 of BMA, 2007 and Economic Survey, GoB)

### 3.8.2 State Budget allocation vis-à-vis expenditure

The budget provisions made by the State Government for the UD&HD (including ULBs), the state share towards GoI Schemes and grants received under the recommendations of CFCs and SFCs for the financial years 2017-18 to 2021-22, are given in **Table 3.9**.

**Table - 3.9**  
**Budget allocation vis-à-vis expenditure**

(₹ in crore)

Sl. No.	Particulars	Head	2017-18	2018-19	2019-20	2020-21	2021-22	Total
	1	2	3	4	5	6	7	8 (3 to 7)
1.	Budgetary Allocation	Revenue	5,047.93	5,361.29	6,235.04	9,343.20	10,031.62	36,019.08
		Capital	0.00	3.00	160.00	250.00	1,550.00	1,963.00
		<b>Total</b>	<b>5,047.93</b>	<b>5,364.29</b>	<b>6,395.04</b>	<b>9,593.20</b>	<b>11,581.62</b>	<b>37,982.08</b>
2.	Expenditure	Revenue	3,236.04	3,297.02	2,984.53	5,590.39	5,883.84	20,991.82
		Capital	0.00	3.00	160.00	50.00	1,057.59	1270.59
		<b>Total</b>	<b>3,236.04</b>	<b>3,300.02</b>	<b>3,144.53</b>	<b>5,640.39</b>	<b>6,941.43</b>	<b>22,262.41</b>
3.	<b>Saving (1-2)</b>	<b>1,811.89</b>	<b>2,064.27</b>	<b>3,250.51</b>	<b>3,952.81</b>	<b>4,640.19</b>	<b>15,719.67</b>	
4.	<b>Percentage of saving</b>	<b>36</b>	<b>38</b>	<b>51</b>	<b>41</b>	<b>40</b>		

(Source: Appropriation Accounts of Government of Bihar)

As evident from the preceding Table, UD&HD could not utilise its budgetary allocation fully and the percentage of savings ranged between 36 per cent and 51 per cent, during the financial years 2017-18 to 2021-22. Moreover, even though the total allocation under the Capital head was 5.2 per cent of the total allocation during FYs 2017-18 to 2021-22, yet it was not fully utilised.

### 3.8.3 Recommendation of the 15<sup>th</sup> Finance Commission

The President of India constituted (27 November 2017) the 15<sup>th</sup> FC, under Article 280 of the Constitution, to make recommendations for a period of five financial years, commencing from 1st April 2020. The Commission submitted its report in two parts (i) an interim report for the financial year 2020-21 only, in December 2019 and (ii) the main report, for the financial years 2021-22 to 2025-26, in November 2020. For ULBs, the 15<sup>th</sup> FC recommended division of grants in two categories: (a) Million-Plus urban agglomerations/cities and (b) all other cities and towns with less than one million populations. For non- Million-Plus towns, 50 per cent of the grants were untied and the remaining 50 per cent were tied, with an equal share for drinking water and sanitation. The Commission did not recommend any conditions for ULBs in 2020-21, but two entry level conditions were recommended for release of grants in the subsequent years (i) notifying the minimum rates of property tax, to improve own revenues and (ii) timely submission of audited accounts. The 15<sup>th</sup> FC recommended grants amounting to ₹ 2,416.00 crore<sup>29</sup>, for ULBs of Bihar, for the financial year 2020-21. Bihar received grants of ₹ 2,416.00 crore (₹2,008 crore for Non-Million Cities, till 25 March 2021 and ₹ 408 crore for Million Plus City, till 31 March 2021) from the GoI and the same were released to ULBs, during May 2020 to April 2021.

<sup>29</sup> *Million Plus Cities Grant*- ₹ 408.00 crore; *Non –Million Cities Grant*- ₹ 2,008.00 crore

Further, GoI released an amount of ₹ 836.25 crore during FY 2021-22 to the State Government for ULBs against recommended amount of ₹ 1,827 crore. Thus, State could not get its complete share as it did not fulfill the mandatory criteria.

### 3.8.4 Recommendation of the State Finance Commission

In terms of Article 243-Y, read with 243-I of the Constitution of India and as per provisions contained in Section 71 of the BMA, 2007, GoB had constituted State Finance Commissions to (i) review the financial position of LBs and (ii) recommend the principles for governing the distribution of net proceeds of taxes, duties *etc.*, between the State and the LBs.

GoB constituted (February 2019) the 6<sup>th</sup> SFC, for the financial years 2020-21 to 2024-25, in pursuance of Article 243-Y, read with Article 243-I of the Constitution of India and Section 71 of the BMA, 2007. The 6<sup>th</sup> SFC submitted its report in two parts. It submitted an interim report for the financial year 2020-21 on 8 January 2020 and then submitted its final report, for the period covered by the financial years 2021-22 to 2024-25, in April 2021. The final report was accepted by the GoB in August 2021. In terms of the recommendations of the 6<sup>th</sup> SFC, funds amounting to ₹ 10,457 crore were to be devolved to ULBs, during the period covered by the financial years 2021-22 to 2024-25, as given in **Table 3.10**.

**Table 3.10**  
**Grants and devolution (projected) to be released to ULBs**

(₹ in crore)

Particulars	Projected				
	2021-22	2022-23	2023-24	2024-25	2021-25
Total SFC transfer to LBs	6,008	7,014	7,883	8,971	29,876
Transfer to ULBs	2,103	2,455	2,759	3,140	10,457

(Source: Report of 6<sup>th</sup> SFC)

Further, during 2021-22, out of total provisioned amount of ₹ 3,751.74 crore (Devolution- ₹ 1,898.69 crore and Grants- ₹ 1,853.05 crore), only ₹ 1,125.52 crore (30 per cent) was assigned for ULBs while State Government adopted 65:35 formula for provisioning of funds for PRIs and ULBs for the period 2021-22 to 2024-25 on the recommendation of 6<sup>th</sup> SFC.

### 3.8.5 Issues related to AC/DC Bills

Rule 177 of the Bihar Treasury Code (BTC), 2011, provides that a certificate is to be furnished by the Drawing and Disbursing Officer, to the effect that money withdrawn on the Contingent Bills shall be spent within the same financial year and the unspent amount shall be remitted to the Treasury before 31 March of the year. Further, as per Rule 194 of the BTC, 2011 (i) countersigned Detailed Contingent (DC) bills shall be submitted to the AG (A&E), within six months following the month in which the related Abstract Contingent (AC) bills were drawn and (ii) no AC bills shall be encashed after the end of this period of six months, unless the corresponding DC bills have been submitted. Details of unadjusted AC bills are given in **Table 3.11**.

**Table 3.11**  
**Details of AC bills pending for adjustment**

(₹ in crore)

Financial Year (s)	Amount drawn through AC bills	Adjusted AC bills	Unadjusted AC bills	Percentage of unadjusted AC bills
2003-04 to 2019-20	51.74	17.46	34.29	66

(Source: Information furnished by UD&HD)

As evident from the preceding Table, AC bills amounting to ₹ 34.29 crore (66 per cent of the total amount drawn through AC bills) remained outstanding for adjustment (as of May 2023).

AC bills pending for adjustment/recovery for long periods indicated weak internal control and a poor monitoring mechanism.

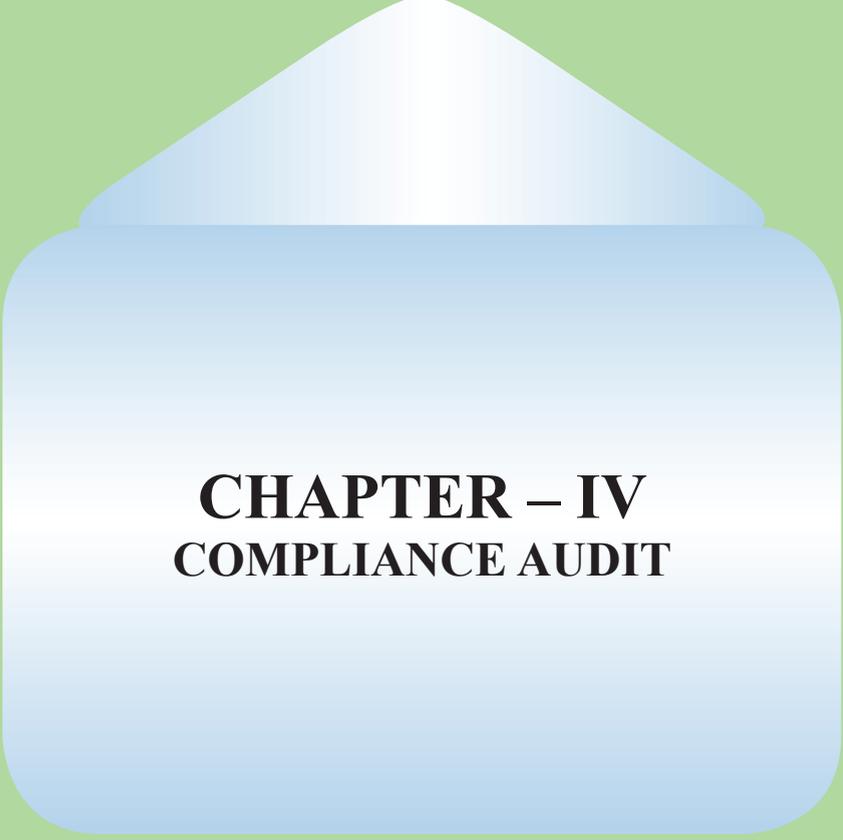
### 3.8.6 Impact of Audit

In 12 test-checked ULBs<sup>30</sup>, Audit had suggested recovery of an amount of ₹ 5.74 crore, during FY 2021-22. Out of this, ₹ 5.42 lakh had been deposited by five ULBs<sup>31</sup> (as of November 2022) on account of registration fees, stamp duty, money receipts, miscellaneous receipts and property tax.

<sup>30</sup> **Nagar Nigam-** Bhagalpur and Gaya; **Nagar Parishad-** Aurangabad, Jamalpur, Khagaria, Khagaul, Sherghati and Teghra; **Nagar Panchayat-** Barihiya, Bihiya, Piro and Shahpur

<sup>31</sup> **Nagar Parishad-** Jamalpur (₹ 0.03 lakh), Khagaria (₹ 3.08 lakh), Teghra (₹ 0.14 lakh); **Nagar Panchayat-** Bihiya (₹ 0.15 lakh), Barhiya (₹ 2.02 lakh)





**CHAPTER – IV**  
**COMPLIANCE AUDIT**



## CHAPTER –IV COMPLIANCE AUDIT

### URBAN DEVELOPMENT AND HOUSING DEPARTMENT

#### 4.1 Avoidable expenditure of interest and penalty

**Failure of Nagar Parishad, Saharsa, to ensure timely remittance of statutory contributions, to the Employees' Provident Fund, resulted in an avoidable expenditure towards penalty for damages and interest charges of ₹ 1.14 crore.**

As per the provisions of the Employees' Provident Fund (EPF) & Miscellaneous Provisions Act, 1952, read with paragraphs 30 and 38 of the Employees Provident Funds Scheme, 1952, the principal employer holds the responsibility of paying the provident fund contribution in regard to the employees employed directly, as well as the employees employed by or through a contractor, along with the administrative charges<sup>32</sup>. Contribution to the Employees' Provident Fund (EPF) is to be 10 *per cent* of the aggregate of the basic wages, dearness allowance and retaining allowance<sup>33</sup> (if any). Further, it is the duty of the employer, to deduct the employee's contribution/statutory dues, from the wages, towards EPF, Pension Scheme and Insurance Scheme, and to remit the recovered amount, together with the employer's share, to the Fund, within 15 days of the end of every month as per para 38 of EPF Scheme 1952. Further, Sections 7Q and 14B of the above mentioned Act, provide for levy of interest and penalty, respectively, on the belated remittances, at the rates specified<sup>34</sup>.

Scrutiny (April 2022) of records of the Nagar Parishad, Saharsa, revealed that contributions<sup>35</sup> towards EPF, Employees' Pension Scheme and Insurance Scheme, in regard to the daily wages of employees, for the period January 2016 to November 2020 and January 2021, were remitted to the EPF account, maintained by the EPF Office, Bhagalpur, during the period April 2020 to March 2021, with delays up to 58 months. Consequently, EPF Office, after issuing a notice (August 2021), levied an interest charge of ₹ 37.60 lakhs, along with penalty for damages, amounting to ₹ 76.78 lakh, under the provisions of the Act (*Appendix 4.1*).

<sup>32</sup> *Administrative Charge means such percentage of the pay (basic wages, dearness allowance, retaining allowance, if any, and cash value of food concessions admissible thereon) for the time being payable to the employees other than an excluded employee, and in respect of which Provident Fund Contribution are payable, as the Central Government may fix, in consultation with the Central Board and having regard to the resources of the Fund for meeting its normal administrative expenses.*

<sup>33</sup> *Retaining allowance means an allowance payable for the time being to an employee of any factory or other establishment during any period in which the establishment is not working, for retaining his services.*

<sup>34</sup> *The employer shall be liable to pay simple interest at the rate of 12 per cent per annum or at such higher rate, as may be specified in the Scheme (as per EPF Act, 1952) and damages ranging from five per cent (for delays less than two months) to 25 per cent (for delays for six months and above), as per the EPF Scheme, 1952.*

<sup>35</sup> *Both the employer's and employees' contributions.*

The Nagar Parishad was provided with a number of opportunities (from the month of September 2021 to December 2021) by the EPF Office, to present its side of the contention for delay in deposit of contributions, into the EPF accounts of the daily wages employees. However, it failed to provide any reason for delayed remittance of the contributions.

As a result, the Nagar Parishad paid (January 2022) a penalty of ₹ 1.14 crore<sup>36</sup>, towards interest charges and damages, to the EPF Office, from Stamp Duty received from the State Government as assigned revenue (a source of revenue of Municipality).

In reply, the Executive Officer of the Nagar Parishad stated (May 2022) that the contribution of employees, from January 2016 onwards, had been remitted from time to time, to EPF Office, after approval of the Municipal Board. The reply was not acceptable, as the contributions had been remitted to EPF Office, but with delays, which ultimately led to levying of interest charges and penalty for damages, amounting to ₹ 1.14 crore.

Thus, the failure of the Nagar Parishad to follow statutory provisions and ensure timely remittances of contributions to EPF Office, resulted in avoidable expenditure of ₹ 1.14 crore, towards interest and damages.

The matter had been reported to the State Government, no reply had been received (as on October 2023).

## 4.2 Fraudulent payment

**Failure of Nagar Parishad, Sheikhpura, in exercising checks while making payment to a private firm, which had not participated in the tender process, for supply of Solar Power Plants (Roof Top), led to fraudulent payment of ₹ 91.14 lakh. In addition, the Nagar Parishad sustained a loss of ₹ 1.37 crore, due to irregular disqualification of an eligible firm, in the technical bid.**

Rule 126 of the Bihar Financial Rules (BFR) stipulates that every authority, delegated with the financial power to procure goods in the public interest, shall have the responsibility and accountability to bring efficiency, economy and transparency in matters relating to public procurement. Further, Rule 12 of the BFR stipulates that every controlling officer must satisfy himself that not only adequate provisions exist, within the departmental organization, for systematic internal checks to guard against waste and loss of public money and store, but also that the prescribed checks are effectively applied. As per the general terms and conditions for procurement of goods through the Government e-Market Place (GeM) Portal, Micro and Small Enterprises (MSE) which are manufacturers of the primary product category or service provider of the primary service category and give specific confirmation to this effect with appropriate documents, at the time of bid submission, are exempted from furnishing the Earnest Money Deposit (EMD).

Scrutiny (July 2022) of records of the Nagar Parishad, Sheikhpura, revealed that a tender for purchase of four 'Solar Power Plants (Roof Top) ONGRID Systems

---

<sup>36</sup> Penalty of 'interest charges' - ₹ 37.60 lakh and 'damages' - ₹ 76.78 lakh

(SPPOS) three phases', of 40 KW capacity each, whose estimated cost was ₹ 2.50 crore, was invited, through the GeM Portal, in April 2021. Eleven firms participated in the tender process and only three firms were declared as technically qualified and their bids were opened for financial bidding. The firm 'Green India Environ & Infrastructure (GIEI)' had quoted the lowest price of the SPPOS and, therefore, a work order was issued (28 April 2021) to the firm, for supply and installation of four SPPOS, for ₹ 1.96 crore, at the rate of ₹ 49 lakh per SPPOS. As per the work order, the supply and installation of four SPPOS were to be done within 20 days from the date of work order, *i.e.* up to 18 May 2021.

The firm (GIEI) supplied two SPPOS and the Nagar Parishad made payment of ₹ 91.14<sup>37</sup> lakh to the firm (GIEI) on 18 June 2021. Audit conducted (29 June 2022) a joint physical verification, along with the JE of the Nagar Parishad and found that the two SPPOS had been installed on the roof top of the Town Hall & the Nagar Parishad Building. The remaining two SPPOS had not been supplied till June 2022, *i.e.* even after a lapse of more than one year from the date of issue of the work order.

Audit further observed that the Nagar Parishad paid (30 June 2021) the cost of two SPPOS, amounting to ₹ 91.14 lakh, to a firm 'Anvi Revival Enterprises (ARE)', which had not participated in the tender process for the supply of SPPOS and the Nagar Parishad did not issue any supply order to the firm. Thus, the Nagar Parishad made fraudulent payment to an unauthorised firm.

On this being pointed out in audit, the Executive Officer (EO) of the Nagar Parishad stated (July 2022) that, due to lack of technical knowledge, payment had been made by mistake, to two different firms. It was further stated that an FIR would be lodged against the firm and action would be taken to blacklist it. The reply of the EO was not acceptable, as payment had been made to a firm that had not taken part in the tender process.

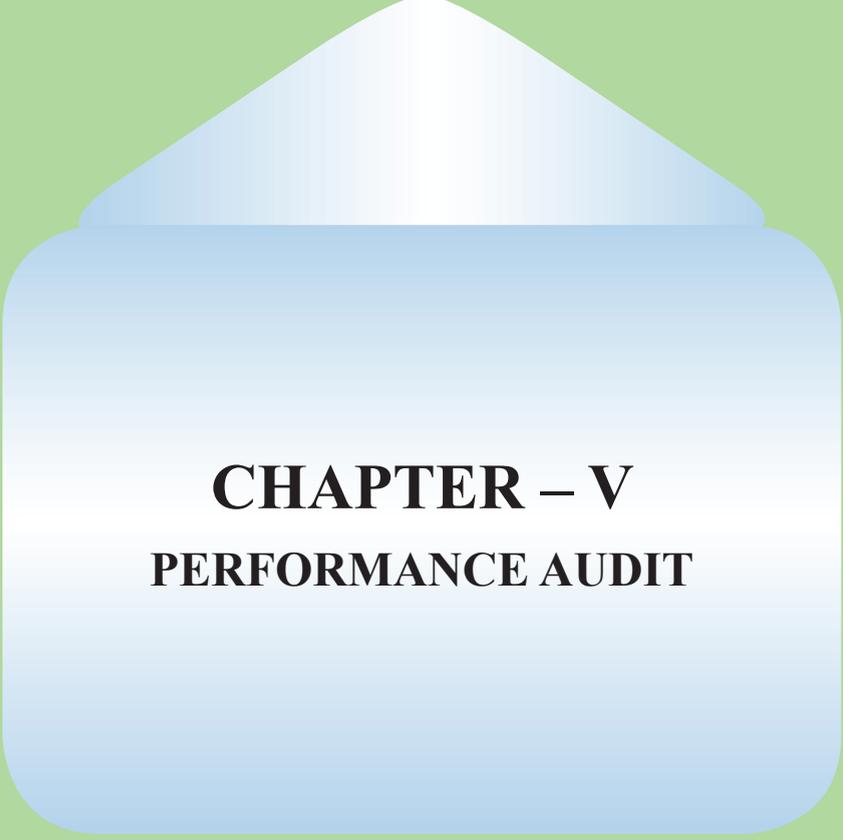
It was also observed that the firm 'Sunstone Solar Solutions Private Limited (SSSPL)', which had participated in the tender, had quoted the lowest rate of ₹ 59.30 lakh, for supply of four SPPOS, but had been disqualified in the technical bid on the basis of non - submission of EMD, while the firm did not need to submit any EMD, as it was registered under MSE category. The firm submitted the certificate of being a firm registered as an MSE, similar to the other three firms which were declared as technically qualified.

Had the Nagar Parishad, Sheikhpura, not disqualified the firm 'SSSPL' in the technical bid, it would have incurred expenditure of ₹ 59.30 lakh only, for procurement of four SPPOS and could have saved ₹ 1.37 crore on the procurement of four SPPOS. On this being pointed out in audit, the EO of the Nagar Parishad stated (July 2022) that, due to lack of knowledge regarding the clauses of EMD exemption, the firm was disqualified in the technical bid. The reply of EO was not acceptable, as the terms and conditions, for exemption from furnishing EMD, were elaborated in the general terms and conditions of procurement on the GeM Portal.

<sup>37</sup> Total amount- ₹ 98,00,000 (49 lakh\* 2) – ₹ 1,96,000 (GST) – ₹ 4,90,000 (Performance Security) = ₹ 91,14,000

Thus, it shows that the concerned officials in the Nagar Parishad, Sheikhpura, made fraudulent payment of ₹ 91.14 lakh to an unauthorised firm. Further, they did not follow the financial rules for procurement of goods and did not observe the general terms and conditions for purchase of goods through the GeM portal, which led to loss of ₹ 1.37 crore, to the Nagar Parishad.

The matter had been reported to the State Government, no reply had been received (as on October 2023).



**CHAPTER – V**  
**PERFORMANCE AUDIT**



## CHAPTER -V PERFORMANCE AUDIT

### URBAN DEVELOPMENT AND HOUSING DEPARTMENT

#### Solid Waste Management in the Urban Local Bodies of Bihar

##### *Structure of the Performance Audit*

**Paragraph 5.1: Introduction**– This introduces the PA topic and describes the organisational set-up, audit objectives, criteria, methodology and limitations.

**Paragraph 5.2: Status of SWM in Bihar**- In this paragraph, the status of SWM in Bihar has been discussed, with respect to the eight service level benchmarks; and the indicators for SWM, developed by the Ministry of Urban Development (MoUD) and also by the UD&HD.

**Paragraph 5.3: Financial management**- This paragraph discusses the absence of fund-based accounting for SWM; levy and collection of user charges; deprivation of grants, relating to SWM; and utilisation of grants, relating to SWM.

**Paragraph 5.4: Planning and strategy of SWM**–This paragraph discusses, how the ULBs planned for SWM; how they budgeted; the manner in which they carried out Information, Education and Communication (IEC) activities and assessed the waste generation.

**Paragraph 5.5: Segregation, collection and transportation of solid waste** – This paragraph discusses the efforts made by the ULBs towards segregation, collection and transportation of waste and its effectiveness.

**Paragraph 5.6: Processing and disposal of solid waste** – This paragraph discusses the capacity of ULBs to process the waste produced; the methodologies adopted for waste processing and efficiency thereof; and how the waste was being disposed *vis-à-vis* the extant rules/guidelines.

**Paragraph 5.7: Procurements under SWM**– This paragraph discusses irregularities in the tendering processes; procurement of equipment without requirement; and purchases contrary to local conditions.

**Paragraph 5.8: Intelligent SWM** – This paragraph discusses technological efforts (*viz.* assigning of Quick Response (QR) codes to households, purchasing hand-held mobile devices to scan QR codes *etc.*), made by two cities – Patna and Gaya- towards SWM.

**Paragraph 5.9: Special waste management** – This paragraph discusses how the sampled ULBs handled special waste, *viz.* Construction and Demolition (C&D) waste, e-waste, bio-medical waste and plastic waste.

**Paragraph 5.10: Monitoring and evaluation** – This paragraph discusses how SWM was being monitored by different institutions and the adequacy of staff in ULBs, in regard to the management of solid waste.

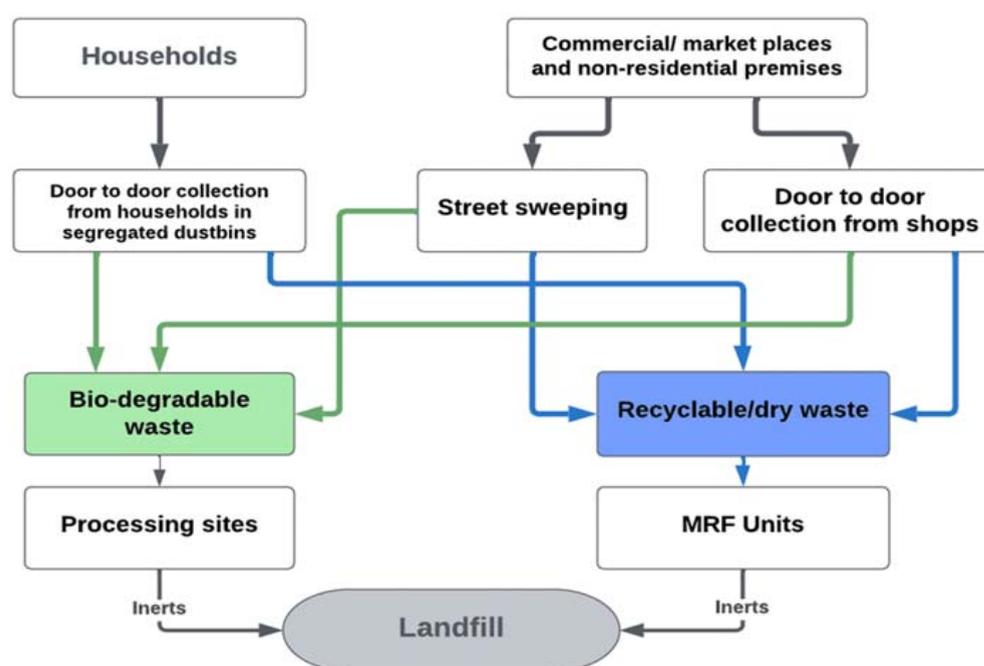
## 5.1 Introduction

“Solid waste” includes solid or semi-solid domestic waste, sanitary waste, commercial waste, institutional waste, catering and market waste and other non-residential waste, street sweepings, silt collected from surface drains, horticulture waste, agriculture and dairy waste and treated bio-medical waste generated in the area.

Management of Municipal Solid Waste (MSW) is one of the major functions to be ensured by all Urban Local Bodies (ULBs) in the country. ULBs are required to meticulously plan, implement and monitor all systems of urban service delivery, especially those relating to municipal solid waste.

According to the Solid Waste Management (SWM) Rules, 2016, the duties and responsibilities of ULBs *inter alia* include directing waste generators to hand over the segregated waste to the authorised waste collectors; putting in place a system for door-to-door collection of segregated solid waste from all households, commercial, institutional and other non-residential premises; setting up Material Recovery Facilities (MRF)<sup>38</sup>, for sorting of recyclable material; promoting setting up of decentralized compost plants; constructing/operating/maintaining sanitary landfills *etc.*, as depicted in **Chart 5.1**.

**Chart 5.1: Snapshot of the Solid Waste Management Process**



(Source: As per the provisions and conditions mentioned in the Solid Waste Management Rules, 2016)

Managing solid waste in urban areas constitutes a major challenge in urban governance, as unregulated solid waste not only has aesthetic and environmental impacts, but also poses a threat to public health. Audit endeavored to arrive

<sup>38</sup> MRF means a facility where non-compostable solid waste can be temporarily stored, to facilitate segregation, sorting and recovery of recyclables, from various components of waste, before the waste is delivered or taken up for its processing or disposal.

at an overall picture of the solid waste management practices being followed in the State. An assessment has been drawn on the management of solid waste practices being followed in the sampled ULBs, for the financial years 2017-18 to 2021-22. A plethora of issues and shortcomings were observed in the management of solid waste, in the course of the audit, as discussed in the succeeding paragraphs of this report.

### 5.1.1 Organisational Set-up

ULBs are institutions of self-government and include Municipal Corporations<sup>39</sup>, Municipal Councils<sup>40</sup> and Nagar Panchayats. All seats<sup>41</sup> in the ULBs are to be filled with persons chosen by direct election from territorial constituencies, known as Wards. In addition, Members of Legislative Assembly/Members of Parliament<sup>42</sup>, representing constituencies of the municipal area, are also members of ULB. The presiding officers, in case of Municipal Corporation, Municipal Council and Nagar Panchayat are the Mayor, Municipal Chairperson and Municipal President, respectively. The Empowered Standing Committee (ESC) exercises the executive powers of the ULB. The structure of the ESC, in so far as its members are concerned, is shown in **Table 5.1**.

**Table 5.1**  
**Structure of an ESC in ULBs**

Municipal Corporation	Municipal Council	Nagar Panchayat
Mayor, Deputy Mayor and seven Councillors	Municipal Chairperson, Municipal Vice Chairperson and five Councillors	Municipal President, Municipal Vice President and three Councillors

(Source: Section 21 of the Bihar Municipal Act, 2007)

Further, the ULBs are under the administrative control of the Urban Development and Housing Department (UD&HD), Government of Bihar (GoB), which is headed by the Secretary/ Principal Secretary/Additional Chief Secretary of the Department. The Municipal Commissioner is the executive head of the Municipal Corporation, while Municipal Council and Nagar Panchayat are headed by Executive Officers, appointed by the State Government.

The Organisational Structure of the ULBs is depicted in **Appendix 5.1**.

### **Regulatory framework governing management of waste**

The roles and responsibilities of Regulatory Bodies for SWM, are elaborated in **Table 5.2**.

<sup>39</sup> Also known as Nagar Nigam, catering to an urban population of above 2 lakh.

<sup>40</sup> Also known as Nagar Parishad, catering to an urban population of above 40,000 and upto 2 lakh.

<sup>41</sup> Mayor/Municipal Chairperson/Municipal President and Deputy Mayor/Municipal Vice Chairperson/Municipal Vice President, are being elected through direct elections, since 2022.

<sup>42</sup> Including members of the Council of States and members of the State Legislative Council, registered as electors within the municipal area and members of the State Legislative Council, elected from the Local Bodies Constituencies of the municipal area.

**Table 5.2**  
**Roles of Regulatory Bodies**

Sl. No.	Regulatory Body	Duty of the body
1	Ministry of Urban Development, Govt. of India	The Ministry of Urban Development is to coordinate with State Governments, to take a periodic review of the measures taken by the states and local bodies for improving SWM practices and execution of SWM projects funded by the Ministry and external agencies, at least once in a year and give advice on taking corrective measures.
2	Urban Development and Housing Department, GoB	The Secretary, Urban Development Department, in the State, through the Commissioner or Director of Municipal Administration or Director of local bodies, is to prepare a state policy and SWM strategy for the state, in consultation with stakeholders, including a representative of waste pickers, self-help groups and similar groups working in the field of waste management, consistent with these rules and the national policy on SWM.
3	Central Pollution Control Board	The Central Pollution Control Board is to co-ordinate with the State Pollution Control Boards and the Pollution Control Committees, for implementation of these rules and adherence to the prescribed standards by local authorities is also required to review, through the State Pollution Control Boards or Pollution Control Committees, at least once in a year, the implementation of prescribed environmental standards for solid waste processing facilities or treatment technologies and compile the data monitored by them.
4	Bihar State Pollution Control Board	The State Pollution Control Board or Pollution Control Committee is to enforce these rules, in the State of Bihar, through local bodies, in their respective jurisdictions and review the implementation of these rules, at least twice a year, in close coordination with the concerned Directorate of Municipal Administration or Secretary-in-charge of the State Urban Development Department. It is also required to examine proposals for authorisation for setting up of waste processing, treatment or disposal facilities and issue such authorisations within a period of sixty days.

(Source: SWM Rules, 2016)

### 5.1.2 Audit objectives

The Audit Objectives of the Performance Audit (PA) on SWM were to assess whether the:

- “Strategy and planning” of SWM in ULBs was commensurate with the type and quantum of wastes generated and was concurrent with the prevailing legal framework.
- Municipal tasks associated with SWM, including collection, segregation, storage, transportation, disposal of waste and social inclusion of informal waste workers, were effective, efficient and economical.
- Planning, construction, commissioning, operation and maintenance of SWM projects, in ULBs, were effective, efficient and financially sustainable.

- Monitoring and evaluation of the SWM system, including creation of adequate awareness, citizen engagement for effecting behavioural change, complaint redressal mechanism for citizens, assessment of environmental impact and implementation of the ‘internal control and monitoring’ mechanism, were adequate and effective.

### **5.1.3 Audit criteria**

The Audit criteria for the PA were derived from the following sources:

- Bihar Municipal Act, 2007 (with amendments, as notified from time to time)
- Manual of Municipal Solid Waste Management, 2016, issued by Government of India in April 2016 and the Solid Waste Management Rules, 2016
- Model Bihar Municipality Solid Waste Management Bye-laws, 2019
- Construction and Demolition Waste Management Rules, 2016
- Performance parameters set out in the Service Level Benchmarking (SLB) guidelines
- The Environment (Protection) Act and Rules 1986
- Water (Prevention and Control of Pollution) Act, 1974
- National Urban Sanitation Policy, 2008
- Bihar Municipal Accounting Rules (BMAR), 2014
- Bihar Municipal Accounting Manual
- Bihar Municipal Budget Manual
- Bihar Financial Rules
- Bihar Urban Local Body (Community Participation) Rules, 2013; Smart City Mission guidelines and Swachh Bharat Mission guidelines
- Motor Vehicles Act, 1988
- Bihar Motor Vehicles Taxation Rules, 1994
- Citizen’s Charters for ULBs in Bihar
- Instructions, guidelines, policies issued by the Central Pollution Control Board, State Pollution Control Board, Government of India / State Government, on solid waste management, from time to time; and
- Independent Expert advice and know how.

### **5.1.4 Scope of Audit, methodology and limitations**

There were 258 ULBs<sup>43</sup> (18 Municipal Corporations, 83 Municipal Councils and 157 Nagar Panchayats) in the State of Bihar, as on 31 March 2022. However, only 141 ULBs were functional in Bihar during the financial years 2017-18 to 2021-22. These included 18 Municipal Corporations, 75 Municipal Councils and 48 Nagar Panchayats, spread across nine Divisions/38 Districts, in the State.

---

<sup>43</sup> 117 ULBs were constituted during FY 2020-21. Also, Dumra Nagar Panchayat was merged with Sitamarhi Municipal Corporation in December 2020.

The audit units were selected by applying Simple Random Sampling (Revenue Division-wise), using the IDEA application software. From each tier of ULBs, samples of audited units were drawn in such a manner that equal representation to each Division was ensured. One Municipal Corporation, 10 *per cent* of the Municipal Councils and five *per cent* of the Nagar Panchayats, from each Division, were selected in such a manner that the coverage of population of sampled units was not less than 25 *per cent* of the entire urban population in the State.

Based on the above methodology, eight Municipal Corporations<sup>44</sup>, 11 Municipal Councils<sup>45</sup> and nine Nagar Panchayats<sup>46</sup>, were selected, representing 46 *per cent* of the urban population in the State.

The Performance Audit was conducted during August 2022 to January 2023, covering the status of Management of Solid Waste in the State, during the period April 2017 to March 2022, through a test-check of the records of the sampled ULBs. In addition, relevant information was also collected from the UD&HD and Bihar State Pollution Control Board (BSPCB).

The audit methodology included examination of the records of ULBs, information obtained in proformas, surveys of 1,408 respondents (949 households and 459 shopkeepers) and Joint Physical Verification (JPV) of processing (Composting site, MRF *etc.*) sites, dumping sites *etc.*

Information about quantum of waste collection/transportation, waste processing and technology used therein, various committees in ULBs, landfill sites, collection of user charges, status of service level benchmarks relating to SWM, awareness programme conducted by ULBs, sanctioned strength/persons-in-position, status of detailed project reports (DPRs), monitoring of pollution levels and health risk assessment, training and capacity building *etc.* were sought from the test-checked ULBs in the proforma.

In the survey, respondents were enquired about the methodology of waste disposal followed by them, supply of dustbins to them by the test-checked ULBs, collection of segregated waste from them by the test-checked ULB, amount of user charges collected, availability of community dustbins and sanitation in the vicinity around these bins, status of street sweepings by the test-checked ULBs, covered/uncovered transportation of wastes, cleaning/de-siltation of drains, awareness programmes regarding disposal of wastes, lodging of complaints and redressal thereof, overall satisfaction with sanitation and waste disposal services *etc.*

An Entry Conference was held on 1/8/2022, with the UD&HD, GoB, and BSPCB, wherein the audit objectives, audit criteria and methodology, were discussed. An Exit Conference was held with the Department, to discuss and

---

<sup>44</sup> *The Bhagalpur, Chhapra, Darbhanga, Gaya, Munger, Muzaffarpur, Patna, and Purnea. Kosi divisions did not have any municipal corporation under it.*

<sup>45</sup> *Dalsinghsarai, Danapur, Gopalganj, Hajipur, Jamui, Jehanabad, Kishanganj, Rajgir, Ramnagar, Saharsa, and Sultanganj.*

<sup>46</sup> *Amarpur, Bahadurganj, Barahiya, Belsand, Jagdishpur, Jhanjharpur, Maharajganj, Makhdumpur and Murliganj.*

obtain its views on the audit observations. During Exit Conference, Additional Chief Secretary, UD&HD assured that audit observations would be taken as constructive criticism and would be helpful in overall improvement of SWM process in ULBs. Replies of the sampled units have been incorporated at appropriate places in the report.

The limitations of the PA included non-availability/ partial availability of vital records. The unavailable documents included Detailed Project Reports (DPRs) for SWM, SWM specific accounts, documents in support of actual waste collection *etc.* Non-availability of this information affected the audit endeavour of precisely assessing the planning, receipt and expenditure relating to SWM, efficiency of the SWM process *etc.* Therefore, at many places, an approximation of the actual status has been made, using a conservative/liberal approach.

#### **5.1.5 Non-maintenance/Non-furnishing of Records**

The scope of audit was restricted by the non-availability/partial availability of records, a gist of which is as follows:

- (i) The test-checked ULBs reported the SWM benchmark status (containing household coverage, efficiency in collection of waste, extent of segregation of waste, extent of recovery of waste, extent of scientific disposal of waste, extent of cost recovery, efficiency in collection of SWM charges, efficiency in redressal of customer complaints), to the Department. However, no objectively verifiable basis, for verifying the reported status, was found available on records.
- (ii) The amounts of SWM user charges, collectible in a year, had not been worked out by the test-checked ULBs, though this was required, as per the Bihar Municipal Accounting Rules, 2014.
- (iii) Separate fund-based accounting for SWM was not maintained, though required as per Bihar Municipal Accounting Manual and Bihar Municipal Accounting Rules, 2014.
- (iv) 23 test-checked ULBs did not furnish any procurement related records. No access to the GeM Portal was provided to Audit.
- (v) Work plan of the outsourcing agencies, hired for SWM work, was not available/not furnished to Audit.
- (vi) Details of labourers, enrolled under the EPF/ESIC Act, were not available/not furnished to Audit. ULBs did not provide any records to Audit, in support of purchase of protective equipment for the safety of waste collectors.
- (vii) The budgeting process was found to be non-transparent, as broad guidelines/policy for preparation of budgets; incremental improvements, through subsequent discussions; implementation of suggestions given to Chartered Accountant /staff; *etc.*, were not being documented, in any of the test- checked ULBs. No planning documents/information sheets were available in budget records.

## 5.2 Status of SWM in Bihar

The Ministry of Urban Development (MoUD) has set Service Level Benchmarks (SLBs), at the national level, for provision of services in four key sectors – water supply, sewerage, SWM and storm water drainage.

Also, the 13<sup>th</sup> Finance Commission (FC) had recommended that State Governments must gradually put in place standards, for delivery of all essential services provided by Local Bodies (LBs). Accordingly, the UD&HD had notified (March 2011) Service Level Benchmarks (SLBs), for services to be provided by the ULBs.

### 5.2.1 Service Level Benchmarks relating to SWM

The Handbook of Service Level Benchmarking, issued by MoUD, envisaged eight benchmark indicators<sup>47</sup> for monitoring of performance and improvement in delivery of services related to SWM. These indicators are to be used as tools for undertaking objective performance analysis by ULBs, to bring about tangible improvements in their activities relating to SWM.

Audit observed that the test-checked ULBs had mentioned Benchmarks relating to SWM in their budgets and achievements thereagainst and reported the same to the UD&HD. The reported status<sup>48</sup> (March 2017/2018 and March 2022), *vis-à-vis* the actual status, as observed by Audit, is shown in the **Table 5.3** and detailed in **Appendix 5.2**.

**Table 5.3**  
**Reported and actual status of Service Level Benchmarks (SLBs) in the sampled ULBs of Bihar**

*(Status in percentage)*

Sl. No.	Service level Particulars	Bench-Mark	Reported status (March 2017/2018)#		Reported status (March 2022)*		Actual status, as worked out by Audit <sup>49</sup> , in the sampled ULBs	Number of ULBs with “nil” status on benchmark indicators (Out of total 28 test- checked ULBs)
			Range	Median <sup>50</sup>	Range	Median		
1	Household level coverage	100	0-100	70	50-100	95	76	--
2	Efficiency in collection of solid waste	100	0-100	60	50-100	92.5	84	--
3	Extent of segregation of municipal solid waste (MSW)	100	0-50	25	0-100	50	20	10

<sup>47</sup> 1. Household level coverage; 2. Efficiency in the collection of solid waste; 3. Extent of segregation of waste; 4. Extent of MSW recovered; 5. Extent of scientific disposal of solid waste; 6. Cost recovery; 7. Efficiency in the collection of SWM charges and 8. Efficiency in the redressal of customer complaints.

<sup>48</sup> Either reported in the budget submitted to UD & HD or information furnished to Audit.

<sup>49</sup> On the basis of household/shopkeeper survey, joint physical verification and records of the sampled ULBs.

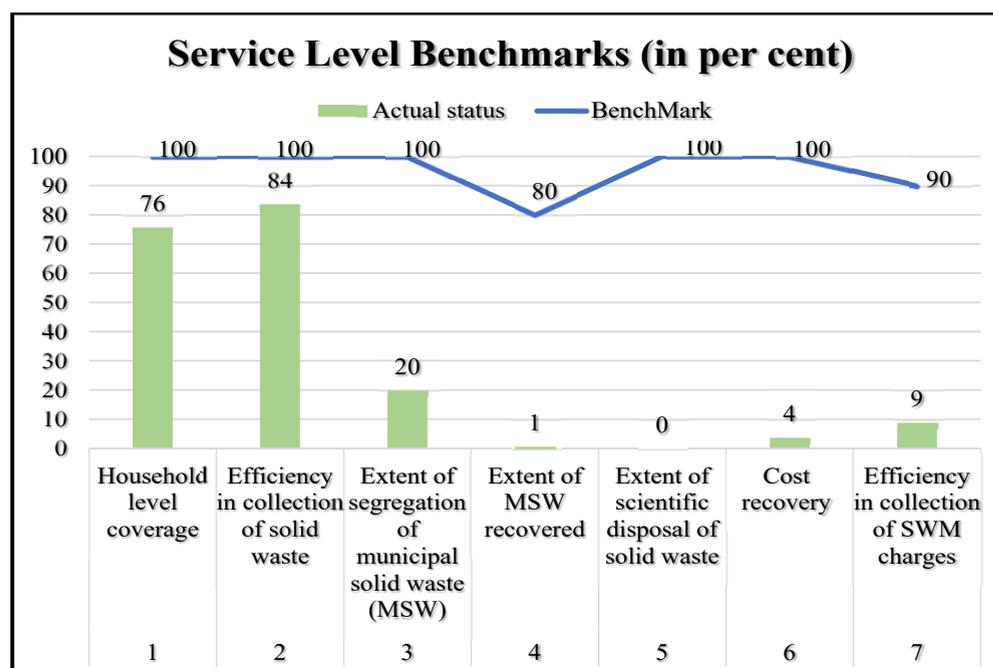
<sup>50</sup> ‘Median’ is a statistical measure to ascertain the central tendency of a data set. It is the point above and below which half (50 per cent) of the observed data falls, and so represents the midpoint of the data.

Sl. No.	Service level Particulars	Bench-Mark	Reported status (March 2017/2018)#		Reported status (March 2022)*		Actual status, as worked out by Audit <sup>9</sup> , in the sampled ULBs	Number of ULBs with “nil” status on benchmark indicators (Out of total 28 test- checked ULBs)
			Range	Median <sup>50</sup>	Range	Median		
4	Extent of MSW recovered	80	0-70	5	0-80	20	1	18
5	Extent of scientific disposal of solid waste	100	0-50	0	0-100	0	0	28
6	Cost recovery	100	0-90	0	0-100	3.5	4	13
7	Efficiency in collection of SWM charges	90	0-80	5	0-90	0	9 <sup>51</sup>	17
8	Efficiency in redressal of customer complaints	80	0-70	25	0-90	60	Could not be calculated, as the sampled ULBs had not maintained complaint registers in a proper manner.	--

(Source: Records of the test-checked ULBs, Reports submitted to the SPCB, by the test-checked ULBs, Household/Shopkeeper survey and joint physical verification)

# Based on the information available in 18 test-checked ULBs. \*Based on the information available in 24 test-checked ULBs.

Chart 5.2: Service Level Benchmarks



(Source: Survey of sampled ULB)

\* The Chart depicts 07 benchmarks here, the ‘Efficiency in redressal of customer complaints’ could not be calculated, as the sampled ULBs had not maintained complaint registers in a proper manner.

<sup>51</sup> Patna, Gaya, Murliganj and Munger are excluded. Inclusion of Patna and Gaya would have skewed the result. Complete information, in respect of Munger and Murliganj, was not available.

As evident from Table 5.3, up-to March 2022, the targets set for service level benchmarks were not achieved by any of the sampled ULBs (except in the case of the Darbhanga Municipal Corporation), on all the eight parameters, as reported by the test-checked ULBs themselves. The actual status, as ascertained by Audit, was below the reported status, during the financial years 2017-18 to 2021-22.

Audit observed the following in this regard:

**1. Absence of verifiable data/information-** The correctness of the achievements reported by the test-checked ULBs could not be verified, as test-checked ULBs had not maintained appropriate documentation in support of their claims. Thus, the reported achievement of benchmark levels, by the test-checked ULBs, was without any objectively verifiable basis.

**2. Household level coverage-** According to the Handbook of Service Level Benchmarking, Ministry of Urban Development (MoUD), household level coverage of SWM services is defined as percentage of households and establishments that are covered by a daily doorstep collection system. The benchmark was set as 100 *per cent*. Regarding “Household level coverage”, the test-checked ULBs had claimed that, by March 2022, the household level coverage was 50 to 100 *per cent*.

