

PART-II
Local Governments Audit

CHAPTER - II (PART-II) SOCIAL SECTOR (LOCAL GOVERNMENTS AUDIT)

An overview of Local Bodies in Nagaland

2.6.1 Functioning of Rural Local Bodies in the State

Under Article 243 of the Constitution of India, the States with traditional local bodies are exempt from the provisions of the 73rd Constitutional Amendment Act, 1992. Nagaland, given its traditional local bodies in the form of Village Councils, falls under this exemption. At present, there are 1,280 recognised villages in Nagaland, each governed by the Nagaland Village and Tribal Council Act, 1978 (erstwhile Nagaland Village Council Act, 1978) which mandates the establishment of a Village Council in every recognised village. Under each Village Council, there is a Village Development Board (VDB). The VDBs, *inter alia*, facilitate the State functionaries responsible for implementing Government schemes including Centrally Sponsored Scheme (CSS) by identifying the developmental works to be taken up in their respective villages and aid in the identification of scheme beneficiaries. All permanent residents of the village form the general body of the VDB, with a management committee chosen by the Village Council form the general body. A secretary, selected for a period of three years, oversees the affairs of the VDB. The Deputy Commissioner of the District functions as the ex-officio chairman of all VDBs in the District.

2.6.2 Functioning of Urban Local Bodies in the State

Article 243 of the Constitution of India and the Constitution (Seventy-fourth Amendment Act), 1992, envisioned creation of Local Self Government for the urban population, granting constitutional status to Urban Local Bodies (ULBs) to carry out governance functions. The amendment empowered ULBs to function efficiently and effectively as autonomous entities, to deliver services for economic development and social justice, with regard to 18 subjects listed in the 12th Schedule of the Constitution of India (*Appendix 2.6.1*). The ULBs consist of Municipal Councils and Town Councils. The legislative framework for conduct of business of the ULBs is governed by the Nagaland Municipal (NM) Act, 2001. There are 39 ULBs in the State: three Municipal Councils and 36 Town Councils as of March 2023.

Statistics relating to the urban population of the State, as per Census 2011, are shown in **Table 2.6.1**.

Table 2.6.1: Important statistics of the State (Urban areas)

Sl. No.	Indicator	Value
1.	Total Population of the State (in lakh)	19.78
2.	Population in urban areas (in lakh)	5.71
3.	Urban population (in <i>per cent</i>)	28.86
4.	Overall Population density (persons per Sq.km.)	119
5.	Urban Sex Ratio (per thousand)	908
6.	Urban Literacy Rate	89.62

Source: Census, 2011

2.6.3 Organisational setup in State Government and ULBs

The administrative control of the ULBs in Nagaland lies with the Municipal Affairs Department, headed by the Principal Secretary to the Government of Nagaland (GoN). The Directorate of Municipal Affairs functions as an interface between the GoN and the ULBs and it administers, facilitates, coordinates and monitors the ULBs. The first election for the ULBs was conducted in 2004. The GoN, however, dissolved the elected body in 2009. With no elected representatives to the ULBs, the administering of the functions devolved to the ULBs is exercised by administrators appointed by the GoN from among its executive officers. After a lapse of 20 years, the ULB elections were held on 26 June 2024, in all the three Municipal Councils and 21 out of 36 Town Councils¹.

2.6.4 Functioning of ULBs

Section 10 of the NM Act, 2001 states that every Municipal/Town Council unless sooner dissolved shall continue for five years. Similarly, Section 24(1) of the NM Act, 2001 states that an election to constitute Municipal Council or Town Council shall be completed before the expiry of its duration specified under Section 10 or before the expiry of a period of six months from the date of its dissolution. Section 81(1) of the NM Act, 2001 further states that on dissolution of the Municipal/Town Councils, the Government may, by notification, appoint a government officer to be known as Administrator to exercise, perform and discharge the powers, duties and functions of a Municipality subject to such directions, as may be given in this behalf by the Government. Further, under Section 81(3) of the NM Act, 2001 upon the dissolution of a Municipality under Section 81(1) of the NM Act, the Government shall reconstitute a Municipality.

As the GoN dissolved the elected ULBs in 2009 and in absence of elected representatives, the administering of the ULBs' functions for the last 14 years was by administrators appointed by the GoN from among its executive officers.

2.6.5 Staffing pattern of ULBs

Section 73(2) of the NM Act, 2001 states that the GoN may, in consultation with ULBs, make rules for regulating the method of recruitment, qualifications required for recruitment, the conditions of service, discipline and control of employees, their duties and functions and their classification into different categories on the basis of their duties and responsibilities and scale of pay of such posts. Till date, no recruitment rules have been framed for appointment of employees to ULBs. Thus, the absence of any approved staffing pattern resulted in variation in the staff strength in ULBs.

¹ Election was not conducted in 15 Town Councils across six Districts as the Eastern Nagaland People's Organisation had demanded separate administrative set-up, gave a boycott call.

2.6.6 Status of devolution of Funds, Functions and Functionaries (3Fs)

The 74th Constitutional (Amendment) Act, 1992, empowers the ULBs to perform functions. Both the Central Finance Commission (CFC) and the State Finance Commission (SFC) have emphasised the need for complete transfer of the 3Fs (funds, functions and functionaries) related to 18 subjects listed in the 12th Schedule of the Constitution of India, to the ULBs for meaningful devolution. In Nagaland, however, out of the 18 functions, ULBs were solely responsible for one function; partially responsible for six functions and had no role in the remaining 11 functions. As such, the 3Fs is yet to be completely devolved to the ULBs.