To ascertain the “household level coverage”, Audit relied upon the household/shop survey. During the joint survey of households and shops, 333 out of 1,408 respondents (24 *per cent*) stated that they were throwing waste in open areas, in the absence of service of door-to-door waste collection, by the test-checked ULBs. Thus, according to the data collected through the survey of sampled households and shops, the household level coverage was 76 *per cent* only. Audit also observed that 16 test-checked ULBs reported excess household level coverage ranging from two to 62 *per cent*, as shown in **Table 5.4**.

**Table 5.4**

**Excess Household Level Coverage Reported by the test-checked ULBs**

*(Status in percentage)*

Sl. No.	ULB	Reported status (March 2022)	Status worked out by audit	Excess claim	Sl. No.	ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim
1	Bhagalpur	100	93	7	9	Ramnagar	80	68	12
2	Muzaffarpur	100	82	18	10	Rajgir	95	69	26
3	Darbhangha	100	72	28	11	Dalsingsarai	100	38	62
4	Chhapra	100	98	2	12	Bahadurganj	80	47	33
5	Saharsa	95	77	18	13	Jhanjharpur	85	43	42
6	Kisanganj	100	49	51	14	Murliganj	70	30	40
7	Jehanabad	95	72	23	15	Amarpur	50	13	37
8	Gopalganj	100	97	3	16	Belsand	80	43	37

*(Source: Records of the test-checked ULBs and joint household/shopkeeper survey in test-checked ULBs)*

**3. Efficiency in the collection of solid waste** - According to the SLB Handbook issued by the MoUD, ‘collection efficiency’ of a ULB, is defined as the total waste collected by the ULB versus the total waste generated within the ULB. The benchmark was set as 100 *per cent*. Regarding ‘efficiency in collection of solid waste’, the test-checked ULBs had claimed that, by March 2022, the efficiency in collection of solid waste was 50 to 100 *per cent*.

For the Financial year 2021-22, the total waste generated in test-checked ULBs was 3,107 tonnes per day (TPD), out of which the total waste collected was 2,608 TPD (84 *per cent*). Thus, efficiency in the collection of solid waste, could be claimed, at best, as 84 *per cent*. The actual status may be well below this percentage, as the practice of garbage being thrown on the sides of roads/ in open places, as observed during joint physical verification and household/ shopkeeper survey, was prevalent in all the test-checked ULBs.

Besides, Audit noticed that nine test-checked ULBs reported excess efficiency in collection of solid waste, ranging from seven to 76 *per cent*, as shown in **Table 5.5**.

**Table 5.5**  
**Excess reporting of Solid Waste collection efficiency by the test-checked ULBs**

*(Status in percentage)*

Sl. No.	ULB	Reported status (March 2022)	Status worked out by Audit	Excess claim	Sl. No.	ULB	Reported status (March 2022)	Status worked out by Audit	Excess claim
1	Darbhanga	100	60	40	6	Jhanjharpur	80	40	40
2	Saharsa	95	41	54	7	Murliganj	70	31	39
3	Kisanganj	100	66	34	8	Amarpur	70	63	7
4	Bahadurganj	80	70	10	9	Belsand	80	57	23
5	Jagdishpur	100	24	76		-	-	-	-

*(Source: Records of the test-checked ULBs)*

**4. Extent of segregation of waste** - According to the MoUD SLB Handbook, the ‘extent of segregation of waste’ is defined as percentage of waste from households and establishments that is segregated. The segregation has to be carried out in the following categories: bio-degradable waste; non-bio degradable waste; and hazardous domestic waste, such as batteries *etc.* The levels of segregation should, at least, be to the extent of separation of wet and dry waste at source, *i.e.*, at the household or establishment level. The benchmark for this was set at 100 *per cent*. Regarding the ‘extent of segregation of MSW’, the test-checked ULBs had claimed, that by March 2022, the extent of segregation of MSW was zero to 100 *per cent*.

During joint survey of households and shops, 80 *per cent* of the total respondents informed that source segregation was not in practice. Audit noticed that the ULBs were either collecting mixed waste, or they were dumping mixed waste, at the dumping sites, without any segregation. Thus, the actual extent of segregation of municipal solid waste, was, in fact, negligible.

Audit observed that 18 ULBs had claimed (March 2022) higher percentage of extent of segregation, ranging from one to 100 *per cent*, as shown in **Table 5.6**.

**Table 5.6**  
**Excess reporting of extent of segregation by the test-checked ULBs**

*(Status in percentage)*

Sl. No.	ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim	Sl. No.	ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim
1	Patna	50	39	11	10	Ramnagar	50	0	50
2	Gaya	50	49	1	11	Dalsingsarai	50	4	46
3	Bhagalpur	60	1	59	12	Bahadurganj	50	0	50
4	Muzaffarpur	25	5	20	13	Jagdishpur	100	0	100
5	Darbhangha	100	25	75	14	Makhdumpur	100	53	47
6	Chhapra	70	3	67	15	Jhanyarpur	25	0	25
7	Hajipur	25	2	23	16	Amarpur	5	0	5
8	Kisanganj	80	0	80	17	Maharajganj	50	35	15
9	Gopalganj	80	0	80	18	Belsand	50	0	50

*(Source: Records of the test-checked ULBs and joint household/shopkeeper survey in test-checked ULBs)*

**5. Extent of MSW recovered** - According to the MoUD SLB Handbook, the ‘extent of recovery of waste collected’ is defined as the quantum of waste collected, which is either recycled or processed. This is expressed in terms of the percentage of waste collected. The benchmark for this was 80 *per cent*. Regarding the ‘extent of MSW recovered’, the test-checked ULBs had claimed that, by March 2022, the extent of Municipal solid waste recovered was zero to 80 *per cent*. Audit observed that the composting sites<sup>52</sup> of only seven<sup>53</sup> ULBs were operational (December 2022). Out of 1,204 TPD waste collected, only 13 TPD<sup>54</sup> (one *per cent*) MSW was being processed, while the remaining waste was being dumped at the dumping sites.

Audit noticed that 11 ULBs claimed (March 2022) higher percentage of extent of MSW recovery ranging from 20 to 78 *per cent*, as shown in **Table 5.7**.

**Table 5.7**  
**Excess reporting of extent of MSW recovery by the test-checked ULBs**

*(Status in percentage)*

Sl. No.	Name of the ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim	Sl. No.	Name of the ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim
1	Bhagalpur	60	0	60	7	Ramnagar	50	1	49
2	Darbhangha	80	2	78	8	Bahadurganj	50	0	50
3	Munger	40	0	40	9	Jagdishpur	50	0	50
4	Chhapra	70	0	70	10	Amarpur	20	0	20

<sup>52</sup> For processing of wet waste of ULBs, composting sites, comprising of 20 compost pits, were to be constructed.

<sup>53</sup> Barahiya, Belsand, Dalsingsarai, Darbhanga, Muzaffarpur, Ramnagar and Sultanganj

<sup>54</sup> This excludes data relating to Gaya, Patna and Danapur, as the exact extent of processing could not be quantified. However, waste processing was observed at Patna, Danapur and Gaya.

Sl. No.	Name of the ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim	Sl. No.	Name of the ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim
5	Kisanganj	60	0	60	11	Maharajganj	40	0	40
6	Gopalganj	20	0	20	-	-	-	-	-

(Source: Records of the test-checked ULBs and joint physical verification of composting sites)

**6. Extent of scientific disposal of solid waste** - According to the MoUD SLB Handbook, the ‘extent of scientific disposal of waste’ is defined as the amount of waste that is disposed in landfills that have been designed, built, operated and maintained as per standards laid down by central agencies. The extent of compliance is to be expressed as a percentage of the total quantum of waste disposed at landfill sites, including open dumpsites. The benchmark for this is 100 per cent. Regarding the ‘Extent of scientific disposal of solid waste’, the test-checked ULBs had claimed that, by March 2022, the extent of scientific disposal of waste was zero to 100 per cent.

Audit observed that there were no sanitary landfill<sup>55</sup> sites in any of the sampled ULBs. Instead, there were open dumpsites, where all the waste of the concerned cities was being dumped (as of December 2022). Thus, extent of scientific disposal of waste in sanitary landfill was ‘nil’. However, eight test-checked ULBs had claimed (March 2022) five to 100 per cent scientific disposal of Municipal Solid Waste, as shown in **Table 5.8**.

**Table 5.8**  
**Excess reporting of extent of scientific disposal of solid waste by the test-checked ULBs**

(Status in percentage)

Sl. No.	Name of the ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim	Sl. No.	Name of the ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim
1	Patna	50	0	50	5	Dalsingsarai	5	0	5
2	Gaya	50	0	50	6	Jagdishpur	55	0	55
3	Bhagalpur	70	0	70	7	Makhdumpur	80	0	80
4	Darbhangha	100	0	100	8	Maharajganj	40	0	40

(Source: Records of the test-checked ULBs and information furnished by BSPCB)

**7. Cost recovery** - According to the MoUD SLB Handbook, ‘cost recovery’ denotes the extent to which the ULB can recover all its operating expenses relating to SWM services, from the operating revenues of sources related exclusively to SWM. The benchmark for this is 100 per cent. Regarding ‘Cost recovery’, the test-checked ULBs had claimed that, by March 2022, the ‘cost recovery’ was zero to 100 per cent.

The test-checked ULBs had, however, not worked out their actual operating expenses for SWM. Therefore, taking a minimalistic approach towards operating expenses, Audit considered only payments made to outsourcing agencies and

<sup>55</sup> “Sanitary land filling” means the final and safe disposal of residual solid waste and inert wastes on land in a facility designed with protective measures against pollution of ground water, surface water and fugitive air dust, wind-blown litter, bad odour, fire hazard, animal menace, bird menace, pests or rodents, greenhouse gas emissions, persistent organic pollutants slope instability and erosion.

payments made to sanitary labourers (as could be ascertained from available records), as ‘operating expenses’.

Audit observed that, during FY 2021-22, nine test-checked ULBs<sup>56</sup> had collected ₹ 4.37 crore as user charges, whereas their operating expenses were ₹ 46.39 crore, as worked out by Audit. Thus, the extent of cost recovery was only 9.42 *per cent*, in these nine ULBs.

Further, in 12 of the test-checked ULBs<sup>57</sup>, the operating expenses were ₹ 53.95 crore, but no user charges were being collected in these ULBs, to offset their operating expenses. Besides, in the remaining seven test-checked ULBs<sup>58</sup>, Audit could not work out the operating expenses or user charges, as the related records were not provided to Audit.

Thus, in 21 test-checked ULBs, against the operating expenses of ₹ 100.34 crore, their user charge collection was only ₹ 4.37 crore (four *per cent*), during the FY 2021-22.

Also, eight test-checked ULBs had claimed higher cost recovery benchmarks, ranging from 10 to 90 *per cent*, as detailed in **Table 5.9**.

**Table 5.9**  
**Excess reporting of cost recovery by the test-checked ULBs**

*(Status in percentage)*

Sl. No.	Name of the ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim	Sl. No.	Name of the ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim
1	Bhagalpur	70	0	70	5	Jehanabad	90	0	90
2	Darbhanga	100	14	86	6	Rajgir	90	1	89
3	Saharsa	90	7	83	7	Maharajganj	10	0	10
4	Kisanganj	70	15	55	8	Belsand	70	5	65

*(Source: Records of the test-checked ULBs)*

**8. Efficiency in the collection of SWM charges-** According to the MoUD SLB Handbook, ‘efficiency in collection’ is defined as the current year’s revenue collected, expressed as a percentage of the total SWM operating revenues (*i.e.* user charges in the context of ULBs of Bihar), for the corresponding time period. The benchmark for this is 90 *per cent*. Regarding ‘efficiency in collection of SWM charges’, the test-checked ULBs had claimed that, by March 2022, their efficiency, in collection of SWM charges, was zero to 90 *per cent*.

The actual demands, in regard to user charges had, however, not been worked out, by the test-checked ULBs, though this was required, as per Rule<sup>59</sup> 53 (1) of the Bihar Municipal Accounting Rules, 2014. Therefore, Audit worked out the minimum collectible user charges by multiplying the minimum rates of user

<sup>56</sup> Gaya, Darbhanga, Munger, Saharsa, Kishanganj, Jehanabad, Rajgir, Dalsinghsarai and Belsand.

<sup>57</sup> Bhagalpur, Purnea, Chhapra, Danapur, Jamui, Sultanganj, Barahiya, Bahadurganj, Makhdumpur, Jhanjharpur, Amarpur and Maharajganj

<sup>58</sup> Patna, Muzaffarpur, Hajipur, Gopalganj, Ramnagar, Jagdishpur and Murliganj

<sup>59</sup> As per Rule 53 (1) of Bihar Municipal Accounting Rule 2014, where any tax is due to be paid by the assesses, relevant department should maintain a Demand Register in BMAR Form 23.

charges for a particular category (*viz.* households, commercial establishments and institutions) and the number of households, commercial establishments and institution.

The position observed by Audit, in this regard, is shown in **Table 5.10**.

**Table 5.10**  
**Efficiency in collection of SWM charges (User charges) in 2021-22**

(₹ in crore)

Sl. No.	Particulars	Minimum collectible amount of user charges (as worked out by Audit)	Amount of user charges actually collected
1	16 test-checked ULBs <sup>60</sup>	7.11	Nil
2	Eight test-checked ULBs <sup>61</sup>	5.99	1.21
3	Two test-checked ULBs <sup>62</sup>	11.49	25.03
4	Two test-checked ULBs <sup>63</sup>	NA	NA

(Source: Records of the test-checked ULBs)

The following are evident from **Table 5.10**:

- (i) During 2021-22, a minimum of ₹ 7.11 crore was recoverable as user charges in 16 of the sampled ULBs, however they had not collected any user charges.
- (ii) Eight ULBs had collected an amount of ₹ 1.21 crore, as user charges, against the minimum collectible amount of ₹ 5.99 crore.

Thus, the efficiency in collection of SWM charges, in the 24 sampled ULBs, was about nine<sup>64</sup> *per cent* only.

- (iii) The minimum collectible amount of user charges, in the Patna and Gaya Municipal Corporations, for the financial year 2021-22, was estimated as ₹ 11.49 crore. The actual collection during the financial year 2021-22 was ₹ 25.03 crore. Since, the actual collectible amount for the financial year 2021-22 was not furnished to Audit. Therefore, efficiency in collection of user charges could not be commented upon.
- (iv) No data relating to user charges collection, was made available to Audit, in respect of the Munger Municipal Corporation and Murliganj Nagar Panchayat.

Further, Audit noticed that five ULBs had claimed a higher efficiency in collection of SWM charges, ranging from 10 to 80 *per cent*, as detailed in **Table 5.11**.

<sup>60</sup> Bhagalpur, Purnea, Chhapra, Danapur, Hajipur, Jamui, Gopalganj, Sultanganj, Ramnagar, Barahiya, Bahadurganj, Jagdishpur, Makhdumpur, Jhanjharpur, Amarpur and Maharajganj

<sup>61</sup> Muzaffarpur, Darbhanga, Saharsa, Kishanganj, Jehanabad, Rajgir, Dalsinghsarai and Belsand.

<sup>62</sup> Gaya and Patna

<sup>63</sup> Munger and Murliganj

<sup>64</sup>  $1.21/(7.11+5.99) = 9.24 \sim 9$  *per cent*

**Table 5.11**  
**Excess reporting of efficiency in collection of SWM charges by the test-checked ULBs**

*(Status in percentage)*

Sl. No.	Name of the ULB	Reported status (March 2022)	Status worked out by audit	Excess Claim
1	Darbhanga	90	65	25
2	Kishanganj	90	72	18
3	Dalsingsarai	80	15	65
4	Makhdumpur	80	0	80
5	Maharajganj	10	0	10

*(Source: Records of the test-checked ULBs)*

**9. Efficiency in the redressal of customer complaints** - According to the MoUD SLB Handbook, ‘efficiency in the redressal of customer complaints’ is defined as the total number of SWM related complaints redressed within 24 hours of receipt of these complaints, as a percentage of the total number of SWM related complaints received in the given time period. The benchmark for this is 80 *per cent*. Regarding ‘Efficiency in redressal of customer complaints’, the test-checked ULBs had claimed that, by March 2022, their efficiency, in the redressal of customer complaints was zero to 90 *per cent*.

Audit observed the following.

- i. Complaint registers were being maintained in only in four test-checked ULBs<sup>65</sup> while Patna and Hajipur constituted combat cells for redressal of customer complaints.
- ii. The Darbhanga Municipal Corporation had maintained complaint registers and recorded three complaints, during FY 2021-22, but the dates of redressal thereagainst were not available in the register. Therefore, it could not be ascertained whether the complaints had been resolved within 24 hours.
- iii. The Bahadurganj Municipal Panchayat had maintained a complaint register, but no complaint was found to have been entered in the register during FY 2021-22.
- iv. The Dalsinghsarai Municipal Council had recorded 10 complaints in the complaint register, during FY 2021-22 and recorded their redressal as having been achieved, but not within 24 hours.
- v. The Patna Municipal Corporation and the Hajipur Municipal Council had established combat cells for redressal of complaints related to MSW management, but data related to lodging of complaints and disposal thereof in respect of Patna Municipal Corporation was not made available to Audit.

Also, Hajipur Municipal Council had registered 226 complaints during FY 2021-22 but the dates of redressal thereagainst were not available in

<sup>65</sup> Darbhanga- since February 2021, Purnea –since February 2021, Dalsinghsarai – since November 2021 and Bahadurganj – since January 2021

records. Therefore, it could not be ascertained whether the complaints had been resolved within 24 hours.

Further, during the joint household and shopkeepers' survey, it was observed that 51 *per cent* of the respondents were not aware of the manner in which they could lodge complaints, in their ULBs.

Thus, the position in regard to redressal of customer complaints, in the ULBs, was highly unsatisfactory.

**10. Joint physical verification-** During the conduct of PA (August 2022-January 2023), joint physical verification was carried out, by Audit and the staff of the ULBs, to assess the status in regard to a) road sweeping b) sanitation and c) garbage collection, in wards, markets, outside railway station premises, bus stands *etc.*

In addition, joint physical verification of processing sites and landfill sites was also carried out. This exercise confirmed that door-to-door collection, segregation, processing and transportation of waste needed significant improvements.

Despite the claims of ULBs regarding door-to-door collection of garbage, several instances of garbage being thrown on the sides of the roads, or in open places, were observed. In the absence of adequate processing, almost all the residual waste was seen to have been ending up at the dumping sites. The status of ULBs, as observed during the joint physical verification, has been shown in the photographs available in *Appendix 5.3*.

17 ULBs<sup>66</sup>, in their replies, assured that efforts would be made for improvement. Out of these 17 ULBs, three ULBs<sup>67</sup> attributed the non-achievement of benchmark indicators, to lack of manpower.

### **5.2.2 Conclusion**

The Service Level Benchmarks for SWM had not been achieved by any of the test-checked ULBs, on any of the eight parameters. Further, the status of SWM, reported by the test-checked ULBs, to the Department, was exaggerated and was also not verifiable, as the ULBs had not maintained records in support of their claims.

### **5.2.3 Recommendation**

***The UD&HD may ensure, by effective monitoring, observance of SWM rules and policy and strategy framed for SWM; maintenance of adequate and objectively verifiable documents for SWM; and achievement of the benchmarks, by ULBs.***

---

<sup>66</sup> Gaya, Chhapra, Jehanabad, Rajgir, Makhdumpur, Maharajganj, Kishanganj, Bahadurganj, Danapur, Ramnagar, Belsand, Hajipur, Purnea, Bhagalpur, Jamui, Sultanganj and Munger

<sup>67</sup> Belsand, Hajipur and Munger

### 5.3 Accounting procedure and financial management

ULBs fund their SWM activities through a combination of government grants and internal revenues. To properly plan for SWM activities, accurate financial calculations, taking into consideration all relevant costs and revenues, are required. Moreover, SWM services are sustainable, only if they are financially viable, on a standalone basis. In this paragraph, the accounting procedure adopted by ULBs for SWM, the efforts undertaken by them for collection of user charges and also the status of receipt and utilisation of other grants, by the ULBs, have been discussed.

#### 5.3.1 Separate accounting for solid waste management

Clause 4.7 of the Bihar Municipal Accounting Manual (BMAM) and Rule 5 of the Bihar Municipal Accounting Rules (BMAR), 2014, call for fund-based accounting, *i.e.* separate accounting for SWM.

Audit observed that none of the sampled ULBs had followed fund-based accounting for SWM. Resultantly, separate cash books or accounts for SWM, were not maintained in the ULBs. Therefore, the precise availability of funds for SWM, as well as the expenditure therefrom, were not ascertainable.

SWM activities are funded from internal revenue sources, the 5<sup>th</sup> and 6<sup>th</sup> State Finance Commission grants, 14<sup>th</sup> and 15<sup>th</sup> Finance Commission grants, Swachh Bharat Mission (SBM) grant and the State Plan (civic amenities-sanitation). Directions for utilisation of these grants, did not mention the specific percentages to be spent exclusively on SWM. None of the ULBs had assessed their requirements of capital and revenue funds for SWM activities and, hence, they were unaware of their resource deficit in this regard.

At the ULB level also, no apportioning of funds had been carried out, leading to non-maintenance of fund-based accounting.

Five ULBs<sup>68</sup> assured that corrective measures would be taken. Four ULBs<sup>69</sup> replied that corrective measures would be taken after obtaining guidance from the Department. Two ULBs<sup>70</sup> informed that matter was under consideration at the Department level.

Two ULBs<sup>71</sup> attributed absence of fund-based accounting to lack of manpower and/or lack of knowledge. The Nagar Panchayat, Barahiya, replied that, as separate funds had not been received for SWM, separate accounting was not maintained for SWM.

The Nagar Parishad, Saharsa, replied that funds for SWM were being kept as per departmental directions and SWM work was being carried out accordingly. Municipal Corporation, Purnea, replied that fund-based accounting would lead to duplication of work and unnecessary deployment of manpower.

---

<sup>68</sup> Darbhanga, Sultanganj, Bhagalpur, Jamui and Ramnagar.

<sup>69</sup> Jehanabad, Makhdumpur, Maharajganj and Chhapra

<sup>70</sup> Kishanganj and Bahadurganj

<sup>71</sup> Belsand and Hajipur

The Replies of these ULBs, other than assurance about adoption of corrective measures, were not acceptable as they are contrary to the provisions of BMAM and BMAR.

### 5.3.2 Levy and collection of user charges for solid waste management

Section 128 (ii) of BMA, 2007, and Rule 15 (f) of the SWM Rules, 2016, provide for levy and collection of user charges, from the waste generators, by ULBs, for ensuring sustainable sources of revenue for SWM. The purpose of user charges is to cover, in full or part, the cost of providing services towards solid waste collection, transportation, processing and disposal.

As per notification issued (July 2013) by the Department, user charges were not to be collected from below poverty line households. The minimum rates of user charges, as notified by the Department, is given in **Table 5.12**.

**Table 5.12**  
**Minimum rates of user charges**

Sl. No.	Particulars	Minimum rates of user charges (₹ per month)		
		Municipal corporations	Municipal Councils	Nagar Panchayats
1	Residential	30	25	20
2	Non-residential	100	75	50
3	Institutions	500	250	150

(Source: Notification of GoB, July 2013)

Audit observed that the sampled ULBs had not worked out the demand for user charges, to be levied and collected from waste generators. Resultantly, they were unaware of the exact amount of user charges recoverable in each of the ULBs.

Also, records regarding classification/categorization (*viz.* restaurant, bank, coaching classes, hospitals *etc.*) of waste generators, for the purpose of levy and collection of user charges, were not maintained by ULBs. Contrary to the GoB notification (July 2013), 15<sup>72</sup> out of the 28 test-checked ULBs, had not collected user charges during 2020-22. The status of collection of user charges, for 2017-20, could not be worked out in audit, due to the absence of related records.

Based on the records/information<sup>73</sup> furnished by ULBs, Audit worked out the amount of minimum user charges recoverable, amount collected and under-recovery (duly adjusted for BPL households<sup>74</sup>), as shown in **Table 5.13** and further detailed in **Appendix 5.4**. Audit observed that there was under recovery of user charges, amounting to ₹ 17.07 crore, during 2020-22.

<sup>72</sup> Bhagalpur, Purnea, Danapur, Hajipur, Jamui, Gopalganj, Sultanganj, Ramnagar, Barahiya, Bahadurganj, Jagdishpur, Makhdumpur, Jhanjharpur, Amarpur and Maharajganj,

<sup>73</sup> Number of households, commercial enterprises and institutions have been taken from the reports submitted to SPCB, by the ULBs, or the information furnished by the ULBs, to Audit.

<sup>74</sup> BPL household data had been obtained from website [http://rcueslucknow.org/states/Compendium%20of%20Urban%20Data%20\(Bihar\)/44\\_%20ULB%20WISE%20BPL%20FAMILIES%20IN%20BIHAR%20\\_AS%20PER%202007%20BPL%20SURVEY\\_.pdf](http://rcueslucknow.org/states/Compendium%20of%20Urban%20Data%20(Bihar)/44_%20ULB%20WISE%20BPL%20FAMILIES%20IN%20BIHAR%20_AS%20PER%202007%20BPL%20SURVEY_.pdf) and pertains to the survey in this regard, carried out in 2007.

**Table 5.13**  
**Under-recovery of user charges during FYs 2020-21 and 2021-22**

(₹ in crore)

Sl. No.	Particulars (Number)	Minimum User charges recoverable	User charges collected	Under recovery of user charges
1	PMC	17.28	25.30	--
2	GMC	3.18	3.20	--
3	Municipal corporations (6) other than PMC and GMC	10.67	1.03	9.64
4	Municipal Councils (11)	7.63	1.30	6.33
5	Nagar Panchayats (8) <sup>75</sup>	1.11	0.008	1.102
<b>Total</b>			<b>30.838</b>	<b>17.07</b>

(Source: Records of the test-checked ULBs)

Further, Audit observed that no penal mechanism had been built in the Rules/bye-laws, for recovery of user charges from households, in case of non-payment of user charges.

Nine ULBs<sup>76</sup> assured that corrective action would be taken in this regard and gradual improvement, in the collection of user charges would be affected. Six ULBs<sup>77</sup> replied that, after approval of their municipal boards, user charges would be levied and collected. Nagar Parishad, Saharsa, in its reply, agreed that user charges were not being collected from many households. Nagar Panchayat, Belsand, intimated (October 2022) that collection of user charges had now commenced. The replies were not acceptable, as user charges are expected to constitute a major source of own revenue, for the ULBs.

### 5.3.3 Grant for Detailed Project Report

GoI launched (October 2014) the flagship scheme 'Swachh Bharat Mission-Urban (SBM-U) and SWM was one of its six components. As per Paragraphs 7.2 and 7.3 of the SBM-U Guidelines, ULBs were to prepare Detailed Project Reports (DPRs) for SWM, relating to their respective cities, in consultation with the State Government.

#### (i) Loss of central share due to non-furnishing of utilisation certificates— ₹ 74.20 crore

GoI sanctioned (Phase-I in 2017 and Phase-II in 2019) DPRs of 48 towns of Bihar, in two phases, for SWM, and committed grant of a certain percentage<sup>78</sup> of the project cost. As per the direction of Ministry of Housing and Urban Affairs, the works included in the DPR were to be completed by March 2021.

Audit observed that, against the project cost of ₹ 708.04 crore, the GoI share was ₹ 231.73 crore (revised by GoI), whereas GoI had released only ₹ 157.53 crore, up to April 2019, as shown in **Table 5.14**.

<sup>75</sup> For want of information, Nagar Panchayat Murliganj has been excluded from this calculation.

<sup>76</sup> Kishanganj, Bahadurganj, Jehanabad, Makhdumpur, Gaya, Chhapra, Rajgir, Hajipur and Ramnagar.

<sup>77</sup> Sultanganj, Jamui, Purnea, Bhagalpur, Maharajganj and Barahiya.

<sup>78</sup> Central assistance- 35 per cent, State assistance- 23.30 per cent and ULBs share – 41.70 per cent

**Table 5.14**  
**Loss of central share for the SWM component**

(₹ in crore)

Sl. No.	Project	Revised Project cost/ Project cost	GoI share committed	GoI share released	Remaining GoI share
1	Phase-I (six towns) <sup>79</sup>	150.57	52.70	52.70	Nil
2	Phase-II (22 Ganga towns) <sup>80</sup>	227.81	79.73	39.87	39.86
3	Phase-II: PMC	199.08	68.69	34.35	34.34
4	Phase-II: 19 other towns <sup>81</sup>	130.58	30.61	30.61	Nil
	<b>Total</b>	<b>708.04</b>	<b>231.73</b>	<b>157.53</b>	<b>74.20</b>

(Source: UD&HD)

The loss of central assistance was attributed to the failure of the State Government and ULBs, to submit the utilisation certificates (January 2023) for the previously released grants, to GoI, due to which these ULBs were deprived of grants, amounting to ₹ 74.20 crore.

**(ii) Central share of ₹ 64.02 crore not released to ULBs by UD&HD**

Out of the Central share of ₹ 157.53 crore, released (from FY 2016-17 to FY 2019-20) to UD&HD, only ₹ 93.51 crore (59 per cent) was released (FY 2017-18 to FY 2019-20) to ULBs, by UD&HD, as shown in **Table 5.15**.

**Table 5.15**  
**Central share for SWM not released to ULBs**

Sl. No.	Project	GoI share released (₹ crore)	Transfer of central share to ULBs (₹ crore)
1	Phase-I (six towns)	52.70	19.29
2	Phase-II (22 Ganga towns)	39.87	39.87
3	Phase-II: PMC	34.35	34.35
4	Phase-II: 19 other towns	30.61	0
	<b>Total</b>	<b>157.53</b>	<b>93.51</b>

(Source: UD&HD)

This was mainly due to the transfer (March 2018) of ₹ 28 crore to the Individual Household Latrine (IHHL) component of SBM-U, indicating diversion of funds. No reasons for non-transfer of the remaining funds to ULBs, were, however, found available on records.

**(iii) Non-utilisation of ₹ 87.70 crore by ULBs**

UD&HD transferred (FY 2017-18 to FY 2019-20) ₹156.08 crore to 29 ULBs (excluding Phase-II: 19 towns), for SWM. This included the central share, as well as the state share, of ₹ 93.51 crore and ₹ 62.57 crore, respectively.

<sup>79</sup> Bettiah, Bodhgaya, Darbhanga, Gaya, Muzaffarpur and Siwan

<sup>80</sup> Chhapra, Munger, Begusarai, Bhagalpur, Barh, Hajipur, Mokama, Bakhtiyarpur, Buxar, Fatuha, Khagaria, Jamalpur, Sultanganj, Danapur, Teghra, Maner, Barahiya, Manihari, Sonapur, Naugachhiya, Kahalgaon and Dighwara

<sup>81</sup> Daudnagar, Raxaul, Gopalganj, Araria, Aurangabad, Bagaha, Dalmianagar, Phulwarisharif, Sasaram, Forbesganj, Dumraon, Madhubani, Narkatiaganj, Masaurhi, Silao, Rajgir, Kanti, Simribakhtiyarpur and Makhdumpur

Audit noticed that, out of the total amount of ₹156.08 crore, these ULBs had utilised (January 2023) an amount of ₹68.38 crore only (44 *per cent*). Non-utilisation of funds led to deficiencies in the Solid Waste Management process, in these ULBs.

Moreover, out of the expenditure of ₹ 68.38 crore so incurred, these ULBs had not furnished Utilisation Certificates for ₹ 36.03 crore (as of January 2023).

***(iv) Non-utilisation of grants for processing of waste and development of sanitary landfills***

The funds released to the ULBs were to be utilised for purchase of vehicles/equipment, for primary collection of waste; secondary storage; transportation; and construction of pits and other facilities, for processing and development of sanitary landfill sites.

On scrutiny of the expenditure incurred by the four of the sampled ULBs<sup>82</sup> (wherein details of expenditure incurred were made available to Audit), it was found that the test-checked ULBs had not utilised any amount on processing of waste, or on the development of sanitary landfill sites, out of ₹ 96.26 crore made available to them. An amount of ₹ 15.32 crore was incurred as expenditure and was confined mainly to primary collection, secondary storage and transportation even though an amount of ₹ 61.46 crore had been specifically earmarked for processing and establishing sanitary landfills.

Non-utilisation of grants for processing and development of sanitary landfill sites, led to the waste, generated in these ULBs, getting dumped in dumping yards and remaining unprocessed at open sites.

***5.3.4 Lapse of grant***

UD&HD, GoB, released (July 2018 to August 2019) ₹ 34.13 crore to four ULBs<sup>83</sup> for the purpose of SWM services, under the heads ‘5<sup>th</sup> SFC’, ‘14<sup>th</sup> FC’, ‘SBM’ and ‘State Plan’ (Civic amenities–sanitation). However, this amount was not drawn from the concerned Treasuries. As a result, the grant of ₹ 34.13 crore had lapsed.

Only one ULB, *i.e.* Nagar Panchayat, Belsand, replied (October 2022) that it had corresponded with the Department, for re-allocation of the lapsed grant. However, re-allocation of the lapsed grant was yet to take place (October 2022). Moreover, Nagar Panchayat itself was not sure about the reason for non-drawal of funds from treasury. It attributed this lapse of fund to non-receipt of allotment letter in time or absence of a regular Executive Officer of the Nagar Panchayat.

Neither were the records, in this regard, were produced to Audit, nor were the replies to the Audit questionnaire, in this regard, provided to Audit, by remaining three ULBs. Therefore, Audit could not ascertain the reasons for non-drawal.

---

<sup>82</sup> *Bhagalpur, Hajipur, Muzaffarpur, and Sultanganj*

<sup>83</sup> *Darbhanga: ₹ 25.89 crore (5<sup>th</sup> SFC- ₹ 14.23 crore, 14<sup>th</sup> FC- ₹ 11.66 crore), Munger: ₹ 0.01 crore (SBM), Barahiya: ₹ 5.13 crore (5<sup>th</sup> SFC- ₹ 3.99 crore, 14<sup>th</sup> FC- ₹ 1.14 crore), Belsand: ₹ 3.10 crore (5<sup>th</sup> SFC- ₹ 1.78 crore, 14<sup>th</sup> FC- ₹ 1.02 crore, Nagrik Suvidha Safai Vyavstha- ₹ 0.30 crore)*

### 5.3.5 Non –submission of utilisation certificates

As per instruction issued (October 2011) by the Finance Department, GoB, utilisation certificates for Government grants are to be submitted within 18 months from the date of release of grants. As per Rule 69 (9) of the Bihar Municipal Accounting Rules, 2014, any balance of grant, remaining unutilised for more than three years from the date of receipt of the said grant, is to be returned to the source from where the grant was received.

(i) During 2017-22, utilisation certificates of ₹ 269.96 crore (**Appendix-5.5**) received under the ‘14<sup>th</sup> FC’, ‘15<sup>th</sup> FC’, ‘5<sup>th</sup> SFC’, ‘State Plan (Civic amenities-sanitation)’ heads, were submitted by the test-checked ULBs, to the Department, after a delay of one to thirty-six months.

(ii) For the aforesaid period, utilisation certificates, for an overall amount ₹ 1,180.29 crore, had not been submitted to the Department, till August 2022 to December 2022 (**Appendix-5.6**).

Three ULBs<sup>84</sup>, in their respective replies, attributed the delayed/non-submission of UCs, to delayed completion of works/schemes, owing to various reasons, viz. lack of manpower, covid pandemic *etc.* Executive Officer, Sultanganj, informed that the UCs had been submitted.

The replies were not sustainable, as the UCs had not been submitted, even after a lapse of 18 to 63 months following the receipt of the related grants.

### 5.3.6 Avoidable GST payment - ₹ 5.95 crore

As per notification (June 2017) of the Ministry of Finance, Government of India, pure services<sup>85</sup> (excluding works contract services, or other composite supplies, involving supply of any goods), provided to the ULBs, by way of any activity, in relation to any function entrusted to an ULB, under Article 243W of the Constitution, were exempted from goods and services tax.

Hence, the services provided for SWM were deemed as a ‘pure service’ and were eligible for GST exemption.

Despite this, Audit observed that, in four of the test-checked ULBs<sup>86</sup>, the bills paid to the agencies engaged in providing human resource services for SWM and related works, included GST, amounting to ₹ 5.95 crore.

In this regard, Municipal Commissioner, Munger, replied that notice would be issued to the concerned contractor for recovery /adjustment of excess payment and that, the GST deducted at source, had already been deposited with the Commercial Tax Department.

<sup>84</sup> Bhagalpur, Jamui and Munger

<sup>85</sup> The term ‘pure service’ intends to cover all contracts where there is no supply of goods, i.e., any supplies which are either deemed as ‘services’ under Schedule II of the CGST Act or any supplies which are not covered under the definition of ‘goods’.

The term ‘pure service’ also refers to a function assigned to a municipality or another public body, under Section 243W of the Constitution.

<sup>86</sup> Danapur: ₹ 357.03 lakh, Darbhanga: ₹ 89.41 lakh, Munger: ₹ 85.37 lakh and Muzaffarpur: ₹ 63.01 lakh

Deputy Municipal Commissioner, Darbhanga, replied that notice had been issued to agency and in light of reply of agency necessary action would be taken.

### **5.3.7 Conclusion**

Financial management was deficient, as evidenced from non-maintenance of fund-based accounting for SWM, under-collection of user charges, non-submission of UCs, non-drawal of allotments from treasury, non-utilisation of funds, avoidable payments of GST etc.

### **5.3.8 Recommendations**

- ***ULBs may maintain separate accounts for SWM. A mechanism should be developed, either at the Department level, or at the ULB level, to apportion/earmark funds for SWM.***
- ***ULBs may collect user charges, as per the prescribed rates, and may develop penalties/incentives, for improving collection of user charges.***

## **5.4 Planning and Strategy of Solid Waste Management**

Municipal Solid Waste Management (MSWM) is an integral component of the municipal services delivered by the ULBs, which are responsible for ensuring safe and healthy environment of a city. Therefore, preparation and implementation of a strategic and detailed MSWM plan is essential.

This paragraph focuses on the manner in which the municipal authorities had planned to manage the solid waste being generated in their regions.

### **5.4.1 Planning**

As per Clause 1.4.4.1.1 of the MSW Manual, the core team of the plan preparation shall include the Commissioner or Chief executive of ULB as responsible and accountable for MSWM plan preparation. The ward level officials shall inform the planning process with field level consultations and information.

The SWM Rules, 2016, stipulate that every ULB shall prepare an MSWM plan. As per the Clause 1.4.5.1 of the MSW Manual, estimating the generation of future quantities of waste<sup>87</sup> and their composition is a critical component for developing an MSWM plan. Planning horizons for MSW processing, treatment, or disposal projects typically shall extend to 20–30 years, depending on the nature of the facility.

Further, as per Clause 1.1 of the MSW Manual, 2016, the MSWM plan is to consider a long-term planning horizon of 20–25 years and also to slot short-term implementation plans, covering five years each, within the long-term plan, for ease of implementation. The short-term plans are to be reviewed and updated once every 2–3 years, for any midcourse corrections, as required. Local authorities are to ensure that the short-term plans are aligned with long-term planning and implementation.

---

<sup>87</sup> *Future waste generation = Per capita waste generation x Projected population*

Further, as per Clause 1.4.3 of MSW Manual, 2016, ULB should collect baseline information, the objective of which is to understand the existing solid waste system as accurately as possible; analyse system deficiencies and utilise that information for further planning, implementation and monitoring processes.

Further, as per Clause 5.2.3 of MSW Manual, 2016, all infrastructure based facilities require the preparation of a DPR with sufficient details to ensure appraisal, approval and subsequent implementation of the project in a timely and efficient manner.

Audit observed the following;

- Long-term plans were not prepared by any of the test-checked ULBs (except GMC). Further, baseline studies, to ascertain the actual status of waste generation and management, had not been carried out in any of the sampled ULBs.
- As of time of audit (August 2022 to January 2023), 13 of the test-checked ULBs<sup>88</sup> had not prepared any DPRs, or any other plans, in the manner envisaged in the MSWM, while the remaining 15 test-checked ULBs<sup>89</sup> had formulated DPRs, for implementation of SWM. Scrutiny of these DPRs, however, showed that they only contained infrastructure/fund requirements for SWM, on the basis of the projected population in 2018<sup>90</sup> and did not contain any long-term or short-term plans, as envisaged in MSWM, except in case of the Gaya Municipal Corporation, where in the DPR contained analysis (*viz.*, population, waste generation proposed infrastructure, inert waste volume *etc.*) up-to 2032.

Thus, the SWM activities were being carried out, by these ULBs, without any planning activity. This made these ULBs vulnerable to incurring expenditure on an *ad-hoc* basis, driven by the availability of funds, rather than on the basis of a need-based analysis.

A summary of the instances of deficient planning, noticed in audit, are:

- a) Dustbins, costing ₹ 19.41 crore, were purchased for distribution to households, without adequate measures (*viz.* refusal to accept unsegregated waste, penalizing recalcitrant households *etc.*) being in place to ensure source segregation of waste and subsequent processing of waste. Details of the same are available in the succeeding **Paragraph 5.5.2.2**.
- b) There was excess purchase of 213 auto tippers, costing ₹ 13.65 crore, as well as purchase of vehicles (₹ 3.11 crore) not suitable to local conditions. The vehicles so purchased were kept unused and remained parked for eight to 62 months.

---

<sup>88</sup> Dalsinghsarai, Jhanjharpur, Saharsa, Murliganj, Bahadurganj, Purnea, Jamui, Amarpur, Ramnagar, Jagdishpur, Belsand, Jehanabad and Maharajganj

<sup>89</sup> Darbhanga, Danapur, Kishanganj, Bhagalpur, Munger, Sultanganj, Barahiya, Patna, Muzaffarpur, Hajipur, Gopalganj, Rajgir, Chhapra, Gaya and Makhdumpur

<sup>90</sup> Except in the case of Patna Municipal Corporation, the DPR of which contained infrastructure/fund requirements for SWM in 2023, i.e. 'the design year taking 2019 as the base year'.

- c) There was purchase of SWM equipment, such as shredding machine, e-rickshaw, wheel barrow, hand cart, tricycle, dustbins, animal cremation machine *etc.* (costing ₹ 5.63 crore), which had been kept unutilised since purchase, as observed during audit (August 2022-January 2023); excess purchase of litter bins (₹ 2.31 crore) against the requirements stipulated in the DPR; and purchase of 1,100 litres dustbins (₹ 1.97 crore) without the requisite lifting devices. Further details are mentioned in **Paragraph 5.7**.
- d) There was expenditure of ₹ 1.25 crore on a cloud server, despite the availability of a free state service for such purposes (Details available in succeeding **Paragraph 5.8.5**); as well as unplanned expenditure of ₹ 4.23 crore on IEC (information, education and communication activities) activities (Details available in succeeding **Paragraph 5.4.4**) *etc.*

The Executive Officer, Belsand, attributed non-preparation of DPR to unavailability of City Manager and Municipal Engineer. The Deputy Municipal Commissioner, Chhapra, contended that future requirements had been considered in DPR and only the project costs had been worked out, as per the status in the year 2018.

The reply of the Deputy Municipal Commissioner, Chhapra, was not acceptable, as the DPR had only mentioned that the sanitary landfill would be for 10 years and contained infrastructure/fund requirements for SWM in 2018. As such, future requirement was not fully considered in the manner as envisaged in MSW Manual.

#### **5.4.2 Budget**

**(i)** As per Paragraph 7.2 of the Bihar Municipal Budget Manual (BMBM), the responsibility for preparation and issuance of budget guidelines, vests with the Budget Preparation Task Force<sup>91</sup> or the Chief Municipal Officer (CMO).

In the test-checked ULBs, it was observed that the budgets were being prepared either by Chartered Accountants (CAs), or by the staff of the ULBs themselves. Further, no specific terms and conditions, or guidelines, for preparation of budget, had been specified, to the appointed CA or to the municipal staff.

Further, the budgeting process was not transparent, as broad guidelines/policy for preparation of budgets; incremental improvements, through subsequent discussions; implementation of suggestions given to CA/staff; *etc.*, were not being documented, in any of the test-checked ULBs.

**(ii)** Paragraphs 5.2 and 7.5 of the Budget Manual stipulate that, a citizen survey be conducted, to assess the existing and desired levels of service provisions (including for SWM). The survey relating to SWM is to enquire about the methodology of disposal of waste by households, frequency of disposal of waste, amount being paid for collection of garbage, distance of waste municipal bins from the households, level of satisfaction of the citizens with the cleanliness

---

<sup>91</sup> *Consisting of senior staff from the Circle, Zonal offices and/ or Central office and representing each of the functions, coordinated by the Head of Accounts or the designated Budget Officer of the ULB, and chaired by the CMO.*

process *etc.* Results of the survey are to be available by the end of October every year, so that results, obtained from the survey, in regard to the levels of service and the exact conditions, are available to the ULBs, before the budgeting exercise is carried out.

Scrutiny of records disclosed that such surveys had not been conducted in any of the ULBs. Instead of citizen surveys, in six ULBs<sup>92</sup> public notices had been published in newspapers, seeking suggestions of the public for budgeting exercise and only a few responses to these notices had been received. No evidence, regarding these responses having been fallen into account, during the budgeting process, was found available on records.

Further, no reasons, for not carrying out the surveys, was found available in the budget files furnished to Audit. Thus, the exercise of assessment of the existing and desired service levels, had not been carried out by the ULBs. Therefore, the efficiency and effectiveness of investment in infrastructure and delivery of urban services, including SWM, was not ensured.

**(iii)** According to Paragraph 5.1.2 of *ibid* Manual, ward-wise inputs are to be taken, through the Ward Committees or other such public forums, for the ensuing budget year. However, such inputs were not sought for, or taken into account for budgeting, in any of the test-checked ULBs.

**(iv)** Paragraph 7.3 of the Budget Manual stipulates that the total budget for each service is to be built up from the budget developed for each cost centre under each service. However, cost centre-wise/service-wise budgets, as envisaged in *ibid* paragraph 7.3, were not developed. Also, function-wise Budgets (in Format Bud-5 of the BMBM), along with summary, including information on Solid Waste Management, were not prepared.

**(v)** Worksheets (Budget Information Sheets mentioned in the BMBM), for collection of information from different departments (within the ULBs), persons and wards, were not found enclosed in the records made available to Audit.

No planning documents/discussion notes *etc.* (except minutes of the ESCs and Municipal Boards, for approval of budgets, towards the fag end of the budgeting process), forming the basis for preparation of budgets, were available in the budget records furnished to Audit, indicating that the budgeting exercise (including the exercise of budgeting for SWM), had not been carried out with due diligence. This had left the ULBs without a carefully thought thorough strategy for SWM, resulting in various inadequacies therein.