2.6.7 Audit arrangement

The GoN has not constituted the Directorate of Local Fund Audit and thus has not entrusted the Technical Guidance & Support to the C&AG. The audit of ULBs is conducted by the C&AG under Section 14 of the C&AG's Duties, Powers and Conditions of Service (DPC) Act, 1971.

2.6.8 Internal Audit

Internal Audit is an important instrument for examining and evaluating the level of compliance with rules and procedures, as envisaged in the relevant Acts and Financial/Accounting Rules, so as to provide independent assurance to management on the adequacy of the risk management and internal control framework in the ULBs. The system of Internal Audit has not been introduced in the ULBs in Nagaland as there is no provision for Internal Audit in the relevant Municipal Act.

2.6.9 Internal control mechanism in ULBs

The internal control mechanism is an integral function of an organisation, which helps it to discharge its activities effectively to achieve its objectives. It is intended to provide reasonable assurance of proper enforcement of Acts, Rules and Bye-laws minimising the risk of errors and irregularities. In Nagaland, however, no Rules and Bye-laws have been framed as of date.

2.6.10 No Property Tax in the State

Section 120 of the NM Act, 2001 states that ULBs may levy various taxes and fees to raise its revenue. In terms of the same Section, however, this power can be exercised by the ULBs only with the previous sanction of the GoN. The GoN, however, omitted the power of ULBs to levy taxes on land and buildings *vide* third amendment to the NM Act in 2016. Thus, ULBs in Nagaland are deprived of revenue from property tax.

2.6.11 Maintenance of Accounts

Section 105 of the NM Act, 2001 states that the GoN shall prepare and maintain Municipal Account Code containing all the financing matters related to ULBs. Further, Section 112 of the NM Act, 2001 states that ULBs must submit their audited accounts to the GoN. Despite the passage of 22 years since the enactment of the NM Act, 2001, the Municipal Account Code has not been prepared. Presently, ULBs in

the State follow the cash-based accounting system and prepare simple Receipt and Payment Statements.

Subject Specific Compliance Audit

Municipal Affairs Department

2.7 Implementation of 74th Constitutional Amendment Act

2.7.1 Introduction

The 74th Constitutional Amendment Act (74th CAA), which came into effect on 01 June 1993, provides for the establishment of Urban Local Bodies (ULBs) as the third tier of governance in urban areas. The 74th CAA provided constitutional status to the ULBs and empowered them to function as Local Self-Government for delivering efficient and effective services for economic development and social justice with regard to 18 subjects listed in the 12th Schedule of the Constitution of India. Article 243W of the Constitution of India authorised the State Legislatures to enact laws to endow local bodies with powers and authority as necessary to enable them to function as institutions of Self-Government and make provisions for devolution of powers and responsibilities. Subsequently, the Government of Nagaland (GoN) enacted (18 October 2001) the Nagaland Municipal Act, 2001² (the NM Act).

2.7.2 Urban Population in Nagaland

As per Census 2011, 5.71 lakh (28.86 *per cent*) out of the total population of 19.78 lakh reside in urban areas of the State. As such, Nagaland is one of the least urbanised states of the country with rural population constituting 71.14 *per cent* of the total population which is higher than that for All-India (69 *per cent*). The State's economy is primarily rural based, with agriculture and allied activities contributing 24 *per cent* to the State Gross Domestic Product.

Nagaland's urban population grew from 17.23 *per cent* in 2001 to 28.86 *per cent* in 2011, with a growth rate of 66.53 *per cent* over the decade. Urbanisation across Nagaland's districts showed wide variations. Dimapur district has 52.23 *per cent* of the urban dwellers, while Mon district has only 13.76 *per cent* urban population. Dimapur, being a commercial hub, with its urban population of 1.98 lakh constitutes 34.66 *per cent* of the total urban population of the State and has experienced rapid urban growth primarily due to migration from infrastructure deficient areas.

Urban Nagaland faces multiple challenges, ranging from public health issues, poverty alleviation, waste management and inadequate infrastructure. In this scenario, ULBs have an important role to play, as most of these issues are handled best at the local level.

² Repealed on 28 March 2023

2.7.3 Profile of Urban Local Bodies in Nagaland

In Nagaland, ULBs are categorised on the basis of population in accordance with Section 3(1F) of the NM Act. There are 39 ULBs as on March 2024 as detailed in **Table 2.7.1**.

Table 2.7.1 Category-wise ULBs in Nagaland

Type of ULB	Number of ULBs
Municipal Councils	03
Town Councils	36
Total	39

Source: Information furnished by the Municipal Affairs Department

The ULBs *i.e.*, Municipal and Town Councils were governed by the erstwhile NM Act. Each ULB's area was divided into territorial constituencies *i.e.*, wards, which are determined and notified by GoN. ULBs with population higher than 20,000 were categorised as Municipal Councils and ULBs with population below 20,000 but not less than 5,000 were categorised as Town Councils.