Nagar Panchayat Belsand, in its reply, stated that the deficiencies in budget preparation were due to the lack of manpower. Municipal Corporation, Purnea, attributed the non-conduct of citizen survey, to lack of specific funds for such survey and further stated that a public notice had been issued on its website, for seeking citizen suggestions.

---

<sup>92</sup> *Darbhangha, Munger, Sultanganj, Kishanganj and Danapur.* In addition, MC, Purnea, stated that it had published a public notice on its website, seeking suggestions for budget. However, the time of publication of the notice, was not communicated to Audit.

The reply of Municipal Corporation, Purnea, was not acceptable, as citizen surveys can be carried out through internal/own sources of municipal funds. Issuing public notices on websites, for seeking public opinion, is not a substitute for a citizens survey, to be carried out in the manner specified in the Budget Manual.

#### **5.4.3 Capacity Building**

Rule 11(k), 15 (l) and 15 (zc), of the SWM Rules, 2016, required UD&HD/ULBs to arrange for capacity building of staff (including contract workers) in managing segregation and transportation or processing of waste, as well as training on SWM to waste pickers and waste collectors.

Audit observed that the sampled ULBs had not organized any training programmes for the SWM staff and waste pickers, during the financial years 2017-18 to 2021-22. It was, however, noticed that municipal staff, in two ULBs<sup>93</sup>, had undergone some informal training. As such, capacity building towards SWM, was deficient, in almost all the test-checked ULBs.

#### **5.4.4 Information, Education and Communication Activities**

According to Clause 1.4.5.13 of the MSW Manual 2016, awareness and education campaigns are essential for bringing about behavioural changes among citizens, in managing their waste. Also, as per the Rule 15 (zg) of SWM Rules 2016, ULBs are to create public awareness, through information, education and communication campaigns, and also educate the waste generators, *inter alia*, on the following: not to litter; practice segregation of waste into bio-degradable, non-biodegradable (recyclable and combustible), sanitary waste and domestic hazardous waste, at source; ensure storage of segregated waste, at source, in different bins; and handover segregated waste to waste collectors or recyclers *etc.*

According to Clause 1.4.5.13 of the MSW Manual 2016, the IEC campaign is to not only target households, shops, and commercial and institutional premises, but also all other stakeholders, such as municipal officials, elected representatives, schools, non-government organisations (NGOs), the informal sector, media *etc.*, to ensure their participation in managing city waste, by discharging their roles effectively.

UD&HD also directed (May 2019) ULBs to make citizens aware about source segregation of waste, by involving Self Help Group (SHGs) of women.

Audit observed the following in this regard:

(i) 15 of the test-checked ULBs<sup>94</sup> had conducted IEC activities (*viz. nukkad natakat*, wall painting *etc.*). Further, six ULBs<sup>95</sup> stated that they had conducted IEC activities but failed to provide the related records, to Audit.

---

<sup>93</sup> *Danapur and Darbhanga*

<sup>94</sup> *Bhagalpur, Darbhanga, Danapur, Hajipur, Kishanganj, Jamui, Gopalganj, Ramnagar, Rajgir, Dalsinghsarai, Bahadurganj, Jhanjharpur, Murliganj, Amarpur and Maharajganj*

<sup>95</sup> *Belsand, Chhapra, Jagdishpur, Jehanabad, Makhdumpur and Patna*

Information was not available in respect of five ULBs<sup>96</sup>. In the two remaining (sampled) ULBs<sup>97</sup>, no IEC activities had been carried out during the FYs 2017-18 to 2021-22 (*Appendix 5.7*).

(ii) It was further observed that the ULBs that had carried out IEC activities (*viz. nukkad natak, wall painting etc.*), had done so without any planning, incurring expenditure of ₹ 4.23 crore during the FYs 2017-18 to 2021-22, on IEC activities, as elaborated in *Appendix 5.7*.

However, the IEC activities, so carried out, were ineffective, as corroborated through the joint household survey and joint physical verification wherein 77 per cent respondents expressed unawareness about any IEC activities having been carried out. At many places, mixed garbage was found to have been dumped on the roadside, on the banks of ponds or in ponds, on the river side *etc.* Garbage burning was also found prevalent.



(iii) Three ULBs<sup>98</sup> stated that they had involved SHG women, to make citizens aware about source segregation of waste. However, these ULBs failed to provide the related records to Audit.

#### 5.4.5 Absence of efforts for waste minimization

Clauses 1.2 and 2.1 of the MSW Manual, 2016, prescribe a step-wise approach, in order of environmental priority, for different waste management options, with 'prevention' being the most preferred option and 'disposal' being the least preferred. It is closely linked to the 3R approach<sup>99</sup>, which helps to reduce the quantity of waste, costs associated with its handling, and its environmental impact. Further, key messages for decision-makers in MSW Manual<sup>100</sup>, 2016, state that ULBs can play a pioneering role, by propagating and promoting the 3R concept.

<sup>96</sup> Gaya, Munger, Muzaffarpur, Purnea and Sultanganj

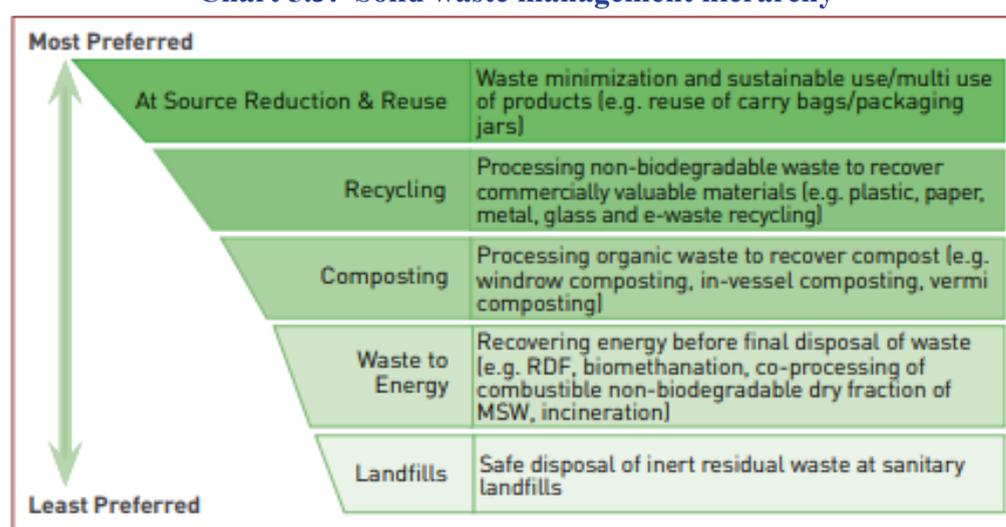
<sup>97</sup> Barahiya and Saharsa

<sup>98</sup> Dalsinghsarai, Munger and Kishanganj

<sup>99</sup> Reduce, reuse and recycle.

<sup>100</sup> Clause 3.1 of the MSW Manual, 2016 Part -1

**Chart 5.3: Solid waste management hierarchy**



(Source: MSW Manual, 2016)

Audit observed that the sampled ULBs had not initiated any effective strategy/policy for preventing, minimising, reusing and recycling of waste, as of March 2022, which could have prevented the situation wherein 78 per cent (2,033 Tonnes per day approx)<sup>101</sup> of the waste collected was deposited at landfills/dump sites, during FY 2021-22, without processing

#### 5.4.6 Generation and assessment of waste

A reliable assessment of different kinds of waste generated in the city limit is essential for planning and effective implementation of SWM. However, the following deficiencies were noticed in the assessment of waste generation.

##### 5.4.6.1 Inadequate estimation of waste generated

Clause 1.4.3.3.1 of the Manual on SWM, 2016, stipulated that, for the purpose of long-term planning, the average amount of waste disposed by a specific class of generators, may be estimated only by averaging data from several samples. These samples were to be collected continuously for a period of seven days, at multiple representative locations, within the jurisdiction of the concerned ULBs, in each of three main seasons, viz. summer, winter and rainy seasons. The waste was to be aggregated over a seven-day period, weighed and then averaged. These quantities could then be extrapolated to the entire ULB and the per capita generation assessed.

Audit observed that the test-checked ULBs had not adhered to the prescribed methodology. They had, instead, adopted the population estimation/per-capita method, to arrive at the average waste generated, which was not a reliable estimation. Moreover, the exercise of waste assessment, so carried out, did not capture and include temporal fluctuations (including social, economic, religious, political factors, such as festivals/functions, etc.) in generation of waste, within the urban limits.

<sup>101</sup> As per the Annual report submitted by ULBs to BSPCB; Waste collected in 28 sampled ULBs per day= 2,608 tonnes per day and waste processed= 575 tonnes per day. (2,608- 575= 2,033 tonnes per day)

In light of the direction (October 2021) of the UD&HD, waste quantification and characterization studies were carried out (October 2021 – December 2021), by 14 ULBs<sup>102</sup>. However, these ULBs did not weigh the collected waste, due to which, the waste assessment, so made by these ULBs, remained just an estimate and did not represent actual data. As a result, the ULBs remained unaware of the actual quantum of waste generation.

**Table 5.16**  
**Comparison of waste assessment in waste quantification and characterization studies and waste assessment made by the ULBs**

*(Quantity in Tonnes per day)*

Sl. No.	ULB	Quantity of waste, as per the quantification and characterization studies	Quantity of waste, as per reports of ULB in June 2021 to SPCB/information furnished to audit	Quantity of waste, as per reports of ULB in June 2022 to SPCB/information furnished to audit
1	Patna	1,250	850	1000
2	Muzaffarpur	182	NA	180
3	Darbhanga	201	120	120
4	Munger	89	65	88*
5	Chhapra	87 to 92	NA	87.5*
6	Saharsa	70 to 80	39	31
7	Danapur	91	95	95
8	Kishanganj	38	25	25
9	Gopalganj	23	3	23
10	Dalsinghsarai	24 to 28	14	24 <sup>103</sup>
11	Bahadurganj	18 to 22	6.5	14
12	Jagdishpur	17	6	4
13	Murliganj	14 to 18	5	NA
14	Hajipur	92	7	92

*(Source: Waste Quantification and characterization studies, Reports furnished to SPCB, information furnished by the ULBs;*

*\* Based on information furnished by ULBs at the time of audit.)*

A Comparison of the waste assessment in these studies, with the waste generation estimations made by the ULBs, for the year 2021, indicated that the waste generation assessments, made by the sampled ULBs, were lower than the waste assessments made in the quantification and characterization studies in 11 ULBs.

A similar trend was observed in the year 2022 as well. No reasons, for not taking corrective actions, in light of the quantification and characterization studies, were found available on records. As a result, uncollected waste was found dumped on places other than landfills/dumpsites, viz. open land, roadside, banks of ponds/rivers etc., as discussed in the succeeding paragraphs.

Two ULBs<sup>104</sup>, in their replies, stated that their waste assessments had been made on the basis of trips of transporting vehicles. Nagar Panchayat, Barahiya,

<sup>102</sup> Besides, Gaya and Rajgir had also assessed waste generation, in their DPRs, in the years 2015 and 2018, respectively.

<sup>103</sup> However, collection was reported as 19 TPD.

<sup>104</sup> Jamui and Purnea

attributed non-assessment of waste generation/collection, to lack of trained manpower and necessary technology. Municipal Corporation, Bhagalpur, while attributing non-assessment of waste generation/collection, to lack of manpower, stated that waste assessment is being carried out at the time of submission of its reports to BSPCB.

The reply of Municipal Corporation, Bhagalpur, was not acceptable, as it did not furnish any documentary evidence in support of its claim that waste assessment (generation or collection) was being carried out.

#### **5.4.7 Conclusion**

The test-checked ULBs did not have any SWM plan, in the manner envisaged in the MSW Manual. The ULBs did not assess the existing and desired service levels, through citizen surveys and by obtaining ward-wise inputs, through Ward Committees, for budget preparation. They also did not organize training programmes on a regular basis, for their staff and waste pickers, during the Financial Years 2017-18 to 2021-22. IEC activities were conducted without any plan. Cost centre-wise budgets were not developed. This made ULBs vulnerable to incurring expenditure on an *ad-hoc* basis, driven by availability of funds, rather than need-based analysis.

#### **5.4.8 Recommendations**

- *Department may ensure that all the ULBs carry out planning for solid waste management, in the manner envisaged in the MSWM Manual.*
- *Department may ensure preparation of an effective MSWM Plan, including the current and future quality and quantity of waste, future projections and identification and analysis of gaps, for selection of appropriate systems and technologies in regard to processing and disposal of waste.*
- *While budgeting, ULBs may ensure that inputs of citizens are obtained, through the prescribed mechanism/institutions and as per the stipulated timelines.*
- *Department may take efforts for capacity building of staff, registered waste pickers and members of Self Help Groups related to SWM.*
- *ULBs may ensure that IEC activities are need-based and that the strategy/ modalities for IEC activities are worked out accordingly.*

### **5.5 Segregation, Collection and Transportation of Municipal Solid Waste**

Door-to-door collection of segregated waste is mandatory, as per the SWM Rules, 2016. Collection of segregated waste, from residential, commercial and institutional areas, is to be planned by ULBs. This paragraph discusses the efforts of ULBs towards segregation of solid waste, as also its collection and transportation.

		
Source segregation of waste	Collection of segregated waste	Mini truck with hydraulic container (close tipper)

### 5.5.1 Delayed issue of direction to ULBs by Department

(i) The Solid Waste Management Rules, 2016, enjoined UD&HD to prepare a State Policy and SWM strategy, by April 2017. Audit observed that UD&HD had framed the State Urban SWM Policy and Strategy, in February 2019, *i.e.* with a delay of about two years.

(ii) According to this State Policy and Strategy (February 2019), ULBs were to ensure that waste is collected in a segregated manner, from all Wards, by February 2020, as shown in **Table 5.17**.

**Table 5.17**  
**Timelines for ensuring segregated waste collection**

Municipal Corporations	Municipal Councils	Nagar Panchayats
Within six months, <i>i.e.</i> by August 2019	Within 12 months, <i>i.e.</i> by February 2020	Within 12 months, <i>i.e.</i> February 2020

(Source: SWM policy and strategy)

Thus, the Department had delayed the framing of SWM policy and strategy and had asked ULBs to ensure door-to-door collection, between the period from August 2019 to February 2020.

However, after intervention of Hon'ble National Green Tribunal (NGT)<sup>105</sup> (March 2019), UD&HD asked (May 2019) ULBs to initiate door-to-door waste collection, without delay.

### 5.5.2 Segregation of waste

The SWM Rules, 2016, define 'segregation' as the sorting and separate storage of various components of solid waste, namely biodegradable waste, non-biodegradable waste, non-recyclable combustible waste, sanitary waste, domestic hazardous waste *etc.*

<sup>105</sup> As clean environment is a fundamental right of citizens under Article 21 and it is for the local bodies, as well as the State, to ensure that public health is preserved by taking all possible steps. The proceedings before the Hon'ble NGT arose out of a Petition under Article 32 of the Constitution, filed before the Hon'ble Supreme Court of India, seeking directions for steps to improve the system of collection, storage, transportation, disposal treatment and re-cycling of municipal solid waste.

Segregating waste at source ensures that waste is less contaminated and can be collected and transported for further processing. Segregation of waste also optimises waste processing and treatment technologies.

As per the MSWM Manual, 2016, ULBs are, at a minimum, required to collect wet and dry waste, separately.

### 5.5.2.1 Pre-requisites for door-to-door segregation of waste

To ensure segregated door-to-door collection of waste, UD&HD (February 2019) formulated the strategy of carrying out baseline studies, along with ward mapping. This exercise was expected to, *inter alia*, capture the number of households/commercial establishments/ institutions; existing infrastructure and manpower capacity; number of collection vehicles; route of the collection vehicles; number of households covered per tipper; number of scrap vendors; number of litter spots *etc.*

Audit observed that none of the test-checked ULBs had carried out the baseline studies and ward mapping. This made the ULBs vulnerable to executing unplanned door-to-door segregated waste collection, which led to deficiencies in the collection of segregated waste, as discussed in the succeeding paragraphs of this chapter.



### 5.5.2.2 Segregation of waste at source/household level

The MSW Manual, 2016, recommended bins of three different colours (one for wet waste, one for dry waste and one for domestic hazardous waste). To ensure collection of segregated waste, UD&HD asked (February 2019) ULBs to supply unbreakable household bins of two colors; green (for biodegradable waste) and blue (for non-biodegradable waste), with a capacity of 10-12 litres each, for every household of five members, free of cost, at the first instance.

(i) There were 2,72,936 households (as of 2021), in the jurisdiction of the Patna Municipal Corporation. However, no dustbins were purchased and distributed to households. Thus, the ULB did not facilitate source segregation at the household level.

(ii) There was double purchase, in the case of Gaya Municipal Corporation, as a purchase of one lakh pairs of dustbins (February 2018) was first made and, subsequently, one lakh triplets of dustbins (March 2021-September 2021),

were again purchased, for distribution to 75,000 households, at a cost of ₹ 6.80 crore.

GMC distributed 87,500 pairs and 82,943 triplet sets of dustbins, to households. The remaining dustbins, amounting to ₹ 69.08 lakh, were lying in store, since purchase (as of October 2022).

Audit noticed that, according to the State Policy and Strategy for SWM, the distribution of dustbins (free of cost) was a one-time exercise.

(iii) For the purpose of segregation, the other sampled ULBs had purchased and distributed dustbins to households, as shown in **Table 5.18** and detailed in **Appendix 5.8**.

**Table 5.18**  
**Purchase and distribution of household dustbins**

ULBs #	Total number of Households	Set (Pair/triplet) of dustbins purchased during the FYs 2017-22	Set (Pair/triplet) of dustbins distributed	Remarks
Five ULBs <sup>106</sup>	1,08,221	1,35,708 Pairs	DNA*	Details not furnished to Audit
19 ULBs <sup>107</sup>	4,17,995	3,46,950 Pairs	2,64,449 pairs	82,501 pairs were lying in the stores. In Makhdumpur, neither 565 bins were available in stock nor were their details of distribution maintained.
One <sup>108</sup> ULB	6,073	4,200 single bins	3,500 single bins	700 single bins were lying in the stores.
Gaya	75,000	1,00,000 Pairs 1,00,000 Triplets	87,500 pairs 82,943 triplets	12,500 pairs and 17,057 triplet sets of dustbins, were lying in the store.

(Source: Records of the ULBs) \*Data Not Available

# Information about the number of dustbins purchased and distributed by the Nagar Parishad, Danapur was not furnished to Audit.

Table 5.18 indicates the lackadaisical approach of ULBs towards source segregation, as evidenced from the unused dustbins, which were kept lying in the stores, for periods ranging from 12 months to 82 months, without distribution to households, as well as the purchase of single dustbins and their distribution.

<sup>106</sup> Muzaffarpur, Jehanabad, Jamui, Gopalganj and Barahiya

<sup>107</sup> Bhagalpur, Darbhanga, Purnea, Munger, Chhapra, Saharsa, Hajipur, Kishanganj, Sultanganj, Ramnagar, Rajgir, Dalsinghsarai, Bahadaurganj, Jagdishpur, Murliganj, Amarpur, Makhdumpur, Maharajganj and Belsand

<sup>108</sup> Jhanjharpur

			
Household dustbins without lids (set of two colours) at Barhiya, NP	Undistributed household dustbins, in Bhagalpur, MC.	Undistributed household dustbins, in Purnea, MC	Undistributed household dustbins, in Hajipur, NP

(iv) It was observed, during the joint physical verification that, both partitioned and non-partitioned tippers were being used by the test-checked ULBs for collection and transportation of waste. Further, based on the 949 responses obtained during the household survey, in the sampled ULBs, Audit observed that only 232 (24 per cent) households had carried out source segregation. In many cases, while collecting the waste, either the waste was being mixed, or, subsequently at the dumping site, all the waste was being dumped, without any segregation. Thus, the envisaged exercise of waste segregation, was not being implemented effectively.

		
Sanitation staff, collecting mixed waste from road side at Jagdishpur	Sanitation staff, collecting mixed waste from road side at Purnea	Mixed waste being lifted from the road side at Saharsa
		
Sanitation staff, collecting mixed waste from the road side at Gopalganj	Sanitation staff collecting mixed waste from the road side at Jehanabad	Mixed waste being lifted from the road side at Bhagalpur

Thus, the expenditure incurred on purchase of dustbins, amounting to ₹ 19.41 crore (*Appendix-5.8*), was unfruitful.

Ten ULBs<sup>109</sup>, in their replies, stated that, despite distribution of dustbins for segregation of waste at source and IEC activities, mixed waste was being given by the waste generators. Nagar Parishad, Rajgir, replied that segregation was being done by SHG members.

The replies of ULBs were not acceptable, as segregation of waste was a prerequisite, as per the SWM Rules and, despite purchase of dustbins for carrying out this exercise, the segregation process had not been effectively implemented in multiple test-checked ULBs. The effort being made by the Nagar Parishad, Rajgir, was limited to a few wards only.

### ***5.5.2.3 Collection of segregated waste from commercial places***

According to Rule 15 (b) of the SWM Rules, 2016, it is the responsibility of ULBs to collect all the segregated waste, from all sources, including commercial premises.

As per the MSW Manual, 2016, Section 2.2.1.2.2, “Shops, commercial establishments, and businesses shall store segregated waste on-site.” Number and capacity of bins required may be computed by considering quantity of waste to be stored before collection plus an additional 100 *per cent* storage.

Audit noticed that strategy and policy of UD&HD (February 2019) is silent about distribution of dustbins to commercial undertakings, for segregation of waste at commercial places. As a result, there was no uniformity in the decision of ULBs, towards distribution of dustbins to commercial undertakings.

Fifteen test-checked ULBs<sup>110</sup> had not distributed any dustbins to commercial undertakings. The remaining 13 test-checked ULBs, had distributed either pairs of dustbins, or single dustbins, to shopkeepers.

During joint physical verification and survey of shopkeepers, it was observed that, generally, shopkeepers were keeping the waste outside their shops, in the open, from where the municipal vehicles were collecting it. The practice of keeping small heaps of garbage, on the side of road, was common, which was an unpleasant sight.

This led to environmentally hazardous situations in areas, in and around the commercial shops.

---

<sup>109</sup> *Sultanganj, Bhagalpur, Saharsa, Kishanganj, Bahadurganj, Danapur, Jehanabad, Makhdumpur, Chhapra and Maharajganj*

<sup>110</sup> *Patna, Gaya, Bhagalpur, Chhapra, Hajipur, Kishanganj, Jamui, Dalsinghsarai, Darbhanga, Bahadurganj, Jhanjharpur, Belsand, Amarpur, Barahiya and Rajgir*

		
<p>Road side garbage dumping (Hatiyagachhi market, Saharsa)</p>	<p>Garbage heap on the sides of road, in Murliganj (10/11/2022)</p>	<p>Littered road (Gol Bazar to Cinema Hall Chowk Road), Murliganj (10/11/2022)</p>

Further, irrespective of the distribution of dustbins to shopkeepers and collection of waste from shopkeepers, in several instances, garbage was found dumped on the sides of the roads.

Thus, the effectiveness of collection of waste, from commercial undertakings, needed to be streamlined and a clear, state-wide policy, formulated in this regard.

#### 5.5.2.4 Non-segregation of domestic hazardous waste

According to the MSW Manual, ‘special waste’<sup>111</sup> including ‘domestic hazardous’<sup>112</sup> waste, should not enter the municipal solid waste (MSW) streams. ‘Domestic hazardous waste’ should be handed over separately to the waste collectors, or at the domestic hazardous waste deposition centres, for safe disposal.

Further, according to the SWM Rules, 2016, it is the responsibility of ULBs to establish waste deposition centres for domestic hazardous waste and give directions to waste generators, to deposit their domestic hazardous waste at these centres, for its safe disposal. Such facility is to be established in a city or town, in a manner that one centre is set up for the area of twenty square kilometers or part thereof, and the timings of receiving domestic hazardous waste at such centres, are to be notified.

Audit observed the following in this regard:

(i) In 27 out of the 28 sampled ULBs, domestic hazardous waste deposition centres were not established. Therefore, domestic hazardous waste ended up being dumped at the dumping sites.

(ii) The Municipal Corporation, Darbhanga, had reportedly set up (March 2021) a domestic hazardous waste deposition centre, in compliance to the direction of the Hon’ble NGT and had reported the compliance in this regard, to UD &

<sup>111</sup> ‘Special waste’ comprises any solid waste or a combination of solid wastes that requires special handling and disposal because of its quantity, characteristics, etc., to protect human health, environment and to exploit the potential for recycling. ‘Special waste’ includes plastic waste, bio-medical waste, e-waste etc.

<sup>112</sup> As per the SWM Rules 2016, ‘Domestic hazardous waste’ means discarded paint drums, pesticide cans, CFL bulbs, tube lights, expired medicines, broken mercury thermometers, used batteries, used needles and syringes and contaminated gauges; etc., generated at the household level.

HD. On Joint physical verification of the site, no such waste deposition centre was found. Only a bin had been kept, to serve as the domestic hazardous waste deposition centre and the said bin was also found empty.

Further, no document in support of the general public having been made aware about such a centre, was verifiable on records.

<p>Domestic hazardous waste deposition centre, set up by the Darbhanga Municipal Corporation. In place of the deposition centre, a single bin was found and the bin was empty.</p>	<p>Mixed garbage (including vegetable waste, plastic waste and tubelight), at the dumping site, Bairiya, Patna</p>

#### 5.5.2.5 Non-segregation of waste at central sorting facility/Material Recovery Facilities centre (MRF)

As per Rule 15 (h) of the SWM Rules, 2016, local authorities are to set up a MRF or secondary storage<sup>113</sup> facilities, for sorting of recyclable material.

Audit observed that source-level segregation was absent/deficient in the test-checked ULBs. Hence, there was a need for ensuring segregation of the waste, at least before it reached the processing/landfill sites. In the test-checked ULBs, it was observed that, the waste was being transferred in mixed form, from primary collection<sup>114</sup> centres, to secondary storage facility, and from secondary storage to landfills. Failure to segregate waste, at the primary storage, secondary storage and MRF centres, had resulted in failure to recover the recyclable items of waste, thereby, leading to dumping of such waste in landfills/dumping sites. However, Audit noticed that six test-checked ULBs<sup>115</sup> were partially carrying out material recovery at MRF centres/secondary storage points.

Three ULBs<sup>116</sup> had MRF facilities, but sorting of waste, at these centres, was not in practice. The equipment purchased for these three centers had not been installed and was lying idle, resulting in the center remaining non-functional.

<sup>113</sup> 'Secondary storage' means the temporary containment of solid waste, after collection at secondary waste storage depots or MRFs or bins, for onward transportation of the waste to the processing or disposal facility.

<sup>114</sup> "Primary collection" means collecting, lifting and removal of segregated solid waste from source of its generation including households, shops, offices and any other non-residential premises or from any collection points or any other location specified by the local body.

<sup>115</sup> Patna, Danapur, Rajgir, Dalsinghsarai, Sultanganj and Amarpur

<sup>116</sup> Darbhanga, Bhagalpur and Purnea

		
<p>SHG Workers, segregating recyclable waste from mix waste, in Danapur</p>	<p>Recyclable waste recovered from mixed waste, in Danapur</p>	<p>Non-functional Material Recovery Facility, in Bhagalpur</p>

### 5.5.2.6 Idle expenditure on construction of transfer station ₹ 16.23 lakh

According to the MSW Manual, with a view to reducing the expenditure of hauling small quantities of waste to regional facilities, transfer stations may be established. Rule 3 of the SWM Rules, 2016, defines a ‘transfer station’ as a facility created to receive solid waste from collection areas, from where such waste can be transported, in bulk, in covered vehicles or containers, to waste processing and or disposal facilities.

The Muzaffarpur Municipal Corporation constructed (February 2022) a transfer station at Chandwara, at a cost of ₹ 16.23 lakh, with the objective of unloading the waste collected, in small vehicles, at this transfer station, and loading the same, in big vehicles like Hyvas<sup>117</sup>, for bulk transportation of waste, to the dumping site at Rautiniya.

Audit, however, observed (September 2022) that the waste was not coming at the transfer stations through small vehicles. It was, instead, being directly carried, from primary collection points, to the Rautiniya dumping site. Thus, the purpose of construction of the transfer station could not be achieved, as it remained idle, despite expenditure of ₹ 16.23 lakh having been incurred thereupon.

### 5.5.2.7 Collection of waste from litter/community bins in public spaces

According to Clause 2.2.1.2.3 of the MSW Manual, with a view to ensuring that streets and public places are not littered with waste, litter bins may be provided at important streets, markets, public places, tourist spots, bus and railway stations, large commercial complexes, etc., depending upon the local conditions. The collection from these bins is to be segregated into wet and dry waste.

Further, according to UD&HD guidelines/directions (February 2019 and May 2019), ULBs are to try to gradually remove the community bins, for making the city dustbin-free.

The test-checked ULBs had incurred expenditure of ₹ 30.92 crore (**Appendix 5.9**) on purchase of litter/community bins. In the absence of any action plans having been formulated by the test-checked ULBs, regarding

<sup>117</sup> Hyva is a truck type vehicle, used to transport waste from one place to another.

requirement and placement of community bins, the storage bins installed were not compatible for effective collection of segregated waste.

Spillage of mixed waste, out of the bins, was confirmed during joint physical verification. The bins were also not properly placed and were not being cleaned regularly.

 <p>Patel Babu Road, 6XWJ+J25, near V Mart, Bhikhanpur, Bhagalpur, Bihar 812602, India                  Latitude 25° 14' 48.21" N                  Longitude 86° 58' 47.886" E                  Local 03:52:10 PM                  GMT 10:22:10 AM                  Altitude 30.9 meters                  Wednesday, 19 Oct 2022</p>	 <p>Muzaffarpur, Bihar, India                  497W+3J9, Mahammadpur Kazi, Jagdishpourt, Muzaffarpur, Bihar 842002, India                  Lat 26.3124689                  Long 85.3964444*                  08/09/22 05:45 PM GMT +05:30</p>	 <p>arwalmore, 6X7P+C48, Jehanabad, Bihar 804408, India                  Latitude 25.21349103°                  Longitude 84.98532062°                  Local 07:22:20 AM                  GMT 01:52:20 AM                  Altitude 11.83 meters                  Friday, 09 Sep 2022</p>
<p>Garbage spilled out of the community bin at Bhagalpur</p>	<p>Bin turned turtle and garbage spilled out roadside at Muzaffarpur</p>	<p>Garbage spilled out of the litter bin at Jehanabad</p>

### 5.5.3 Street sweeping

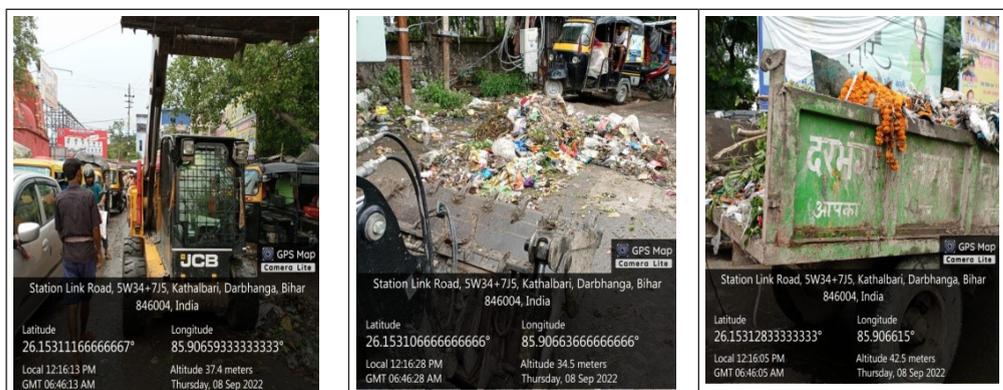
According to the Strategy and Policy for SWM developed by GoB (February 2019), sweeping activity is to start at early hours in the morning and shall be completed before 8 A.M, to ensure minimum exposure of dust and avoid traffic congestion, while working.

Joint physical verification of road sweeping, disclosed the following instances in the test-checked ULBs.

- The practice of garbage being kept on the roadside was observed.
- Although the sweeping of the roads was carried out early in the morning as required, the swept garbage remained heaped for long durations during the day.
- The heaped garbage was mixed garbage, which included plastic waste, vegetable waste *etc.*

 <p>22-Sep-2022 7:45:10 am                  25°39'45.534"N 85°50'10.11"E</p>	 <p>20-Oct-2022 11:15:45 am                  25°52'38.76"N 86°36'28.44"E                  Hatiya Gachhi                  Saharsa                  Bihar</p>
<p>Heaps of mixed garbage, including plastic and biodegradable waste, kept on the side of the road (Balan river pul to Pil tree), Dalsinghsarai</p>	<p>Garbage being lifted from the road side (11:15 AM), Saharsa</p>

- Garbage was found dumped on the banks of rivers and ponds, as well.
- Many drains were found choked with garbage, including with plastic waste.
- Mid-day garbage lifting by the ULB vehicles was causing slow-moving traffic.



Garbage being collected during mid-day (12:16 PM), causing slow movement of traffic, at Ekta Market, Station Road Darbhanga

- Garbage burning was observed at many places.



Garbage in front of a school and students coming to school (10:08 AM), Girls High/Middle School, Saharsa

The above mentioned issues were prevalent in all the test-checked ULBs, as observed during the Joint Physical Verification.

#### 5.5.4 Collection of waste without using protective equipment

As per Rule 15(zd) of the SWM Rules, 2016, ULBs are to ensure that the operator of a facility provides personal protection equipment (PPE), including uniform, hand gloves, raincoats, appropriate foot wear and masks to all workers handling solid waste, and that same are used by the workforce. Further, the Policy and Strategy of the UD&HD (February 2019) stipulates that the ULBs provide PPEs, such as safety shoes, mask, gloves, jackets *etc.*, to sweepers and waste collectors.

The test-checked ULBs did not provide any records to Audit, in support of purchase of protective equipment for the safety of waste collectors. Audit observed, during joint physical verification, in the test-checked ULBs, that the

workforce involved in manual handling of waste, was not using any protective equipment, particularly gloves and boots. Non-utilisation of protective equipment was risky and could lead to serious health hazards.



### 5.5.5 Non-integration of informal waste collectors in waste management

Rule 15 (c) of the SWM Rules, 2016, requires ULBs to establish a system to recognise organisations of waste pickers or informal waste collectors and promote and establish a system for integration of these authorised waste-pickers and waste collectors, to facilitate their participation in SWM, including door-to-door collection of waste. The GoB issued (February 2019) guidelines for integration of waste pickers/informal waste collectors, in Solid Waste Management Activities.

However, none of the ULBs, (except Darbhanga and Danapur) had made efforts towards integration of informal waste collectors in waste management. The efforts of aforesaid ULBs, were limited to holding only one meeting with rag pickers, registering 21 rag pickers and associating them under various developmental schemes, such as Jan Dhan Yojana, Ayushman Bharat *etc.* Thus, the objective of integration of informal waste collectors, in SWM remained unachieved.

### 5.5.6 Transportation of waste

As per Clause 2.3.2 of the Municipal Solid Waste Management Manual, transportation plays a vital role in SWM services. Waste is to be transported in a segregated form (wet and dry), by means of vehicles, from primary collection and secondary/bulk collection points, to the disposal centres. Collection of wet, dry and domestic hazardous waste separately ensures maximum recovery of recyclables. The primary segregated waste at the door step shall be collected through small covered mechanized vehicles having partition for collection of organic and inorganic waste.

The vehicles used for transportation are to be covered and the waste should not be visible to the public. The vehicles also required to have a facility to prevent spillage of waste and leachate, enroute to the processing or disposal facility.

#### 5.5.6.1 Transportation of unsegregated waste in open vehicles

Audit observed that, in the test-checked ULBs, different types of vehicles, such as pushcarts, tri-cycles, e-Carts, auto tippers, tractors, tipper trucks *etc.*,

were being used for collection and transportation of waste. The households/ shopkeepers survey and joint physical verification, disclosed that unsegregated waste was being transported.

It was further observed that the vehicles used for the transportation of solid waste, to dumping sites, were not covered. The transported waste was visible and exposed to the environment. These uncovered vehicles were, in addition to emanating foul odour, during transportation, also scattering the waste, causing inconvenience to public, thereby defeating the purpose of hygienic transfer of solid waste, from one place to other.

<p>Open transportation of waste in tractor, at Jhanjharpur</p>	<p>Mixed waste transported through tractor, at Bahadurganj</p>	<p>Mixed waste being transported through tricycle, at Saharsa</p>

#### 5.5.6.2 Use of vehicles without registration, insurance and 'pollution under control' certificates

As per Section 39 of the Motor Vehicles (MV) Act, 1988, no person shall drive any motor vehicle and no owner of a motor vehicle shall cause or permit the vehicle to be driven in any public place or in any other place, unless the vehicle is registered. Further, as per *ibid* Section 56, a transport vehicle shall not be deemed to be validly registered unless it carries a certificate of fitness.

Also, Section 147 of the MV Act *ibid* and Rule 104 (6) of the Bihar Municipal Accounting Rules, 2014, stipulate that all motor vehicles, maintained by the municipality, shall be insured.

Rule 115 (7) of the Central Motor Vehicle Rules, 1989, stipulates that, after the expiry of a period of one year from the date on which the motor vehicle was first registered, every such vehicle shall carry a valid "Pollution under Control" certificate, issued by an agency authorised for this purpose by the State Government.

The sampled ULBs furnished a list of 2,067 vehicles, being used by them for SWM activities. Audit observed that not all the vehicles had valid registration numbers, insurance and pollution under control certificates, as stated below and detailed in [\(Appendix 5.10\)](#).

- 696 vehicles (34 per cent) were not registered.
- 1,121 vehicles (54 per cent) had no insurance certificates.
- 929 vehicles (45 per cent) had no Pollution under control certificates.



Unregistered SWM vehicle being operated at Patna MC

These deficiencies indicated non-adherence to the Motor Vehicles Act and deficient internal controls in the test-checked ULBs. Besides, plying of unregistered vehicles by ULBs, was contrary to the directions of the UD&HD (January 2020) and Hon'ble Patna High Court judgment<sup>118</sup> (September 2021).

Plying of such vehicles on the roads, for the purposes of waste collection and management, constituted a serious violation of the relevant legal provisions.

Fourteen ULBs<sup>119</sup>, in their replies, assured that necessary compliance would be effected. Nagar Panchayat, Makhdumpur, replied that, in light of the Finance Department's direction that government vehicles were not required to be insured, the vehicles had not been insured.

The reply of Nagar Panchayat, Makhdumpur, was not acceptable, as according to the BMAR, all motor vehicles, maintained by the municipality, were to be insured.

### 5.5.6.3 Avoidable expenditure due to delayed registration of vehicles ₹ 70.89 lakh

Rule 4 (2) of the Bihar Motor Vehicle Taxation Rules, 1994, provides for levy of penalty by the tax officer, in case the tax for any period, in respect of a vehicle, has not been paid, as required under *ibid* rules.

Audit noticed that four ULBs had registered 932 vehicles<sup>120</sup>, to be utilised for SWM activities, with the concerned District Transport Authorities. All these vehicles had been registered with delays ranging from one year to three years. Due to delayed registration, the concerned ULBs had to pay ₹ 70.89 lakhs<sup>121</sup> as penalty, which could have been avoided by the timely registration of these vehicles.

<sup>118</sup> Patna High Court CWJC No. 21017 of 2019 date. 03-09-2021 - No vehicle of the Municipal Corporation Patna, the State Government or its authorities would be plied in derogation of the provisions of the MV Act, 1988.

<sup>119</sup> Saharsa, Kishanganj, Bahadurganj, Belsand, Ramnagar, Hajipur, Barahiya, Munger, Jamui, Gaya, Jehanabad, Rajgir, Chhapra and Maharajganj.

<sup>120</sup> Gaya: 52 vehicles, Patna: 826 vehicles, Jehanabad: 04 vehicles and Darbhanga: 50 vehicles

<sup>121</sup> Gaya: ₹ 10.23 lakh, Patna: ₹ 54.85 lakh, Jehanabad: ₹ 0.59 lakh, Darbhanga: ₹ 5.22 lakh

#### **5.5.6.4 Creation of contingent liability**

The Patna Municipal Corporation planned to transport segregated waste to its dumping site<sup>122</sup>, from the six proposed transfer stations in the city. Subsequent to the tendering process (August 2018), a work order was issued (July 2019) to the lowest bidder<sup>123</sup>, with the cost of construction, installation, and commissioning of each solid waste transfer station, being ₹ 3.06 crore.

No agreement was executed between the agency and PMC. Despite that, the agency informed (November 2020) PMC that it had commenced civil work at one site and had purchased three hook loaders and five compactors for this purpose.

The Patna Municipal Corporation got three hook loaders, brought by the agency to the work site, registered (December 2020) at its own expense, at ₹ 2.22 lakh.

About one year later, PMC cancelled (November 2021) the tendering process, on the ground that the tender had been finalised by the Tender Committee, headed by the Chief Municipal Engineer, who was competent to dispose of tenders of work value up to ₹ two crore only, whereas the value of this work was more than ₹ two crore. As a result, the agency sent (August 2022) a legal notice to PMC, claiming that value of work done, along with interest, amounted to ₹ 6.04 crore and was payable to the agency.

Thus, PMC created a contingent liability of ₹ 6.04 crore.

#### **5.5.6.5 Non-monitoring of vehicles involved in the transportation of waste, through GPS**

Clause 2.3.12.1 of the MSW Manual envisages, a simple as well as an advanced Management Information Systems (MIS) e.g., Geographic Information System (GIS), Global Positioning System (GPS), Radio Frequency Identification (RFID), and General Packet Radio Services (GPRS) are important tools for ULBs to manage MSW in large and mega cities.

As per the direction (February 2016) of UD&HD, Global Positioning System (GPS) tracking system was to be installed in all vehicles of ULBs, for tracking of vehicles.

Contrary to the above mentioned direction of UD&HD, the test-checked ULBs had not installed GPS in 36 per cent vehicles, as shown in **Table 5.19** and detailed in **Appendix 5.11**. 17 test-checked ULBs did not get GPS systems, installed in the vehicles being used by them, for transportation of waste.

In other 11 test-checked ULBs, GPS was installed (March 2020 to March 2022) in 1,332 out of 1,600 vehicles. However, even in these 11 test-checked ULBs, despite GPS having been installed, except in the case of Patna, Gaya and Muzaffarpur Municipal Corporations, movement of vehicles was not being tracked through GPS.

---

<sup>122</sup> At Ramachak Bairiya

<sup>123</sup> M/s Prabh Dayal Omprakash Infrastructure Ltd.

**Table 5.19**  
**Installation of GPS in vehicles of ULB for SWM**

Number of ULBs	Total number of vehicles	Number of vehicles in which GPS installed
17 <sup>124</sup>	467	0
11	1,600	1,332
<b>Total</b>	<b>2,067</b>	<b>1,332 (64 per cent)</b>

(Source: Records of the test-checked ULBs)

Due to non-installation/non-utilisation of vehicle tracking devices, the movement of vehicles continues to remain difficult to monitor and it was not feasible to ensure door-to-door collection of waste, and subsequent transportation of such waste, to the processing centres or dumping sites.

Eleven of the test-checked ULBs<sup>125</sup>, in their respective replies, assured that GPS would be installed/monitored.

#### **5.5.6.6 Excess expenditure on fuel - ₹ 62.82 lakh**

In light of the decision (April 2019) of the Empowered Standing Committee and subsequent approval (June 2019) of the DPR for SWM, of the Darbhanga Municipal Corporation (DMC), by UD&HD, DMC was required to procure 50 auto tippers. For exploring the technical specifications of the tippers, Municipal Commissioner, DMC, constituted (October 2019) a technical committee, comprising of the Motor Vehicle Inspector, Darbhanga; Mechanical Engineer, DMC; City Manager, DMC; and Assistant Engineer, DMC.

The committee specified (November 2019) the fuel consumption<sup>126</sup> as ranging from 19 to 22 Kilometers per litre (kmpl). In accordance with the decision of the Committee, the tender was called for (November 2019). The tender document included (May 2020) the specification of fuel consumption as 18 kmpl. Also, the terms and conditions, mentioned in the contract (June 2020) with the successful bidder<sup>127</sup>, included the fuel consumption of 18 kmpl.

A committee comprising of two Assistant Engineers (Mechanical) of BUIDCO; Assistant Municipal Engineer, DMC; Municipal Engineer, DMC; City Manager, DMC; and Deputy Municipal Commissioner, DMC, certified (August 2020) that the procured vehicles were as per the specification laid down in the contract. DMC, accordingly, purchased (August 2020) 50 auto tippers, after this assurance, which indicated that the fuel consumption of these vehicles was 18 kmpl.

Ignoring the certification of Officers/Engineers of DMC/BUIDCO in this regard, DMC distributed fuel for the tippers at the rate of eight kmpl, leading to excess

<sup>124</sup> Jehanabad, Makhdumpur, Maharajganj, Belsand, Gopalganj, Jagdishpur, Sultanganj, Amarpur, Purnea, Saharsa, Darbhanga, Dalsingsarai, Murliganj, Jhanjharpur (Validity of the GPS had lapsed at the time of audit), Kishanganj, Bahadurganj and Danapur.

<sup>125</sup> Gaya, Rajgir, Maharajganj, Chhapra, Jehanabad, Makhdumpur, Purnea, Bhagalpur, Jamui, Barahiya and Sultanganj

<sup>126</sup> Declared by the Original Equipment Manufacturer as having been certified by the test agency, under Rule 115 of the Central Motor Vehicle Rules, 1989

<sup>127</sup> M/S Maurya Motors Private Limited

expenditure of ₹ 62.82 lakh<sup>128</sup> as shown in **Table 5.20** below.

**Table 5.20**  
**Excess expenditure incurred on payment of fuel costs**

(₹ in lakh)

No. Of Auto Tippers	As per DMC Record		As per Audit Calculations		Excess Expenditure
	Fuel Consumption in litres @ 8KMPL during 16 December 2020 to July 2022	Expenditure incurred	Admissible Consumption in litres @ 18 KMPL	Admissible Expenditure	
(1)	(2)	(3)	(4)	(5)	(6)=(3-5)
50	1,22,069	113.07	54,253	50.25	62.82

(Source: Records of Darbhanga Municipal Corporation)

(Details as given in **Appendix 5.12**)

### 5.5.7 Conclusion

None of the test-checked ULBs had carried out baseline studies/surveys and ward-mapping for door-to-door collection of waste. Segregation of waste was either absent or partial, in all the test-checked ULBs. Mixed waste was being collected at source and was subsequently being dumped at landfills/ dumping sites.

Waste was being transported through open vehicles. Instances of vehicles plying without registration, insurance and ‘pollution under control’ certification, were also noticed. Vehicles carrying waste were not tracked through GPS, except in three of the test-checked Municipal Corporations (Patna, Gaya and Muzaffarpur).