2.7.4 Urban Governance in Nagaland

The administrative control of the ULBs in Nagaland lies with the Municipal Affairs Department, headed by the Principal Secretary to the GoN. The Directorate of Municipal Affairs functions as an interface between the GoN and the ULBs and it administers, facilitates, co-ordinates and monitors the ULBs. The first election for the ULBs was conducted in 2004. However, in 2009, GoN dissolved the elected body and since then no election was held. As there are no elected representatives to the ULBs, the administering of the functions devolved to the ULBs is by administrators appointed by the GoN from amongst its executive officers.

2.7.5 Audit Objective

The audit objectives were to assess whether:

- provisions of the 74th CAA have been adequately covered in the State Legislation;
- ULBs have been empowered by the GoN to discharge their functions/responsibilities effectively through creation of appropriately designed institutions/institutional mechanisms and their function;
- the effectiveness of the functions devolved; and
- ULBs have been empowered to access adequate resources including sufficient resources for discharge of functions stated to be devolved to them.

2.7.6 Audit Criteria

The audit findings were benchmarked against the following criteria.

- 74th Constitutional Amendment Act, 1992 (74th CAA);
- Nagaland Municipal Act, 2001 (NM Act);
- Central/State Finance Commission Reports; and
- GoN orders, notifications, circulars and instructions.

2.7.7 Audit Scope and Methodology

The Subject Specific Compliance Audit covering the period from April 2018 to March 2023 was carried out from July 2023 to September 2023. An Entry Conference was held on 04 July 2023 with the Additional Secretary, Municipal Affairs Department, GoN in which the audit methodology, scope, objectives and criteria were discussed and finalised. The audit methodology included issue of requisitions/questionnaires/queries and issue of audit observations.

The report was forwarded to the Government on 16 October 2023. The replies (05 March 2024) of the Government/Department have been incorporated at appropriate places.

Audit Findings

The audit observations on the status of implementation of 74th CAA in Nagaland are presented in the succeeding paragraphs.

2.7.8 Compliance with provisions of 74th CAA

The 74th CAA introduced certain provisions relating to municipal bodies as incorporated in Articles 243Q to 243ZG. The GoN *vide* enactments of NM Act introduced provisions corresponding to the 74th CAA provisions as indicated in **Appendix 2.7.1**. From **Appendix 2.7.1** it can be seen that the enacted statutes complied with the provisions of the 74th CAA. The Government in its reply (March 2024) stated that the NM Act, 2001 was repealed by the Government on 28 March 2023 and a new Act is under process whereby the provisions of 74th CAA are assured to be duly incorporated.

The effectiveness in implementation of the Act is discussed in the subsequent paragraphs.

2.7.9 Status of devolution of functions to ULBs

The 74th CAA sought to empower ULBs to perform functions and implement schemes in relation to 18 functions specified in the 12th Schedule. Each State was expected to enact a legislation to implement the amendment. Accordingly, the GoN enacted the NM Act. Section 58 of the NM Act listed 13 out of the 18 functions specified in the 12th Schedule of the 74th CAA as obligatory functions of Municipal/Town Councils, subject to available financial resources and organisational capacity of the ULBs. Further, as the Department of Municipal Affairs (DMA) functions as an interface between the GoN and the ULBs, the GoN notified several charter of duties to the DMA including transfer of powers and functions to the ULBs. The status of devolution of functions to ULBs is shown in **Appendix 2.7.2**. Audit observed that out of 18 functions, only one function in respect of Sanitation and Solid Waste Management and six partial functions were devolved to ULBs (**Appendix 2.7.3**). A gist of the functions devolved to ULBs is shown in **Table 2.7.2**.

Table 2.7.2 Gist of the functions devolved to ULBs.

Sl. No.	Particulars of the function	Devolution to ULBs	Remarks
1.	Public health, sanitation conservancy and solid waste management.	Sanitation and Solid Waste Management have been fully devolved to ULBs.	Public health is carried out by Health & Family Welfare Department.
2.	Slum improvement and upgradation	Partially assigned.	ULBs identify beneficiaries under Pradhan Mantri Awas Yojana and Swachh Bharat Mission in urban areas of the State. PMAY-U and SBM-U is being implemented by the Municipal Affairs Department and the Urban Development Department.
3.	Urban poverty alleviation	Partially assigned.	ULBs identify beneficiaries under National Urban Livelihood Mission (NULM) scheme which is meant for reducing poverty and vulnerability of the urban poor households by enabling them to access self-employment and skilled wage employment opportunities. State Urban Development Agency (SUDA) under Urban Development Department as a nodal agency for NULM scheme is responsible for fixation of targets, release of funds and monitoring of the scheme.
4.	Provision of urban amenities and facilities such as parks, gardens, playgrounds	Partially assigned.	Creation of parks and gardens are carried out by Department of Municipal Affairs and Urban Development. Whereas ULBs are assigned with operation and maintenance of these parks and gardens.
5.	Burials and burial grounds; cremations, cremation grounds and electric crematoriums	Partially assigned.	Construction of crematoriums and burial grounds is carried out by Department of Municipal Affairs and Urban Development. Whereas ULBs are responsible for operation and maintenance.
6.	Public amenities including street lighting, parking lots, bus stops and public conveniences	Partially assigned.	Installation and maintenance of street lights is carried out by Department of Power. Bus routes in urban area are decided by Regional Transport Authority in consultation with ULBs. Maintenance of parking lots and public toilets are taken up by ULBs.
7.	Regulation of slaughter houses and tanneries	Partially assigned.	Ensuring quality of animals/ meat and disposal of such waste is assigned to ULBs. However, construction of modern slaughter houses is carried out by Urban Development Department under PPP mode.

Source: Information furnished by the Municipal Affairs Department

The remaining 11 functions are discharged by various Government Departments viz. Public Health Engineering Department- Water supply; Fire & Emergency Services Department- Fire services; Public Works Department- Roads and Bridges.

In reply (March 2024), the Government stated that the devolution of functions to ULBs is a prerogative of the Government. However, the Government devolved only limited functions to the ULBs even after 22 years since adoption of the 74th CAA in the State.

Recommendation: The State Government may consider effectively empowering the ULBs as envisaged in the 74th CAA and fully devolving functions listed in the 12th Schedule.

2.7.10 Non-holding of elections to ULBs

As per Article 243ZA(1) of 74th CAA, the powers of the State Election Commission (SEC) include superintendence, direction and control of the preparation of electoral rolls for and the conduct of all elections to municipalities. Further, Section 10 of the NM Act states that every Municipal/Town Council, unless sooner dissolved, shall continue for five years. Similarly, Section 24(1) of the NM Act states that an election to constitute Municipal Council or Town Council shall be complete before the expiry of its duration specified under Section 10 or before the expiry of a period of six months from the date of its dissolution. Section 81(1) of the NM Act states that on dissolution of the Municipal/Town Councils, the Government may, by notification, appoint a government officer to be known as Administrator to exercise, perform and discharge the powers, duties and functions of a Municipality subject to such directions, as may be given in this behalf by the Government. Further, under Section 81(3) of the NM Act, upon the dissolution of a Municipality under Section 81(1) of the NM Act, the Government shall reconstitute a Municipality.

Audit observed that the first election to the ULBs in the State was held in 2004 and that in 2009 on completion of the term of the ULBs, the GoN dissolved the elected ULBs. Audit further observed that in contravention to the provisions of the NM Act, the GoN did not hold any further elections till 2024. As there were no elected representatives, ULBs' functions in the last 15 years were exercised by administrators appointed by the GoN from amongst its executive officers. Thus, ULBs in Nagaland in effect did not hold the capacity of the third tier of governance as envisaged in the 74th CAA, for a significant period of time.

The Government in its reply (March 2024) stated that the main reason for not holding elections to the ULBs was due to strong opposition by various Civil Society Organisations (CSOs) on the issue of women's reservation and tax on land and building which were perceived to conflict with the provisions of Article 371A. The Government also stated that efforts were made to engage in dialogues with various CSOs to address the issues. Moreover, a new Municipal Act is under process which is expected to meet the aspiration of the people and election to ULBs shall be held.

Recommendation: *The State Government may take steps to hold elections to the ULBs on regular basis as per the provisions of the 74th CAA.*

2.7.11 State Finance Commission

Article 243-I read with Article 243-Y of the Constitution of India makes it mandatory for the GoN to constitute a Finance Commission within one year of the commencement of the 74th CAA and thereafter on expiry of every five years. The mandate of the State Finance Commission (SFC) is to review the financial position of the local bodies and to make recommendations to the Governor for devolution of funds. Further, as per Article 243Y (2) of the Constitution of India, SFC's report is to be mandatorily tabled in the State Legislature. The GoN may accept the recommendations of the SFC in totality or with certain modifications.

The State Government constituted the first SFC (August 2008). In its report, the first SFC recommended against devolving funds to the Municipalities out of the net proceeds of taxes, duties, tolls and fees leviable by the State due to the limited functions performed by ULBs. The second SFC was constituted (June 2013) by the State Government, however its report was not approved by the State Government and as such, its recommendations could not be implemented during the award period of the Fourteenth Finance Commission (XIV FC) (2015-2020). The third SFC was constituted (March 2023) and its report, covering the period of three years starting from 01 April 2023, is yet to be submitted.

Audit observed that the first SFC and third SFC were constituted with delays of six and five years respectively. Moreover, in the absence of specific recommendations by SFC on devolving funds to ULBs, there was no vertical devolution of share of taxes by the State Government to ULBs during the last five years.

Table 2.7.3 Details showing own tax revenue and non-devolution to ULBs

Particulars	₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Own Tax Revenue of the State	846.43	958.23	1,022.74	1,301.08	1,461.88
Statutory Devolution to ULBs	0.00	0.00	0.00	0.00	0.00

Source: Data from SFAR

Reasons for delay in constitution of first and third SFCs and non-acceptance of second SFC Report were neither stated nor available on record. No reply was furnished by the Government.

Recommendation: *The State Government may take steps to ensure regular constitution of the SFC as per the prescribed timeline and implement recommendations of the SFC in a timely manner.*

2.7.12 Financial Resources

The devolved functions to ULBs can be effectively carried out by ULBs only when they are supported with sufficient financial resources. Such financial resources could take the form of fiscal transfers or access to own revenue streams commensurate with the expenditure obligations, accompanied by appropriate expenditure powers. According to Section 120 of the NM Act, the ULBs can impose/levy taxes only after taking prior sanction of the GoN. The ULBs in the State collect sanitation fees, toll

taxes, trade licence, permit fees and rent from their properties. Besides these own sources of revenue, the ULBs received Grants-in-Aid (GIA) and CSS funds. Details of revenue/funds of all ULBs in the State during the financial years 2018-19 to 2022-23 are as detailed in **Table 2.7.4**.