### 5.5.8 Recommendations

- *ULBs may strictly ensure segregation of waste at source, door-to-door collection and segregation of recyclable waste material, either through developing deterrent measures or incentivizing segregation, in order to facilitate recycling, reusing and processing.*
- *ULBs may ensure that waste collection is carried out in a manner which is not inconvenient to the public and is aesthetically acceptable.*
- *ULBs may avoid transportation of waste without cover. They may also avoid using vehicles without registration, insurance and ‘pollution under control’ certificate.*
- *For collection of segregated waste, it may be ensured that the vehicles used for primary collection are containerized or partitioned, separate bag/baskets are carried for wet and dry waste, to facilitate the storage of segregated waste.*

## 5.6 Processing and Disposal of Municipal Solid Waste

Processing of waste is an important stage in SWM, as it helps reduce the quantum of waste being dumped in the landfill sites. After segregation of waste,

<sup>128</sup> During 16 December 2020 to 31 July 2022 for 50 tippers.

the wet fraction should preferably be used for composting and the dry waste should be sent for recycling. Technologically viable options for processing of waste include composting<sup>129</sup>, waste-to-energy<sup>130</sup> making, refuse derived fuel<sup>131</sup> (RDF), *etc.* In this paragraph, the efforts of ULBs, towards processing of waste and its disposal, have been discussed.

### 5.6.1 Processing of Municipal Solid Waste

As per the SWM Rules, 2016, necessary infrastructure, for setting up solid waste processing centres, was to be in place within three years, *i.e.* latest by April 2019<sup>132</sup>.

There was no mechanism/records in the test-checked ULBs, by which the precise quantum of waste processed could be ascertained in audit, except in Sultanganj Nagar Parishad.

However, scrutiny of the reports of the ULBs to SPCB/information furnished to audit, for the financial year 2021-22, disclosed that, in 10 of the test-checked ULBs<sup>133</sup>, waste was not being processed at all. Further, as per the status reported to SPCB/information furnished to audit, in the remaining 18 ULBs, the percentage of waste processed ranged from one to 100 *per cent*.

However, the information reported to SPCB/information furnished to audit, by the ULBs, was contrary to what was observed during joint physical verification, as shown in **Table 5.21**.

**Table 5.21**  
**Waste processing, as claimed by ULBs, and as assessed during joint physical verification**

Sl. No.	ULB	Collection	Waste processing in TPD		Remarks regarding joint physical verification (JPV)
			As reported by the ULBs (June 2022)	As found during JPV/ Information furnished to Audit	
1	Patna	1,000	100		The precise quantum of waste processed could not be quantified.
2	Gaya	309	309		The precise quantum of waste processed could not be quantified. However, on the day of JPV, composting was in process.
3	Bhagalpur	267	2	0	Based on JPV

<sup>129</sup> According to the SWM Rules 2016, composting means “a controlled process involving microbial decomposition of organic matter.”

<sup>130</sup> According to Clause 3.3 of the MSW manual, ‘Waste to energy’ refers to the process of generating energy in the form of heat or electricity from MSW. Energy from MSW can be achieved through thermal or biological processes.

<sup>131</sup> According to the SWM Rules 2016, RDF means “fuel derived from combustible waste fraction of solid waste like plastic, wood, pulp or organic waste, other than chlorinated materials, in the form of pellets or fluff produced by drying, shredding, dehydrating and compacting of solid waste.”

<sup>132</sup> By April 2018, for cities with a population of one lakh or more. By April 2019, for cities with population less than one lakh.

<sup>133</sup> Purnea, Kishanganj, Jehanabad, Gopalganj, Bahadurganj, Makhdumpur, Jhanjharpur, Murliganj, Amarpur and Mahrajganj

Sl. No.	ULB	Collection	Waste processing in TPD		Remarks regarding joint physical verification (JPV)
			As reported by the ULBs (June 2022)	As found during JPV/ Information furnished to Audit	
4	Muzaffarpur	180	19	5.72	Based on the capacity of the functional pits
5	Darbhanga	120	12	2.09	Based on the capacity of the functional pits
6	Munger	88	30	0	Based on JPV
7	Chhapra	87.50	10	0	Based on JPV
8	Saharsa	31.33	8.6	0	Based on JPV
9	Danapur	95	5		The precise quantum of waste processed could not be quantified. On the day of JPV, no composting was ongoing. Dry waste segregation at the MRF centre was, however, observed.
10	Hajipur	92	10	0	Based on JPV
11	Jamui	24	1.2	0	Based on JPV
12	Sultanganj	26.05	15	0.50	Based on information furnished to Audit
13	Ramnagar	18	18	0.18	Based on the capacity of the functional pits
14	Rajgir	22.76	15.93	0	Based on JPV
15	Dalsingsarai	19	2	1.76	Based on the capacity of the functional pits
16	Barahiya	18	16	2.5	Based on information furnished to Audit
17	Jagdishpur	4	0.50	0	Based on JPV
18	Belsand	3	0.80	0.35	Based on the capacity of the functional pits

(Source: Reports submitted to the SPCB; information furnished by the ULBs and JPV)

As shown in **Table 5.21**, during the JPV, it was seen that waste was not being processed in eight out of the 18 ULBs, which had reported waste processing to the SPCB/information furnished to audit. In seven ULBs<sup>134</sup>, the quantum of waste processing ranged up-to 14 per cent<sup>135</sup> only. In three ULBs, the precise quantum of waste processing could not be ascertained.

The low waste processing was attributable to inadequate capacity creation, in regard to processing centres; unavailability of required machinery; sub-optimal utilisation of the available capacity; and non-utilisation of purchased machinery etc., discussed in the succeeding paragraphs.

<sup>134</sup> Ramnagar (one per cent), Darbhanga (two per cent), Sultanganj (two per cent), Muzaffarpur (three per cent), Dalsingsarai (seven per cent), Belsand (nine per cent) and Barahiya (14 per cent)

<sup>135</sup> For calculating the percentages, the numerator is waste processing quantity, as observed on the basis of the joint physical verification / information furnished to Audit, and the denominator is the waste collection.

### 5.6.1.1 Inadequate decentralised processing centres

#### (i) Inadequate Compost pits for handling fresh wet waste

According to UD&HD Guidelines (May 2019) on processing and disposal of waste, ULBs had to establish clustered decentralized processing centres<sup>136</sup> or centralised processing centres<sup>137</sup>. According to the State Urban SWM Policy and Strategy (February 2019), one processing centre was required for three to four wards in Municipal Corporations, for five to six wards in Municipal Councils and for nine to 10 wards in Nagar Panchayats. Each decentralized processing centre, was to have 20 compost pits, for processing of wet waste and one Material Recovery Facility (MRF), for processing/recycling of dry waste.

Out of the sampled ULBs, GMC opted for centralised processing of waste. The Murliganj Nagar Panchayat did not adopt any processing approach. The remaining ULBs generally adopted decentralized processing of waste.

Audit further observed that the number of decentralized processing centres and composting pits were lower than the requirement specified by the UD&HD, as indicated in **Table 5.22** and detailed in **Appendix 5.13**.

**Table 5.22**  
**Requirement of decentralised processing centres**

Particulars	Description
Strategy of UD&HD	One processing centre; for three to four wards in Municipal Corporations, for five to six wards in Municipal Councils and for nine to 10 wards in Nagar Panchayats
Wet (compostable) waste generated in 27 ULBs, in TPD (considering half of the total waste generated in the sampled ULBs, except Gaya)	1,399 TPD
Number of Wards in the 27 sampled ULBs	862
Number of decentralized processing centres needed, as per the strategy of the UD&HD	163
Number of MRF Centres needed for processing/recycling of dry waste	163
Number of composting pits needed for waste processing, as per the strategy of the UD&HD	3,260
Wet Waste that could be processed by 3,260 pits as per the strategy of the UD&HD	143 TPD
Actual number of decentralized processing centres developed by the ULBs	45 (28 per cent)
Actual number of composting pits constructed by the ULBs	1,094 (34 per cent)
Number of composting pits operational	389 (12 per cent)
Quantity of waste that could be processed by the available functional pits against total generation in TPD	17 (one per cent)

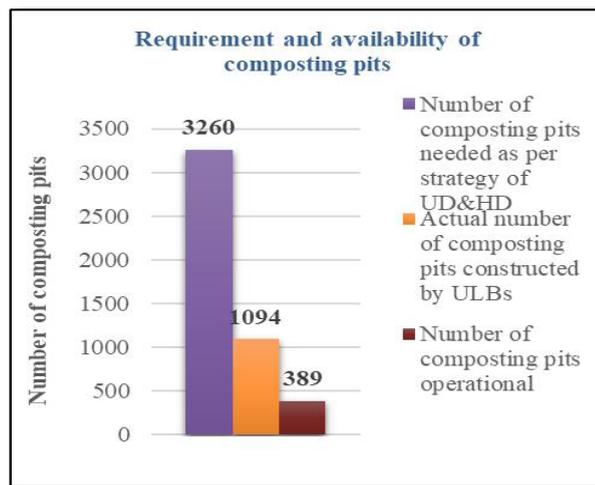
(Source: Records of the UD&HD and the test-checked ULBs)

<sup>136</sup> According to the SWM Rules 2016, 'Decentralised processing' means establishment of dispersed facilities for maximizing the processing of bio-degradable waste and recovery of recyclables closest to the source of generation, so as to minimize transportation of waste for processing or disposal.

<sup>137</sup> Centralised systems are preferred for waste processing and treatment plants like RDF plants and municipal sanitary landfills (which can benefit from economies of scale) and also for easy management and environmental monitoring.

The sampled ULBs had not developed the number of pits required, due to unavailability of land. Against the requirement of 3,260 composting pits, ULBs could construct only 1,094 pits (34 per cent). Out of these, 705 pits (64 per cent) were not operational, due to damage, non-availability of machinery, non-installation of available machinery, non-availability of segregated waste, lack of manpower *etc.* Thus, only 389 pits were available for processing of maximum of 17 TPD (one per cent) of waste, whereas, at least 143 TPD of wet waste could have been processed in these ULBs as per strategy of UD&HD. The total compostable waste generation in these 27 test-checked ULBs was 1,399 TPD.

**Chart 5.4: - Requirement and availability of composting pits**



(Source: UD&HD and records of test-checked ULBs)



 <p>Azad Chowk, 5V2V+M67, Lal Bagh, near Science College, Mirzapur, Lal Bagh, Darbhanga, Bihar 846004, India          Latitude 26.15169553° Longitude 85.8931145°          Local 01:16:16 PM Altitude -8.77 meters          GMT 07:46:16 AM Friday, 02 Sep 2022</p>	 <p>Barahiya, Bihar, India          72PF+77, Maharani Sthaan Rd, Barahiya, Bihar 811302, India          Lat 25.288382° Long 86.024972°          30/09/22 12:34 PM</p>	 <p>Unnamed Road, Dattabi Arazi, Bihar 813101, India          Latitude 25° 3' 27.3" N Longitude 86° 55' 13.116" E          Local 11:47:10 AM Altitude 2.4 meters          GMT 06:17:10 AM Friday, 25 Nov 2022</p>
<p>Inoperative electric sieve, at the Darbhanga MC</p>	<p>Maltreated bailing machine lying on the ground, at the Barahiya NP</p>	<p>Uninstalled shredding machine, at the Amarpur NP</p>

**(ii) Inadequate Material Recovery Facilities for handling dry waste**

As per UD&HD Guidelines (May 2019) on processing and disposal of waste, ULBs had to establish MRF Centres for recovery of useful and recyclable material viz. paper, cardboard, glass, aluminium can, pet bottles etc., collected through rag-pickers and SHG women workers, from the dry waste unloaded at the processing centres. ULBs were required to sell the recovered recyclables to the *kabadiwalas*.

As indicated in **Table 5.22** in the preceding para, the sampled 27 ULBs, having 862 wards, required 163 MRF Centres, to process/recycle the dry waste unloaded at the decentralized processing centres.

Audit observed that 20 of the test-checked ULBs had not developed any MRF centres, while only seven of the sampled ULBs<sup>138</sup> had developed nine MRF centres. Out of which, only four were functional.

The records of the sampled ULBs revealed that none of the ULBs<sup>139</sup> had any registered rag-pickers. Only two ULBs<sup>140</sup> had engaged SHG women workers, for recovery of recyclables.

**5.6.1.2 Sub-optimal utilisation of composters**

The process of Composting requires a 30 day cycle, for box bio-composting technology<sup>141</sup> and 24 hours (one day), for mechanical bio-composting technology<sup>142</sup>, if continuously plugged in. These techniques are intended to save space and hasten the decomposition of organic matter, in an aesthetic manner, using micro-organisms that require oxygen.

Audit observed that eight of the sampled ULBs<sup>143</sup> had adopted box/mechanical bio-composting technology, in addition to other options, for processing of wet waste, through 75 composters.

<sup>138</sup> Bhagalpur-2 (NF), Darbhanga-1(NF), Purnea-1(NF), Danapur-1 (F), Sultanganj-1 (F) and 1 (NF), Dalsingsarai-1 (F) and Amarpur-1 (F).

<sup>139</sup> Except for Darbhanga and Danapur, who had reportedly registered only 21 rag-pickers. However, no further details were found available on records.

<sup>140</sup> Danapur and Dalsingsarai

<sup>141</sup> Box composting is practiced at the local community level and can cater to waste up to 3-5 tonnes.

<sup>142</sup> Mechanized Organic Waste Composter (OWC) is designed to make composting easy and convenient. Mechanized OWC's are fully automatic and have a compact design.

<sup>143</sup> Patna, Gaya, Bhagalpur, Darbhanga, Hajipur, Jehanabad, Barahiya, and Jamui

Against the capacity of 22,704 tonnes of compost generation of 75 composters, only 0.75 tonnes of compost had been generated during May 2017 to November 2022, as shown in **Table 5.23** and detailed in **Appendix 5.14**. Thus, despite incurring expenditure of ₹ 6.52 crore, on the purchase of composters, the composters, so purchased, had not been optimally utilised.

**Table 5.23**  
**Sub-optimal utilisation of composter**

ULB	Number of composters purchased (month and year of purchase)	Expenditure on purchase of composters (₹ lakh)	Minimum quantity of compost that should have been generated (Tonnes)	Number of operational composters (August –November 2022)	Compost actually generated (Tonnes) by the composters, upto the month of audit (August – November 2022)
Patna	22 (December 2020 to February 2021)	317.02	11,508.60	3	Nil
Gaya	10 (September 2018 to February 2020)	106.42	4,621.75	Nil	Nil
Bhagalpur	2 (May 2017)	38.00	3,894.00	Nil	Nil
Darbhanga	2 *	--	39.50	Nil	Nil
Hajipur	8 (February 2021)	64.80	1,705.20	Nil	Nil
Jehanabad	1 (June 2022)	15.45	30.50	Nil	Nil
Barahiya	20 July 2019-February 2022)	85.65	857.41	2	0.70
Jamui	10 (February 2021 to March 2021)	24.45	46.56	3	0.05
<b>Total</b>	<b>75</b>	<b>651.79</b>	<b>22,703.52</b>	<b>8</b>	<b>0.75</b>

(Source: Records of the test-checked ULBs)

\*Payment for machinery is yet to be made (August-September 2022), though the machine had been supplied by the supplier, in June 2021)

The sub-optimal utilisation was mainly due to, non-operationalisation of 67 composters, since their purchase, for periods ranging from two to 64 months, non-availability of segregated waste; and lack of monitoring (as was evident from the absence of corrective action and lack of trained manpower for operating machines).





### 5.6.1.3 Centralised waste processing centre at Gaya Municipal Corporation

GMC opted for centralised processing of municipal waste and entered in an agreement (March 2021) with an agency,<sup>144</sup> for establishment and operation of a centralised processing unit, at Naili, in Gaya.

As per the agreement entered into with the agency, reclamation and remediation of the legacy waste was to be achieved within six months of the commissioning<sup>145</sup> of infrastructure. The details of work to be done and a summary of work done, are shown in [Appendix 5.15](#).

Audit observed irregularities in the centralised processing of waste in GMC, as discussed in the succeeding paragraphs, whereas irregularities relating to disposal of legacy waste, are discussed in [paragraph 5.6.2](#).

#### (i) Irregularities in the tender for establishing of processing centres

(a) The Bihar Financial Rules (BFRs) stipulated that no work should be split, to avoid the necessity of obtaining the sanction of higher authorities. The department delegated (July 2015) sanctioning power, for disposal of tenders, to various authorities as shown in [Table 5.24](#).

**Table 5.24**  
**Delegation of powers for disposal of tenders**

Sl. no.	Sanctioning authority	Power of technical sanction	Power of tender disposal
1	Assistant Engineer	Upto ₹ 10 lakh	Nil
2	Executive Engineer	₹ 10 lakh to ₹ 50 lakh	Upto ₹ 25 lakh
3	Superintending Engineer	₹ 50 lakh to ₹ 02 crore	₹ 25 lakh to ₹ 02 crore
4	Chief Engineer	₹ 02 crore and above	₹ 02 crore to ₹ 3.5 crore
5	Departmental tender committee	Nil	Above of ₹ 3.5 crore

(Source: Records of UD&HD)

Contrary to the provisions of the BFRs, GMC split the Integrated Municipal Solid Waste Management (IMSWM) Project work<sup>146</sup> into 11 parts ([details in Appendix 5.15](#)). Audit noticed that the total project cost was ₹ 29.46 crore.

<sup>144</sup> M/s NACOF India

<sup>145</sup> The required set up was to be completed within six months from the date of the agreement.

<sup>146</sup> IMSWM Project work includes establishment of facility/technology and machinery for fresh waste processing as well as legacy waste processing, as well as also construction, operation & maintenance of sanitary landfill sites for a period of 10 years.

Therefore, the tender for the work was to be finalised by the Departmental Tender Committee, in light of UD&HD directions (July 2015). However, due to splitting of the project into 11 parts, the tender for the work was finalised by the Chief Engineer<sup>147</sup>. Thus, supervision and administrative approval of higher authorities, were avoided.

(b) During scrutiny of the Request for Proposal (RFP)<sup>148</sup> of IMSWM project, it was observed that the specifications/detailed estimates for civil works had not been included in the scope of work. Detailed record entries had also not been made in the Measurement Books. In the absence of specifications and details of civil works, it could not be ascertained that the works had been carried out as per norms.

(c) As per the project details, different types of platforms, leachate tank, drain for leachate *etc*, relating to civil work, were to be constructed by the agency, but specifications/detailed estimates for the same were not included in the RFP/agreement. Also, contrary to the agreement, not all the civil work and commissioning of plant and machinery, had been examined by an expert agency/third party (October 2022), even though the work had been completed (February 2022).

GMC replied that the splitting of works was based on the availability of funds, as the work had been started on priority basis. Further, the works had been verified by the competent authority, as per the work plan submitted by the agency. The reply is not acceptable, as agreement, for all these works, had been executed on the same date and with the same agency.

***(ii) Non-obtaining of authorisation from competent authority for setting-up processing-site and construction of landfill sites.***

As per the SWM Rules, 2016, and the agreement entered into (March 2021) for the IMSWM project, an authorisation from competent authorities was to be obtained by the executing agency, for setting up of processing and landfill sites. However, Audit observed that the agency had not obtained the necessary clearances from the competent authorities, *viz.* the BSPCB, State Environment Impact Assessment Authority<sup>149</sup> (SEIAA) and Civil Aviation Department<sup>150</sup> (October 2022). The NOC for height clearance was obtained (July 2021) from the airport authority,<sup>151</sup> whereas the NOC for distance clearance<sup>152</sup> was still pending, though it was required, as per SWM Rules, 2016.

---

<sup>147</sup> BUIDCO, Gaya Division.

<sup>148</sup> RFP is an acronym for Request for proposal. RFP is a part of the contract.

<sup>149</sup> Environment clearance as per Environment Protection Act, 1981 should be taken from SEIAA before operation of processing of Municipal Solid Waste.

<sup>150</sup> Clearance from the Civil Aviation Department was required as the sanitary landfill site was only 4.2 Km away from the Gaya Airport.

<sup>151</sup> General Manager Airports Authority of India, Regional Headquarter, Eastern Region, N.S.C.B.I Airport, Kolkata.

<sup>152</sup> AS per SWM Rules, 2016, Sanitary landfill sites should be 20 KM away from airport or airbase. However, in a special case, landfill site may be set up within a distance of 10 and 20 km away from the Airport/Airbase after obtaining no objection certificate from the civil aviation authority/ Air force as the case may be.

GMC replied that necessary action would be taken for obtaining all NOCs, from the competent authorities.

***(iii) Municipal Wet Waste processing facility, based on Windrow Composting Technology not adopted***

As per the agreement entered into (March 2021), the agency was to design, build, install, commission, and transfer a 300 TPD capacity Municipal mix waste processing facility, based on the ‘Windrow Composting’ Technology<sup>153</sup>, by September 2021. One ‘windrow’ consists of the entire day’s collection of waste. Each day, the same procedure is adopted and a separate windrow is formed.

Audit observed that fresh mixed waste was being collected and dumped at the processing site, after it had been weighed. A huge stack of waste was found piled up during the JPV. Also, there were no separate windrows for each day’s collection.

Thus, despite incurring an expenditure of ₹ 2.41 crore on the facility (February 2022), the Windrow Composting Technology was not fully operational (October 2022).

<p>Google pro satellite image of May 2022, when processing of waste was carried out. No windrow formation is seen.</p>	<p>Fresh waste dumped at Naili and huge stacks thereof. No windrow formation is seen.</p>

GMC stated that small windrow heaps had not been formed for two months, due to rain. Windrow composting would be started later. The reply was not acceptable, as quantity of compost produced from windrow composting, upto October 2022, was below the norm<sup>154</sup>. Also, huge stacks of fresh waste were found dumped at the processing site, during the JPV.

***(iv) Payment without processing of fresh waste***

As per the agreement entered into (March 2021), the agency was to process 300 TPD (average) of fresh mixed waste, coming at the waste processing site situated at Naili in Gaya. The agreement, amounting to ₹ 3.24 crore, was initially

<sup>153</sup> The ‘Windrow composting’ process consists of placing the pre-stored feedstock in long narrow piles, called windrows, that are turned on a regular basis, for boosting passive aeration.

<sup>154</sup> As per the DPR of the GMC it was analysed in waste characterization that 39 per cent compost might be obtained from composting/processing of Municipal Solid Waste. However, only 4 per cent compost was received by the agency after its processing.

made for a period of six months (April 2021 to September 2021), which could be renewed.

To ensure this, civil work was to be completed, machinery was to be installed and a sanitary landfill site was to be developed, for disposal for inert waste. The processing plant was to be commissioned by September 2021. Further, payment for waste processing was to be made after proper verification of the quantity of fresh waste processed by the agency.

Audit observed the following in this regard:

- (a) The processing plant was commissioned in February 2022. However, up to the time of commissioning of the plant (April 2021 to January 2022), ₹ 5.45 crore had been paid to the agency, for waste processing. No records, in support of any waste processing having been carried out, were, however, available.
- (b) Even after commissioning of the plant in February 2022, contrary to the agreement, a payment of ₹ 6.09 crore was made to the agency, for the period February 2022 to September 2022, without conducting any verification of the quantity of fresh waste processed by the agency.
- (c) On analysis of the database of GPS and weighing machines, along with the log books of two types of vehicles, viz. dumper and compactor, it was noticed that lack of monitoring had led to excess payment of ₹ 17.02 lakh (for the period June 2022 to September 2022), as the agency had fraudulently claimed a higher number of trips than those actually undertaken, by means of entries relating to, unrealistic entry and exit times of vehicles and carriage of waste by non-existent/off-road vehicles, as shown in **Table 5.25** and detailed in **Appendix 5.16**.

**Table 5.25**  
**Fraudulent claims by the agency**

Particulars	Mode of fraudulent claims			Total
	Number of instances of higher number of trips than actual	Number of instances of unrealistic entry and exit time of vehicles	Number of instances in which carriage by non-existent/off road vehicles was shown	
Number of instances	249	5	4	---
Amount involved (₹ lakh)	17.02	--	--	<b>17.02</b>

(Source: Records of Gaya Municipal Corporation)

**Table 5.25** indicates that the agency had made incorrect claims, without actual processing of waste, or fraudulently claimed payments, for processing of waste, due to lack of monitoring by GMC.

GMC replied that necessary action would be taken, after detailed verification of the matter.

**(v) Non-realisation of revenue from by-products/recyclable products**

As per the agreement entered into (March 2021) between GMC and the agency, the income derived from sale of compost/biogas, RDF, Power, recyclable material *etc.*, was to be shared between the agency and GMC, in the ratio of 80:20.

The agency was responsible for marketing of all by-products. Further, reusable and recyclable by-products were not to be stored at the site, for more than three days, counted from the generation of the by-products.

During April 2022 to September 2022, the agency processed 94,731.98 tonnes of fresh mixed waste and it generated 2,513.15 tones (three *per cent*) of compost. However, the agency had not sold these by-products, till October 2022. This led to non-realisation of at least ₹ 25.13 lakh<sup>155</sup>, from sale of compost.

Further, RDF, recyclables like plastic, glass, paper *etc.*, received in the MRF station, were also generated from the processing of waste, but no data was maintained, either by the agency, or by GMC, and the same was not sold by the agency.



Compost kept under open sky at the processing site of Gaya Municipal Corporation

GMC replied that the agency would be reminded to sell the compost and recover the 20 *per cent* amount.

**5.6.1.4 Non-adherence to the waste-to-energy approach, at the Patna Municipal Corporation**

The Rule 21 of SWM Rules, 2016, envisages to elaborate the ‘waste-to-energy’ approach. It refers to the process of generating energy, in the form of heat or electricity, from MSW. In consonance, the UD&HD planned (February 2019) a centralized waste-to-energy plant, for processing of municipal waste in Patna city.

Scrutiny of the minutes of the meeting of the State High Power Committee relating to SBM (Urban) (October 2019), disclosed that M/s AG Dauters Waste

<sup>155</sup> Total Compost generated: 25,13,150 KG x 20 *per cent* (GMC share as per agreement) = 5,02,630 kg; 5,02,630 KG x ₹ 5 *per KG* (cost of compost) = ₹ 25.13 lakh

Processing Private Limited<sup>156</sup> was to set up a waste-to-energy Plant at Patna. The Plant would process 1,200 ton/day of solid waste and convert the same into Green Energy.

As per the Budget of PMC for the financial year 2019-20, an amount of ₹ 3,540 crore was required for this project which was to be invested by the agency.

The Company was also to set up fixed Transfer Stations, at six locations, at its own cost, where the unsegregated waste, collected by PMC, through primary resources, would be brought in, and from where, the company would transfer the waste, to the waste-to-energy plant, through its own trucks.

However, Audit observed (November 2022) that this technology, for processing of waste, was yet to be implemented at PMC. As a result, fresh mixed municipal waste was being transported and dumped at the dumping site, without treatment.

	
<p>Municipal vehicle transporting fresh mixed waste, at Ramachak Bairiya</p>	<p>Huge dump of mixed waste, at Ramachak Bairiya</p>

### 5.6.1.5 Deficient disposal of Refuse-derived fuel

As per the SWM Rules, 2016, Refuse-Derived Fuel (RDF) is to be derived from the combustible waste fraction of solid waste, like plastic, wood, pulp or organic waste, other than chlorinated materials, in the form of pellets or fluff, produced by drying, shredding, dehydrating and compacting of solid waste.

As per clause 2.6 of the “selection criteria for waste processing technologies” issued by CPCB, stating the procedure for pelletization/production of RDF, the MSW collected for disposal is to be tested for its moisture content and, if the moisture content is more than 35-40 *per cent*, it requires drying, to produce fuel pellets, with reasonable calorific/heating values. It is used as fuel, for either steam or electricity generation, or as an alternate fuel in industrial furnaces or boilers (co-processing<sup>157</sup> or co-incineration<sup>158</sup> of waste, in the cement, lime, and steel industries, as well as for power generation).

<sup>156</sup> In Joint Venture with Langenburg Technology LLC, USA.

<sup>157</sup> According to the SWM Rules, 2016, “Co-processing” means use of non-biodegradable and non-recyclable solid waste having calorific value exceeding 1500k/cal as raw material or as a source of energy or both to replace or supplement the natural mineral resources and fossil fuels in industrial processes.

<sup>158</sup> According to the MSWM Manual, 2016, ‘Co-incineration’ refers to utilisation of waste material for energy recovery.

Two ULBs<sup>159</sup> had derived RDF from MSW.

Audit observed the following in this regard:

**(i) Gaya Municipal Corporation:** - GMC entered into an agreement (March 2021), with an agency (M/s NACOF India Pvt. Ltd.), for setting up an RDF processing unit, including shredder<sup>160</sup> and bailer<sup>161</sup>, for processing of 100 TPD of waste. Audit observed that the shredder and bailer had not been installed at the RDF processing plant, despite GMC having paid ₹ 1.34 crore, to the agency, for commissioning and processing of the RDF plant.

In the absence of the shredder and bailer, the RDF was not being shredded and compressed in pellets, bricks or logs. Also, after processing of mixed fresh waste and legacy waste, the RDF was being sorted/segreated, in loose form, without checking its moisture content. Huge stacks of loose RDF were found at the processing site.



GMC replied that shredding of RDF was required, only if the thickness of the RDF was above 50 MM micron. However, necessary instructions for examination of moisture of RDF would be issued to the agency and documents related to final disposal of the same, would be obtained. The reply was not acceptable, since, as per the agreement, shredder and bailer were to be commissioned at the processing site and the RDF could be disposed of, only after it had been bailed.

**(ii) Patna Municipal Corporation-** Patna Municipal Corporation made an agreement for disposal of legacy waste, with three agencies<sup>162</sup>. As per this agreement, all recyclables were to be processed and disposed of, as per SWM Rules, 2016, and CPCB guidelines.

<sup>159</sup> Gaya and Patna

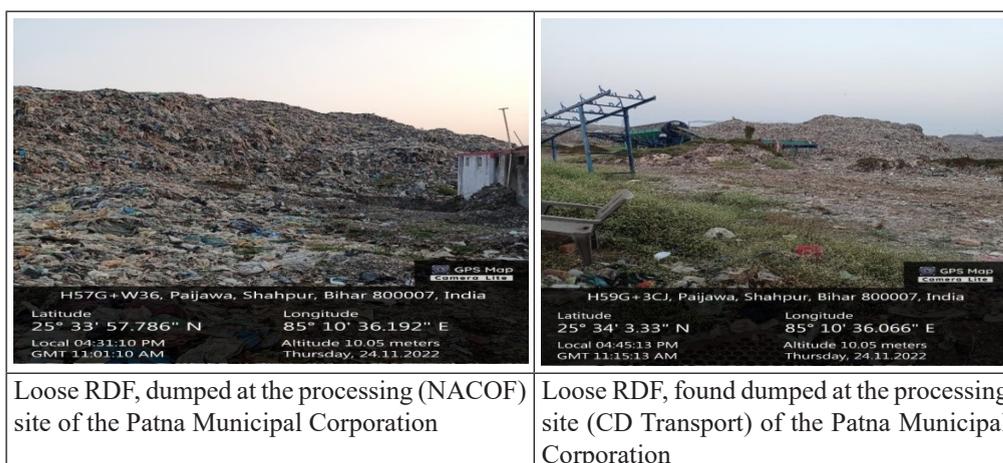
<sup>160</sup> 'Shredder' is a mechanical device used to break waste material into smaller pieces, by tearing and impact action. Shredding of solid waste is done to minimise its volume or make it more readily combustible.

<sup>161</sup> A machine used to compress recyclables into bundles to reduce volume. Balers are often used for newspaper, plastics, and corrugated cardboard. This process is termed as "Bailing".

<sup>162</sup> M/s NACOF, PATHYA and CD Transport

Audit observed that total 6,88,314<sup>163</sup> cubic meters of waste had been processed by these agencies, up to October 2022, out of which, 1,13,036.66 cubic meters of RDF was received, which was disposed of, without shredding and bailing. Further, no mechanism had been developed, for proper disposal/processing of RDF.

During joint physical verification, huge stacks of loose RDF, dumped at the processing site of PMC, were observed. Disposal of RDF was the responsibility of the agency, but had not been complied with (October 2022).



Loose RDF, dumped at the processing (NACOF) site of the Patna Municipal Corporation

Loose RDF, found dumped at the processing site (CD Transport) of the Patna Municipal Corporation

### 5.6.1.6 Leachate treatment facility not developed

As per the SWM Rules, 2016, in no case, leachate<sup>164</sup> is to be released into the open environment. Further, as per the direction issued (January 2021) by CPCB, all local authorities, engaged in the bio-mining process<sup>165</sup> of legacy waste<sup>166</sup>, need to make adequate provisions for leachate treatment.

GMC had developed (March 2021 to February 2022) an IMSWM facility for processing of legacy waste and fresh municipal waste. For this purpose, GMC entered into an agreement (March 2021) with an agency (M/s NACOF India Pvt. Ltd). As per the agreement, the agency was to construct a leachate treatment and proper drain facility for leachate. It was however, noticed that the same had not been developed at the processing site.

163

Name of agency	Total Waste processed (quantity in cubic meter)	RDF generated (quantity in cubic meter)
NACOF	5,02,380	1,00,476
C.D. Transport	96,215	Data not available
PATHYA	89,719	12,560.66
<b>Total</b>	<b>6,88,314</b>	<b>1,13,036.66</b>

<sup>164</sup> According to the SWM Rules 2016, "leachate" means the liquid that seeps through solid waste or other medium and has extracts of dissolved or suspended material from it.

<sup>165</sup> According to the SWM Rules 2016, "Bio-mining" refers to the excavation of old dumped waste and make windrow of legacy waste thereafter stabilization of the waste through bio-remediation i.e. exposure of all the waste to air along with use of composting bio-cultures, i.e. screening of the stabilized waste to recover all valuable resources.

<sup>166</sup> According to Guidelines for disposal of legacy waste (old municipal solid waste), uncontrolled and continuous dumping of municipal solid waste had led to mountains of legacy waste.

Further, PMC also executed (November 2021 to February 2022) bio-remediation<sup>167</sup> of legacy waste, through three agencies<sup>168</sup> but, failed to develop proper drain facility for leachate and its treatment facility, in terms of the SWM Rules, 2016.

 <p>5XXP+9R5, Jehanabad, Bihar 804417, India                  Latitude 24° 45' 4.668" N Longitude 84° 58' 57.402" E                  Local 08:56:25 AM Altitude 9.61 meters                  GMT 03:26:25 AM Thursday, 29.09.2022</p>	 <p>H59G+3CJ, Pajawa, Shahpur, Bihar 800007, India                  Latitude 25° 34' 3.126" N Longitude 85° 10' 34.536" E                  Local 04:44:17 PM Altitude 10.05 meters                  GMT 11:14:17 AM Thursday, 24.11.2022</p>
<p>Leachate overflowed and spread all over the processing platform in GMC</p>	<p>Leachate not treated and drain at legacy waste processing sites in PMC.</p>

Spread of leachate at the processing site, was fraught with the risk of ground water contamination in the surrounding areas.

PMC replied that, as per the SWM Rules, 2016, a proper drainage system and leachate treatment facility, is mandatory, for processing of fresh waste and installation of a leachate treatment facility, was not in the scope of the RFP. The fact, however, remained that, contrary to the SWM Rules, 2016, leachate treatment was not being done.

### 5.6.2 Disposal of legacy waste

Rule 22 of the SWM Rules, 2016, provided that bio-remediation of an old dumpsite should be done within five years. As per Hon'ble NGT order (July 2019), legacy waste remediation was to commence from 1 November 2019 and failure to commence the work of remediation of legacy waste sites, from 1 April 2020, till compliance, would result in the liability of the ULBs, to pay compensation<sup>169</sup> to BSPCB.

According to the reports (December 2020) of the ULBs, to Hon'ble NGT, a total of 14.04 lakh tonnes of legacy waste had been dumped at different sites, in 16 test-checked ULBs<sup>170</sup>. However, only four<sup>171</sup> out of 16 ULBs had carried

<sup>167</sup> According to Guidelines for disposal of legacy waste (old municipal solid waste), 'bio-remediation' means exposure of all the waste to air, along with use of composting bio-cultures i.e. screening of stabilised waste, to recover all valuable resources.

<sup>168</sup> 60% legacy waste was being processed by NACOF (November 2021), 20% -20% legacy waste was being processed by each CD Transport (January 2022 and PATHYA (February 2022)

<sup>169</sup> At the rate of ₹ 10 lakh per month, per local body for a population of, above 10 lakhs; ₹ 5 lakh per month, per local body for a population between 5 lakhs and 10 lakhs and ₹ 1 lakh per month, per other Local Body. If the Local Bodies are unable to bear the financial burden, the liability would be of the concerned State Governments with liberty to take remedial action against the erring Local Bodies.

<sup>170</sup> Patna, Muzaffarpur, Gaya, Bhagalpur, Munger, Purnea, Chhapra, Saharsha, Danapur, Kishanganj, Sultanganj, Jamui, Dalsinghsarai, Bahadurganj, Belsand and Murliganj

<sup>171</sup> Patna, Gaya, Muzaffarpur and Munger

out disposal of legacy waste. In these four ULBs, certain discrepancies were noticed in the disposal of legacy waste, as discussed below.

- **Patna**– Up-to January 2022, the volume of legacy waste, generated in the ULB, was 10.08 lakh cubic metres. Out of this, 6.88 lakh (68 *per cent*) cubic metres had reportedly been bio-remediated/disposed of (till June 2022). The work was, however stopped (June 2022) by the agency, due to non-payment of claim, for want of fund with PMC.
- **Gaya** - According to the report of the ULB (December 2020) to Hon'ble NGT, the quantum of legacy waste was estimated as four lakh tonnes. Upto October 2022, 4.24 lakh tonnes legacy waste had reported as being bio-remediated/disposed of. However, during the Joint physical verification conducted by Audit, legacy waste was still found dumped at the dumping site (October 2022).
- **Muzaffarpur** – Up-to August 2019, volume of legacy waste was reportedly 7878 cubic metre. Without any measurement of the work, ₹ 39.68 lakh was paid to the agency.
- **Munger** –According to the assessment (December 2020) made by the Munger Municipal Corporation, upto December 2020, the quantum of legacy waste, accumulated at the landfill site, was 2.25 lakh tonnes. For disposal of this legacy waste, tender was called (February 2021) for and the lowest bidder, *i.e.* M/s Ecostan Infra Pvt. Ltd (agency) was awarded (May 2021) the contract, for scientific disposal of the legacy waste and development of a sanitary landfill, for disposal of inert material.

The agency claimed disposal of legacy waste of 2.17 lakh tonnes (out of 2.25 lakh tonnes) and development of a sanitary landfill site, during March –June 2022. As per records, the quantity of the work done by the contractor, was jointly inspected and endorsed by the Junior Engineer, Assistant Engineer and City Manager, and was claimed (01/06/2022) to have been completed by the contractor. Payment had been made accordingly.

However, during joint physical verification (August 2022), Audit observed that segregated plastic material and inert items were lying dumped at the site, the earth surface had not been levelled and the sanitary landfill site had not been developed. Thus, without completion of the work, full payment had been made to the agency, as shown in the **Table 5.26**.

**Table 5.26**  
**Improper management of legacy waste in Munger**

Description of work	Work to be done, as per the agreement			Work carried out, as claimed by the agency			Actual Status (as observed by Audit)
	Quantity of work	Rate of payment	Total payment to be made	Quantity of work	Rate of payment	Total payment made	
Scientific Disposal of legacy waste	2.25 lakh tonnes	₹ 358 per tonne	₹ 8.06 crore	2.17 lakh tonnes	₹ 358 per tonne	₹ 7.77 crore	1. Segregated plastic material and inert items were found lying dumped. Thus, the waste had not been scientifically disposed of. 2. As observed, from the waste still being dumped at the dumping site, it was evident that levelling of the earth surface had not been carried out. 3. Sanitary landfill site had not been developed.
Levelling of the earth surface	--			Carried out			
Development of sanitary landfill site	--			Carried out			

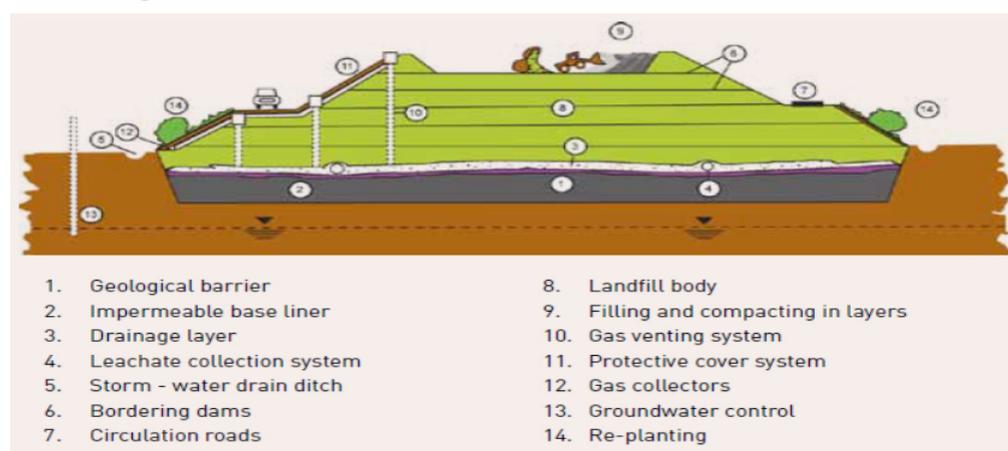
(Source: Records of the Munger Municipal Corporation)

The Municipal Commissioner, Munger, replied that notice would be issued to the contractor, for scientific disposal of legacy waste and the site would be cleared, in due course of time.



### 5.6.3 Sanitary landfills

According to Rule 15 (zh) of the SWM Rules 2016, local authorities are required to ensure that land filling and dumping of mixed waste is stopped, soon after setting up and operationalization of a sanitary landfill. Further, as per the State Urban SWM Policy and Strategy (February 2019), landfill sites are to be used sparingly, and only as a last resort, in the waste management hierarchy. Organic material and recyclables are to be recovered fully, prior to land filling of inert.



Essential components of a MSW sanitary landfill

#### 5.6.3.1 Availability of sanitary landfills

(i) As a first step towards development of sanitary landfills<sup>172</sup>, ULBs were required to obtain authorisation from the BSPCB, for setting up waste processing, treatment or disposal facilities (if the volume of waste is exceeding five metric tonnes per day), including sanitary landfills.

Audit observed that, in case of 12 of the test-checked ULBs<sup>173</sup>, no authorised land had been made available to them, for development of sanitary landfills.

In 15 of the test-checked ULBs, (except PMC), where designated land was available (either through transfer or through lease), the ULBs had not obtained authorisation from the BSPCB for, development of sanitary landfills.

PMC had, however, received authorisation from BSPCB in November 2013, but had not made any significant progress in the development of sanitary landfills (as of November 2022).

(ii) In the Gaya Municipal Corporation, an agreement was executed (March 2021), by GMC, with the (M/s NACOF) agency, for development of a sanitary landfill at Naili. The agreement amount was ₹ 2.64 crore. As per the terms of

<sup>172</sup> "Sanitary land filling" means the final and safe disposal of residual solid waste and inert waste, on land, in a facility designed with protective measures against pollution of ground water, surface water and fugitive air dust, wind-blown litter, bad odour, fire hazard, animal menace, bird menace, pests or rodents, greenhouse gas emissions, persistent organic pollutants, slope instability and erosion.

<sup>173</sup> Darbhanga, Gopalganj, Hajipur, Rajgir, Dalsinghsarai, Barahiya, Bahadurganj, Jagdishpur, Makhdumpur, Murliganj, Maharajganj and Belsand.

the agreement, 50 *per cent* payment was to be made after obtaining necessary clearances.

Audit observed that no clearances had been obtained by the agency from different authorities (*viz.* BSPCB, SEIAA, distance clearance from Airport authorities). However, the sanitary landfill site had reportedly been developed by the agency and full payment of ₹ 2.64 crore had been made to the agency, ignoring the fact that it had not obtained the necessary clearances.

(iii) Further, GMC entered into another agreement (March 2021) with same agency (M/s NACOF) for operation and maintenance of sanitary landfill site for a period of 10 years. According to the agreement, 95 *per cent* (₹ 2.70 crore) of the total agreement amount (₹ 2.84 crore), was paid (April 2022) to the agency within six months of starting of operation, whereas the contract was for a period of 10 years. Moreover, payment was not linked to actual work done by the agency. Such payment term was intended to make undue favour to the agency.

(iv) GMC issued a work order (November 2021) for construction of a boundary wall, at the Naili Landfill site, to an agency (M/s S N Enterprises), at an estimated cost of ₹ 80.38 lakh. The work was to be completed by September 2021. However, only 56 *per cent* work had been completed (as of May 2022) after incurring expenditure of ₹ 44.70 lakh.

The work could not proceed further, as the land, for the remaining work, had been encroached and the encroached land could not be made available to the agency (as of October 2022).

Thus, Sanitary landfill sites were not available in any of the test-checked ULBs.

### ***5.6.3.2 Disposal of waste at unauthorised places***

Safe disposal of the municipal solid waste is a vital component of the overall management of ULBs. Disposal of waste at unauthorised places and burning of municipal waste is fraught with environmental and health hazards.

As per the SWM Rules, 2016, it is the responsibility of ULBs to direct waste generators not to throw any waste or burn or bury waste, on streets, open public spaces, drains or water bodies. Landfill sites are required to be 100 metres away from rivers, 200 metre away from ponds and 200 metre away from highways, habitations, public parks, and water supply wells *etc.* Further, landfill sites are not permitted within flood plains. Further, in no case, are leachates to be released into the open environment.

Audit observed that sanitary landfills were not available in any of the test-checked ULBs.

Accordingly, ULBs had chosen the landfill/dumping sites, as per their convenience, as detailed in [Appendix-5.17](#) and, as observed during joint physical verification.

		
<p>Burning of mixed waste at the road side in Barahiya</p>	<p>Dumping of mixed waste near an underground water pumping station at Jehanabad</p>	<p>Dumping of medical leftover, with mixed municipal waste, at the road side, in Murliganj</p>
		
<p>Dumping of mixed waste at the bank of river Kiul (tributary of Ganga), in Jamui</p>	<p>Building near dumping site, Bairiya, Patna and water (leachate) coming out of the garbage</p>	<p>Dumping of mixed waste, near the bank of the river Ganga, in Sultanganj</p>

### 5.6.3.3 Avoidable expenditure of ₹ 10.29 crore on hiring of Earth Mover Machine, for waste stacking, in the absence of waste processing

As per CPCB guidelines, clearing of old dumps is meaningless, unless the creation of fresh open dumpsites is stopped. This is best done by proper segregation of biodegradable waste and its processing through aerobic composting or bio-methanation.

As per the DPR of SWM in PMC and the annual report (2021-22) of SWM, submitted to SPCB, PMC had transported (October 2020 to November 2022), approximately 1,000 TPD of mixed waste, to the Bairiya landfill site.

In addition, municipal waste of four ULBs<sup>174</sup> was also being dumped at the Bairiya landfill site.

Meanwhile, PMC hired (October 2020) nine earth mover vehicles, from an agency<sup>175</sup>, for stacking the fresh waste which was to be dumped at the Bairiya landfill site, Patna. During October 2020 to September 2022, the hire charges of nine vehicles, amounting to ₹ 10.29 crore, were paid to the agency.

<sup>174</sup> Danapur, Khagaul, Phulwarisharif and Sampatchak Nagar Parishad

<sup>175</sup> M/s Harsh Engicon Pvt. Ltd, at the rate of ₹ 1,535 per hour



Dump of garbage at the dumping site of Bairiya, Patna. Earth mover machine stacking the mound of garbage.

On this being pointed out, PMC stated that it would not be able to process fresh waste in a proper manner, due to the unavailability of processing facilities, as the department had decided (June 2022) that work regarding IMSWM, *i.e.* MRF, Bio-Methanation, Compost Plant for the disposal of inert waste sanitary landfill etc. would be carried out by the department itself.

The reply was not acceptable because, as per NGT's order and the SWM Rules, 2016, it is responsibility of ULBs to take proper action for disposal of legacy waste, as well as fresh municipal waste. Non-compliance of these rules, not only adversely affected the environment but also led to avoidable expenditure of ₹ 10.29 crore.

#### **5.6.4 Conclusion**

Waste was not processed in 18 out of the 28 sampled ULBs. In seven of these ULBs, the quantum of waste processing ranged up to 14 *per cent* only. In three of these ULBs, the precise quantum of waste processing could not be ascertained, due to non-production of related records. The low quantum of waste processing was attributable to inadequate capacity creation, in terms of processing centres, unavailability of required machinery, sub-optimal utilisation of available capacity, non-utilisation of purchased machinery *etc.*

Further, there was no sanitary landfill sites in the sampled ULBs.

#### **5.6.5 Recommendations**

- ***ULBs may speed up the operationalisation of waste processing centres, in order to ensure that minimum waste reaches the landfills.***
- ***State Government may fix the responsibility in regard to non-bio-remediation of old open dumpsites, to be conducted within the prescribed timeline and in the existing operational dumpsites for their potential of bio-mining and bio-remediation.***
- ***State Government may fix the responsibility in the cases of non-adherence to the SWM Rules, for management of landfills and waste disposal.***

## 5.7 Procurements under Solid Waste Management

For effective solid waste management in ULBs, procurement of necessary equipment and vehicles is indispensable. However, Audit noticed deficient planning and instances of manipulations in the tendering process followed for procurement of equipment, through the Government e-Marketplace<sup>176</sup> (GeM) portal.

UD & HD had issued a notification regarding the minimum rate for purchase of household dustbins, but it had not given any directions regarding the purchase of vehicles and equipment, due to which the ULBs had purchased vehicles and equipment at varying rates.

### 5.7.1 Indications of manipulation in the tendering process through GeM

UD & HD made (July 2018) it mandatory for ULBs, to procure material and services, through the GeM portal, to ensure timely, efficient and transparent procurement. Buyers were required to take all necessary measures to maintain complete transparency and fairness in all activities related to GeM, including ascertaining the reasonableness of prices using reverse auction<sup>177</sup>. Also, the participating bidders were required not to disclose details of their bids to other bidders or indulge in any anti-competitive behaviour, including price manipulation.

In five of the test-checked ULBs, indications of manipulative bidding, were noticed, in audit. Manipulative bidding was apparent from identical representatives, addresses, email or mobile numbers of the participating firms, as indicated in **Table 5.27**.

**Table 5.27**  
**Indications of manipulation in the tendering process**

Sl. No.	ULB (Purchase item)	Number of firms	Basis on which manipulation in tendering process was indicated
1	1. Sultanganj (Refuse Compactor)	Three firms	Same representatives in all the firms. Therefore, regardless of whosoever was the lowest bidder, the supply order would actually be sanctioned to the same group of persons.
	2. Sultanganj (1100 litre dustbin)	Three firms	Same addresses and mobile numbers of all the firms. Therefore, regardless of whosoever was the lowest bidder, the supply order would actually be sanctioned to the same firm.
	3. Sultanganj (240 litre dustbin)	Three firms	Same as of (2) above.

<sup>176</sup> GeM is the national public procurement portal, an end-to-end online marketplace, for various government offices, including State Government offices and Local Bodies, for procurement of common use goods and services.

<sup>177</sup> In Reverse auction, sellers compete to obtain business from the buyer and prices will typically decrease, as the sellers underbid each other. The GeM portal provides the reverse auction tool, which can be used by buyers to get better competitive rates and then satisfy themselves about reasonableness of the prices before placement of contracts.

Sl. No.	ULB (Purchase item)	Number of firms	Basis on which manipulation in tendering process was indicated
2	4. Barahiya (240 litre dustbin)	Three firms	Same as of (1) above.
	5. Barahiya (Refuse Compactor and Road sweeping machine)	Two firms	Same addresses and e-mail IDs. Therefore, regardless of whosoever was the lowest bidder, the supply order would actually be sanctioned to the same firm.
3	6. Bhagalpur (Auto Tipper)	Four firms.	All four firms were authorised dealers of the same parent company, which indicated that the supply order will ultimately go to the parent company only.
	7. Bhagalpur (1100 litre dustbin)	Two firms	Same addresses. Therefore, regardless of whosoever was the lowest bidder, the supply order would actually be sanctioned to the same firm.
4	8. Purnea (Auto Tipper)	Two firms	Same as of (2) above.
5	9. Muzaffarpur (1100 litre dustbin)	Two firms	Same as of (2) above.

(Source: Records of ULBs relating to GeM)

These instances indicated that only one bidder was submitting the bids, in the names of multiple firms. This created a situation in which, regardless of whosoever was the lowest bidder, the supply order would end up with the same firm, without discovering the reasonable price, despite 'reverse auction' by the buyer. Thus, the tendering process was apparently manipulated.

Audit noticed that this manipulation had been facilitated by the ULBs, by technically disqualifying other eligible firms. Eligible bidders were disqualified on the ground of not having enclosed the required documents with their bids. However, Audit observed that these documents had, in fact, been enclosed with the bid documents. This also implied that submitted documents had not been properly scrutinized. This lack of due diligence led to a minimum loss of ₹ 1.22 crore, in the form of excess payment, in five out of nine instances, as shown in the **Table 5.28**.

**Table 5.28**  
**Loss of municipal fund**

(₹ in lakh)

Sl. No	ULB	Equipment	Quantity purchased (in number)	Rate per unit	Amount paid	Purchase date	Minimum rate on GeM in the last six months	Excess paid
1	Bhagalpur	Auto Tipper	55	10.72	589.60	4/12/2021	9.80	50.60
2	Bhagalpur	1,100 litre dustbin	280	0.40	112.00	14/8/2021	0.33	19.6
3	Sultanganj	1,100 litre dustbin	100	0.58	58.10	17/3/2022	0.33	25.0
4	Sultanganj	Refuse Compactor	01	59.82	59.82	23/3/2022	49.15	10.67
5	Barahiya	240 litre dustbin	200	0.12	24.89	4/5/2022	0.04	16.0
<b>Total</b>								<b>121.87</b>

(Source: Records of ULBs relating to GeM)

The remaining 23 test-checked ULBs did not furnish the related records, or provide access to the GeM portal, to Audit. A similar type of manipulative bidding was noticed during compliance audit in 14 ULBs, which has already been reported<sup>178</sup> to the department, indicating that manipulative bidding may be pervasive, across ULBs.

The ULBs replied that tenders were scrutinized and finalized by the tender committee members. The reply was not acceptable, as it was the responsibility of the ULBs to take all necessary measures to ensure transparency and exercise due diligence, while scrutinizing the bid documents. Exercise of due diligence, in scrutinizing the bid documents, may have checked instances of manipulative bidding.

### 5.7.2 Avoidable expenditure on excess purchase of auto tippers- ₹ 13.65 crore

UD & HD instructions (June 2018) stipulated one small tipper for every 10,000 population in ULBs to ensure better civic amenities to citizen.

Audit observed that, in nine of the test-checked ULBs, 424 tippers were required, as per the aforesaid norm of the UD&HD and the projected population of the test-checked ULBs in 2022. However, these ULBs had purchased 637 tippers *i.e.* 213 tippers in excess of the requirement. This excess purchase entailed avoidable expenditure of ₹ 13.65 crore, as shown in **Table 5.29** below:

**Table 5.29**  
**Excess purchase of auto tippers**

(₹ in lakh)

Sl. No.	ULB	Purchase year	Population (2022)	Maximum requirement	Purchased	Excess purchase	Price Per Unit	Excess Expenditure
1.	Patna	2018	22,54,000	226	375	149	5.46	813.54
2.	Bhagalpur	2021	5,35,000	54	55	1	10.72	10.72
3.	Muzaffarpur	2021	4,73,000	48	28	0	5.94	0
		2022			25	5	7.16	35.8
		2022			20	20	8.03	160.6
4.	Darbhanga	2020	3,95,000	40	50	10	7.28	72.80
5.	Saharsa	2021	2,09,000	21	10	0	9.8	0
		2022			15	4	9.93	39.72
6.	Hajipur	2022	1,96,000	20	39	19	9.8	186.2
7.	Rajgir	2021	55,000	6	8	2	9.99	19.98
8.	Bahadurganj	2020	49,000	5	6	1	8.83	8.83
9.	Jhanjharpur	2020	40,000	4	6	2	8.61	17.22
<b>Total</b>				<b>424</b>	<b>637</b>	<b>213</b>		<b>1,365.41</b>

(Source: Records of the test-checked ULBs and Census2011.co.in)

Audit further noticed that the services under SWM had been outsourced, in eight out of the nine above mentioned ULBs (except in Bhagalpur). These ULBs had not only purchased excess auto tippers, but had also handed them over to outsourcing agencies for rent purposes.

<sup>178</sup> IR nos. 28/2022-23 & 29/2022-23. Through these IRs, instances of manipulative biddings in Barahiya, Haveli Kharagpur, Mokama, Jagdishpur, Mahua, Jogbani, Islampur, Aurangabad, Bagaha, Jehanabad, Nokha, Bhabhua, Dehri and Sheikhpura, were pointed out.

The Department did not furnish any reply (as on October 2023).

### 5.7.3 Purchase of vehicles not suitable to local conditions - ₹ 3.11 crore

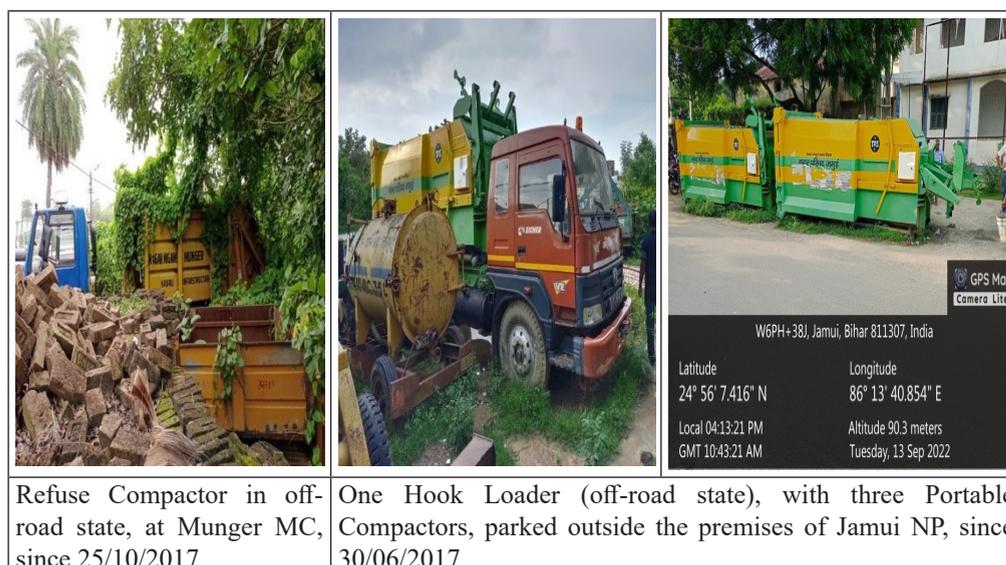
As per the MSW Manual, ULBs had to assess local climatic conditions, the topography of the area and local requirements, before resorting to purchases. Further, road sweeping equipment was to be chosen carefully, taking into account the street conditions and the needs of the city.

Audit observed that four of the test-checked ULBs had procured vehicles (*viz.* refuse compactor, portable compactor and road sweeping machine), costing ₹ 3.11 crore (as shown in **Table 5.30**) without considering the local conditions. The roads were not wide enough for these vehicles to be utilised in these test-checked ULBs. Resultantly since purchase, these vehicles had remained parked for the eight to 62 months and were gradually deteriorating (October 2022), as shown in the photographs below.

**Table 5.30**  
**Purchase of vehicles not suitable to local conditions**

Sl. No.	ULB	Equipment	Date of Purchase	Unutilised since	Expenditure incurred (₹ lakh)	Remarks
1.	Munger	Road Sweeping Machine	24/04/.2020	June 2020	62.78	
		Refuse Compactor	25/10/2017	Since purchase	29.25	
2.	Barhiya	Road Sweeping Machine	04/08/2021	Since purchase	37.50	
		Refuse Compactor	11/09/2021	Feb 2022	47.90	Used for only six days in February 2022, since purchase
3.	Jamui	Three Portable Refuse Compactor with one Hook Loader	30/06/2017	Since purchase	119.17	
4.	Ramnagar	Road Sweeping Machine	12/09/2018	Since purchase	14.70	
<b>Total</b>					<b>311.30</b>	

(Source: Records of the concerned ULBs)



The ULBs accepted that these machines were not suitable to their area and the expenditure incurred on them was infructuous.

#### 5.7.4 Purchase of inferior quality e-Carts–₹ 96.51 lakh

UD & HD directed (May 2019) ULBs to assess the number of households, and accordingly, evaluate the requirements of tricycles/containerized vehicles, for primary waste collection. These directions were, however, silent about the purchase of battery-operated hydraulic garbage e-Carts and their specifications.

Audit noticed that, four of the test-checked ULBs had procured battery operated hydraulic garbage e-Carts, for primary collection of MSW from narrow lanes, and transportation thereof, as it was suitable to local areas.

It was observed that e-Carts procured by ULBs were faulty, as their hydraulic systems were not functional. Therefore, the purpose of procurement of e-Carts was not fulfilled, despite incurring expenditure of ₹ 96.51 lakh, as shown in **Table 5.31**.

**Table 5.31**  
**Purchase of inferior quality e-Carts**

(₹ in lakh)

Sl. No.	ULB	Number of e-Carts purchased	Date of Purchase	Expenditure incurred
1.	Jamui	15	June 2020	38.50
2.	Amarpur	14	May 2022	38.82
3.	Ramnagar	06	26/06/2020	19.19
4.	Patna	150	January 2022	0
<b>Total</b>				<b>96.51</b>

(Source: Records of test-checked ULBs)

The inferior quality purchase may be attributed to the lack of due diligence by the concerned ULBs, during the purchase procedure and the lack of directions from UD&HD, regarding purchase of e-Carts and their specifications, thereof as shown in photographs below:



#### 5.7.5 Equipment kept unutilised since purchase

(i) Rule 126 (i) of the Bihar Finance (Amendment) Rules, 2005, stipulates that excess purchases should be avoided, so that unfruitful inventory expenditure can be avoided. Further, as per the MSW Manual, the specific requirement

for equipment or vehicles should be calculated based on waste generation projections of the city.

12 of the test-checked ULBs did not assess their requirements of equipment for SWM. Resultantly, equipment worth ₹ 5.24 crore (*Appendix 5.18*) was found dumped and had remained unused in the stores of the ULBs, for three to 60 months, as observed during joint physical verification and shown in the photographs below.



Hand carts, wheel barrows and shredding machines, lying idle in the store of the Barahiya Nagar Panchayat, since purchase

The ULBs replied that action would be taken for optimum utilisation of the equipment. However, the fact remained that the ULBs had purchased equipment in excess of their requirements.

(ii) The Gaya Municipal Corporation (GMC) purchased (March 2022) an animal cremation machine, incurring expenditure of ₹ 39.06 lakh<sup>179</sup>. Audit observed (October 2022) that the machine had been lying idle at the landfill site, since its purchase. The machinery was not being used and was lying outside in open area. It was, therefore, vulnerable to depreciation, without any usage, as shown in the photographs below:



Chimneys and other equipment of animal cremation, found lying idle, In the open, and leachate around it. Motor for animal cremation, kept in the open

<sup>179</sup> The total installation cost of the machine was ₹ 69.75 lakh. However, till September 2022, only ₹ 39.06 lakh had been paid.

GMC replied that the installation of the machine had been delayed due to rainy weather and would be completed soon. The reply was not acceptable, as the machine had been procured in March 2022 and had remained idle till October 2022.

### 5.7.6 Dustbins not purchased as per specification

As per the MSW Manual, litter bins may be provided at important streets, markets, public places, tourist spots, bus and railway stations, large commercial complexes, etc, to ensure that streets and public places are not littered with waste. The collection from these bins should be segregated into wet and dry waste. Further, as per the technical specifications of SWM equipment, issued (July 2013) by the UD&HD, plastic dustbins, with a capacity of 60 to 150 litres, were to be placed along the sides of various roads.

Four of the test-checked ULBs had not purchased any plastic dustbins, necessary for collection of wet waste, as per specifications, and had, instead, purchased pole mount perforated steel bins, costing ₹ 1.89 crore (Table 5.32), for the collection of all the three types of waste, i.e. dry, wet and bio-medical waste.

**Table 5.32**  
**Dustbins not purchased as per specifications**

Sl. No.	ULB	Month of purchase	No. of equipment	Per unit cost (₹ in lakh)	Amount involved (₹ in lakh)
1.	Jamui	June 2021	400	0.286	114.40
2.	Barhiya	May 2022	150	0.288	43.27
3.	Murliganj	March 2022	60	0.340	20.40
4.	Makhdumpur	October 2020	95	0.110	10.45
<b>Total</b>					<b>188.52</b>

(Source: Records of the test-checked ULBs)

During joint physical verification, it was further observed that these dustbins had not been installed at appropriate places, as shown in the photographs below.



Pole mount perforated steel bins, installed in Jamui at a place surrounded by bushes and not along the walkways. Therefore, it was not convenient, for use by the public.



Pole mount perforated steel bins, for collection of dry, wet and bio-medical waste, in Murliganj. These types of bins were not suitable for wet waste and bio-medical waste.

Jamui Municipal Council replied that equipment would be purchased in future as per the specification given by the Department.

### **5.7.7 Purchase of excess dustbins/litterbins ₹ 4.77 crore**

#### **5.7.7.1 Purchase of excess dustbins for the households: ₹ 2.46 crore**

As per the State Policy and Strategy for SWM, the distribution of dustbins (free of cost) was a one-time exercise.

Audit noticed that there were 75,000 households (March 2022) in the jurisdiction of the Gaya Municipal Corporation. The ULB had purchased (February 2018) one lakh pairs of dustbins (at a cost of ₹ 4.34 crore) and distributed 87,500 pairs of dustbins to households. The remaining dustbins had been lying (October 2022) in the store, since February 2018.

Despite having distributed the pairs of dustbins to all households, GMC further purchased (March 2021 to September 2021) one lakh triplet sets of dustbins, at a cost of ₹ 2.46 crore and distributed 82,943 triplet sets of dustbins, to households. The remaining dustbins had been lying in store (October 2022) since the time of purchase (March 2021 to September 2021).

The Deputy Municipal Commissioner, Gaya, replied that the remaining dustbins would be distributed. The fact, however, remained that purchase of triplet set of dustbins, at the cost of ₹ 2.46 crore, was contrary to the State Policy and Strategy for SWM, as dustbin distribution, free of cost, was a one-time exercise.

#### **5.7.7.2 Excess capacity of litterbins purchased**

The DPR for SWM, of the Municipal Council, Danapur, stipulated the requirement of litter bins for the city. Audit observed that Danapur, Municipal Council, had purchased litter bins, in excess of the requirement of capacity, as stipulated in the DPR. This led to avoidable payment of ₹ 2.31 crore, as shown in **Table 5.33**.

**Table 5.33**  
**Avoidable expenditure due to excess capacity of litterbins purchased**

ULB	Required capacity of Bins (in litres) as per DPR#	Actual Capacity of Bins purchased (in litres) #	Excess capacity purchased (in litres)	Amount of excess purchase (₹ lakh)
Danapur	23,700	7,20,000	6,96,300	230.85

(Source: Records of the test-checked ULBs);

# the specification of the per unit quantity of litterbins to be purchased, as mentioned in the DPR was 100 liters each, however, the specification of quantity of the litterbins actually purchased was 240 liters each.

### **5.7.8 Avoidable expenditure on purchase of Domestic Hazardous Waste and Bio-medical Waste Community bins ₹ 55.35 lakh**

Rule 15 (i) of the SWM Rules, 2016, enjoins ULB to establish waste deposition centres, for domestic hazardous waste, in a manner that one centre is set up for an area of twenty square kilometres, or part thereof.

Further, the SWM Rules, 2016, read with the Bio-medical Waste Management Rules, 2016, make it clear that Bio-medical Waste, generated in households, is to be segregated and handed over, in separate bags or containers, to municipal waste collectors. ULBs are required to tie up with common bio-medical waste treatment and disposal facilities, to pick up this waste from the Material Recovery Facilities (MRFs), or from the households, directly, for final disposal.

The Municipal Council, Kishanganj, purchased 185 Domestic Hazardous Waste bins and 115 Bio-medical Waste bins, having a capacity of 330 litres each, incurring an expenditure of ₹ 55.35 lakh for this purpose. As observed during Joint Physical Verification, however, these bins were being used for collection of municipal waste and not domestic hazardous waste and bio-medical waste.

***5.7.9 Excess payment due to purchase at higher than stipulated rates ₹ 61.65 lakh***

The Chhapra Municipal Corporation decided (September 2017) to procure 40,000 household dustbins, of 10 litre capacity, without tender, and issued work order (September 2017) for supply of dustbins @ ₹ 450/-per piece, to the agency M/s Reliable Enterprises, Patna. The agency was asked to supply all dustbins, within one month from the date of work order, failing which the supply order was to be cancelled. Meanwhile, UD&HD revised (November 2017) the maximum rate of dustbins to ₹ 225/-. Till the date of such revision, the agency had not supplied the dustbins to the ULB. Therefore, in light of UD&HD's revision (November 2017) of the rates and the terms and conditions specified in the supply order, the ULB should have cancelled the supply order.

However, the ULB did not take any such step. The agency, therefore, supplied (January 2018) 27,400 dustbins (against the supply order of 40,000 dustbins), at the rate of ₹ 450 per piece and an amount of ₹ 1.23 crore was paid to the agency. This led to avoidable excess payment of ₹ 61.65 lakh.

***5.7.10 Purchase of 1100 litre dustbins, without availability of Refuse compactors***

As per UD & HD directions (July 2013), the garbage collection bins were to be of 1,100 liters capacity, and of the closed type. These bins were to be provided with bin covers, which would open automatically when the bin lifter lifted the bins onto the machine hoopers. For this purpose, the bins were to be provided with special link arrangement, which could be operated by the Compactor bin lifter. As per the MSW manual, this would be executed in the manner shown in the photograph below.

***Transfer of Waste from Secondary Collection Bins to Refuse Compactors***



Audit observed that three<sup>180</sup> ULBs had procured 523<sup>181</sup> community dustbins, with a capacity of 1,100 liters, costing ₹ 1.97 crore, during 2020 and 2021. However, none of these ULBs had refuse compactors, for lifting these community bins. They also did not have any arrangements for collecting the garbage from these dustbins. Hence, after being installed on the sides of roads and other places, their condition was gradually deteriorating, after lying unused.

It was also confirmed, in joint physical verification, that garbage was being thrown around and outside of the bins. Some dustbins had been kept at places where public access was not easy, as shown in the photographs below:

**1,100 litre dustbins lying unused, due to the absence of refuse compactors**



The Jamui Municipal Council replied that purchase of compactors would be considered in the next meeting of the Municipal Board, so that utilisation of these dustbins might be possible. The Ramnagar Municipal Council and Makhdumpur Nagar Panchayat, replied that, the purchase of dustbins had been made in the light of the decision of the Municipal Board.

The replies were not acceptable, as the 1,100 litre dustbins had been purchased without availability of refuse compactors.

**5.7.11 Conclusion**

The test-checked ULBs had not followed the provisions stipulated in the BFR, regarding procurement of machines/equipment. Expenditure was incurred on an *ad-hoc* basis and was driven by the availability of funds, rather than on actual requirement, as per needs-based analysis. Instances of excess purchase of 213 auto tippers for ₹ 13.65 crore; purchase of vehicles (for ₹ 3.11 crore) not suitable to local conditions, which remained unutilised/parked for eight to 62 months; purchase of SWM equipment (for ₹ 5.63 crore), which remained unutilised since purchase; excess purchase of litter bins (for ₹ 2.31 crore); purchase of 1,100 litres dustbins (for ₹ 1.97 crore) without having requisite lifting devices *etc.*, were noticed. Further, there were indications of manipulation in the tendering process, through GeM.

<sup>180</sup> Nagar Panchayat Makhdumpur; Nagar Parishad, Jamui and Nagar Parishad, Ramnagar

<sup>181</sup> Makhdumpur: (50 metal and 36 LDPE); Jamui- 187; and Ramnagar; 250

### 5.7.12 Recommendations

- *ULBs may exercise due diligence, while scrutinizing the bid documents submitted by bidders and may take steps to discourage manipulative bidding.*
- *Purchase/expenditure decisions may be made to implement the plan for SWM, in the manner envisaged in MSWM manual. ULBs may ensure that the procured machines/equipment are put to proper use, as intended.*

## 5.8 Intelligent Solid Waste Management System

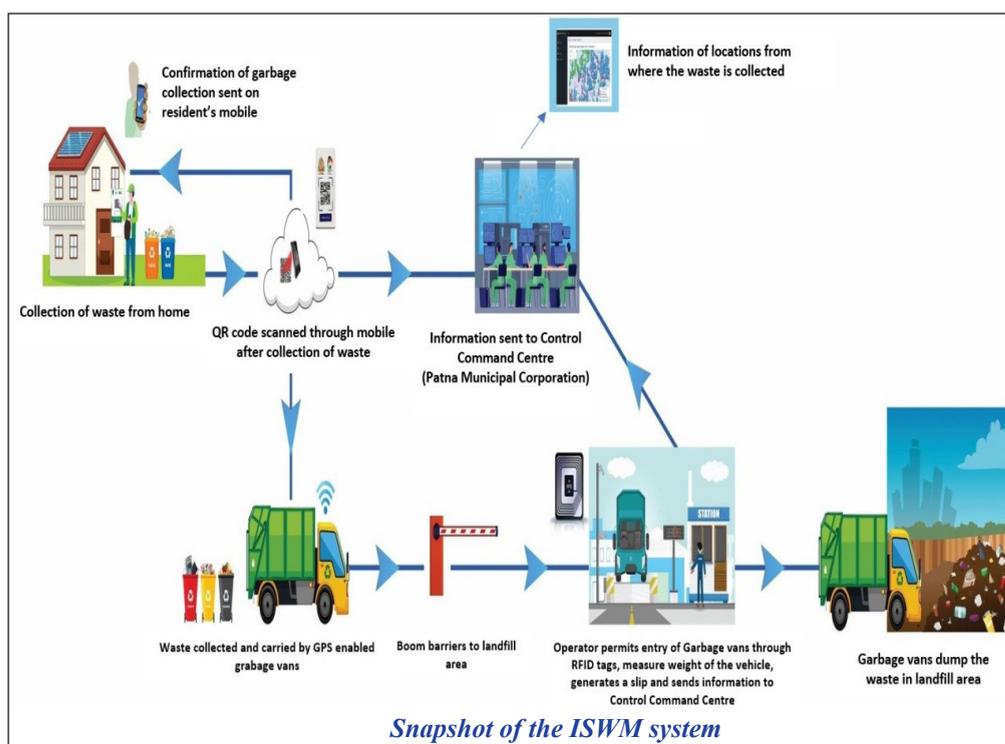
Four cities of the State of Bihar, namely Patna, Bhagalpur, Biharsharif and Muzaffarpur, were taken up under the Smart City Mission by the GoI. Out of these four ULBs, three ULBs, viz. Patna, Bhagalpur and Muzaffarpur, were included in the sample of this performance audit. The 'Intelligent Solid Waste Management (ISWM)' system was one of the components of the smart city project. The status of implementation of the ISWM system, in the smart cities, or in other sampled ULBs, is as shown in **Table 5.34**.

**Table 5.34**  
**Status of implementation of the ISWM System in ULB**  
**(as on January 2023)**

Sl. No.	ULB	Whether part of the Smart city project	Status of implementation of the ISWM System in the ULB
1	Patna	Smart city	ISWM system is being implemented.
2	Bhagalpur	Smart city	ISWM system is yet to be implemented.
3	Muzaffarpur	Smart city	ISWM system has not been implemented.
4	Gaya	Not part of smart city project	Not part of the smart city project. However, the ISWM system is being implemented.

*(Source: Records of the test-checked ULBs)*

As evident from **Table 5.34**, the ISWM system is being implemented only in two ULBs (Patna and Gaya) of Bihar. The ISWM system is expected to help the ULBs to track and monitor various activities of municipal solid waste operations, using IT hardware and system software. The scope of work included, but was not limited to, installation of QR codes on households in Municipal areas; providing hand-held mobile devices to waste collectors; geo-tagging of households; installation and commissioning of Vehicle Tracking Systems (VTS); providing platforms/systems with capabilities for notifying the supervisors/ zonal officers/Municipal Commissioners, through Mobile Apps, during Municipal Solid Waste operations; providing Grievance Redressal Systems (GRSS) etc.



(Source: Records of PMC and GMC)

Irregularities noticed in the implementation of the ISWM system, are discussed in succeeding paragraphs.

### 5.8.1 Splitting of ISWM System work, to avoid obtaining sanction from higher authorities

Rule 206 of the Bihar Financial Rules, 2005, stipulated that no work should be split, to avoid the necessity of obtaining the sanction of a higher authority. The department delegated (July 2015) sanctioning powers for the disposal of tenders, to various authorities, as given in **Table 5.35**.

**Table 5.35**

#### Delegation of powers for disposal of tenders

Sl. No.	Sanctioning authority	Power of technical sanction	Power of tender disposal
1	Assistant Engineer	Upto ₹ 10 lakh	Nil
2	Executive Engineer	₹ 10 lakh to ₹ 50 lakh	Upto ₹ 25 lakh
3	Superintending Engineer	₹ 50 lakh to ₹ 02 crore	₹ 25 lakh to ₹ 02 crore
4	Chief Engineer	₹ 02 crore and above	₹ 02 crore to ₹ 3.5 crore
5	Departmental Tender Committee	Nil	Above ₹ 3.5 crore

(Source: Records of the UD&HD)

Audit observed in Gaya Municipal Corporation (GMC) that the total project cost of the ISWM system work was ₹ 7.58 crore, which was split in four parts as shown in **Table 5.36**.

**Table 5.36**  
**Details of ISWM work**

Package No.	Items	Agreement amount (₹ in crore)
1	Development of SWM monitoring application	1.90
2	Door-to-Door lifting, garbage monitoring, QR Code System	1.88
3	Vehicle Tracking and Management Solution	1.90
4	Command and Control Infra Hardware & Municipal Monitoring	1.90
<b>Total</b>		<b>7.58</b>

(Source: Records of GMC)

Therefore, the tender for the work was to be finalised by the Departmental Tender Committee, in light of the UD&HD direction (July 2015). However, due to splitting of the work in four parts, the tender for the work was finalised by the Superintending Engineer<sup>182</sup>, instead of being approved by the Departmental Tender Committee. Thus, supervision of higher authorities was avoided.

Audit further observed that, despite splitting the work, only two bidders participated and all four components of the work were awarded to the same agency<sup>183</sup>. Thus, large-scale participation of bigger firms, in the tendering process and ensuring healthy competition, were avoided.

GMC replied (October 2022) that the splitting of work was based on the availability of funds, as the work had been started on priority basis. The reply was not acceptable, as all the agreements had been executed on the same date and with the same agency. Further, all the works had commenced simultaneously and payments were also made on the same dates.

### **5.8.2 Unavailability of System Design Document and MIS reports**

The System Design Document (SDD) describes the system requirements, operating environment, system and sub-system architecture, files and database design, input formats, output layouts, human-machine interfaces, detailed design, processing logic and external interfaces. An agreement was executed by M/s Technify with Patna MC in September 2020 and with Gaya MC in October 2021.

The SDD was to be submitted by the agency (M/s Technify Solutions Pvt. Ltd), to the MCs to serve as an informatory document, to help ensure that the ULBs obtain all the data necessary for execution of the project.

During scrutiny of records related to implementation services for “Design, Development, implementation and five years’ operation and maintenance of ISWM”, in two Municipal Corporations (MCs<sup>184</sup>), disclosed that the SDDs were not available with the MCs.

In the absence of the SDD, the MCs were fully dependent on the private software developer *i.e.* (M/s Technify Solutions Pvt. Ltd), to handle this critical project.

<sup>182</sup> BUIDCO, Gaya Division

<sup>183</sup> M/s Technify Solutions Private Limited

<sup>184</sup> Patna and Gaya

It was also observed that, as per the RFP, MIS reports regarding date-wise, vehicle-wise number of trips to the processing facilities, were to be generated for any period, as per the needs of the MCs for monitoring purposes. However, such reports were not generated through MIS, for verification of trips of vehicles at the processing sites.

GMC replied (October 2022) that the SDD would be obtained from the agency. PMC accepted (February 2023) that the SDD was not available with it.

### 5.8.3 Non-installation of QR Codes on all properties of Municipal Corporations

As per the agreements signed between the Municipal Corporations<sup>185</sup> and the agency (M/s Techinfy Solutions Private Limited), QR Codes, on all properties of the Municipal Corporations, were to be installed within 20 weeks from the dates of agreement, for an effective door-to-door 'Collection Monitoring System' of waste, by the agency. An abstract of the work executed by the agency, is given in the **Table 5.37**.

**Table 5.37**  
**Details of QR code installation (as on January 2023)**

Sl. No.	Municipal Corporation	Number of QR Codes to be installed	Number of QR Codes installed (per cent)	QR Codes not installed (per cent)	Delay in Month	Number of QR codes (on properties) scanned each day during 22/9/2020 to 31/10/2022
1	Patna	3,40,000	1,75,347 (52)	1,64,653 (48)	20	39 to 1,17,009
2	Gaya	75,000	69,931 (93)	5,069 (07)	11	561 to 46,342
<b>Total</b>		<b>4,15,000</b>	<b>2,45,278 (59)</b>	<b>1,69,722 (41)</b>	--	--

(Source: Records of test-checked ULBs)

Audit observed that, despite a lapse of 11 to 20 months from the stipulated time of completion of work, QR Codes had not been installed in 41 per cent of these properties. Due to non-installation of QR Codes, door-to-door collection of waste could not be fully monitored. No action was taken against the agency, for non-installation of QR Codes, as there was no penalty provision in the agreement.

Further, after installation of QR Codes in 59 per cent of the properties, not all properties were being scanned, for monitoring purposes. During 22/09/2020 to 31/10/2022, only 39 to 1,17,009 properties were scanned by the waste collectors on each day. This indicated that scanning of QR codes was not being done fully by the waste collectors and door-to-door collection of waste was being monitored only partly, through scanning of QR codes.

GMC replied (October 2022) that QR Codes had now been installed in 74,554 properties. PMC stated (February 2023) that, due to strong resistance and

<sup>185</sup> Patna (September 2020) and Gaya (20 October 2021)

refusal of citizen/commercial complexes, at many places, QR codes could not be installed.

**5.8.4 Short distribution of Handheld Mobile Devices, for scanning of QR Codes and excess payment of ₹ 56.62 lakh**

As per the agreement signed between the Municipal Corporations<sup>186</sup> and the agency, handheld mobile devices were to be supplied, by the agency, to the MCs, within 20 weeks, for scanning of QR codes, for ensuring an effective door-to-door Collection Monitoring System of waste.

(i) In PMC, against 1,200 mobile devices to be provided by the agency, only 704 mobile devices had been provided (November 2022), but total payment, for 1,200 mobiles, had been made to the agency.

(ii) The Maximum Retail Price (MRP) of these supplied items (handheld mobile devices and other items) was lower than the rate specified in the agreement executed. Therefore, payment should have been restricted to the MRP. However, the MCs had made payment at the agreement rates, without verification. This led to excess payment of ₹ 56.62 lakh, as shown in the **Table 5.38**.

**Table 5.38**  
**Excess payment**

Municipal Corporation	Item	Number	Unit Rate, as per agreement (₹)	Total payment made to agency, as per agreement rate (₹ in lakh)	MRP of supplied item (₹)	Total amount payable to agency (₹ in lakh)	Excess Payment (₹ in lakh)
1	2	3	4	5	6	7	8 (8 = 5-7)
Patna	Mobile Devices	1,200	11,551.30	138.62	9,999	120.00	18.62
Gaya	Mobile Devices	200	23,741.77	47.48	10,499	21.00	26.48
	Video wall (55 inch)	8	2,30,508.75	18.44	1,65,000	13.20	5.24
	Computer, UPS (Workstations)	4	2,01,696.50	8.07	68,798	2.75	5.32
	All in One Printer	1	1,38,297.00	1.38	42,429	0.42	0.96
<b>Total</b>							<b>56.62</b>

(Source: Records of test-checked ULBs)

Excess payment to agency, without verification, was indicative of undue favour to the agency.

GMC replied (October 2022) that action would be taken after verification. PMC replied (February 2023) that the mobiles would be distributed, but did not respond to the observation regarding purchase of mobiles at rates higher than the MRP.

<sup>186</sup> Patna (September 2020) and Gaya (20 October 2021)

### 5.8.5 Avoidable expenditure on cloud server: ₹ 1.25 crore

An agreement was executed between the Municipal Corporations<sup>187</sup> and the agency, for hosting/storage of data on cloud server (for PMC and GMC) to be provisioned as shown in **Table 5.39**.

**Table 5.39**  
**Cloud server hosting requirement**

ULB	Item	Total agreement amount (₹ in lakh)
Patna	Cloud Server Hosting for 1 Years	9.35
Gaya	Cloud Server Hosting for 5 Years	115.81
<b>Total</b>		<b>125.16</b>

(Source: Records of the test-checked ULBs)

Audit observed that the State Data Centre (SDC) was available for storage of the electronic data of different Departments of State Government, free of cost. Despite there being a government facility to store data, the same was not availed by the MCs. Instead, the MCs decided to store data on a third-party cloud server, without any convincing reason, resulting in an avoidable expenditure of ₹ 1.25 crore.

### 5.8.6 Avoidable expenditure on network connectivity ₹ 23.16 lakh

The Bihar State Wide Area Network (BSWAN) was established to connect the State Headquarters (SHQ), with all District Head Quarters (DHQ) and all Block Head Quarters (BHQ), with the objective of creating a secure government network, for the purpose of delivering Government to Government and Government to Citizen Services.

Audit scrutiny of records of GMC and PMC disclosed that, despite availability of the BSWAN for free network connectivity, all over the State, from the year 2010, the MCs had procured separate private network connectivity, through private vendors and made payment of ₹ 23.16 lakh<sup>188</sup>. This indicated that the MCs were not using the available network resources, resulting in avoidable payment being made to private vendors.

GMC replied (October 2022) that action would be taken after verification of free availability of BSWAN connectivity.

### 5.8.7 Conclusion

Installation of QR Codes on all the properties of MCs was not done. Also, the installed QR codes were not being scanned by the waste collectors, to monitor door-to-door collection of waste.

Handheld mobile devices were purchased at rates higher than the MRP. Excess payment to agency, without verification, was indicative of undue favour to the agency.

Also, despite there being a government facility for storage of data, free of cost, the MCs decided to store data on third party cloud server, on payment basis,

<sup>187</sup> Patna (September 2020) and Gaya (20 October 2021)

<sup>188</sup> Gaya : ₹13,81,781 & Patna : ₹9,34,560/-

without any convincing reason. Thus, the efforts made by MCs towards ISWM were not fully effective.

#### **5.8.8. Recommendations**

- ***ULBs may ensure installation of QR Codes on all properties of ULBs and door-to-door collection of waste should be fully monitored.***
- ***ULBs may avail free public facilities, available for storage of data and network connectivity and may avoid incurring expenditure for them.***

### **5.9 Special Waste and Other Waste Management**

According to Clause 7.1 of the MSW Manual, 2016, special waste, *inter alia*, includes electronic waste (e-waste), bio-medical waste, plastic waste *etc.* These wastes require special handling and disposal processes, as their type and composition differs from that of the other municipal wastes.

As per the above-mentioned manual, the special waste should not enter the municipal solid waste streams. The manual further provides that these wastes are also generated at the household and commercial levels and due to lack of segregation at source, they frequently end up in the mixed MSW stream.

In addition, Construction and Demolition (C&D) waste also needs to be managed properly, as such waste often finds way into the nearest municipal bins, making the municipal waste heavy and degrading its quality, for further treatment.

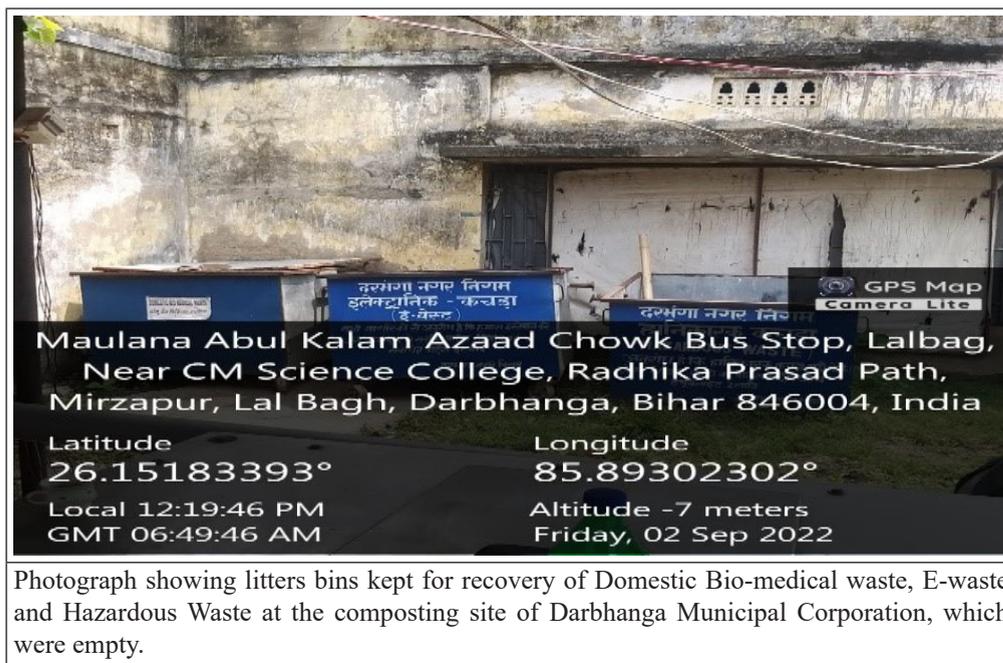
#### **5.9.1 E-waste management**

‘E-waste’ means any waste from electrical or electronic equipment, whole or in part, or rejects from their manufacturing and repair processes, which are intended to be discarded. Examples of ‘e-waste’ include computers, typewriters, telephones, televisions, mercury lamps *etc.*

In light of direction of the Hon’ble NGT, UD&HD directed (February 2021) all the ULBs to establish e-waste ‘deposition centres’ for proper disposal of e-waste emanating from households. According to this direction of UD&HD, all the ULBs were to keep large dustbins in the premises of ULBs, where the producers of e-waste would deposit the e-waste.

The ULBs did not furnish data relating to the generation and collection of e-waste. As per the e-Waste Management Rules, 2016, ULBs should channelise e-waste, found mixed with MSW, to authorised e-waste recyclers.

However, the Darbhanga Nagar Nigam set up (March 2021) an e-waste deposition centre, in compliance of NGT direction and reported compliance to the UD&HD, GoB. Audit, however, observed that only one bin had been kept for collection of such waste, and had been named as the ‘e-waste deposition centre’. Further, even that bin, for e-waste, was found empty, during joint physical verification (August-September 2022).



Audit observed that the sampled ULBs had not made any arrangements for collection of e-waste. Segregation of waste was also not in practice.

### 5.9.2 Domestic Bio-Medical Waste

UD&HD directed (August 2021) ULBs to tie up with the specified bio-medical waste treatment agencies<sup>189</sup>, for collection and disposal of domestic bio-medical waste. Each ULB had to tie up with one of the three agencies, as per the districts of the ULBs.

Audit observed that 22 of the sampled ULBs had not made any agreement with the bio-medical waste treatment agency, for collection and disposal of Domestic bio-medical waste, while the remaining six ULBs<sup>190</sup> had entered agreements (August 2021 - February 2022) with the bio-medical waste treatment agencies, for collection and disposal of bio-medical waste. However, the actual work of collection and disposal of such waste, was yet to commence (as of September 2022 – November 2022).

Thus, there was no proper mechanism, across all the test-checked ULBs, for management of the important component of Domestic Bio-medical waste.

Under these circumstances, mixing of bio-medical waste, with municipal solid waste, could not be ruled out. This was also corroborated from the records of ULBs and the joint physical verification carried out, during which Audit observed instances of medical waste being mixed with other waste, on the road side, as well as used syringes and needles being found at the dumping sites *etc.*, in eight ULBs<sup>191</sup>.

<sup>189</sup> Medicare Environmental Management Private Limited, Mjuzaffarpur or Synergy Waste Management Private Limited, Bhagalpur or Synergy Waste Management Private Limited, Gaya or Sangam Mediserve Private Limited, Patna, as specified for the ULBs according to their respective districts.

<sup>190</sup> Dalsinghsarai, Danapur, Maharajganj, Murliganj, Gopalganj and Muzaffarpur

<sup>191</sup> Darbhanga, Dalsinghsarai, Saharsa, Murliganj, Danapur, Kishanganj, Gopalganj, Belsand



### 5.9.3 Plastic Waste

According to the MSWM manual (Chapter 7), plastic waste management, by ULBs, in their respective jurisdictions, includes recycling of plastic waste through registered plastic waste recyclers, encouraging the use of plastic waste for road construction *etc.* Further, every local body is responsible for the development of infrastructure for segregation, collection, storage, transportation, processing and disposal of plastic waste, either on its own, or by engaging agencies. The Manual notes that plastic waste chokes the urban drainage system, causing urban flooding in many instances.