Table 2.7.4 Details of revenue/funds of all ULBs in the State

(₹ in crore)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Central Government Grant (CFCs)	Nil	6.11	110.85	38.27	16.60
State Finance Commission Grant (SFCs)	Nil	Nil	Nil	Nil	Nil
GoN Grants	1.62	1.62	1.62	1.62	9.45
Own Revenue	27.04	24.43	24.03	28.09	NA

Source: Information furnished by the Municipal Affairs Department

2.7.12.1 Limited autonomy to generate revenue

As per Section 120 of the NM Act, ULBs may levy various taxes and fees to raise revenue. In terms of the same Section, however, this power can be exercised by the ULBs only with the previous sanction of the GoN. Audit observed that this provision limited the autonomy of the ULBs in generating revenue as discussed below:

- The major revenue source of ULBs in other parts of the country is from taxes on land and building. The GoN, however, omitted the power of ULBs to levy taxes on land and buildings *vide* third amendment to the NM Act in 2016. Thus, ULBs in Nagaland are deprived of revenue from property tax.
- The total annual revenue of ULBs during 2018 to 2022 from their own sources ranged between ₹24 crore to ₹28 crore. During the same period, the revenue from toll taxes ranged between ₹8 crore to ₹10 crore which is more than one third of the revenue of ULBs. The GoN, however, notified (19 May 2022) closure of check-gates resulting in discontinuation in collection of toll taxes by ULBs. Due to this, the ULBs could not meet their salary expenses and the GoN had to release ₹9.45 crore as salary grant for 2022-23.

As the own financial resources of the ULBs in the State were not sufficient to meet their expenditure, the ULBs were dependent on grants from the State Government to pay the employees' salaries and grants from Central Finance Commission to fund capital expenditure such as procurement of vehicles for solid waste management and execution of various civil works. The Government in its reply (March 2024) confirmed and accepted the above observations.

Recommendation: *The State Government may take steps to empower ULBs to augment their revenue sources for carrying out their core responsibilities without fully depending on the State Government.*

2.7.12.2 Central Finance Commission grants

Article 280(3)(C) of the Constitution of India mandates the Central Finance Commission (CFC) to recommend measures to augment the Consolidated Fund of a

State to supplement the resource of Municipalities. As per the guidelines³ of the XIV FC, States with duly constituted ULBs are eligible to receive grants. Similarly, guidelines⁴ of the Fifteenth Finance Commission (XV FC) stipulate that States become eligible to receive grants (2nd instalment) for 2022-23 provided the State notifies the collection of property tax. Audit, however, observed that CFC funds were obtained by the GoN from GoI as shown in **Table 2.7.4** above but GoN was unable to fulfil the conditions of CFC grants as discussed in **Paragraphs 2.7.10** and **2.7.12.1** above.

2.7.12.3 Avoidable payment of penal interest

As per Para 7.135 of the XV FC Report, the State must transfer grants to the local governments within 10 working days of receipt from the Union Government without any deduction. Any delay beyond ten working days will require GoN to release the same along with penal interest as per the effective rate of interest on market borrowings/State Development Loans for the previous years.

Audit observed that the first instalment of untied grant and tied grant for 2020-21 amounting to ₹15 crore each was sanctioned by GoI as shown in **Table 2.7.5**:

Table 2.7.5 Details showing untied and tied grants for 2020-21

							(₹ in lakh)
Sl. No.	Particulars	Sanction amount	GoI release date	GoN release	Delay in days	Interest per annum	Interest amount
1	Untied grant	1500.00	19/05/2020	31/03/ 2021	317	7.24%	94.32
2	Tied grant	1500.00	05/11/2020	11/02/ 2022	463	7.24%	137.76
Total							232.08

Source: Departmental records.

As can be seen from the table above, the GoN delayed the release of first instalment of XV FC grant by 317 and 463 days which may result in avoidable penal interest of ₹2.32 crore, an additional liability to the State exchequer. Reasons for delay in release of XV FC grant were neither stated nor available on record. No reply was furnished by the Government.

Recommendation: The State Government may ensure that CFC grants are released to ULBs in a timely manner.

2.7.12.4 Unequal allocation of funds under the XV Finance Commission

Operational guidelines for implementation of the recommendations of the XV FC Report state that grants to ULBs shall be distributed on the basis of accepted recommendations of the latest State Finance Commission (SFC). In case of non-availability of SFC recommendation, the allocations should be on the basis of population and area in the ratio of 90:10⁵.

³ Issued by Ministry of Finance, GoI on 08 October 2015.

⁴ Issued by Ministry of Finance, GoI on 28 July 2021.

⁵ 90 per cent of fund allocation is based on population and 10 per cent of the fund allocation is based on geographical area of the ULBs.

Audit observed that GoI released an amount of ₹15 crore as XV FC untied grant (2nd instalment) for 2020-21. Fund allocation details among the ULBs are shown in ***Appendix 2.7.4***.

As can be seen from ***Appendix 2.7.4***, grants were distributed unequally among the ULBs. Eighteen ULBs received grants in excess of their entitlement, while the remaining 21 ULBs were deprived of the XV FC grants (2nd instalment untied grant) in contravention to the operational guidelines. Reason for unequal allocation of XV FC grants (2nd instalment) to the ULBs in the State was neither stated nor available on record. No reply was furnished by the Government.