Audit observed that, in the sampled ULBs, there was no mechanism to weigh plastic wastes, to ascertain the precise quantum of plastic wastes generated within the ULBs.

Twenty of the sampled ULBs<sup>192</sup> had submitted their reports to the SPCB, regarding generation of 30,185 tonnes of plastic waste and 26,095 tonnes (86 *per cent*) of waste collection, out of which, 1,470 tonnes (six *per cent*) of waste was recycled and 24,576 tonnes (94 *per cent*) of waste was sent to landfill sites, during 2021-22, as shown in the **Table 5.40**.

**Table 5.40**  
**Plastic waste generation, collection, and disposal in sampled 20 ULBs of Bihar**

Particulars	2021-22
Quantity of plastic waste generated during the year (Tonnes)	30,185
Quantity of plastic waste collected during the year (Tonnes)	26,095
Quantity of plastic waste channelized for recycling during the year (Tonnes)	1,470
Quantity of inert or rejects sent to landfill sites during the year (Tonnes)	24,576

(Source: Reports of the ULBs submitted to SPCB)

Thus, only six *per cent* (1,470 tonnes out of 26,095 tonnes collected) of plastic waste was reportedly channelized for recycling.

<sup>192</sup> Patna, Bhagalpur, Muzaffarpur, Darbhanga, Chhapra, Saharsa, Danapur, Hajipur, Kishanganj, Gopalganj, Sultanganj, Ramnagar, Rajgir, Dalsinghsarai, Jhanjharpur, Amarpur, Maharajganj, Belsand, Jagdishpur and Munger.

However, Audit did not observe any recycling/channelisation of plastic waste, in the 28 sampled ULBs.



During joint physical verification of sweeping of roads and market areas, Audit observed various instances of mixed waste, including plastic waste having been thrown/dumped on the road side.

### ***5.9.3.1 Non-utilisation of ₹ 5.12 crore for shredding of plastic, by the Patna Municipal Corporation***

The Rural Works Department (RWD) sanctioned (April 2018) an amount of ₹ 10.25 crore and allotted (June 2018) ₹ 5.12 crore to PMC, for the establishment of a shredding unit, for the supply of shredded plastic waste, to RWD, for its usage in the construction of roads by RWD.

The estimated cost of the work was ₹ 12 crore. The RWD sanctioned (April 2018) ₹10.25 crore for the work. The remaining amount was to be provided from the own revenue of the Patna Municipal Corporation.

PMC invited a tender (February 2019) for establishment of a plastic waste processing unit in the city and awarded (June 2019) the work to the lowest bidder. However, UD&HD subsequently decided (May 2021) to cancel the tender, as the tender committee of PMC was competent to sanction tenders of work value upto ₹ two crores only, whereas the contract value of this work was ₹ 12 crore. In light of the departmental direction, PMC cancelled (June 2021) the tender. The amount was still lying (as of August 2022) in the bank account of PMC.

### ***5.9.4 Construction and Demolition waste***

(i) According to the Construction and Demolition (C&D) Waste Rules, 2016, ULBs are required to keep track of the generation of C&D waste within their respective jurisdictions, get the collected waste transported to appropriate sites, for processing and disposal, and also make provision for giving incentives for use of material made from C&D waste, in construction activities, including in non-structural concrete, paving blocks, as well as lower layers of road pavements, colonies and rural roads.

Audit observed that, in the sampled ULBs, there was no mechanism to weigh the C&D waste. Thus, the manner in which ULBs had ascertained the quantum of C&D waste generation and collection, in their jurisdictions, was not clear.

However, eight sampled ULBs<sup>193</sup> had reported waste generation of about 44,486.20 tonnes of C&D waste, during FY 2021-22, to the SPCB. They had also reported 36,573 tonnes (82 per cent) of waste collection during the same period (FY 2021-22). This was reportedly utilised in repairing and road filling as reported by ULBs themselves in their respective annual report submitted to BSPCB. However, details about the places and the quantities used, were not found available on records.

(ii) The Darbhanga Municipal Corporation had a C&D site, at Vaidehi Nagar, Darbhanga. No C&D waste was found at the C&D waste site at Vaidehi Nagar, during joint physical verification. Instead, mixed waste was found to have been dumped at the site.



Construction & Demolition waste site at Vaidehi Nagar, Darbhanga, and mixed waste at the site

Thus, the site was not being used for the purpose for which it was intended.

### 5.9.5 Conclusion

The test-checked ULBs did not ensure collection and disposal of e-waste, and domestic bio-medical waste, which were found mixed with municipal solid waste. In the absence of recycling/channelisation practices having been initiated for plastic wastes, such waste ended up being dumped at the landfill sites.

### 5.9.6 Recommendations

- **State Government may determine and fix responsibility in regard to non-segregation of bio-medical waste from other municipal waste at source and inappropriate handling of waste at collection and storage points.**

<sup>193</sup> Patna, Bhagalpur, Muzaffarpur, Darbhanga, Munger, Danapur, Sultanganj, Belsand

- *ULBs may ensure safe disposal of e-waste, so that they do not get mixed with municipal waste and the risks to health are averted.*
- *ULBs may make efforts towards recycling of plastic waste.*
- *ULBs may maintain records, detailing the sources from where C&D waste was collected, the quantities thereof, its disposal places and quantities thereof.*

## 5.10 Monitoring and Evaluation

Institutionalising appropriate quality assurance systems is essential for ensuring a continuous and efficient municipal solid waste management system. A comprehensive and robust Monitoring and Evaluation (M&E) system needs to be in place, for proper implementation of municipal solid waste management. Efforts made by the ULBs and UD&HD, towards effective monitoring and evaluation, are discussed in the succeeding paragraphs.

### 5.10.1 Institutional mechanism for monitoring waste management

#### 5.10.1.1 Lack of monitoring of SWM by the State Level Advisory body

Clause 1.4.5.4 of the MSW Manual, 2016, envisages that, for planning an efficient and advanced MSWM system, it is essential to have an efficient institutional structure, besides having adequate infrastructure and equipment.

Further, Rule 23 (1) of the SWM Rules, 2016, required that every Department in charge of local bodies, required to constitute a State Level Advisory Body (SLAB), within six months from the date of notification (April 2016) of these rules. Rule 23 (2) of the SWM Rules, 2016, envisages that the SLAB shall meet at least once in six months, to review all matters related to implementation of the SWM Rules, 2016, and implementation of the State policy and Strategy on SWM, as well as to give advice to the State Government regarding necessary measures for expeditious and appropriate implementation of these rules. The review reports, in this regard, were to be forwarded to the State Pollution Control Board or Pollution Control Committee.

Accordingly, Government of Bihar constituted (January 2018) the State level Advisory Body (SLAB), for improvement of SWM practices and execution of SWM projects.

Audit observed that the SLAB had not been constituted within six months of the date of notification of the SWM Rules, 2016.

In the seven<sup>194</sup> meetings of SLAB, aspects related to SWM were discussed and directions were issued to ULBs, for compliance. However, follow-up of the decisions taken, was not effective, as evident from the inadequacies regarding processing of organic waste, door-to-door collection of waste, negligible segregation and processing of waste, absence of any sanitary landfill sites *etc.*, as narrated in the preceding paragraphs.

<sup>194</sup> (i) 30/1/2018, (ii) 30/7/2018, (iii) 8/3/2019, (iv) 19/3/2020, (v) 19/2/2021, (vi) 11/6/2021 and (vii) 28/1/2022

### **5.10.1.2 Deficiencies in monitoring at the District and ULB level**

**(i) District level review and monitoring committee-** As per Rule 12 of the SWM Rules, 2016, at the district level, the District Collector should review the performance of ULBs, at least once in a quarter, in regard to waste segregation, processing, treatment and disposal, and take corrective measures, in consultation with the ULBs and the UD&HD. Also, Clause 14 of the Model Bihar Municipality SWM Bye-laws, 2019, provides for a District Level Review and Monitoring Committee, for undertaking reviews as well as monitoring works related to SWM and progress thereof, at least once in every quarter.

Audit observed that this Committee had not been constituted in any of the 28 sampled ULBs. However, five ULBs<sup>195</sup> replied that district level review meetings were being conducted by the concerned District Magistrates. These ULBs, however, failed to furnish the minutes of such meetings, to Audit.

**(ii) Ward Level Committee-** As per Clause 6.1 of the MSW Manual, 2016, ward level committees should be constituted, for ensuring and monitoring SWM services, including segregation, collection, transportation, street sweeping, drain cleaning, and prohibition of littering.

However, in the test-checked ULBs, Ward Level Committees had not been constituted, indicating deficiencies in the monitoring of SWM activities.

**(iii) Subject Committee-** According to Section 32 of the Bihar Municipal Act (BMA), 2007, a Municipal Corporation, or a class 'A' Municipal Council, may constitute Subject Committees, to, *inter alia*, deal with solid waste management, urban environment management *etc.*

The recommendations of each Subject Committee were to be submitted to the respective Empowered Standing Committee (ESC), for its consideration.

Audit observed that Subject Committees had not been constituted in any of the sampled<sup>196</sup> Municipal Corporations and Class 'A' Municipal Councils, except in Darbhanga and Munger. However, the details of any meetings, conducted by the Committees, in Darbhanga or Munger, were not on record. Thus, ULBs remained deprived of the benefits of subject-specific discussions and the recommendations of the Committee, which may have ensured improved solid waste management practices.

**(iv) Meetings of Empowered Standing Committee (ESC) -** As per Sections 3 and 10 of the Bihar Municipal Empowered Standing Committee Conduct of Business Rules, 2010, the executive powers of the Municipality shall vest in the Empowered Standing Committee. The Committee is required to ordinarily meet twice in a month. It is required to issue orders/directions on the development activities undertaken by the concerned Municipal body.

---

<sup>195</sup> Darbhanga, Dalsinghsarai, Danapur, Kishanganj, Bahadurganj

<sup>196</sup> MCs- Patna, Gaya, Bhagalpur, Muzaffarpur, Darbhanga, Purnea, Munger, Chhapra; Class A municipal councils- Saharsa, Danapur.

Empowered Standing Committees were constituted in all the test-checked ULBs. Audit observed that, during June 2017 to March 2022, in place of 3,002 meetings to be conducted, only 884 meetings<sup>197</sup> (29 per cent) had been held by the Empowered Standing Committees. Inadequate meetings were indicative of insufficient exercise of oversight by the Committees.

**(v) Budget variance report-** According to Paragraph 17.1 of the Bihar Municipal Budget Manual, Budget variance reports shall be prepared, on a quarterly basis, at the budgeting centre level, as well as at the overall municipality level. The budget variance reports form the basis for correcting unfavorable variances and were, therefore, necessary for adding value to the management of the ULBs. However, Audit noted that quarterly budget variance reports were not being prepared in any of the test-checked ULBs. Thus, ULBs were deprived of a control mechanism, for better implementation of municipal affairs, including SWM.

### 5.10.2 Monitoring of pollution levels

(i) Schedule –I of the SWM Rules, *inter alia*, stipulates criteria for pollution prevention, water quality monitoring, and for ambient air quality monitoring. It also states that an arrangement is to be ensured, to prevent leachate runoff from landfill areas, entering any drains, streams, rivers, lakes or ponds. In case of mixing of run-off water, with leachate or solid waste, the entire mixed water is to be treated by the concerned authority. The ground water quality, within 50 meters of the periphery of landfill sites, is to be periodically monitored, covering different seasons in a year, *i.e.*, the summer, monsoon, and post-monsoon period, to ensure that the ground water is not contaminated. Ambient air quality, at the landfill site and at the vicinity, is to be regularly monitored and it should meet the standards prescribed by the Central Pollution Control Board for industrial areas.

Audit observed that the sampled ULBs had not assessed the pollution levels, in regard to, both air and water quality, as envisaged in the SWM Rules, 2016.

During joint physical verification of markets/dumping sites *etc.*, Audit noticed instances of odour at the dumping sites and mixing of waste with water, at several water bodies, such as rivers, ponds *etc.* (*viz.* Bagmati river in Darbhanga, Benga river in Murliganj *etc.*). Mixing of waste with surface water, was fraught with the risk of ground water contamination. Besides, odour at the dumping site, could lead to public resentment.

As per the Rule 16 of SWM Rules, 2016, the State Pollution Control Board shall monitor environmental standards and adherence to the conditions as specified under the Schedule I and Schedule II for waste processing and

---

<sup>197</sup> Patna- 61, Gaya -40, Bhagalpur- 24, Muzaffarpur -31, Darbhanga -41, Purnea -34, Munger -86, Chhapra -9, Saharsa -NA, Danapur -36, Hajipur- 68, Kishanganj -41, Jehanabad -24, Jamui -32, Gopalganj -13, Sultanganj - 45, Ramnagar - 64, Rajgir -30, Dalsinghsarai -20, Barahiya - 13, Bahadurganj- 21, Jagdishpur -38, Makhdumpur -30, Jhanjharpur - 18, Murliganj - 15, Amarpur -12, Maharajganj - 18, Belsand -20

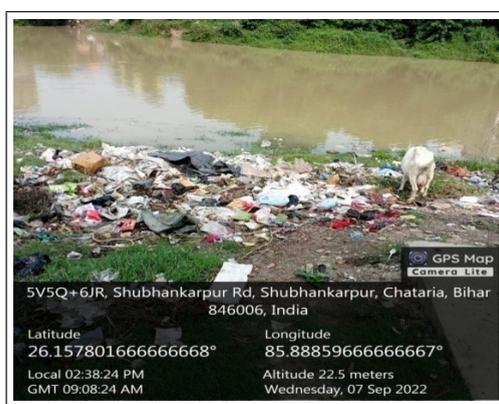
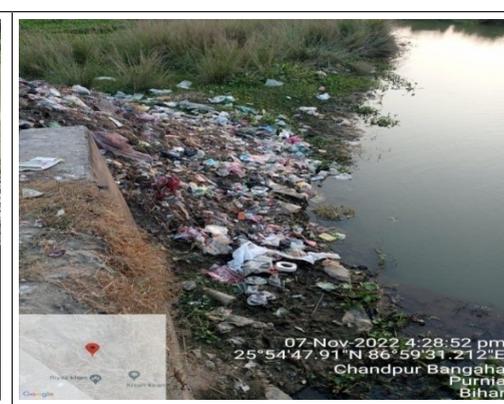
disposal sites. Further, as per Clause 6.5.1 of the MSW Manual, operators of MSW treatment, processing, and disposal facilities are responsible for regular monitoring of these parameters. Monitoring data should be reported to the SPCB by the ULB on an annual basis, as part of the annual reporting of ULBs.

As per Hon'ble NGT order (February 2020), an interim compensation scale had been laid down for continued failure to comply with the SWM Rules, 2016, with effect from 31/03/2020. This would result in a liability for every Local Body to pay compensation at the rate of ₹ 10 lakh per month per Local Body, for a population of above 10 lakhs, ₹ five lakh per month per Local Body, for a population between five lakhs and 10 lakhs and ₹ one lakh per month per other Local Body, from 01/04/2020 till compliance. Final compensation was to be assessed and recovered by BSPCB, within six months.

BSPCB replied (September 2022) that none of the municipal authorities had developed/set up waste disposal facilities, including sanitary landfills, so far. The monitoring and compliance of the standards regarding treated leachate, ambient air, ground water and incineration did not arise. Further, the Board had conducted inspection of 12 Municipal Corporations and observed that there was a huge gap between the facts and figures reported to SPCB and findings during the inspection. SPCB had apprised the Urban Development and Housing Department of the gross violations.

Further, in light of the above direction, BSPCB had levied (October 2022) a penalty of ₹ 5.88 crore, against 12 Municipal Corporations (Nagar Nigam). No penalty had been recovered so far.

Audit noticed that, no such penalty had been levied against the Municipal Councils (Nagar Parishads) and Nagar Panchayats, despite non-compliance of SWM Rules observed in the sampled Nagar Parishads and Nagar Panchayats.

	
<p>Garbage on the banks of the Bagmati river, near Tower Chowk, Darbhanga.</p>	<p>Dumping site on the banks of the Benga river, in Murliganj and garbage being mixed with the river water.</p>

(ii) Contrary to provisions of Section 248 of BMA, 2007, Audit observed that no environment and health impact assessment had been carried out by

the test-checked ULBs. Instances of waste burning, mixing of waste with water bodies, and dumping of waste on the sides of water bodies, were noticed, at multiple sites, which pointed towards risks, to, environment and health.



### 5.10.3 Manpower/staff constraints for SWM

Clause 1.4.5.4 of the SWM Manual, 2016, stipulates that ULBs should have an SWM cell or SWM department, having staff with technical and managerial skills specific to SWM, like a public health officer, sanitary officer, junior engineer, sanitary sub-inspector, environmental engineer for SWM, etc. Further, as per Section 37 of the BMA 2007, the Empowered Standing Committee may decide to engage staff (other than the statutory officers), on contract basis.

GoB sanctioned (upto March 2021) various posts (*viz.* Sanitary Inspector/Chief Sanitary Inspector, *Safai Jamadar*, Assistant Public Sanitation and Solid Waste Management Officer/Public Sanitation and Solid Waste Management Officer and Clerks) for SWM. Audit observed that these posts had not been filled (March 2022) in the sampled ULBs.

The shortfalls against sanctioned posts ranged from 90 *per cent* to 100 *per cent*, as shown in **Table 5.41** and detailed in **Appendix 5.19**. ULBs also did not recruit the required staff on contract basis, despite an enabling provision for doing so, in BMA, 2007.

**Table 5.41**  
**Sanctioned strength and persons-in-position (for SWM), in the sampled ULBs\* (March 2022)**

Sanctioned posts	Sanctioned strength	Persons-in-position	Shortfall ( <i>per cent</i> )
Sanitary Inspector/Chief Sanitary Inspector	494	16	478 (97)
<i>Safai Jamadar</i>	1,413	104	1,309 (93)
Assistant Public Sanitation and SWM Officer/Deputy Public Sanitation and SWM Officer/ Public Sanitation and SWM Officer	52	0	52 (100)
Clerks	72	7	65 (90)

*(Source: Information furnished by sampled ULBs) \*excluding Patna as Persons-in-position data is not provided.*

However, ULBs tried to manage different aspects of SWM, *viz.* segregated waste collection, covered transportation, processing and disposal *etc.*, by staff recruited through outsourcing agencies.

Shortage of staff, dedicated towards managing waste issues, led to deficiencies in the management of solid waste, *viz.* inadequate door-to-door segregated waste collection, recovery of municipal solid waste, scientific disposal of waste *etc.*

#### **5.10.4 Conclusion**

Deficient monitoring was evidenced from non-functional District Level Review and Monitoring Committees; non-constitution of Ward Level Committees, and Subject Committees and non-monitoring of pollution levels. Shortage of staff, for SWM, ranged from 90 to 100 *per cent*.

#### 5.10.5 Recommendations

- *ULBs may activate monitoring Committees and also strengthen their internal control mechanisms.*
- *State Pollution Control Board may fix the responsibility in regard to non-monitoring of environmental requirements for designing, disposal, treatment and processing facilities.*
- *Department may take effective measures to fill the posts of Chief Sanitary Inspector/Sanitary Inspector, Safai Jamadar, Assistant Public Sanitation and SWM Officer/Deputy Public Sanitation and SWM Officer/Public Sanitation and SWM Officers, for proper SWM, in ULBs.*

Patna  
The 21 June 2024

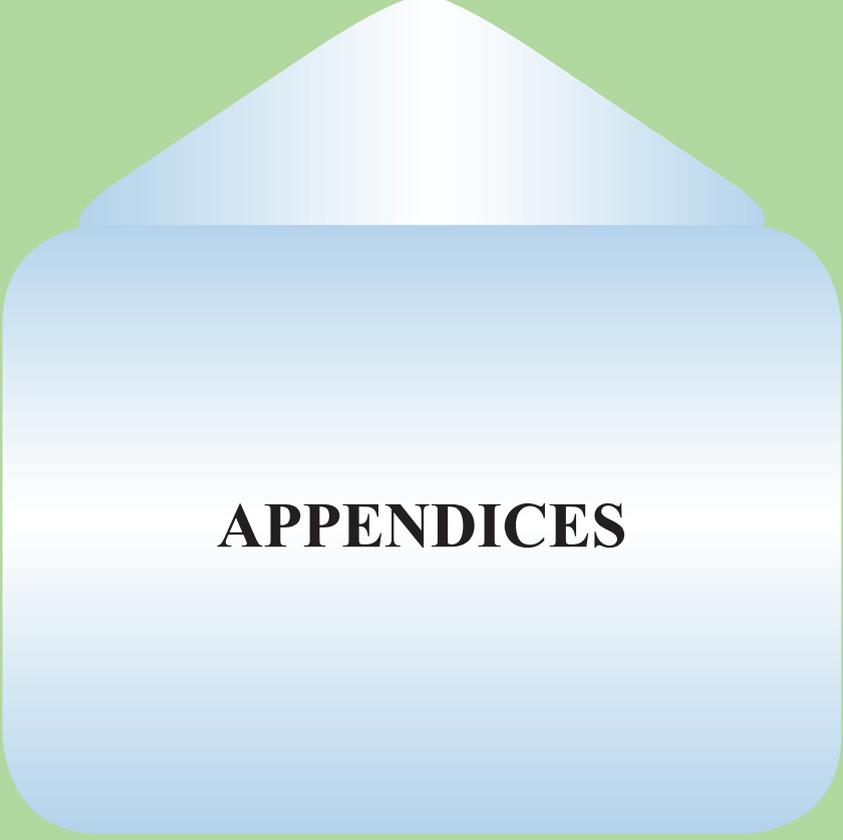
**राज कुमार**  
(RAJ KUMAR)  
Principal Accountant General (Audit), Bihar

Countersigned

New Delhi  
The 28 June 2024

  
(GIRISH CHANDRA MURMU)  
Comptroller and Auditor General of India





**APPENDICES**



**Appendix 4.1**  
**(Refer: Paragraph - 4.1; Page - 35)**

**Avoidable expenditure of interest and penalty**

(Amount in ₹)

Sl. No.	Wages Month	Due Date	Date of Deposit	Delay (Number of Days)	Contribution Amount	Amount levied by the EPFO			Amount Paid By ULB
						7Q	14B	Total	
1	January 2016	15/02/2016	18/11/2020	1,738	4,508	2,577	4,508	7,085	7,085
2	February 2016	15/03/2016	18/11/2020	1,709	4,508	2,533	4,508	7,041	7,041
3	March 2016	15/04/2016	18/11/2020	1,678	5,860	3,233	5,860	9,093	9,093
4	April 2016	15/05/2016	18/11/2020	1,648	10,910	5,911	10,910	16,821	16,821
5	May 2016	15/06/2016	18/11/2020	1,617	11,630	6,184	11,630	17,814	17,814
6	June 2016	15/07/2016	18/11/2020	1,587	11,225	5,857	11,225	17,082	17,082
7	July 2016	15/08/2016	15/04/2020	1,339	3,14,715	1,38,543	2,88,632	4,27,175	4,27,175
8	July 2016	15/08/2016	18/11/2020	1,556	11,360	5,812	11,360	17,172	17,172
9	August 2016	15/09/2016	15/04/2020	1,308	3,24,732	1,39,645	2,90,925	4,30,570	4,30,570
10	August 2016	15/09/2016	18/11/2020	1,525	11,450	5,740	11,450	17,190	17,190
11	September 2016	15/10/2016	18/11/2020	1,495	11,405	5,606	11,405	17,011	17,011
12	September 2016	15/10/2016	15/04/2020	1,278	3,23,473	1,35,912	2,83,150	4,19,062	4,19,062
13	October 2016	15/11/2016	15/04/2020	1,247	3,21,142	1,31,660	2,74,290	4,05,950	4,05,950
14	October 2016	15/11/2016	18/11/2020	1,464	12,216	5,880	12,216	18,096	18,096
15	November 2016	15/12/2016	18/11/2020	1,434	13,884	6,546	13,637	20,183	20,183
16	November 2016	15/12/2016	15/04/2020	1,217	3,18,670	1,27,503	2,65,632	3,93,135	3,93,135
17	December 2016	15/01/2017	18/11/2020	1,403	13,884	6,404	13,342	19,746	19,746
18	December 2016	15/01/2017	15/04/2020	1,186	3,14,430	1,22,602	2,55,421	3,78,023	3,78,023
19	January 2017	15/02/2017	15/04/2020	1,155	3,02,065	1,14,703	2,38,962	3,53,665	3,53,665
20	January 2017	15/02/2017	23/11/2020	1,377	13,884	6,286	13,095	19,381	19,381

*Audit Report (Local Government) for the year ended March 2022*

Sl. No.	Wages Month	Due Date	Date of Deposit	Delay (Number of Days)	Contribution Amount	Amount levied by the EPFO			Amount Paid By ULB
						7Q	14B	Total	
21	February 2017	15/03/2017	23/11/2020	1,349	12,847	5,698	11,870	17,568	17,568
22	February 2017	15/03/2017	15/04/2020	1,127	2,74,772	1,01,809	2,12,101	3,13,910	3,13,910
23	March 2017	15/04/2017	23/11/2020	1,318	13,794	5,977	12,453	18,430	18,430
24	March 2017	15/04/2017	15/04/2020	1,096	2,78,148	1,00,224	2,08,801	3,09,025	3,09,025
25	April 2017	15/05/2017	28/09/2020	1,232	3,18,288	1,28,920	2,68,583	3,97,503	3,97,503
26	April 2017	15/05/2017	23/11/2020	1,288	14,966	6,337	13,203	19,540	19,540
27	May 2017	15/06/2017	23/11/2020	1,257	15,732	6,501	13,544	20,045	20,045
28	May 2017	15/06/2017	16/04/2020	1,036	2,96,885	1,01,120	2,10,667	3,11,787	3,11,787
29	June 2017	15/07/2017	23/11/2020	1,227	15,732	6,346	13,221	19,567	19,567
30	June 2017	15/07/2017	15/04/2020	1,005	3,01,796	99,717	2,07,743	3,07,460	3,07,460
31	July 2017	15/08/2017	23/11/2020	1,196	16,048	6,311	13,146	19,457	19,457
32	July 2017	15/08/2017	16/04/2020	975	3,03,691	97,348	2,02,808	3,00,156	3,00,156
33	August 2017	15/09/2017	16/04/2020	944	2,97,613	92,366	1,92,429	2,84,795	2,84,795
34	September 2017	15/10/2017	23/11/2020	1,135	14,965	5,585	11,634	17,219	17,219
35	September 2017	15/10/2017	16/04/2020	914	2,95,693	8,88,54	1,85,112	2,73,966	2,73,966
36	October 2017	15/11/2017	23/11/2020	1,104	20,257	7,353	15,318	22,671	22,671
37	October 2017	15/11/2017	16/04/2020	883	3,87,841	1,12,591	2,34,564	3,47,155	3,47,155
38	November 2017	15/12/2017	16/04/2020	853	2,96,288	83,091	1,73,106	2,56,197	2,56,197
39	November 2017	15/12/2017	23/11/2020	1,074	15,152	5,350	11,146	16,496	16,496
40	December 2017	15/01/2018	16/04/2020	822	3,85,056	1,04,060	2,16,792	3,20,852	3,20,852
41	December 2017	15/01/2018	23/11/2020	1,043	20,547	7,046	14,679	21,725	21,725
42	January 2018	15/02/2018	17/04/2020	792	3,81,403	99,311	2,06,897	3,06,208	3,06,208
43	January 2018	15/02/2018	08/12/2020	1,027	20,258	6,839	14,250	21,089	21,089
44	February 2018	15/03/2018	17/04/2020	764	3,62,032	90,935	1,89,447	2,80,382	2,80,382

Sl. No.	Wages Month	Due Date	Date of Deposit	Delay (Number of Days)	Contribution Amount	Amount levied by the EPFO			Amount Paid By ULB
						7Q	14B	Total	
45	February 2018	15/03/2018	08/12/2020	999	19,516	6,411	13,354	19,765	19,765
46	March 2018	15/04/2018	08/12/2020	968	20,664	6,577	13,701	20,278	20,278
47	March 2018	15/04/2018	17/04/2020	733	3,84,818	92,736	1,93,200	2,85,936	2,85,936
48	April 2018	15/05/2018	08/12/2020	938	19,572	6,036	12,575	18,611	18,611
49	April 2018	15/05/2018	17/04/2020	703	3,63,270	83,960	1,74,918	2,58,878	2,58,878
50	May 2018	15/06/2018	08/12/2020	907	20,768	6,194	12,902	19,096	19,096
51	May 2018	15/06/2018	17/04/2020	672	3,86,771	85,450	1,78,021	2,63,471	2,63,471
52	June 2018	15/07/2018	20/04/2020	645	3,81,992	81,004	1,68,756	2,49,760	2,49,760
53	June 2018	15/07/2018	08/12/2020	877	20,474	5,904	12,299	18,203	18,203
54	July 2018	15/08/2018	08/12/2020	846	20,473	5,694	11,863	17,557	17,557
55	July 2018	15/08/2018	20/04/2020	614	3,89,020	78,529	1,63,602	2,42,131	2,42,131
56	August 2018	15/09/2018	08/12/2020	815	20,622	5,525	11,511	17,036	17,036
57	August 2018	15/09/2018	20/04/2020	583	3,91,069	74,957	1,56,160	2,31,117	2,31,117
58	September 2018	15/10/2018	08/12/2020	785	19,073	4,922	10,255	15,177	15,177
59	September 2018	15/10/2018	20/04/2020	553	3,72,215	67,672	1,40,983	2,08,655	2,08,655
60	October 2018	15/11/2018	20/04/2020	522	3,94,513	67,705	1,41,052	2,08,757	2,08,757
61	October 2018	15/11/2018	08/12/2020	754	20,562	5,097	10,619	15,716	15,716
62	November 2018	15/12/2018	08/12/2020	724	17,875	4,255	8,864	13,119	13,119
63	November 2018	15/12/2018	20/04/2020	492	3,42,835	55,454	1,15,531	1,70,985	1,70,985
64	December 2018	15/01/2019	08/12/2020	693	20,920	4,767	9,929	14,696	14,696
65	December 2018	15/01/2019	20/04/2020	461	4,03,449	61,147	1,27,391	1,88,538	1,88,538
66	January 2019	15/02/2019	22/04/2020	432	3,93,161	55,840	1,16,332	1,72,172	1,72,172
67	January 2019	15/02/2019	30/12/2020	684	21,623	4,861	10,130	14,991	14,991
68	February 2019	15/03/2019	22/04/2020	404	3,66,615	48,694	1,01,448	1,50,142	1,50,142

*Audit Report (Local Government) for the year ended March 2022*

Sl. No.	Wages Month	Due Date	Date of Deposit	Delay (Number of Days)	Contribution Amount	Amount levied by the EPFO			Amount Paid By ULB
						7Q	14B	Total	
69	February 2019	15/03/2019	30/12/2020	656	19,712	4,251	8,858	13,109	13,109
70	March 2019	15/04/2019	22/04/2020	373	3,84,188	47,113	98,152	1,45,265	1,45,265
71	March 2019	15/04/2019	30/12/2020	625	21,033	4,322	9,004	13,326	13,326
72	April 2019	15/05/2019	22/04/2020	343	3,87,546	43,703	91,047	1,34,750	1,34,750
73	April 2019	15/05/2019	30/12/2020	595	20,252	3,962	8,253	12,215	12,215
74	May 2019	15/06/2019	30/04/2020	320	3,97,049	41,771	87,024	1,28,795	1,28,795
75	May 2019	15/06/2019	30/12/2020	564	22,337	4,142	8,629	12,771	12,771
76	June 2019	15/07/2019	30/12/2020	534	21,631	3,798	7,911	11,709	11,709
77	June 2019	15/07/2019	30/04/2020	290	3,86,239	36,825	76,718	1,13,543	1,13,543
78	July 2019	15/08/2019	18/05/2020	277	3,79,987	34,604	72,093	1,06,697	1,06,697
79	July 2019	15/08/2019	30/12/2020	503	19,891	3,290	6,852	10,142	10,142
80	August 2019	15/09/2019	18/05/2020	246	3,67,151	29,694	61,863	91,557	91,557
81	August 2019	15/09/2019	30/12/2020	472	22,579	3,505	7,300	10,805	10,805
82	September 2019	15/10/2019	18/05/2020	216	3,73,410	26,517	55,244	81,761	81,761
83	September 2019	15/10/2019	30/12/2020	442	24,078	3,500	7,288	10,788	10,788
84	October 2019	15/11/2019	06/07/2020	234	4,05,258	31,177	64,953	96,130	96,130
85	October 2019	15/11/2019	14/01/2021	426	26,738	3,745	7,802	11,547	11,547
86	November 2019	15/12/2019	06/07/2020	204	4,25,192	28,518	59,411	87,929	87,929
87	November 2019	15/12/2019	14/01/2021	396	26,942	3,508	7,308	10,816	10,816
88	December 2019	15/01/2020	06/07/2020	173	4,25,703	24,213	30,265	54,478	54,478
89	December 2019	15/01/2020	14/01/2021	365	28,944	3,474	7,236	10,710	10,710
90	January 2020	15/02/2020	06/07/2020	142	4,23,136	19,754	24,693	44,447	44,447
91	February 2020	15/03/2020	06/07/2020	113	4,10,502	15,251	12,709	27,960	27,960
92	March 2020	15/04/2020	20/08/2020	127	4,73,554	19,772	24,715	44,487	44,487

Sl. No.	Wages Month	Due Date	Date of Deposit	Delay (Number of Days)	Contribution Amount	Amount levied by the EPFO			Amount Paid By ULB
						7Q	14B	Total	
93	April 2020	15/05/2020	20/08/2020	97	4,65,620	14,849	12,374	27,223	27,223
94	May 2020	15/06/2020	20/08/2020	66	4,56,643	9,909	8,257	18,166	18,166
95	June 2020	15/07/2020	20/08/2020	36	4,71,947	5,586	2,328	7,914	7,914
96	July 2020	15/08/2020	20/08/2020	5	4,97,267	818	341	1,159	1,159
97	August 2020	15/09/2020	09/11/2020	55	4,67,491	8,453	3,522	11,975	11,975
98	September 2020	15/10/2020	09/11/2020	25	4,58,938	3,772	1,572	5,344	5,344
99	October 2020	15/11/2020	28/11/2020	13	4,56,448	1,951	813	2,764	2,764
100	November 2020	15/12/2020	29/12/2020	14	4,31,726	1,986	828	2,814	2,814
101	December 2020	15/01/2021	14/01/2021	-1		0	0	0	0
102	January 2021	15/02/2021	12/03/2021	25	4,63,031	3,806	1,586	5,392	5,392
<b>TOTAL</b>						<b>37,59,756</b>	<b>76,78,017</b>	<b>1,14,37,773</b>	<b>1,14,37,773</b>

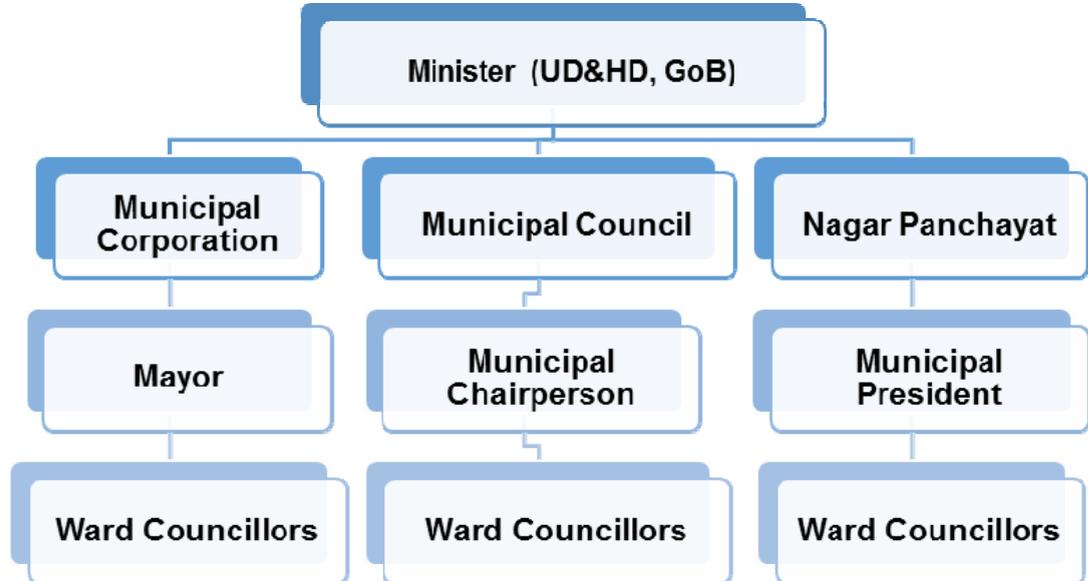
(Source- EPFO Bhagalpur)

**Appendix-5.1**

(Refer: Paragraph-5.1.1, Page - 41)

**Organisational Set-up of Urban Local Bodies**

**Elected Body**



**Administrative Body**



(Source: Section 36 of BM Act, 2007)

**Appendix-5.2**  
**(Refer: Paragraph-5.2.1, Page - 46)**

**A. Service level benchmarks for SWM (March 2017/ March 2018), as reported by the test-checked ULBs** *(Status in percentage)*

Sl. No.	ULB	Household level coverage	Efficiency in collection of Solid Waste	Extent of segregation of MSW	Extent of MSW Recovered	Extent of scientific disposal of solid waste	Cost recovery	Efficiency in collection of SWM charges	Efficiency in redressal of customer complaints	Remarks
1	Patna	50	50	50	50	20	0	80	70	Budget 2017-18
2	Gaya	50	50	50	70	50	0	80	70	-do-
3	Bhagalpur	100	100	10	10	10	0	0	60	Budget 2018-19
4	Muzaffarpur	NA	NA	NA	NA	NA	NA	NA	NA	Not Published in budget
5	Darbhanga	80	75	20	0	0	0	0	0	Budget 2017-18
6	Purnea	10	10	5	10	10	10	10	0	Budget 2017-18
7	Munger	40	40	0	0	0	0	0	0	Budget 2017-18
8	Chhapra	85	80	25	0	0	0	0	0	-do-
9	Saharsa	NA	NA	NA	NA	NA	NA	NA	NA	DNA
10	Danapur	NA	NA	NA	NA	NA	NA	NA	NA	Not Published in budget
11	Hajipur	95	95	25	0	0	90	0	0	Budget 2018-19
12	Kisanganj	50	50	50	70	50	0	80	70	Budget 2017-18
13	Jehanabad	NA	NA	NA	NA	NA	NA	NA	NA	Not published in budget
14	Jamui	NA	NA	NA	NA	NA	NA	NA	NA	DNA
15	Gopalganj	15	90	20	20	15	15	10	0	Budget 2018-19
16	Sultanganj	NA	NA	NA	NA	NA	NA	NA	NA	DNA
17	Ramnagar	NA	NA	NA	NA	NA	NA	NA	NA	DNA
18	Rajgir	NA	NA	NA	NA	NA	NA	NA	NA	Not published in budget
19	Dalsingarai	100	20	20	0	0	0	0	0	Budget 2018-19
20	Barahiya	NA	NA	NA	NA	NA	NA	NA	NA	DNA
21	Bahadurganj	75	80	25	0	0	0	0	0	Budget 2018-19
22	Jagdishpur	85	80	0	0	0	0	0	50	Budget 2018-19
23	Makhdumpur	NA	NA	NA	NA	NA	NA	NA	NA	Not published in budget
24	Jhanjharpur	85	80	25	0	0	0	0	0	Budget 2018-19
25	Murliganj	70	70	0	0	0	0	60	55	Budget 2018-19
26	Amarpur	50	50	50	50	50	50	50	50	Budget 2017-18
27	Maharajganj	50	50	50	70	50	0	80	70	Budget 2018-19
28	Belsand	70	50	50	70	0	0	80	70	-do-
Median		70	60	25	5	0	0	5	25	
Range		0-100	0-100	0-50	0-70	0-50	0-90	0-80	0-70	

*(Source: Budget data of the test-checked ULBs)*

**B. Service level benchmarks for SWM (March 2022), as reported by the test-checked ULBs**

Sl. No.	ULB	Household level coverage	Efficiency in collection of Solid Waste	Extent of segregation of MSW	Extent of MSW Recovered	Extent of scientific disposal of solid waste	Cost recovery	Efficiency in collection of SWM charges	Efficiency in redressal of customer complaints	(Status in percentage)	Remarks
1	Patna	80	80	50	50	50	5	80	70		
2	Gaya	50	50	70	50	50	0	80	70		
3	Bhagalpur	100	100	60	60	70	70	20	80		
4	Muzaffarpur	100	95	25	0	0	90	0	75		
5	Darbhanga	100	100	100	80	100	100	90	80		
6	Purnea	NA	NA	NA	NA	NA	NA	NA	NA		Budget not made available
7	Munger	60	60	40	40	0	0	0	20		
8	Chapra	100	95	70	70	0	0	0	80		
9	Saharsa	95	95	25	0	0	90	0	0		
10	Danapur	NA	NA	NA	NA	NA	NA	NA	NA		Not Published in budget
11	Hajipur	95	95	25	0	0	90	0	0		
12	Kisanganj	100	100	80	60	0	70	90	80		
13	Jehanabad	95	95	25	0	0	90	0	0		
14	Jamui	NA	NA	NA	NA	NA	NA	NA	NA		Not Published in budget
15	Gopalganj	100	90	80	20	0	0	0	90		
16	Sultanganj	100	100	2	0	0	0	0	30		
17	Ramnagar	80	80	50	50	0	0	0	70		
18	Rajgir	95	95	25	0	0	90	0	0		

Sl. No.	ULB	Household level coverage	Efficiency in collection of Solid Waste	Extent of segregation of MSW	Extent of MSW Recovered	Extent of scientific disposal of solid waste	Cost recovery	Efficiency in collection of SWM charges	Efficiency in redressal of customer complaints	Remarks
19	Dalsingsarai	100	80	50	5	5	2	80	80	
20	Barahiya	NA	NA	NA	NA	NA	NA	NA	NA	Not Published in budget
21	Bahadurganj	80	80	50	50	0	0	0	70	
22	Jagdishpur	100	100	100	50	55	0	0	80	
23	Makhdumpur	100	100	100	0	80	0	80	0	
24	Jhanjharpur	85	80	25	0	0	0	0	0	
25	Murliganj	70	70	0	0	0	60	55	0	
26	Amarpur	50	70	5	20	0	0	0	0	
27	Maharajganj	80	50	50	40	40	10	10	20	
28	Belsand	80	80	50	0	0	70	20	50	
	Median	95	92.5	50	20	0	3.5	0	60	
	Range	50-100	50-100	0-100	0-80	0-100	0-100	0-90	0-90	

(Source: Budget data of the test-checked ULBs)

**C. Service level benchmarks for SWM (March 2022), as observed by Audit**

Sl. No.	ULB	1. Household level coverage (%)			2. Efficiency in collection of solid waste (%)			3. Extent of segregation of MSW (%)				4. Extent of MSW recovered (%)		
		No. of sampled households and shops which throws waste in open or are not covered under D2D collection	Total No. of sampled Households and shops	Household level coverage (%)	Total waste collected by ULBs (TPD)	Total waste generated in ULBs (TPD)	Efficiency in collection (%)	No. of sampled households and shops which segregate waste at source	Total No. of sampled Households and shops	Extent of segregation of MSW (%)	Quantity of waste recycled/ Processed (TPD) *	Total waste collected (TPD)	Extent of MSW recovered (%)	
1	Patna	12	106	89	1000	1250	80	41	106	39	NA	-	-	
2	Gaya	0	88	100	309	309	100	43	88	49	NA	-	-	
3	Bhagalpur	5	75	93	267	267	100	1	75	1	0	267	0	
4	Muzaffarpur	13	73	82	180	182	99	4	73	5	5.72	180	3	
5	Darbhanga	21	76	72	120	201	60	19	76	25	2.09	120	2	
6	Purnea	33	75	56	75	122	61	9	75	12	0	75	0	
7	Munger	0	66	100	88	89	99	53	66	80	0	88	0	
8	Chhapra	1	64	98	87.5	89.5	98	2	64	3	0	87.5	0	
9	Saharsa	15	65	77	31	75	41	19	65	29	0	31	0	
10	Danapur	16	55	71	95	95	100	21	55	38	NA	-	-	
11	Hajipur	0	55	100	92	92	100	1	55	2	0	92	0	
12	Kisanganj	23	45	49	25	38	66	0	45	0	0	25	0	
13	Jehanabad	12	43	72	37	37	100	11	43	26	0	37	0	
14	Jamui	19	45	58	24	29	83	0	45	0	0	24	0	
15	Gopalganj	1	39	97	22	23	96	0	39	0	0	22	0	
16	Sultanganj	0	45	100	26	26	100	6	45	13	0.5	26	2	
17	Ramnagar	11	34	68	18	18	100	0	34	0	0.18	18	1	
18	Rajgir	14	45	69	23	23	100	21	45	47	0	23	0	
19	Dalsingsarai	28	45	38	19	26	73	2	45	4	1.76	19	9	

20	Barahiya	6	30	80	18	18	100	7	30	23	2.5	18	14
21	Bahadurganj	16	30	47	14	20	70	0	30	0	0	14	0
22	Jagdishpur	0	29	100	4	17	24	0	29	0	0	4	0
23	Makhdumpur	0	30	100	11	11	100	16	30	53	0	11	0
24	Jhanjharpur	23	40	43	4	10	40	0	40	0	0	4	0
25	Murliganj	21	30	30	5	16	31	0	30	0	0	5	0
26	Amarpur	26	30	13	5	8	63	0	30	0	0	5	0
27	Maharajganj	0	20	100	5	8	63	7	20	35	0	5	0
28	Belsand	17	30	43	3	7	43	0	30	0	0.35	3	13
<b>Total</b>		<b>333</b>	<b>1,408</b>	<b>76</b>	<b>2,607.5</b>	<b>3,106.5</b>	<b>84</b>	<b>283</b>	<b>1,408</b>	<b>20</b>	<b>13.1</b>	<b>1,203.5</b>	<b>1.09</b>

\*Data of Patna, Gaya and Danapur not included

**C. Service level benchmarks for SWM (March 2022), as observed by Audit**

Sl. No.	ULB	5. Extent of scientific disposal of SWM (%)			6. Cost recovery (%)			7. Efficiency in collection of SWM charges (%)				8. Efficiency in redressal of customer complaint (%)		
		Quantum of waste that is disposed in compliant landfills/open dumpsite (TPD)	Total waste that is disposed at landfills /open dumpsite (TPD)	Extent of scientific disposal of MSW (%)	User charges collected during the year 2021-22 and revenue from sale of garbage/compost (₹ in crore)	Operating expenses towards SWM during 2021-22 (₹ in crore)	Cost recovery (%)	Revenue (user charges and revenue from sale of garbage/compost) actually collected during 2021-22 (₹ in crore)	Revenue (user charges and revenue from sale of garbage/compost) during 2021-22 (₹ in crore)	Efficiency in collection of SWM charges (%)	Total No. of SWM related complaints redressed within 24 hours of receipt of the complaint	Total No. of SWM related complaints received during 2021-22	Efficiency in redressal of customer complaint (%)	
1	Patna	0	--	0	NA	NA	NA	21.99	9.88	-	-	-	-	
2	Gaya	0	-----	0	3.04	20.93	15	3.04	1.61	-	NM	-	-	
3	Bhagalpur	0	267	0	0	14.25	0	0	1.88	0	NM	-	-	
4	Muzaffarpur	0	174	0	NA	NA	NA	0.003	2.82	0	NM	-	-	
5	Darbhanga	0	118	0	0.47	3.33	14	0.47	0.72	65	3	-	-	
6	Purnea	0	75	0	0	4.47	0	0	2.32	0	NA	-	-	
7	Munger	0	88	0	0.05	6.09	1	NA	NA	NA	NM	-	-	
8	Chhapra	0	87.5	0	0	1.64	0	0	0.37	0	NM	-	-	
9	Saharsa	0	31	0	0.34	4.92	7	0.34	0.69	49	NM	-	-	
10	Danapur	0	-----	0	0	16.52	0	0	0.69	0	NM	-	-	
11	Hajipur	0	92	0	NA	NA	NA	0	0.31	0	-	-	-	
12	Kisanganj	0	25	0	0.31	2.13	15	0.31	0.43	72	NM	-	-	
13	Jehanabad	0	37	0	0.006	4.05	0	0.006	0.68	1	NM	-	-	
14	Jamui	0	24	0	0	3.49	0	0	0.20	0	NM	-	-	
15	Gopalganj	0	22	0	NA	NA	NA	0	0.46	0	NM	-	-	
16	Sultanganj	0	25.5	0	0	3.79	0	0	0.19	0	NM	-	-	
17	Ramnagar	0	18	0	NA	NA	NA	0	0.14	0	NM	-	-	

Sl. No.	ULB	5. Extent of scientific disposal of SWM (%)			6. Cost recovery (%)			7. Efficiency in collection of SWM charges (%)			8. Efficiency in redressal of customer complaint (%)		
		Quantum of waste that is disposed in compliant landfills/open dumpsite (TPD)	Total waste that is disposed at landfills /open dumpsite (TPD)	Extent of scientific disposal of MSW (%)	User charges collected during the year 2021-22 and revenue from sale of garbage/compost (₹ in crore)	Operating expenses towards SWM during 2021-22 (₹ in crore)	Cost recovery (%)	Revenue (user charges and revenue from sale of garbage/compost) actually collected during 2021-22 (₹ in crore)	Revenue collectible (user charges and revenue from sale of garbage/compost) during 2021-22 (₹ in crore)	Efficiency in collection of SWM charges (%)	Total No. of SWM related complaints redressed within 24 hours of receipt of the complaint	Total No. of SWM related complaints received during 2021-22	Efficiency in redressal of customer complaint (%)
18	Rajgir	0	23	0	0.023	2.65	1	0.023	0.21	11	NM	-	
19	Dalsingarai	0	17	0	0.06	0.84	11	0.06	0.41	15	10	0	
20	Barahiya	0	15.5	0	0	3.19	0	0	0.09	0	NM	-	
21	Bahadurganj	0	14	0	0	1.34	0	0	0.16	0	0	-	
22	Jagdishpur	0	4	0	NA	NA	NA	0	0.07	0	NM	-	
23	Makhdumpur	0	11	0	0	2.38	0	0	0.07	0	NM	-	
24	Jhunjharpur	0	4	0	0	0.95	0	0	0.08	0	NM	-	
25	Murliganj	0	5	0	NA	NA	NA	NA	NA	NA	NM	-	
26	Amarpur	0	5	0	0	1.21	0	0	0.03	0	NM	-	
27	Maharajganj	0	5	0	0	0.72	0	0	0.05	0	NM	-	
28	Belsand	0	3	0	0.071	1.45	5	0.007	0.03	23	NM	-	
	<b>Total</b>	<b>0</b>	<b>1,190.5</b>	<b>0</b>	<b>4.37</b>	<b>100.34</b>	<b>4</b>	<b>1.219*</b>	<b>13.1*</b>	<b>9</b>			

\*:-Data of Patna and Gaya has been excluded; NM:- Stands for Not Maintained

(Sources: Household/shopkeeper survey, joint physical verification and reports submitted by the ULBs to the BSPCB)

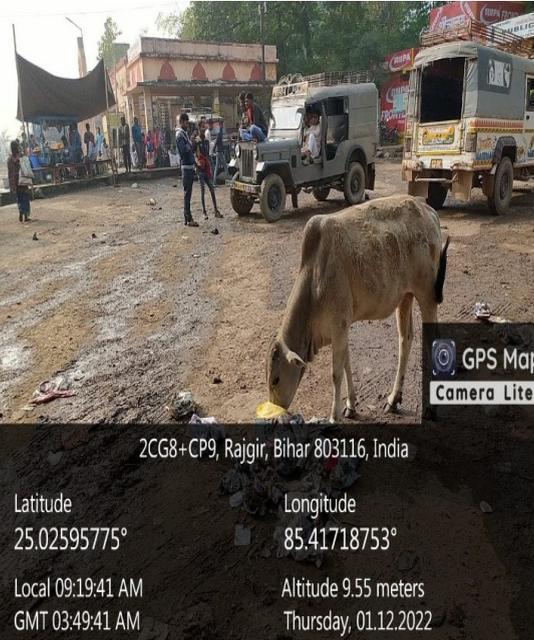
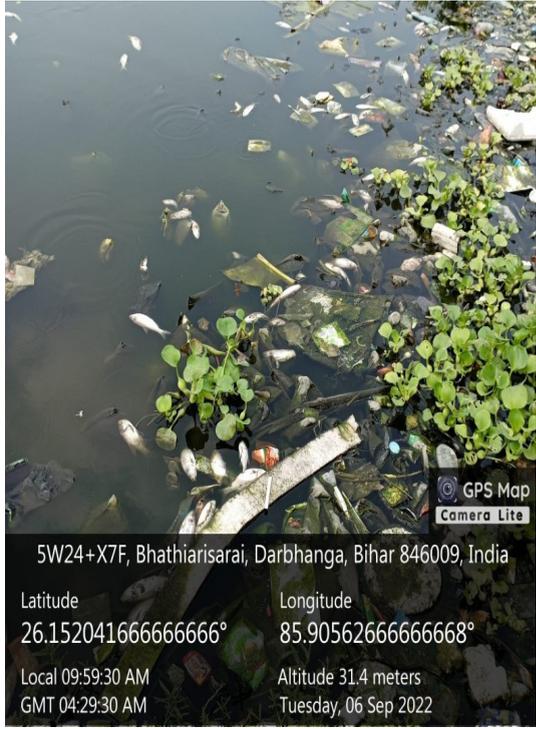
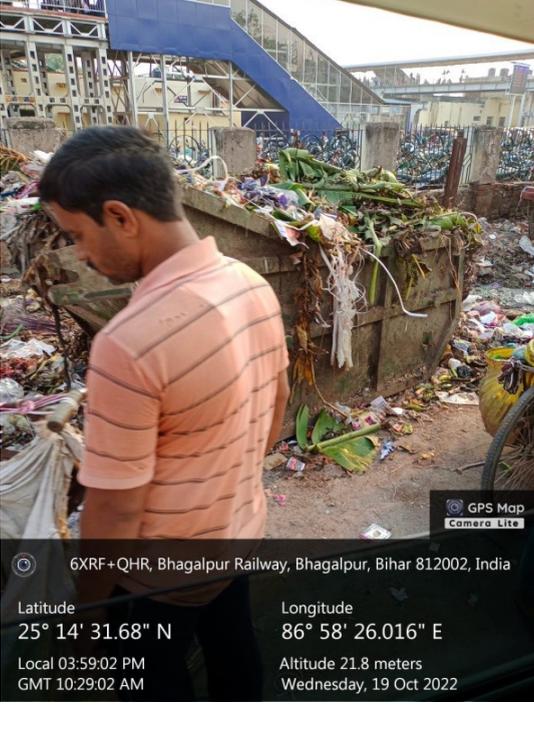
**D. Service Level Benchmarks**

- 1. Household Level Coverage:** Information pertaining to the actual number of households in the city and the households covered under the door-to-door system, was not available in the records of ULBs. Therefore, Audit worked out household level coverage, based on the household/shopkeeper survey. 1,408 households/shopkeepers were surveyed.
- 2. Efficiency in collection of Solid Waste:** Generation of waste was taken from different sources, in the following order of priority.
  - (i) Waste quantification and characterization studies; if not available, then.
  - (ii) Waste generation, as per MSW norms and projected population of the city in 2022.
  - (iii) In case collection of waste was more than generation (based on above mentioned two documents), waste generation was equated to the waste collection.

Waste collection data was not maintained in the ULBs. However, for audit calculation, the waste collection data was obtained from ULB's annual report, submitted to the SPCB (2022) or the estimated information, furnished to Audit, by the ULBs.
- 3. Extent of segregation of Municipal Solid Waste:** Records related to the segregation of MSW, at the level of households and shopkeepers, were not maintained by respective ULBs. Therefore, Audit worked out the extent of segregation, based on the household/shopkeeper survey.
- 4. Extent of Municipal Solid Waste Recovered:** Data relating to collection and processing of MSW was not maintained in ULBs. However, the same was reported to SPCB, by the ULBs. Waste collection data has been taken from the ULB's annual reports submitted to SPCB (2022) or the estimated information, furnished to Audit, by the ULBs. Waste processing data has been worked out based on the following.
  - (i) Joint physical verification, or
  - (ii) Capacity of functional pits, or
  - (iii) Information furnished by ULBs to Audit.
- 5. Extent of Scientific Disposal of Solid Waste:** The quantity of scientific disposal of waste is based on joint physical verification. The quantity of waste disposed at the landfill sites, has been worked out by subtracting the quantity of waste processed, from the total waste collection.
- 6. Cost Recovery:** Operating expenses have been considered as payments made to outsourcing agencies and payment to sanitary labourers, as could be ascertained from available records.
- 7. Efficiency in collection of MSW Charges:** Calculation of user charges (revenue) collectible has been worked out based on the minimum rates of user charge for a particular category. The number of households, commercial establishments, institutions have been taken from the ULB's annual report submitted to SPCB (June 2022) or the information furnished to Audit, by the ULBs.
- 8. Efficiency in redressal of customer complaints:** Awareness among households/shopkeepers, about how to lodge complaints, has been worked out, based on the household/shopkeeper survey.

**Appendix-5.3**  
**(Refer: Paragraph-5.2.1, Page- 46)**  
**Glimpses of Solid Waste Management in Bihar**

**Photos of Important Places viz. Railway Station, bus stand etc.**

 <p>05-Dec-2022 2:41:25 pm          26°5'52.608"N 87°56'51.702"E          Kishanganj</p>	 <p>2CG8+CP9, Rajgir, Bihar 803116, India</p> <p>Latitude 25.02595775° Longitude 85.41718753°          Local 09:19:41 AM Altitude 9.55 meters          GMT 03:49:41 AM Thursday, 01.12.2022</p>
<p align="center"><i>Clean Railway Station, Kishanganj</i></p>	<p align="center"><i>Stray animals eating littered waste around the Rajgir Bus Stand.</i></p>
 <p>5W24+X7F, Bhatiharisarai, Darbhanga, Bihar 846009, India</p> <p>Latitude 26.152041666666666° Longitude 85.905626666666668°          Local 09:59:30 AM Altitude 31.4 meters          GMT 04:29:30 AM Tuesday, 06 Sep 2022</p>	 <p>6XRF+QHR, Bhagalpur Railway, Bhagalpur, Bihar 812002, India</p> <p>Latitude 25° 14' 31.68" N Longitude 86° 58' 26.016" E          Local 03:59:02 PM Altitude 21.8 meters          GMT 10:29:02 AM Wednesday, 19 Oct 2022</p>
<p align="center"><i>Dead fish in Dighi pond, adjoining the Chandradhari museum/park at Darbhanga</i></p>	<p align="center"><i>Dumped Garbage outside the Railway station at Bhagalpur.</i></p>

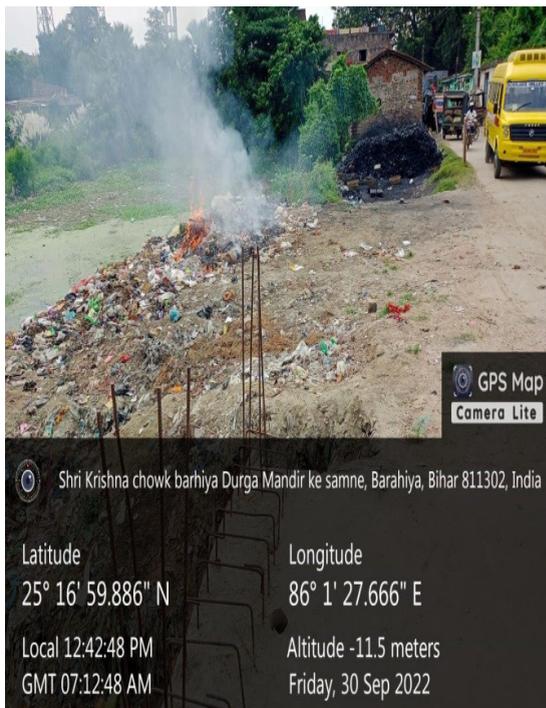
Wards and Roads



Road side Garbage and open urination at the Station chowk to Mir Tola Road, Saharsa



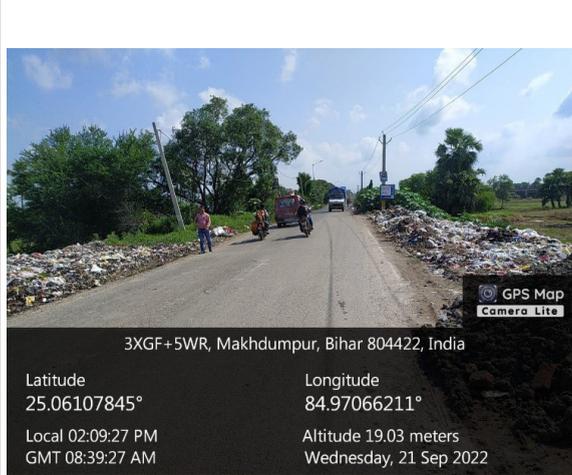
Waterlogging due to Rain , Benta Chowk to Lehariasarai Road, Darbhanga



Road Side Garbage Dumping and Burning of Waste at Barahiya

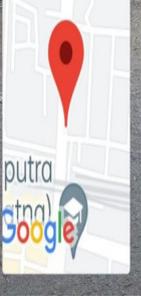
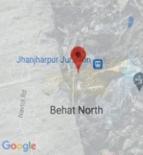


Mixed waste was lying in an open area in front of the Imli chatti Bus Stand and dogs and pigs were seen eating waste at Muzzafarpur

 <p>13-Oct-2022 7:20:42 am 26°13'50.184\" N 86°16'28.554\" E Jhanjharpur - Madhepur Main Road Behat North Madhubani Bihar India</p>	 <p>RP5Q+8XG, Chhapra Bypass Rd, Dahiawan, Bihar 841316, India</p>
<p><i>Water logging beneath the Kaithi underpass, Jhanjharpur</i></p>	<p><i>Waste dumped and littered alongside the Chhapra Bypass Road. Burning of dumped waste was observed at Chhapra</i></p>
 <p>Bhorahar Mal, Bihar, India Bhagwanpur - Belsand Rd, Bhorahar Mal, Bihar 843316, India Lat 26.45109° Long 85.409651° 18/10/22 01:44 PM GMT +05:30</p>	 <p>3XGF+5WR, Makhdumpur, Bihar 804422, India</p> <p>Latitude 25.06107845° Longitude 84.97066211° Local 02:09:27 PM Altitude 19.03 meters GMT 08:39:27 AM Wednesday, 21 Sep 2022</p>
<p><i>Mixed waste dropped at temporary dumpsite beside the road at Runni Saidpur Belsand road</i></p>	<p><i>Heaps of garbage around Makhdumpur-Gaya Road, Makhdumpur</i></p>
 <p>MR9H+6R7, Dalsingsarai, Bihar 848114, India</p> <p>Latitude 25.668141666666664° Longitude 85.82969° Local 10:49:47 AM Altitude 41.1 meters GMT 05:19:47 AM Tuesday, 20 Sep 2022</p>	
<p><i>Drain where garbage is dumped by Municipal Thela walas (Ward 1 adjoining Ward 3) in Dalsingsarai</i></p>	

Photos of Markets

<p>Swept &amp; Clean road at Subhashpalli chowk, Kishanganj</p>	<p>Waste dumped near Ram Vilas Ganga Ram Mahavidyalaya, Maharajganj</p>
<p>Mixed waste thrown in an open Nala at Station Road chowk at Gopalganj NP</p>	<p>Garbage dumped beside a hospital at Ganj Road, Dalsinghsarai</p>

 <div data-bbox="354 691 865 936">  <p><b>Munger, Bihar, India</b>            raj palace gali, near auto stand, Shah Family, Dilawer Pur, Munger, Bihar 811201, India            Lat 25.37831°            Long 86.471306°            06/09/22 10:25 AM</p> </div>	 <div data-bbox="898 740 1424 943">  <p><b>7, Amarapur, Bihar 813101, India</b></p> <p>Latitude 25° 2' 24.276" N Longitude 86° 54' 5.334" E            Local 11:19:30 AM Altitude 9.6 meters            GMT 05:49:30 AM Tuesday, 29 Nov 2022</p> </div>
<p>Dumped Garbage around Rajiv Chowk, Munger</p>	<p>Clean Road at the Sabji Mandi, Gola Chowk, Amarapur</p>
 <div data-bbox="354 1547 865 1843">  <p><b>Patna, Bihar, India</b>            76, Rajendra Nagar, Patna, Bihar 800016, India            Lat 25.604294°            Long 85.158706°            15/11/22 04:34 PM GMT +05:30</p> </div>	 <div data-bbox="898 1688 1424 1843">  <p>07-Oct-2022 2:47:53 pm            26°13'45.786"N 86°16'9.36"E            Behat North            Madhubani            Bihar</p> </div>
<p>Garbage littered around the Rajendra Nagar Bridge, Sabzi Mandi, Patna</p>	<p>Garbage thrown on the side of road outside railway station, Jhanjharpur</p>

Collection & Transportation of Waste



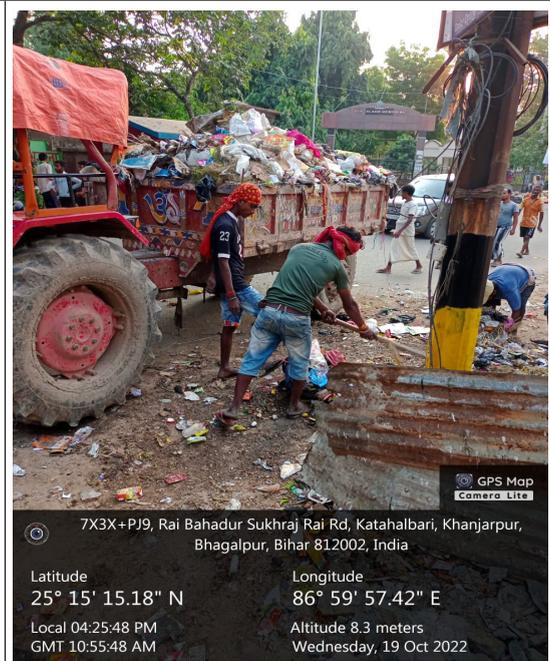
Mixed garbage being loaded in Teeper near Fakira Chowk, Darbhanga



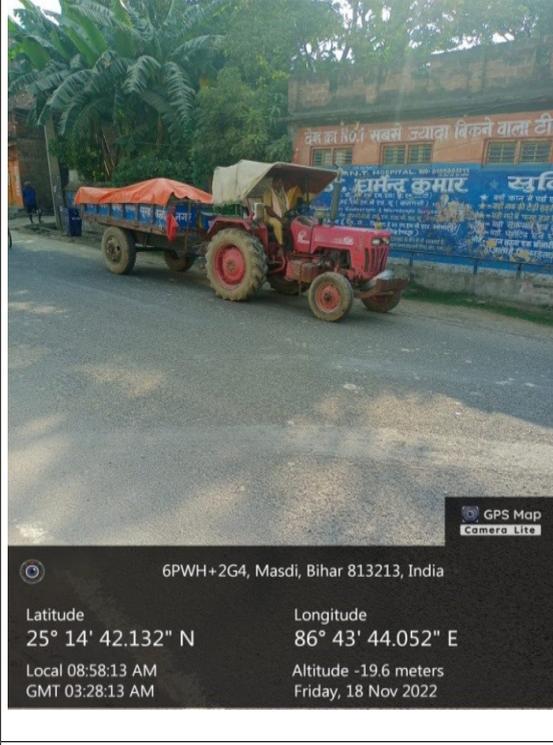
Sanitation worker without protective equipment, at Khaganchi Haat, Purnea



Waste dumped by tipper along the roadside of Patna-Jehanabad-Gaya Road at Jehanabad



Roadside Garbage being collected in Tractor by workers, without protective equipment, at Khanjarpur, Bhagalpur

	
<p><i>Garbage collected by the lawalas and dumped near railway station (Malgodam road) Dalsingsarai and from here garbage is loaded in a tractor and is taken to the dumping site.</i></p>	<p><i>Waste being unloaded at the bridge in Haat Bazar, Murliganj, from which it was taken to dumping site by tractor</i></p>
	
<p><i>Transportation of waste without cover, at Danapur</i></p>	<p><i>Covered Transportation by a Tractor of the Sultanganj Nagar Parishad</i></p>

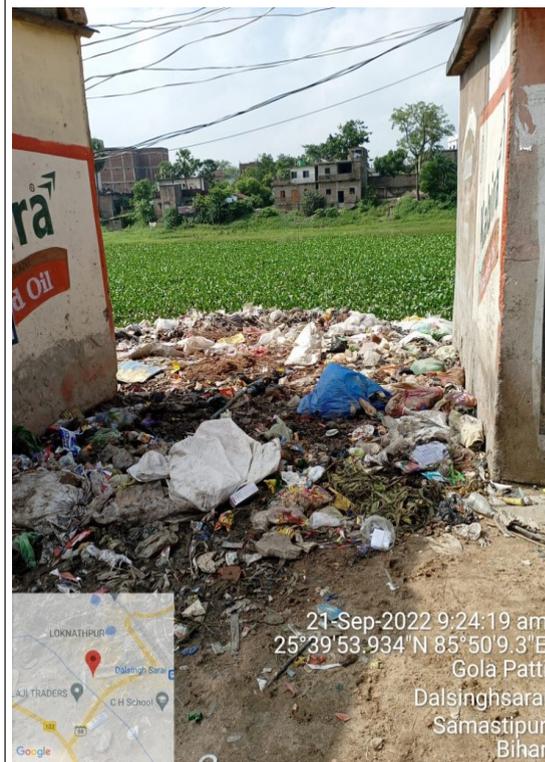
**Dumping of Garbage at Pond, River etc.**



*Dulhin Pokhar filled with garbage, Laxmisagar, Sadhugachhi, Darbhanga*



*Mixed waste was scattered on the bank of Ram Rekha river near New Market Ramnagar*

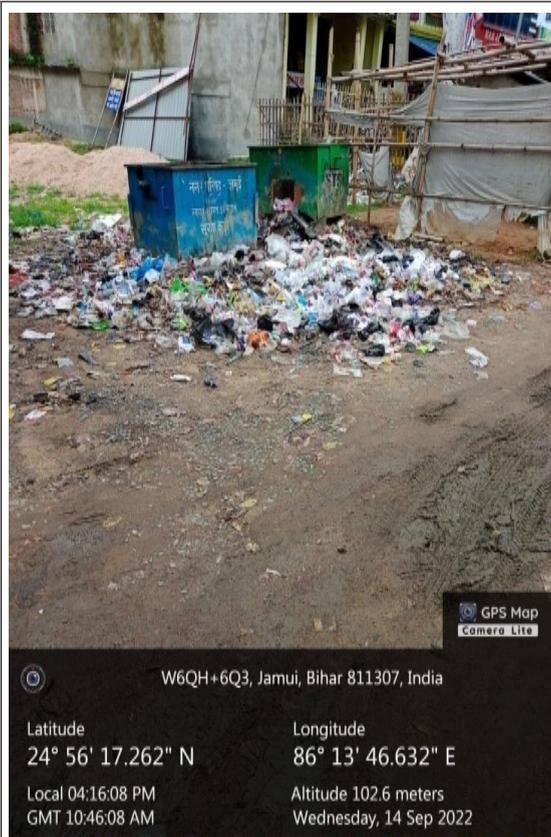
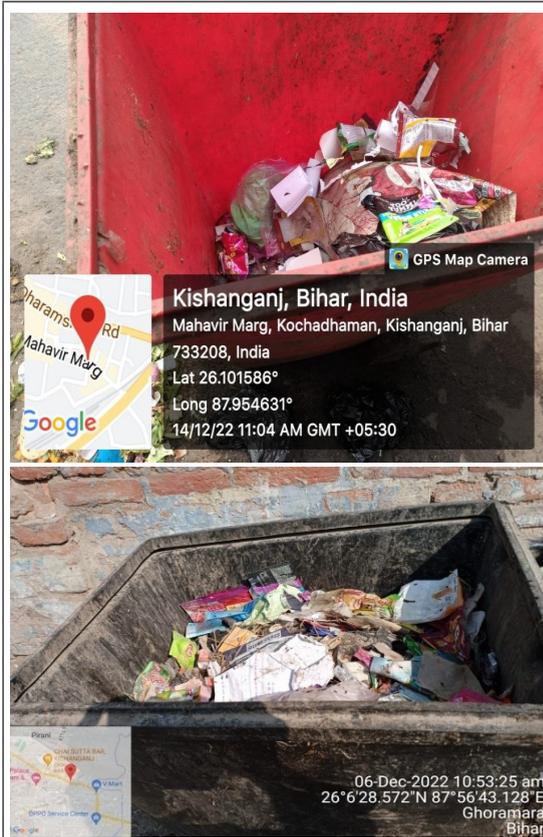


*Mixed garbage including plastic waste dumped on the bank of Balan river at Golaghat dumpsite, Dalsinghsarai*



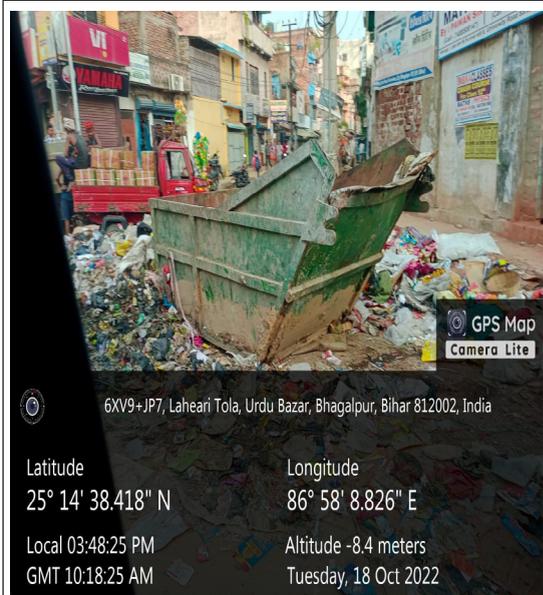
*Mixed waste dumped in the 'Khan sahab ka Pokhra', at Jagdishpur NP*

**Status of Community Dustbins**



*Red dustbin (meant for bio medical waste) and Black dustbin(meant for Hazardous waste) being placed at the market and being used for mixed waste, at Kishanganj*

*Scattering of garbage on the road, despite the installation of a community bin on the side of the Jamui-Munger road at Jamui*



*A pile of garbage and an overturned dustbin near Bhikhanpur, of the Municipal Corporation, Bhagalpur*

*Garbage in and outside the Community dustbin, due to garbage not being lifted regularly at the Gola Road Market, Danapur*

Photos of Dumping and processing of Waste



Legacy Waste created at the Rautiniya dumpsite, Muzaffarpur



Legacy Waste at the old Dumping site, Danapur



Huge mound of garbage at Bairiya, Patna



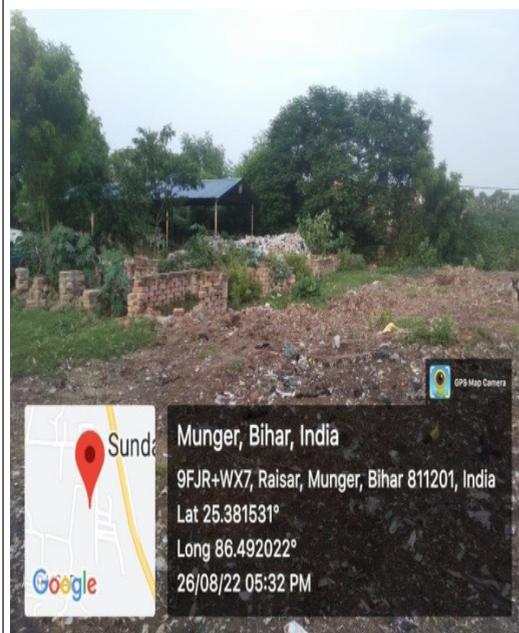
Building near the dumping site, Bairiya, Patna, and water (leachate) coming out of the garbage



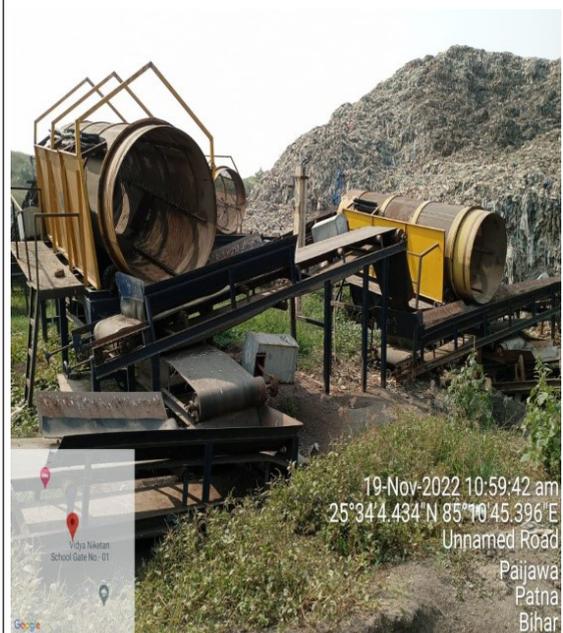
*Compost in solid waste processing center located in the block campus of Municipal Council, Sultanganj*



*Compost pit in a dilapidated condition and mixed waste being dumped at the water logging area, at Ramnagar NP.*



*Dilapidated honey comb structure made for the manufacture of compost, at the Material Recovery Center of Munger Municipal Corporation.*



*Non-functional composting and waste segregating machine, at the dumping site, Bairiya, Patna.*

**Appendix-5.4**  
**(Refer: Paragraph-5.3.2, Page - 57)**  
**Levy and collection of user charges for solid waste management**

Sl. No.	ULB				2020-21				2021-22				Collectible User Charges			User charges Collected in 2021-22	Due
	Number of households	Number of commercial establishments	Number of institutions	No. of BPL household in the area	Number of households	Number of commercial establishments	Number of institutions	No. of BPL household in the area	Minimum User charge 2020-21	Minimum collectible 2020-21	Minimum User charge collectible 2021-22	Minimum collectible 2021-22	Total collectible				
1.	2,31,287	29,700	0	1,24,556	2,72,936	37,800	0	1,24,556	7,40,63,160	9,87,76,800	17,28,39,960	25,30,75,671	-				
2.	73,840	0	0	30,190	75,000	0	0	30,190	1,57,14,000	1,61,31,600	3,18,45,600	3,20,02,782	-				
3.					76,205	200	150	27,050		1,88,35,800	1,88,35,800	0	1,88,35,800				
4.	49,401	0	0	25,527	69,051	10,453	0	25,527	85,94,640	2,82,12,240	3,68,06,880	1,92,920	3,66,13,960				
5.	54,505	1,092	0	38,223	54,505	1,092	0	38,223	71,71,920	71,71,920	1,43,43,840	92,09,420	51,34,420				
6.					55,003	8,286	0	18,115		2,32,22,880	2,32,22,880	0	2,32,22,880				
7.	32,891	1,657	211	24,364					63,24,120		63,24,120	9,22,980	54,01,140				
8.	35,216	0	0	25,615	35,919	0	0	25,615	34,56,360	37,09,440	71,65,800	900	71,64,900				
9.	28,680	2,000	21	21,312	28,680	2,000	21	21,312	68,83,800	68,83,800	1,37,67,600	49,50,000	88,17,600				
10.	28,932	140	21	17,378	39,636	140	21	17,378	36,55,200	68,66,400	1,05,21,600	0	1,05,21,600				
11.	0	78	0	0	0	3,422	0	0	70,200	30,79,800	31,50,000	0	31,50,000				
12.	21,235	2,892	67	16,196	21,235	2,892	67	16,196	43,15,500	43,15,500	86,31,000	60,62,020	25,68,980				
13.	20,665	1,650	350	6,648	20,665	2,350	150	6,648	67,40,100	67,70,100	1,35,10,200	1,26,000	1,33,84,200				
14.					18,387	52	0	11,890		19,95,900	19,95,900	0	19,95,900				
15.	10,658	2,770	79	4,940	10,929	2,810	79	4,940	44,45,400	45,62,700	90,08,100	0	90,08,100				
16.	13,885	1,070	10	9,156	12,210	1,070	10	9,156	24,11,700	19,09,200	43,20,900	0	43,20,900				
17.	10,605	0	0	6,112	9,123	545	14	6,112	13,47,900	14,35,800	27,83,700	0	27,83,700				
18.	6,850	300	15	3,868	10,150	300	15	3,868	12,09,600	21,99,600	34,09,200	5,98,665	28,10,535				
19.	5,068	970	69	3,208	12,120	1,500	40	3,208	11,52,600	41,43,600	52,96,200	13,15,140	39,81,060				
20.					7,798	200	0	4,654		8,74,560	8,74,560	0	8,74,560				
21.	8,288	2,360	0	7,358	8,288	2,360	0	7,358	16,39,200	16,39,200	32,78,400	0	32,78,400				
22.	6,326	42	0	3,317	5,716	170	0	3,317	7,47,360	6,77,760	14,25,120	0	14,25,120				
23.	5,388	0	0	2,624	5,406	0	0	2,624	6,63,360	6,67,680	13,31,040	0	13,31,040				
24.	6,073	880	20	5,112	6,073	880	20	5,112	7,94,640	7,94,640	15,89,280	0	15,89,280				
25.	7,656	1,102	22	5,049					13,26,480								
26.	4,845	473	107	4,162	5,221	12	10	4,162	6,40,320	2,79,360	9,19,680	0	9,19,680				
27.	4,668	0	0	3,243	4,668	225	14	3,243	3,42,000	5,02,200	8,44,200	0	8,44,200				
28.	4,951	290	15	3,673	4,951	16	10	3,673	5,07,720	3,34,320	8,42,040	82,530	7,59,510				
<b>Total</b>													<b>17,07,37,465</b>				

(Source: Records of the test-checked ULBs)

Serial no	Particulars	Min. monthly charge (in ₹) in Nagar Nigam	Min. monthly charge (in ₹) in Nagar Parishad	Min. monthly charge (in ₹) in Nagar Panchayat
1	Residential	30	25	20
2	Non residential	100	75	50
3	Institutions	500	250	150
<b>Note – Nagar Parishad Saharsa fixed monthly charges for Residential Rs 50/- and Non-residential Rs 100/-</b>				

**Note: The Minimum collectible amount has been worked out on the basis of minimum rate specified by the Government of Bihar for a particular category (viz. households, commercial entities, institutions etc.) multiplied by number of households/commercial establishments/institutions duly adjusting for BPL households.**

Minimum collectible user charge for a particular year = {(number of households-BPL households) x 12 months x minimum monthly rate of user charges for households} + (number of commercial establishments x 12 months x minimum monthly rate of user charges for commercial establishments) + (number of institutions x 12 months x minimum monthly rate of user charges for institutions)

**Appendix-5.5**  
**(Refer: Paragraph-5.3.5, Page - 61)**  
**Delayed submission of Utilisation Certificates (UCs) of grants**

Sl. No.	ULBs	Period of receipt of grants	Amounts of grants received Head-wise (in crore)			Total	Amounts of UCs sent Head-wise (in crore)			Total	Period of submission of UCs	Delayed period (in months)	
			Amounts of grants received Head-wise (in crore)				Amounts of UCs sent Head-wise (in crore)						
			5 <sup>th</sup> SFC	14 <sup>th</sup> FC	15 <sup>th</sup> FC		5 <sup>th</sup> SFC	14 <sup>th</sup> FC	15 <sup>th</sup> FC				Nagrak Suvidha
1.	Bhagalpur	Oct 18 to Aug 19	41.62	--	--	48.62	41.62	--	--	7	48.62	April 21	02 to 11
2.	Purnea	Aug 17 to May 20	73.14	33.73	7.26	123.97	46.70	25.73	2.68	9.83	84.94	April 20 to Nov 22	06 to 30
3.	Munger	Aug 17 to Oct 18	35.85	11.56	--	51.72	28.91	9.29	--	3.98	42.18	May 20 to May 22	02 to 25
4.	Hajipur	Jun 18 to Sep 20	35.39	9.17	7.50	54.48	35.39	9.17	7.50	2.42	54.48	Feb 21 to Nov 22	02 to 14
5.	Jamui	July 18	8.30	--	--	8.30	4.10	--	--	--	4.10	Mar 20	02
6.	Sultanganj	Aug 17 to May 20	12.10	2.30	1.41	17.56	11.73	2.30	1.41	1.75	17.19	Feb 20 to Sept 22	04 to 32
7.	Ramnagar	July 18 to Nov 19	6.78	3.94	--	10.72	6.78	3.94	--	--	10.72	May 20 to Sept 22	04 to 21
8.	Maharajganj	Jun 18 to Jan 19	1.88	0.83	--	2.71	1.88	0.83	--	--	2.71	--	01 to 20
9.	Belsand	Mar 17 to May 20	2.84	0.69	1.24	5.05	2.84	0.69	1.24	0.25	5.02	May 21 to July 22	08 to 36
<b>Total</b>			<b>217.9</b>	<b>62.22</b>	<b>17.41</b>	<b>323.13</b>	<b>179.95</b>	<b>51.95</b>	<b>12.83</b>	<b>25.23</b>	<b>269.96</b>		

(Source: Records of the test-checked ULBs)

**Appendix-5.6**  
**(Refer: Paragraph-5.3.5, Page - 61)**  
**Non-submission of Utilisation Certificates (UCs) of grants, upto August –December 2022**

Sl. No.	ULBs	Period of receipt of grants	Amounts of grants received Head wise (in Crore)				Total	Amounts of UCs sent Head wise (in Crore)				Total	Amount of UCs not sent Head wise (in Crore)				Total	Period of non-submission of UCs (in months)
			5 <sup>th</sup> SFC	14 <sup>th</sup> FC	15 <sup>th</sup> FC	State Plan (Civic amenities)		5 <sup>th</sup> SFC	14 <sup>th</sup> FC	15 <sup>th</sup> FC	State Plan (Civic amenities)		5 <sup>th</sup> SFC	14 <sup>th</sup> FC	15 <sup>th</sup> FC	State Plan (Civic amenities)		
1.	Patna	March 18 to March 21	323.91	122.5	--	335.44	781.85	37.29	19.73	--	48.19	105.21	286.62	102.77	--	287.25	676.64	22-57
2.	Bhagalpur	July 18 to March 21	31.98	37.24	91.36	1.75	162.33	0	0	0	0	0	31.98	37.24	91.36	1.75	162.33	20-52
3.	Muzaffarpur	Sep 17 to March 21	40.35	--	43.37	2.07	85.79	0	--	0	0	0	40.35	--	43.37	2.07	85.79	18-60
4.	Purnea	July 18 to March 21	57.05	27.58	58.38	3.30	146.31	11.34	15.63	2.68	3.29	32.94	45.72	11.95	55.70	0.01	113.38	21-53
5.	Munger	Aug 17 to Nov 20	46.43	25.10	21.01	2.41	94.95	3.23	7.16	0	1.65	12.04	43.20	17.94	21.01	0.77	82.92	22-61
6.	Jamui	Aug 17 to March 21	22.99	9.22	19.33	2.5	54.04	4.74	0	0	1.08	5.82	18.25	9.22	19.33	1.42	48.22	18-61
7.	Sultanganj	Feb 21	--	--	3.11	0.43	3.54	--	--	0	0	0	--	--	3.11	0.43	3.54	21
8.	Amarpur	Aug 17 to May 20	0.52	0.83	0.75	0.68	2.78	0.51	0.82	0.42	0.48	2.23	0.01	0.01	0.32	0.19	0.53	30-63
9.	Hajipur	Nov 19 to March 21	--	2.04	7.5	--	9.54	--	0.71	1.89	--	2.6	--	1.33	5.61	--	6.94	21-36
<b>Total (in crore)</b>			<b>523.23</b>	<b>224.51</b>	<b>244.81</b>	<b>348.58</b>	<b>1,341.13</b>	<b>57.11</b>	<b>44.05</b>	<b>4.99</b>	<b>54.69</b>	<b>160.84</b>	<b>466.13</b>	<b>180.46</b>	<b>239.81</b>	<b>293.89</b>	<b>1,180.29</b>	

(Source: Records of the test-checked ULBs)

**Appendix-5.7**  
**(Refer: Paragraph-5.4.4, Page - 66)**  
**Status of IEC activities in ULBs, during 2017-22**

Sl. No.	ULB	Expenditure incurred on IEC activities (₹in lakh)	Type of IEC activities, carried out by ULBs	Remarks
1	Patna	NA	Source Segregation, Swachhta Rally, Swachhta ki Pathsala	Not exclusively for SWM
2	Gaya	NA		Records not provided by unit
3	Bhagalpur	22.62	Nukkad Natak, Painting, Awareness	Not exclusively for SWM
4	Muzaffarpur	NA		Records not provided by unit
5	Darbhanga	62.72	Nukkad natak, Wall painting, Miking, etc.	Not exclusively for SWM
6	Purnea	NA	NA	Records not provided by unit
7	Munger	NA	-	Records not provided by unit
8	Chhapra	NA	IEC activities relating to Plastic Waste Management	
9	Saharsa	Nil		Not exclusively for SWM
10	Danapur	12.29	Nukkad natak, wall painting, plastic ban advertisement, advertisement for SWM etc.	Not exclusively for SWM
11	Hajipur	189.8	Hoarding & Flex, Nukkad Natak, Wall Painting	Not exclusively for SWM
12	Kishanganj	30.20	Nukkad natak, painting, Swachhta Survey, etc	Not exclusively for SWM
13	Jahanabad	NA		Records not provided by unit
14	Jamui	6.17	Nukkad Natak	Not exclusively for SWM
15	Gopalganj	3.89		Not exclusively for SWM
16	Sultanganj	NA		Records not provided by unit
17	Ramnagar	2.07		Not exclusively for SWM
18	Rajgir	1.94	Nukkad Natak, Pamphlets	Not exclusively for SWM
19	Dalsinghsarai	7.32	miking, wall painting, rally, nukkad natak, involvement of SHG	Not exclusively for SWM
20	Barahiya	Nil	IEC activities not conducted	
21	Bahadurganj	67.5	Nukkad natak, Wall painting, Hoarding, SHGs	Not exclusively for SWM
22	Jagdishpur	NA		Records not provided by unit
23	Makhdumpur	NA		Records not provided by unit
24	Jhanjharpur	0.76	Nukkad natak	Not exclusively for SWM
25	Murliganj	8.53	Nukkad natak, wall ;painting,	Not exclusively for SWM
26	Amarpur	5.64	-	Records not provided by unit
27	Maharajganj	1.59	Nukkad Natak, Wall Paintings etc	
28	Belsand	NA	Nukkad Natak	Not exclusively for SWM
<b>Total</b>		<b>423.04</b>		

(Source: Records of the test-checked ULBs)

**Appendix-5.8**  
**(Refer: Paragraph-5.5.2.2, Page – 72)**  
**Status of bins provided to households during 2016-22**

Sl. No.	ULB	No. of Households	Qty. of dustbin sets purchased	Dustbin sets provided to households	Dustbin sets laying in store	Households not provided dustbin sets	Expenditure (in ₹ lakh)	Date /Month of purchase	Date/ Month of Physical verification/ Audit
1	2	3	4	5	6	7	8	9	10
1.	Patna	2,72,936	Nil	Nil	Nil	2,72,936	Nil	Nil	Nil
2.	Gaya	75,000	1,00,000 (Pairs)	87,500	12,500	Nil	434.00	Feb 2018	Oct 22
3.			1,00,000 (Triplets)	82,943	17,057	Nil	246.00	March 2021	
4.	Bhagalpur	79,877	28,900	5,000	23,900	74,877	31.00	31.07.19	18.10.22
5.	Muzaffarpur	52,290	81,550	DNA	DNA	DNA	DNA	DNA	DNA
6.	Darbhanga	54,505	60,000	51,887	8,113	2,618	84.90	Sept 19	13.09.22
7.	Purnea	55,003	35,000	24,455	10,545	30,548	145.60	2018-19	10.12.22
8.	Munger	32,891	32,891	27,125	5,766	5,766	29.11	Aug 19 to Dec 19	27.08.22
9.	Chhapra	35,919	24,700	24,700	Nil	11,219	254.86	April 17 to Jan18	22.12.2022
10.	Saharsa	28,680	40,000	37,419	2,581	Nil	31.90	25.07.19	Nov 22
11.	Danapur	DNA	DNA	DNA	DNA	DNA	DNA	DNA	DNA
12.	Hajipur	22,708	29,000	18,000	11,000	4,708	36.38	14.11.19	Dec 22
13.	Kishanganj	21,235	15,991	15,991	Nil	5,244	182.30	May 16 & April 17	Dec 22
14.	Jahanabad	20,665	20,000	DNA	DNA	DNA	31.10	Feb 20	15.09.22
15.	Jamui	18,387	7,500	DNA	DNA	DNA	111.00	29.03.17	19.09.22
16.	Gopalganj	10,928	10,658	DNA	DNA	DNA	DNA	DNA	DNA
17.	Sultanganj	12,210	12,500	12,053	447	157	21.24	18.08.19	16.11.19
18.	Ramnagar	10,181	6,262	6,262	Nil	3,919	8.50	Nil	Nil
19.	Rajgir	10,150	7,500	2,700	4,800	7,450	12.30	Oct 21	30.11.22