Recommendation: The State Government may take steps to allocate funds to all ULBs proportionately as recommended in the Operational Guidelines of CFC.

2.7.12.5 Accounting arrangement of ULBs

The National Municipal Accounting Manual (NMAM) recommends introduction of the accrual-based double entry system and improved financial management in all ULBs. As per the NMAM, the ULBs are required to maintain their accounts on accrual basis and to prepare financial statements such as Balance Sheets, Income and Expenditure Statements, Statements of Cash flows and Receipt and Payment Accounts. Section 105 of the NM Act further stipulates that the GoN shall prepare and maintain Municipal Account Code containing all the financing matters related to ULBs. Further, Section 112 of the NM Act states that ULBs must submit their audited accounts to the GoN.

Audit observed that even after 22 years from the enactment of the NM Act, the Municipal Account Code has not been prepared. Presently, ULBs in the State follow the cash based accounting system and prepare simple Receipt & Payment Statement. Audit further observed that maintenance of accounts in the ULBs was poor as none of the ULBs prepared financial statements and balance sheet. This non-preparation of the Municipal Account Code and non-maintenance of proper accounts was due to insufficient institutional capacity within the State Government and lack of financial and necessary human resources in ULBs. This undermined financial transparency and accountability, making it difficult to monitor public expenditure for effective allocation of resources resulting in possible mismanagement of public funds. Moreover, the non-submission of audited accounts and non-preparation of financial statements reduced accountability and oversight, potentially fostering corruption and misappropriation of funds within ULBs. Also, inadequate financial reporting and accounting practices hinder informed decision-making by ULB officials and policymakers, impeding effective urban governance and development planning.

In reply (March 2024), the Government stated that in the absence of skilled accounting staff, the ULBs struggle to prepare financial statements and that training programmes are organised for proper preparation of financial statements.

The reply of the Government does not address the fundamental issue of the absence of the Municipal Account Code, resulting in the ULBs continuing to follow cash based accounting system.

Recommendation: The State Government may ensure preparation of a Municipal Account Code and take steps to ensure that ULBs prepare required financial statements.

2.7.13 Human resources of ULBs

To be able to efficiently discharge their duties of providing urban population with the basic services listed in the 12th Schedule of the Constitution of India, it is essential that the ULBs are manned by adequate professional and technical manpower. Section 73(2) of the NM Act stipulated that the GoN may, in consultation with ULBs, make rules for regulating the method of recruitment, qualifications required for recruitment, the conditions of service, discipline and control of employees, their duties and functions and their classification into different categories on the basis of their duties and responsibilities and scale of pay of such posts.

Audit observed that no recruitment rules were framed for appointment of employees to ULBs. It was observed that there was no sanctioned post within the ULBs. Out of 39 ULBs, 10 ULBs had no staff and 15 ULBs were manned by less than 10 staff. In the absence of recruitment rules, there is a risk of appointments being made arbitrarily. Reason for non-creation of sanctioned posts and recruitment rules was neither stated nor available on record.

Recommendation: The State Government may frame Recruitment Rules at the earliest and delegate adequate powers over manpower resources to ULBs in matters such as assessment and recruitment of required staff to ensure availability of qualified manpower for discharging functions.

2.7.14 Implementation of devolved functions

As stated in **Paragraph 2.7.9** above and as shown in **Appendix 2.7.2**, seven out of 18 functions specified in the 12th Schedule of the 74th CAA were devolved to the ULBs by the GoN, of which ULBs had limited role in six functions while being solely responsible for one function *i.e.*, Sanitation and Solid Waste Management. The report on the Performance Audit on Solid Waste Management in urban areas of the State is discussed in succeeding paragraphs.

2.7.15 Conclusion

The GoN enacted the NM Act 2001, to implement the 74th CAA with the objective of empowering ULBs and of ensuring de-centralisation of power for better governance in urban areas. This important constitutional objective, however, could not be fully achieved. Out of 18 functions listed in the 12th Schedule, only seven functions were devolved to ULBs and out of these seven devolved functions, ULBs had sole responsibility of only Sanitation and Solid Waste Management. After the first election to the ULBs in 2004, elections were held thereafter only in June 2024. Thus, in effect, ULBs in Nagaland were not the third tier of governance as envisaged in the 74th CAA

for a significant period of time. Delay in constituting the State Finance Commissions and non-acceptance of its report resulted in non-review of the financial position of the ULBs. As own financial resources of the ULBs in the State were not sufficient to meet their expenditure, the ULBs were dependent on grants from the Government to carry out their activities. Further, there were instances of 21 ULBs being deprived of CFC grants. The GoN did not frame the Municipal Account Code as stipulated in the Nagaland Municipal Act and ULBs followed the cash based accounting system. None of the ULBs prepared financial statements, which was due to insufficient institutional capacity within the State Government and lack of necessary financial and human resources in ULBs. The ULBs were also affected by human resource constraints as the GoN was yet to create sanctioned posts and frame recruitment rules.

Performance Audit

MUNICIPAL AFFAIRS AND URBAN DEVELOPMENT DEPARTMENTS

2.8 Solid Waste Management in Nagaland

Solid waste management is one of the major environmental areas that need to be addressed effectively. The management of municipal solid waste is one of the main functions of the Urban Local Bodies (ULBs). ULBs are required to plan, implement and monitor urban service delivery especially relating to municipal solid waste. A Performance Audit on 'Solid Waste Management in Urban Local Bodies' was carried out covering the period from April 2017 to March 2023. The significant findings of audit are highlighted below:

Highlights

Short-term and long-term plans on Solid Waste Management were not prepared during 2017-18 to 2022-23.

(Paragraph 2.8.3.4)

Urban Local Bodies in Nagaland are financially dependent on Central and State Governments to carry out solid waste management activities as their own revenue is not sufficient to meet these expenses.

(Paragraph 2.8.4.1 (I) (a))

IEC and Capacity building fund were diverted for other purposes. The IEC activities did not emphasise 'not to bury' and 'not to burn' solid waste.

(Paragraphs 2.8.5.2 and 2.8.5.3)

There was shortage of SWM vehicles and 58 out of 135 waste management vehicles were operating without registration in the sampled ULBs.

(Paragraphs 2.8.6.3 (I) and 2.8.6.3 (II))

The absence of proper segregation of waste led to mixing of Municipal Solid Waste with plastic waste, bio-medical waste, e-waste and slaughterhouse waste.

(Paragraph 2.8.8)

2.8.1 Introduction

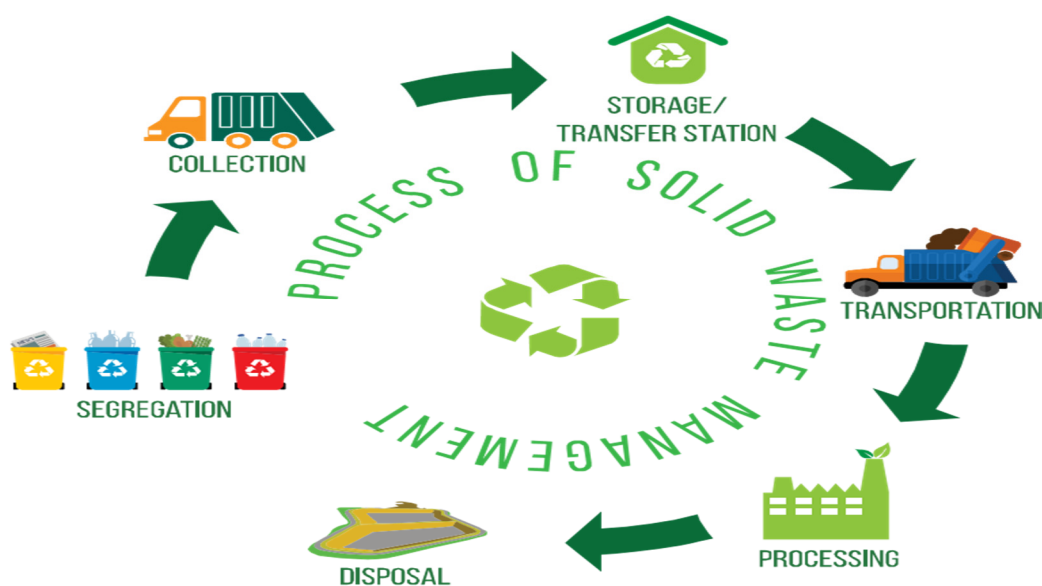
2.8.1.1 Definition and classification of waste

Waste comprises materials that are not prime products (that is products produced for the market) for which the generator has no further use in terms of his/her own purposes of production, transformation or consumption, and of which he/she wants to dispose⁶. It is generally classified into solid waste, bio-medical waste (BMW), construction and demolition (C&D) waste, e-waste, plastic waste, slaughterhouse waste, industrial waste and hazardous waste by virtue of their nature. They are also classified as biodegradable, non-biodegradable, combustible, dry and inert based on their characteristics. Solid Waste Management (SWM) in urban areas has emerged as one of the biggest challenges that our country faces today. The situation is aggravated by rapid urbanisation. Inadequate management of waste has significant negative externalities in terms of public health and environmental outcomes. Besides, it has an adverse impact on the aesthetic appearance of the surroundings.

2.8.1.2 Process of solid waste management

The process of solid waste management is depicted in **Chart 2.8.1**:

Chart 2.8.1: Process of Solid Waste Management



2.8.1.3 Regulatory framework governing management of waste

The Government of India (GoI) has the power to take measures necessary for protecting and improving quality of the environment, subject to provisions of the Environment (Protection) Act, 1986. The Ministry of Environment, Forests and Climate Change (MoEFCC) notified (September 2000) the Municipal Solid Waste (Management and Handling) Rules, 2000 (MSW Rules, 2000). Subsequently, MoEFCC amended the MSW Rules, 2000 and introduced rules for management of bio-medical, plastic, hazardous, C&D and e-waste. Further, Solid Waste Management

⁶ According to United Nations Statistics Division

Rules, 2016 was notified (April 2016) and various rules for management of bio-medical, plastic, hazardous, C&D and e-waste were also notified in 2016. The regulatory framework governing the management of different types of waste is indicated in **Appendix 2.8.1**.

Table 2.8.1 depicts the role of various authorities at all levels in planning, execution and monitoring of solid waste management.