*Audit Report (Local Government) for the year ended March 2022*

Sl. No.	ULB	No. of Households	Qty. of dustbin sets purchased	Dustbin sets provided to households	Dustbin sets laying in store	Households not provided dustbin sets	Expenditure (in ₹ lakh)	Date /Month of purchase	Date /Month of Physical verification/ Audit	
20.	Dalsinghsarai	12,120	6,500	5,249	1,251	6,871	9.87	11.06.21	29.09.22	
21.	Barahiya	5,951	16,000	DNA	DNA	DNA	23.93	July 19 & Aug 21	06.10.22	
22.	Bahadurganj	8,288	9,400	7,100	2,300	1,188	53.16	16.01.19	27.12.22	
23.	Jagdishpur	6,326	5,716	5,716	Nil	610	20.25	Nil	Nil	
24.	Makhdumpur	5,406	3,590	2,995	595#	2,411	5.70	Oct 20	20.09.22	
25.	Jhanjharpur	6,073	4,200*	3,500*	700*	2,573*	19.32	10.02.17	14.10.22	
26.	Murliganj	7,656	7,500	5,580	1,920	2,076	116.25	23.12.15	15.11.22	
27.	Amarpur	5,221	5,000	4,800	200	421	6.93	16.10.17	28.11.22	
28.	Maharajganj	4,668	9,000	6,917	2,083	Nil	24.97	June 18 & May 20	11.01.23	
29.	Belsand	4,951	7,500	500	7,000	4,451	DNA	2015-16	Oct 22	
<b>Total</b>							<b>1,940.57</b>			

*(Source: Records of the test-checked ULBs) \* Single dustbins procured. #Only 625 single dustbins were actually available in the store. \*Single dustbin procured/distributed.*

**Appendix-5.9**  
**(Refer: Paragraph-5.5.2.7, Page - 78)**

**Status of Community/litter bins, installed at various community places, during 2017-22 (₹ in lakh)**

Sl. No.	ULB	Capacity of the bin (liter)																		Total capacity (liter)
		100		120*/140#		240		330		660		1100		3500						
		Qty.	Amt.	Qty.	Amt.	Qty.	Amt.	Qty.	Amt.	Qty.	Amt.	Qty.	Amt.	Qty.	Amt.					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17				
1.	Patna	DNA	DNA	200#	31.92	1,000	33.77	DNA	DNA	DNA	DNA	400	89.45	DNA	DNA	7,08,000				
2.	Gaya	Nil	Nil	Nil	Nil	500	45.45	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,20,000				
3.	Bhagalpur	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	280	112.00	20	15.00	3,78,000				
4.	Muzaffarpur	DNA	DNA	DNA	DNA	DNA	DNA	DNA	DNA	DNA	DNA	120	34.80	DNA	DNA	1,32,000				
5.	Darbhangha	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	191	42.02	Nil	Nil	2,10,100				
6.	Purnea	Nil	Nil	Nil	Nil	600	44.94	Nil	Nil	Nil	Nil	450	216.46	Nil	Nil	6,39,000				
7.	Munger	Nil	Nil	100*	2.49	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	12,000				
8.	Chhapra	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	200	78.20	Nil	Nil	2,20,000				
9.	Saharsa	500	42.48	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	50,000				
10.	Danapur	Nil	Nil	Nil	Nil	3,000	238.71	Nil	Nil	150	64.60	150	74.87	Nil	Nil	9,84,000				
11.	Hajipur	192	41.28	Nil	Nil	1,500	149.85	Nil	Nil	Nil	Nil	DNA	DNA	Nil	Nil	3,79,200				
12.	Kishanganj	Nil	Nil	Nil	Nil	100	17.96	900	167.31	150	55.46	Nil	Nil	Nil	Nil	4,20,000				
13.	Jahanabad	Nil	Nil	Nil	Nil	600	75.00	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,44,000				
14.	Jamui	400	114.40	Nil	Nil	280	20.18	Nil	Nil	Nil	Nil	187	61.32	Nil	Nil	3,12,900				
15.	Gopalganj	500	109.00	Nil	Nil	DNA	DNA	Nil	Nil	DNA	DNA	Nil	Nil	Nil	Nil	50,000				
16.	Sultanganj	Nil	Nil	Nil	Nil	400	73.40	Nil	Nil	60	29.91	100	58.10	Nil	Nil	2,45,600				
17.	Ramnagar	Nil	Nil	Nil	Nil	2,100	351.84	Nil	Nil	50	24.00	250	105.02	Nil	Nil	8,12,000				
18.	Rajgir	Nil	Nil	50*	1.45	Nil	Nil	300	69.00	Nil	Nil	100	44.00	Nil	Nil	2,15,000				
19.	Dalsinghsarai	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0				
20.	Barahiya	Nil	Nil	150*	43.28	200	24.89	Nil	Nil	Nil	Nil	56	18.31	Nil	Nil	1,27,600				
21.	Bahadurganj	Nil	Nil	30*	0.96	Nil	Nil	500	92.25	Nil	Nil	Nil	Nil	Nil	Nil	1,68,600				

*Audit Report (Local Government) for the year ended March 2022*

Sl. No.	ULB	Capacity of the bin (liter)												Total capacity (liter)				
		100		120*/140*		240		330		660		1100			3500			
		Qty.	Amt.	Qty.	Amt.	Qty.	Amt.	Qty.	Amt.	Qty.	Amt.	Qty.	Amt.		Qty.	Amt.		
22.	Jagdishpur	Nil	Nil	Nil	Nil	50	5.49	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	12,000
23.	Makhdumpur	24	2.13	Nil	Nil	24	2.80	24	3.43	Nil	Nil	86	30.70	Nil	Nil	Nil	Nil	1,10,680
24.	Jhanjharpur	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0
25.	Murliganj	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0
26.	Amarpur	Nil	Nil	44*	1.63	Nil	Nil	Nil	Nil	6	3.26	Nil	Nil	Nil	Nil	Nil	Nil	9,240
27.	Mahrajganj	Nil	Nil	Nil	Nil	Nil	Nil	300	55.45	30	14.76	Nil	Nil	Nil	Nil	Nil	Nil	1,18,800
28.	Belsand	Nil	Nil	Nil	Nil	Nil	Nil	300	56.70	Nil	Nil	446	191.99	2,570	965.25	20	15	99,000
<b>Total</b>		1,616	309.29	574	81.73	10,354	1,084.28	2,324	444.14	446	191.99	2,570	965.25	20	15			66,77,720
<b>Total amount</b>		<b>3,091.68 (₹ 30.92 crore)</b>																

*(Source: Records of the test-checked ULBs), \*120 Litre community bins, #140 Litre community bins*

**Appendix-5.10**  
(Refer: Paragraph-5.5.6.2, Page - 82)

**Vehicles without registration, insurance and PUC Certificates**

ULB	Number of vehicles	Number of Vehicles not registered under MV Act	Number of vehicles not having insurance	Number of vehicles not having PUC certificate
Bhagalpur	109	54	109	109
Chappra	32	4	32	32
Darbhanga	90	8	90	3
Gaya	250	174	250	250
Munger	56	36	56	56
Muzaffarpur	169	71	169	169
Patna	832	0	7	0
Purnea	79	44	NA	NA
Saharsa	57	57	57	57
Amarpur	6	6	6	6
Bahadurganj	10	9	9	10
Barahiya	12	12	12	12
Belsand	14	14	14	1
Jagdishpur	6	6	6	0
Jhanjharpur	10	4	4	4
Mahrajganj	20	17	20	20
Makhdumpur	5	5	5	5
Murliganj	7	0	5	5
Dalsinghsarai	20	0	2	0
Danapur	45	6	40	20
Gopalganj	20	20	20	20
Hajipur	61	20	61	0
Jahanabad	54	50	44	54
Jamui	19	14	19	19
Kishanganj	10	9	10	9
Rajgir	30	12	30	30
Ramnagar	30	30	30	24
Sultanganj	14	14	14	14
<b>Total</b>	<b>2,067</b>	<b>696</b>	<b>1,121</b>	<b>929</b>

(Source: Records of the test-checked ULBs)

**Appendix-5.11**

*(Refer: Paragraph-5.5.6.5, Page - 84)*

**Non-monitoring of vehicles engaged in the transportation of waste through GPS**

Year	ULB	Number of vehicles	Number of vehicles in which GPS was installed	Number of vehicle in which GPS was not installed	
Up to March 2022	Gaya	250	173	77	
	Jehanabad	54	0	54	
	Makhdumpur	5	0	5	
	Patna	832	832	0	
	Rajgir	30	16	14	
	Chhapra	32	13	19	
	Maharajgang	20	0	20	
	Belsand	14	0	14	
	Gopalganj	20	0	20	
	Hajipur	61	59	2	
	Ramnagar	30	23	07	
	Muzaffarpur	169	110	59	
	Jagdishpur	6	0	6	
	Munger	56	30	26	
	Jamui	19	3	16	
	Barahiya	12	12	0	
	Bhagalpur	109	61	48	
	Sultanganj	14	0	14	
	Amarpur	6	0	6	
	Purnea	79	0	79	
	Saharsa	57	0	57	
	Darbhanga	90	0	90	
	Dalsingsarai	20	0	20	
	Murliganj	7	0	7	
	Jhanjharpur	10	0	10	
	Kishanganj	10	0	10	
	Bahadurganj	10	0	10	
	Danapur	45	0	45	
	<b>Total</b>		<b>2,067</b>	<b>1,332</b>	<b>735</b>

*(Source: Records of the test-checked ULBs)*

## Appendix-5.12

(Refer: Paragraph-5.5.6.6, Page - 85)

## Excess expenditure incurred on payment of fuel costs

(A) Period 16 December 2020 to 30 April 2021

Sl. No.	Auto Tipper No.	Fuel Consumption (in liter)	Distance travelled (Calculated 8 KMPL) (in KM)	Total Expenditure (in Rs.)	Average price/liter	Actual fuel consumption calculated @ 18 KMPL	Actual Expenditure	Excess Payment
1	2	3	4	5	6	7	8	9 = (5-8)
1	1/20	690	5,520	57,994	84	307	25,775	32,219
2	2/20	540	4,320	45,315	84	240	20,140	25,175
3	3/20	690	5,520	57,990	84	307	25,773	32,217
4	4/20	505	4,040	42,666	84	224	18,963	23,703
5	5/20	540	4,320	45,242	84	240	20,108	25,134
6	6/20	600	4,800	50,415	84	267	22,407	28,008
7	7/20	600	4,800	50,356	84	267	22,380	27,976
8	8/20	570	4,560	47,910	84	253	21,293	26,617
9	9/20	430	3,440	35,993	84	191	15,997	19,996
10	10/20	510	4,080	42,780	84	227	19,013	23,767
11	11/20	435	3,480	36,508	84	193	16,226	20,282
12	12/20	410	3,280	34,633	84	182	15,392	19,241
13	13/20	570	4,560	47,888	84	253	21,284	26,604
14	14/20	270	2,160	22,665	84	120	10,073	12,592
15	15/20	360	2,880	30,429	85	160	13,524	16,905
16	16/20	480	3,840	39,942	83	213	17,752	22,190
17	17/20	570	4,560	47,991	84	253	21,329	26,662
18	18/20	475	3,800	39,950	84	211	17,756	22,194
19	19/20	480	3,840	40,180	84	213	17,858	22,322
20	20/20	530	4,240	44,538	84	236	19,795	24,743
21	21/20	455	3,640	38,084	84	202	16,926	21,158
22	22/20	450	3,600	38,081	85	200	16,925	21,156
23	23/20	480	3,840	40,329	84	213	17,924	22,405
24	24/20	350	2,800	29,583	85	156	13,148	16,435
25	25/20	440	3,520	36830	84	196	16,369	20,461
26	26/20	385	3,080	32,780	85	171	14,569	18,211
27	27/20	600	4,800	50,575	84	267	22,478	28,097
28	28/20	465	3,720	38,909	84	207	17,293	21,616
29	29/20	385	3,080	31,893	83	171	14,175	17,718
30	30/20	575	4,600	48,392	84	256	21,508	26,884
31	31/20	535	4,280	44,882	84	238	19,948	24,934
32	32/20	560	4,480	46,981	84	249	20,880	26,101
33	33/20	270	2,160	22,659	84	120	10,071	12,588
34	34/20	565	4,520	47,488	84	251	21,106	26,382
35	35/20	505	4,040	42,407	84	224	18,848	23,559
36	36/20	590	4,720	49,904	85	262	22,180	27,724
37	37/20	420	3,360	34,975	83	187	15,544	19,431
38	38/20	630	5,040	52,992	84	280	23,552	29,440
39	39/20	570	4,560	47,921	84	253	21,298	26,623
40	40/20	510	4,080	42,867	84	227	19,052	23,815
41	41/20	450	3,600	37,900	84	200	16,844	21,056
42	42/20	535	4,280	44,974	84	238	19,988	24,986

Sl. No.	Auto Tipper No.	Fuel Consumption (in liter)	Distance travelled (Calculated 8 KMPL) (in KM)	Total Expenditure (in Rs.)	Average price/liter	Actual fuel consumption calculated @ 18 KMPL	Actual Expenditure	Excess Payment
43	43/20	510	4,080	42,889	84	227	19,062	23,827
44	44/20	565	4,520	47,521	84	251	21,120	26,401
45	45/20	365	2,920	30,166	83	162	13,407	16,759
46	46/20	660	5,280	55,526	84	293	24,678	30,848
47	47/20	685	5,480	57,541	84	304	25,574	31,967
48	48/20	560	4,480	46,995	84	249	20,887	26,108
49	49/20	550	4,400	45,961	84	244	20,427	25,534
50	50/20	320	2,560	26,875	84	142	11,944	14,931
<b>Total (A)</b>		<b>25,195</b>	<b>2,01,560</b>	<b>21,16,265</b>	<b>84</b>	<b>11,198</b>	<b>9,40,562</b>	<b>1,17,5703</b>

**(B) For the Period May 2021 to July 2022**

Sl. No.	Auto Tipper No.	Fuel Consumption (in liter)	Distance travelled (Calculated 8 KMPL) (in KM)	Total Expenditure (in Rs.)	Average price/liter	Actual fuel consumption calculated @ 18 KMPL	Actual Expenditure	Excess Payment
1	2	3	4	5	6	7	8	9 = (5-8)
1	3888	1,840	14,720	1,74,452	95	818	77,534	96,918
2	3889	2,385	19,080	2,25,585	95	1,060	1,00,260	1,25,325
3	3890	2,520	20,160	2,39,191	95	1,120	1,06,307	1,32,884
4	3891	1,720	13,760	1,62,352	94	764	72,156	90,196
5	3892	2,120	16,960	2,01,406	95	942	89,514	1,11,892
6	3893	1,560	12,480	1,48,902	95	693	66,179	82,723
7	3894	1,190	9520	1,12,893	95	529	50,175	62,718
8	3895	1,645	13,160	1,56,427	95	731	69,523	86,904
9	3896	2,280	18,240	2,16,231	95	1,013	96,103	1,20,128
10	3897	1,065	8,520	1,00,603	94	473	44,712	55,891
11	3898	1,980	15,840	1,88,861	95	880	83,938	1,04,923
12	3899	1,950	15,600	1,84,987	95	867	82,216	1,02,771
13	3901	2,030	16,240	1,93,056	95	902	85,803	1,07,253
14	3902	1,405	11,240	1,32,290	94	624	58,796	73,494
15	3903	2,215	17,720	2,10,430	95	984	93,524	1,16,906
16	3904	2,435	19,480	2,31,606	95	1,082	1,02,936	1,28,670
17	3905	2,610	20,880	2,38,278	91	1,160	1,05,901	1,32,377
18	3906	2,390	19,120	2,28,236	95	1,062	1,01,438	1,26,798
19	3907	2,770	22,160	2,63,410	95	1,231	1,17,071	1,46,339
20	3908	2,060	16,480	1,95,321	95	916	86,809	1,08,512
21	3909	1,970	15,760	1,87,784	95	876	83,460	1,04,324
22	3910	2,335	18,680	2,21,121	95	1,038	98,276	1,22,845
23	3911	2,155	17,240	2,05,518	95	958	91,341	1,14,177
24	3912	2,445	19,560	2,31,637	95	1,087	1,02,950	1,28,687
25	3913	1,950	15,600	1,85,343	95	867	82,375	1,02,968
26	3914	180	1,440	16,100	89	80	7,156	8,944
27	3915	2,395	19,160	2,31,560	97	1,064	1,02,916	1,28,644
28	3916	2,925	23,400	2,78,220	95	1,300	1,23,653	1,54,567
29	3917	2,230	17,840	2,11,802	95	991	94,134	1,17,668

Sl. No.	Auto Tipper No.	Fuel Consumption (in liter)	Distance travelled (Calculated 8 KMPL) (in KM)	Total Expenditure (in Rs.)	Average price/liter	Actual fuel consumption calculated @ 18 KMPL	Actual Expenditure	Excess Payment
30	3918	2,120	16,960	2,00,598	95	942	89,155	1,11,443
31	3919	645	5,160	59,287	92	287	26,350	32,937
32	3920	1,840	14,720	1,74,503	95	818	77,557	96,946
33	3921	120	960	10,737	89	53	4,772	5,965
34	3922	870	6,960	83,531	96	387	37,125	46,406
35	3923	1,980	15,840	1,87,531	95	880	83,347	1,04,184
36	3924	1,980	15,840	1,87,922	95	880	83,521	1,04,401
37	3925	1,765	14,120	1,69,345	96	784	75,264	94,081
38	3926	2,100	16,800	1,98,870	95	933	88,387	1,10,483
39	3927	2,870	22,960	2,72,444	95	1,276	1,21,086	1,51,358
40	3928	2,030	16,240	1,92,364	95	902	85,495	1,06,869
41	3929	1,970	15,760	1,87,170	95	876	83,187	1,03,983
42	3930	1,765	14,120	1,67,980	95	784	74,658	93,322
43	3931	2,110	16,880	2,00,528	95	938	89,124	1,11,404
44	3932	1,842	14,736	1,75,479	95	819	77,991	97,488
45	3933	2,455	19,640	2,33,446	95	1091	1,03,754	1,29,692
46	3934	1,110	8,880	1,05,399	95	493	46,844	58,555
47	3935	2,100	16,800	1,99,536	95	933	88,683	1,10,853
48	3936	2,150	17,200	2,04,004	95	956	90,668	1,13,336
49	3937	2,185	17,480	2,06,808	95	971	91,915	1,14,893
50	3938	2,112	16,896	1,99,771	95	939	88,787	1,10,984
<b>Total (B)</b>		<b>96,874</b>	<b>7,74,992</b>	<b>91,90,855</b>	<b>95</b>	<b>43,055</b>	<b>40,84,824</b>	<b>51,06,031</b>
<b>Grand Total A+B = (11,75,703 + 51,06,031) = 62,81,734</b>								

**Appendix-5.13**  
**(Refer: Paragraph-5.6.1.1, Page - 89)**  
**Requirement of Decentralised Processing Centers**

Sl. No.	ULB	No. of Wards	No. of processing centers needed as per Guidelines of UD&HD	No. of composting pits needed for waste processing as per Guidelines of UD&HD	Actual number of processing centers developed by ULBs	Actual number of composting pits constructed by ULBs	No. of in-operational composting pits	Number of composting pits operational	Quantity of waste that may be processed by available functional pits (TPD)
1	Patna	75	18	360	8	176	85	91	4
2	Gaya	-	-	-	-	-	-	-	-
3	Bhagalpur	51	12	240	2	20	10	10	0.44
4	Muzaffarpur	49	12	240	5	230	100	130	5.72
5	Darbhanga	48	12	240	2	46	0	46	2.02
6	Purnea	46	11	220	1	20	20	0	-
7	Munger	45	11	220	0	0	-	-	-
8	Chhapra	45	11	220	2	40	40	0	-
9	Saharsa	40	10	200	2	102	102	0	-
10	Danapur	40	6	120	1	20	20	0	-
11	Hajipur	39	6	120	1	18	18	0	-
12	Kisanganj	34	5	100	1	20	20	0	-
13	Jehanabad	33	5	100	1	20	20	0	-
14	Jamui	30	5	100	1	20	20	0	-
15	Gopalganj	28	4	80	1	18	18	0	-
16	Sultanganj	25	4	80	3	60	20	40	1.76
17	Ramnagar	23	4	80	2	40	36	4	0.18
18	Rajgir	32	5	100	2	40	40	0	-
19	Dalsingarai	28	4	80	2	40	0	40	1.76
20	Barahiya	24	2	40	0	0	0	0	-

Sl. No.	ULB	No. of Wards	No. of processing centers needed as per Guidelines of UD&HD	No. of composting pits needed for waste processing as per Guidelines of UD&HD	Actual number of processing centers developed by ULBs	Actual number of composting pits constructed by ULBs	No. of in-operational composting pits	Number of composting pits operational	Quantity of waste that may be processed by available functional pits (TPD)
21	Bahadurganj	18	2	40	1	20	20	0	-
22	Jagdishpur	18	2	40	1	24	24	0	-
23	Makhdumpur	19	2	40	1	20	20	0	-
24	Jhanjharpur	16	2	40	2	40	40	0	-
25	Murliganj	15	2	40	0	0	0	0	-
26	Amarpur	14	2	40	1	20	0	20	0.88
27	Maharajganj	14	2	40	1	20	20	0	-
28	Belsand	13	2	40	1	20	12	8	0.35
<b>Total</b>		<b>862</b>	<b>163</b>	<b>3,260</b>	<b>45</b>	<b>1,094</b>	<b>705</b>	<b>389</b>	<b>17.11</b>

(Source: Records of the test-checked ULBs)

Calculation of capacity of one pit for one days						
Length (foot)	Breadth (foot)	height (foot)	Volume in cubic feet	Volume in cubic meter	Capacity of one pit to handle wet waste in KG#	Capacity of one pit/day*
1	2	3	4=1*2*3	5=4*0.028	6=5*600	7=6/45
6.5	4.5	4	117	3.276	1,965.6	43.68

# Weight of one cubic meter of wet waste is taken 600 KG as considered in approved Detailed project reports of the ULBs

\* As per guideline on processing and disposal of solid waste it takes 45 days to complete one cycle of composting

**Appendix-5.14**  
**(Refer: Paragraph-5.6.1.2, Page - 91)**  
**Sub-optimal utilisation of composters**

Sl No.	ULB	Capacity of each mechanical composter (In Kg)	No. of composter	Date/period of purchase	Amount (in ₹)	No. of composters installed at platform	No. of composters have electric connection	No. of composters which were made operational	Quantity of compost generated as per record (kg)	Quantity of compost sold out	Quantity of compost stored (kg)	Remarks
<b>Mechanical composters</b>												
<b>1</b>	Patna	2000	3	Dec-20	65,50,320	3	3	3	No record maintained	Nil	No record maintained	02 machines were found out of order, during JPV
		500	7	Jan-21	63,20,021	4	3	Nil	Nil	Nil	Nil	
		250	2	Jan-21	14,23,872	Nil	Nil	Nil	Nil	Nil	Nil	
		100	1	Jan-21	4,51,387	1	1	Nil	Nil	Nil	Nil	
		1000	9	Feb-21	1,69,55,906	7	6	Nil	Nil	Nil	Nil	
		500	5	Sep-18	50,38,880	5	5	Nil	Nil	Nil	Nil	
<b>2</b>	Gaya	250	3	Jan-20	33,61,950	Nil	Nil	Nil	Nil	Nil	Nil	03 machines were found out of order during JPV. The ULB had not been assuring feed stocks for the remaining 02 composters since April 2021.
		250	2	Feb-20	22,41,300	Nil	Nil	Nil	Nil	Nil	Nil	
<b>3</b>	Bhagalpur	1000	2	May-17	38,00,000	Nil	Nil	Nil	Nil	Nil	Nil	
<b>4</b>	Darbhanga	50	2	Jun-21	DNA	2	2	Nil	Nil	Nil	Nil	
<b>5</b>	Hajipur	350	8	Feb-21	64,80,000	4	Nil	Nil	Nil	Nil	Nil	
<b>6</b>	Jahanabad	500	1	Jun-22	15,45,000	Nil	Nil	Nil	Nil	Nil	Nil	

*Audit Report (Local Government) for the year ended March 2022*

Sl No.	ULB	Capacity of each mechanical composter (In Kg)	No. of composter	Date/ period of purchase	Amount (in ₹)	No. of composters installed at platform	No. of composters have electric connection	No. of composters which were made operational	Quantity of compost generated as per record (kg)	Quantity of compost sold out	Quantity of compost stored (kg)	Remarks
7	Barahiya	350	2	Jul-19	28,50,000	2	2	2	700	Nil	700	During JPV, 14 bags, of 50 KG each, were found lying near the composting machine
	<b>Sub total</b>		<b>47</b>		<b>5,70,18,636</b>	<b>28</b>	<b>22</b>	<b>5</b>	<b>700</b>	<b>0</b>	<b>700</b>	
<b>Aerobic box composters</b>												
8	Barahiya	450	18	October 2021 (11 no.) and February 2022 (07 no.)	57,15,400	18	Nil	Nil	Nil	Nil	Nil	
9	Jamui	450	10	February & March 2021	24,45,000	10	7	3	50	Nil	50	Stored in open area
	<b>Sub total</b>		<b>28</b>		<b>81,60,400</b>	<b>28</b>	<b>7</b>	<b>3</b>	<b>50</b>	<b>0</b>	<b>50</b>	
	<b>Grand total</b>		<b>75</b>		<b>6,51,79,036</b>	<b>56</b>	<b>29</b>	<b>8</b>	<b>750</b>	<b>0</b>	<b>750</b>	

*(Source: Records of the test-checked ULBs)*

### Appendix-5.15

(Refer: Paragraph-5.6.1.3, Page - 93)

#### Work-wise details, relating to the Centralised waste processing centre, at the Gaya Municipal Corporation

(₹ in crore)

Sl. No.	Work description	Agreement amount	Payment	Physical status
1	Setting up of Pre-sorting and Organic Waste Processing Plant for processing of 300 TPD mixed Municipal Solid Waste and 20 TPD Organic Waste Processing Plant under Swachh Bharat Mission for GMC in Bihar.	2.87	2.87	Detailed specification not mentioned in the scope of work and vetting of the same from expert agency was not done. Hence, Audit could not ascertain the status of the project.
2	Setting up of segregation and Refinement Plant for processing of 300 TPD mixed Municipal Solid Waste under Swachh Bharat Mission for GMC in Bihar.	2.24	2.24	The concerned engineer, certified in the MB, that work had been completed.
3	Setting up of RDF processing unit including shredder, bailer for processing of 100 TPD in-organic Municipal Solid Waste under Swachh Bharat Mission for GMC in Bihar.	1.34	1.34	Shredder and bailer for processing of RDF, was not supplied and commissioned at site.
4	Construction of all associated civil works as per drawing for setting up of 300 TPD capacity of Municipal Wet Waste processing facility based on Windrow Composting Technology and Semi-Automatic Material Recovery Facility of for Dry Waste under Swachh Bharat Mission for GMC in Bihar.	2.84	2.41	Slow processing observed due to absence of windrow formation during JPV. It was also observed that huge stacks of municipal waste were being transported to the processing site.
5	Construction of Sanitary Landfill for disposal of Inert waste generating out of waste processing facility for the entire concessionaire period.	2.64	2.64	Authorization for construction of the sanitary landfill site was not taken by the agency (October, 2022).
6	Operation and Maintenance of Sanitary Landfill for a concessionaire period of 10 years which is renewable on mutually agreed terms and condition.	2.84	2.70	Operation and maintenance of the sanitary landfill was for 10 years but 95 per cent payment had been made to agency (October, 2022) within six months of start of operation.
7	Operation and Maintenance of waste processing facility for a concessionaire period of 06 months which will be renewable as per need and will be mentioned in the agreement.	3.24	3.24	Payment for processing of waste was made according to the agreement. However, plant and machinery was not commissioned at that period. Further, the quantity of processed waste was not monitored by the ULB.
8	Supply, Erection and Commissioning of Legacy Waste Processing Facility capable of Handling 2000 c.u.m. of waste per day	2.98	2.98	Vetting of construction of associated work and commissioning of plant and machinery was not done. Hence, it could not be ascertained by Audit.
9	Site development and associated civil work for setting up of Legacy Waste Processing Unit at the Dumping Ground	2.49	2.49	

Sl. No.	Work description	Agreement amount	Payment	Physical status
10	Operation and Maintenance of Legacy Waste Processing Plant including Excavation, Treatment and Processing of waste in the Legacy Waste Processing Plant	2.99	2.09	20% payment was withheld, due to non-processing of all legacy waste.
11	Disposal of Legacy Waste at the designated site post Segregation and Recovery from Legacy Waste Processing facility	2.99	2.09	
<b>Total</b>		<b>29.46</b>	<b>27.09</b>	

*(Source: Records of GMC)*

**Appendix-5.16**

*(Refer: Paragraph-5.6.1.3 (iv), Page - 95)*

**Excess trips of vehicles produced in the bills of processing of fresh mixed waste  
in the  
Gaya Municipal Corporation**

Sl. No.	Type of vehicles	Months	Excess trips	Total excess quantity (in Kg)	Amount of excess payment (@ ₹ 630 per ton)
1	Compactor-1	June to September 2022	18	2,10,120	1,32,375.60
2	Compactor-2	June to September 2022	14	1,68,145	1,05,931.35
3	Compactor-5	June to September 2022	8	98,115	61,812.45
4	Compactor-6	June to September 2022	5	60,880	38,354.40
5	Compactor-7	June to September 2022	12	1,44,925	91,302.75
6	Compactor-9	June to September 2022	13	1,54,030	97,038.90
7	Compactor-10	June to September 2022	9	1,21,615	76,617.45
8	Dumper-1	June to September 2022	37	3,67,835	2,31,736.05
9	Dumper-2	June to September 2022	33	3,42,690	2,15,894.70
10	Dumper-3	June to September 2022	22	2,25,935	1,42,339.05
11	Dumper-4	June to September 2022	24	2,42,575	1,52,822.25
12	Dumper-5	June to September 2022	26	2,67,220	1,68,348.60
13	Dumper-6	June to September 2022	28	2,98,080	1,87,790.40
<b>Total</b>			<b>249</b>	<b>27,02,165</b>	<b>17,02,363.95</b>

*(Source: Records of the test-checked ULBs)*

**Appendix-5.17**  
**(Refer: Paragraph-5.6.3.2, Page - 105)**  
**Status of location of dumping sites in ULBs**

Sl. No.	ULB	Nearby river (presumably within 100 metres).	Nearby water bodies or in flood prone area (presumably within 200 metres)	Situated at water logging prone area	Nearby habitations (presumably within 200 metres).	Nearby highway (presumably within 200 metres).	Nearby school (presumably within 200 metres).	Instances of local opposition to waste dumping near their habitation were noticed	Traces of waste burning at the dumping site were observed	Dried trees were observed at the dumping site, which may be due to waste dumping	Leachate was seen coming out of the waste and muddying the site
1	Patna	No	No	Yes	No	No	No	No	Yes	No	Yes
2	Gaya	No	No	Yes	Yes	No	DNA	No	No	No	Yes
3	Bhagalpur	No	No	No	No	No	No	No	No	Yes	Yes
4	Muzaffarpur	No	No	No	No	Yes	No	No	No	No	Yes
5	Darbhanga	Yes	No	Yes	No	Yes	Yes	Yes	No	No	No
6	Purnea	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
7	Munger	No	No	No	Yes	No	No	No	No	No	No
8	Chhapra	No	No	No	No	No	No	No	Yes	No	No
9	Saharsa	No	No	Yes	No	No	No	No	No	No	No
10	Danapur	No	No	Yes	No	No	No	No	No	No	Yes
11	Hajipur	No	No	No	No	Yes	No	No	No	No	No
12	Kishanganj	No	No	No	No	No	No	No	Yes	Yes	No
13	Jahanabad	Yes	No	Yes	No	Yes	No	No	No	No	Yes
14	Jamui	Yes	No	No	No	No	No	No	No	No	No
15	Gopalganj	No	No	No	No	Yes	No	No	Yes	No	No
16	Sultanganj	Yes	Yes	No	No	No	No	No	No	No	No
17	Ramnagar	No	No	Yes	Yes	No	Yes	Yes	No	No	Yes
18	Rajgir	No	No	No	No	No	No	No	Yes	No	No
19	Dalsinghara	Yes	No	Yes	Yes	No	No	Yes	No	Yes	No
20	Barahiya	No	No	No	No	No	No	No	Yes	No	No

Sl. No.	ULB	Nearby river (presumably within 100 metres).	Nearby water bodies or in flood prone area (presumably within 200 metres)	Situated at water logging prone area	Nearby habitations (presumably within 200 metres).	Nearby highway (presumably within 200 metres).	Nearby school (presumably within 200 metres).	Instances of local opposition to waste dumping near their habitation were noticed	Traces of waste burning at the dumping site were observed	Dried trees were observed at the dumping site, which may be due to waste dumping	Leachate was seen coming out of the waste and muddying the site
21	Bahadurganj	Yes	No	No	No	No	No	No	Yes	No	No
22	Jagdishpur	No	DNA	DNA	No	Yes	No	No	No	No	No
23	Makhdumpur	No	No	No	Yes	Yes	No	No	No	No	Yes
24	Jhanjharpur	Yes	No	Yes	Yes	No	No	No	No	No	No
25	Murliganj	Yes	No	Yes	Yes	No	No	No	Yes	No	No
26	Amarpur	No	Yes	No	No	No	No	No	No	No	No
27	Mahrajganj	No	Yes	No	Yes	No	No	No	No	No	No
28	Belsand	No	No	No	No	No	No	No	No	No	No
<b>Total (Yes)</b>		<b>9</b>	<b>4</b>	<b>11</b>	<b>9</b>	<b>8</b>	<b>3</b>	<b>3</b>	<b>8</b>	<b>3</b>	<b>8</b>

(Source: Records of the test-checked ULBs)

**Appendix-5.18**  
**(Refer: Paragraph-5.7.5, Page - 112)**  
**SWM equipment kept unutilised since purchase**

Sl. No.	ULB	Name of equipment	Date of purchase	Per unit cost	Purchase quantity	Quantity of dumped items in store	Physical verification date	Amount of items dumped in store (₹ in lakh)
1.	Barahiya	Shredding Machine	22.12.2021	2.64	03	03	30.09.2022	7.92
		E rickshaw	03.06.2022	2.99	30	11		32.89
		Wheel Barrow	25.11.2021	0.20	129	85		16.99
		Hand Cart	27.03.2021	0.19	50	48		9.07
		Tricycle	27.03.2021	0.49	48	26		12.61
		240 litre dustbin	17.05.2022	0.12	200	200		24.89
2.	Jamui	120 litre SS Polemount Dustbin	17.05.2022	0.29	150	7		2.02
		Wheel Barrow	02.05.2022	0.17	100	47	15.09.2022	7.96
3.	Munger	60 litre dustbin	02.01.2021	0.00	500	100	26.08.2022	0.45
		120 litre dustbin	05.02.2021	0.02	100	17		0.42
4.	Purnea	240 litre dustbin	2017-18	0.07	600	91	10.12.2022	6.82
		3500 litre dustbin	Oct 2021-Feb 2022	0.75	20	11	19.10.2022	8.25
6.	Muzaffarpur	Road Sweeping Machine	January 2022	39.90	01	01	08.09.2022	39.90
		CNG tipper	06.06.2022	8.03	20	20		160.60
7.	Jehanabad	240 litre dustbin	May 2022	0.13	600	600	15.09.2022	75.00
		60-60 pole mount steel bins	October 2020	0.11	95	80	20.09.2022	8.8
9.	Rajgir	120 litre dustbin	September 2021	0.03	50	35	30.11.2022	1.01
		330 litre dustbin	December 2021	0.19	300	131	21.10.2022	24.76
11.	Hajipur	240 litre dustbin	August 2021	0.10	1000	270	06.12.2022	26.97
		Wheel Barrow	March 2021	0.19	230	100		19.19
12.	Gopalganj	Wheel Barrow	April 2022	0.19	200	200	29.12.2022	37.70
<b>Total</b>								<b>524.22</b>

(Source: Records of the test-checked ULBs)

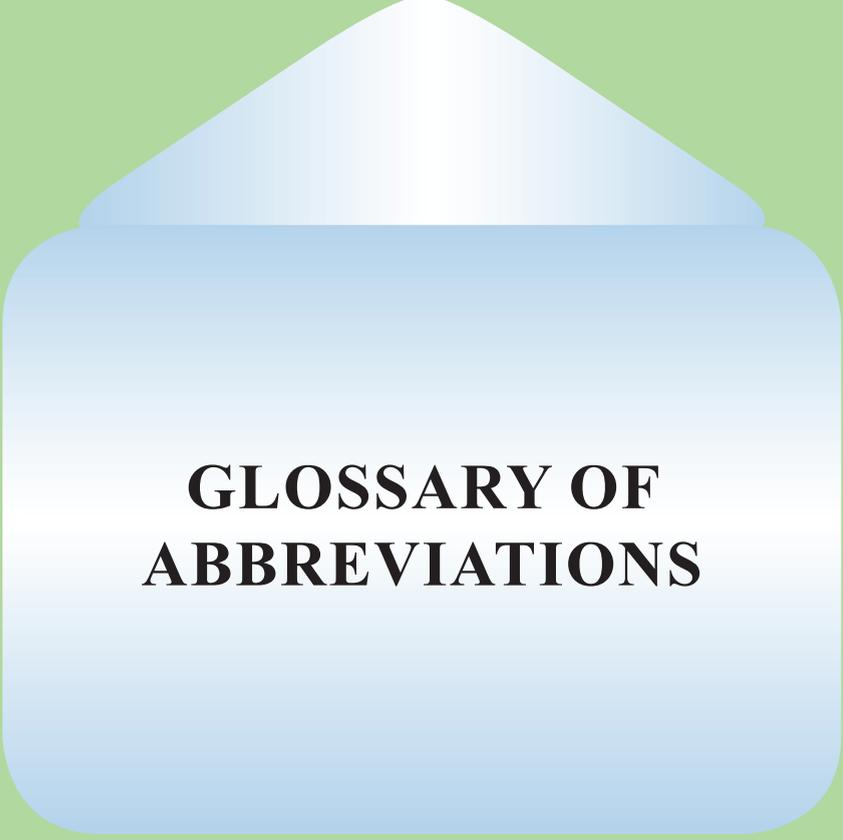
**Appendix-5.19**  
**(Refer: Paragraph-5.10.3, Page - 133)**  
**Status of sanctioned strength and persons-in-position for SWM**

S. No.	ULB	Sanctioned strength				Persons in position			
		Sanitary Inspector/Chief Sanitary Inspector	Safai Jamadar	Public Sanitation & SWM Officer/Deputy Public Sanitation & SWM Officer	Clerks	Sanitary Inspector/Chief Sanitary Inspector	Safai Jamadar	Public Sanitation & SWM Officer/Deputy Public Sanitation & SWM Officer	Clerks
1.	Gaya	55	159	3	3	1	22	0	0
2.	Bhagalpur	53	153	3	3	0	0	0	0
3.	Muzaffarpur	51	147	3	3	1	0	0	0
4.	Darbhanga	50	144	3	3	0	10	0	0
5.	Purnea	48	138	3	3	2	1	0	0
6.	Munger	47	135	3	3	0	14	0	0
7.	Chhapra	47	135	3	3	9	32	0	2
8.	Saharsa	14	40	2	3	0	0	0	0
9.	Danapur	14	40	2	3	0	10	0	0
10.	Hajipur	14	39	2	3	0	2	0	0
11.	Kishanganj	12	34	2	3	0	1	0	0
12.	Jahanabad	12	33	2	3	0	0	0	2
13.	Jamui	11	30	2	3	0	0	0	0
14.	Gopalganj	10	28	2	3	0	0	0	0
15.	Sultanganj	9	25	2	3	1	3	0	0
16.	Rammagar	9	23	2	3	0	0	0	0
17.	Rajgir	7	19	2	3	1	0	0	2
18.	Dalsinghsarai	6	14	2	3	0	2	0	0
19.	Barahiya	4	12	1	2	0	0	0	0
20.	Bahadurganj	3	9	1	2	0	1	0	0

*Audit Report (Local Government) for the year ended March 2022*

S. No.	ULB	Sanctioned strength				Persons in position			
		Sanitary Inspector/Chief Sanitary Inspector	Safai Jamadar	Public Sanitation & SWM Officer/Deputy Public Sanitation & SWM Officer/Assistant Public Sanitation & SWM Officer	Clerks	Sanitary Inspector/Chief Sanitary Inspector	Safai Jamadar	Public Sanitation & SWM Officer/Deputy Public Sanitation & SWM Officer/Assistant Public Sanitation & SWM Officer	Clerks
21.	Jagdishpur	3	9	1	2	1	1	0	0
22.	Makhdumpur	3	10	1	2	0	1	0	0
23.	Jhanjharpur	3	8	1	2	0	1	0	1
24.	Murliganj	3	8	1	2	0	1	0	0
25.	Amarpur	2	7	1	2	0	0	0	0
26.	Mahrajganj	2	7	1	2	0	1	0	0
27.	Belsand	2	7	1	2	0	1	0	0
	Total*	494	1,413	52	72	16	104	0	7
28.	Patna	82	300	18	18	NA	NA	NA	NA

\*Excluding Patna as Persons-in-position data not provided.  
(Source: Records of the test-checked ULBs)



**GLOSSARY OF  
ABBREVIATIONS**



## Glossary of Abbreviations

5th SFC	Fifth State Finance Commission	ISWM System	Intelligent Solid Waste Management System
6th SFC	Sixth State Finance Commission	IA&AD	Indian Audit & Account Department
13th FC	Thirteenth Finance Commission	LB	Local Bodies
14th FC	Fourteenth Finance Commission	LDPE	Low Density Polyethylene
15th FC	Fifteenth Finance Commission	LFA	Local Fund Act
AAP	Annual Audit Plan	MAS	Model Accounting System
AC	Abstract Contingent	M&E	Monitoring And Evaluation
AE	Assistant Engineer	MC	Municipal Corporation
AG	Accountant General	MMP	Mission Mode Project
ARV	Annual Rental Value	PIP	Persons In Position
ATIR	Annual Technical Inspection Report	MIS	Management Information System
BDO	Block Development Officer	MoPR	Ministry of Panchayati Raj
BFR	Bihar Financial Rules	MoUD	Ministry of Urban Development
BGSY	Bihar Gram Swaraj Yojna	MPR	Monthly Progress Report
BG	Basic Grant	MRF	Material Recovery Facilities
BHQ	Block Headquarters	MRP	Maximum Retail Price
BMA	Bihar Municipal Act	MSW	Municipal Solid Waste
BMAM	Bihar Municipal Accounting Manual	MSWM	Municipal Solid Waste Management
BMAR	Bihar Municipal Accounting Rules	MV	Motor Vehicle
BPRA	Bihar Panchayat Raj Act	NCBF	National Capability Building Framework
BPRO	Block Panchayat Raj Officer	NGOs	Non-Government Organisations
BPS and ZP (B&A) Rule	Bihar Panchayat Samiti and Zila Parishad (Budget & Accounts) Rule	NGT	National Green Tribunal
BRGF	Backward Region Grant Fund	NMS	Network Monitoring System
BSPCB	Bihar State Pollution Control Board	PAC	Public Accounts Committee
BSWAN	Bihar State Wide Area Network	PES	Panchayat Enterprises Suit
BTC	Bihar Treasury Code	PG	Performance Grant
BUIDCO	Bihar Urban Infrastructure Development Corporation Ltd.	PMC	Patna Municipal Corporation
C&D	Construction And Demolition	PPE	Personal Protection Equipment
CA	Chartered Accountant	PRD	Panchayati Raj Department
CAA	Constitutional Amendment Act	PRI	Panchayati Raj Institutions
CAG	Comptroller and Auditor General of India	PRIA Soft	Panchayati Raj Institutions Accounting Software

CEC	Central Empowered Committee	PS	Panchayat Samiti
CEO	Chief Executive Officer	PSB	Panchayat Sarkar Bhavan
CFC	Central Finance Commission	RGPSA	Rajeev Gandhi Panchayat Sashaktikaran Abhiyan
CPCB	Central Pollution Control Board	RAY	Rajeev AwasYojna
DC	Detailed Contingent	RDF	Refuse Derived Fuel
DDC	Deputy Development Commissioner	RFP	Request For Proposal
DE	District Engineer	RGSA	Rashtriya Gram Swaraj Abhiyan
DM	District Magistrate	RWD	Rural Works Department
DMC	Darbhanga Municipal Corporation	SAS	Social Audit Society
DPR	Detailed Project Report	SBM	Swachh Bharat Mission
DPRO	District Panchayat Raj Officer	SBM-U	Swachh Bharat Mission-Urban
DPRC	District Panchayat Resource Center	SDD	System Design Document
DLFA	Director of Local Fund Audit	SEIAA	State Environment Impact Assessment Authority
DPC	District Planning Committee	SFC	State Finance Commission
ELA	Examiner of Local Accounts	SHG	Self Help Group
ESC	Empowered Standing Committee	SHQ	State Headquarter
EO	Executive Officer	SI	System Integrator
GeM	Government e-Marketplace	SLAB	State Level Advisory Body
GMC	Gaya Municipal Corporation	SLB	Service Level Benchmark
GoB	Government of Bihar	SOTR	State Own Tax Revenue
GOI	Government of India	SPRC	State Panchayat Resource Centre
GP	Gram Panchayat	SWM	Solid Waste Management
GPDP	Gram Panchayat Development Plan	TGS	Technical Guidance and Support
GPMS	Gram Panchayat Management System	TPD	Tonnes Per Day
GRS	Grievance Redressal System	UC	Utilisation Certificate
GST	Goods And Service Tax	UD&HD	Urban Development & Housing Department
IHHL	Individual Household Latrine	ULBs	Urban Local Bodies
IMSWM	Integrated Municipal Solid Waste Management	VTS	Vehicle Tracking System
IRs	Inspection Reports	ZP	Zila Parishad

**© COMPTROLLER AND  
AUDITOR GENERAL OF INDIA**  
**[www.saiindia.gov.in](http://www.saiindia.gov.in)**

Scan QR Code  
to download  
Report



**[www.ag.bih.nic.in](http://www.ag.bih.nic.in)**