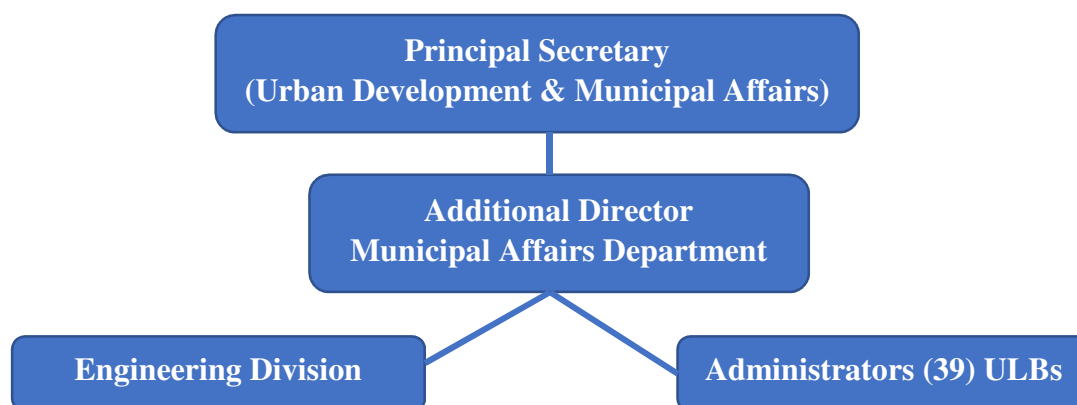
Table 2.8.1: Role of various authorities in solid waste management

Authority	Particulars	Role
State	Urban Development Department	Policy framing, Approval of DPRs/Action Plans, Monitoring & Evaluation
	Municipal Affairs Department	
	Nagaland Pollution Control Board	
District	Deputy Commissioner	Planning & Monitoring
	District Urban Development	
Urban Local Bodies	Municipal Councils & Town Councils	Implementation

Source: SWM Rules and Manuals

The organisational structure with respect to functioning of Urban Local Bodies in the State is given in **Chart 2.8.2**.

Chart 2.8.2 Organisational structure with respect to functioning of ULBs in the State



Source: Departmental records

2.8.1.4 Status of devolution in Urban Governance

The 74th Constitutional Amendment Act (CAA), 1992 made provisions for the establishment of ULBs as the third tier of governance in urban areas. The amendment sought to empower the ULBs to perform functions and implement schemes in relation to 18 subjects specified in the 12th Schedule, which *inter alia* included urban planning, regulation of land use, public health, sanitation, conservancy and solid waste management. It also made provisions for enabling ULBs by according them power to impose taxes, duties, tolls and fees and prescribing assignment of resources by the State Government to the ULBs. It prescribed that all Municipalities would be empowered with such powers and responsibilities as may be necessary to enable them to function as effective institutions of self-government. Each State was expected to enact a legislation to implement the amendment.

The State Government enacted the Nagaland Municipal Act, 2001⁷. However, out of the 18 functions specified in the 12th Schedule, only seven functions including SWM have been transferred by the Government of Nagaland (GoN) to the ULBs. Out of these seven functions, SWM is the only function which is fully devolved to the ULBs. Presently, there are 39 ULBs in the State comprising three Municipal Councils and 36 Town Councils. However, after 2009, elections to these ULBs were held only in 2024. The administering of the functions devolved to the ULBs is therefore by Administrators appointed by the GoN from amongst its executive officers without any participation of the local population as envisaged under the 74th CAA.

2.8.1.5 Role of urban local bodies in solid waste management

Section 58 Chapter VI of the erstwhile Nagaland Municipal Act, 2001 mandates management of solid waste as an obligatory function of the ULBs. The Central Finance Commissions (FCs) *i.e.* XIV FC and XV FC identified SWM as one of the core sectors besides water supply, sewerage and storm water drainage.

2.8.2 Audit Framework

2.8.2.1 Audit Objectives

The objectives of the Performance Audit were to ascertain whether:

- the strategy and planning envisioned for SWM by the ULBs were in accordance with the extant provisions and supported by an adequate institutional mechanism;
- management of Municipal solid waste and Special waste⁸ (segregation, collection, transportation, processing and disposal) was effective, efficient and carried out economically and scientifically; and
- the risks to environment posed by waste were identified and minimised.

2.8.2.2 Audit Criteria

The criteria for evaluating the performance of SWM were derived mainly from:

- The Municipal Solid Waste (Management and Handling) Rules, 2000 and Solid Waste Management Rules, 2016 and respective Manuals (Ministry of Urban Development);
- The Bio-medical Waste Management Rules, 2016;
- The Plastic Waste Management Rules, 2016;
- The E-Waste Management Rules, 2016;
- The Construction and Demolition Waste Management Rules, 2016;
- The Nagaland Integrated Waste Management Policy, 2019; and
- Nagaland Pollution Control Board (NPCB) guidelines issued from time to time and National Green Tribunal (NGT) orders and other Court orders.

⁷ repealed in April 2023

⁸ Special waste includes e-waste, BMW, slaughterhouse waste and plastic waste.

2.8.2.3 Audit scope and Sampling

The Performance Audit on ‘Solid Waste Management in Urban Local Bodies’ was carried out during September 2022 to March 2023. Audit covered the period from April 2017 to March 2023 and involved examination of the records relating to SWM in the Directorate of Municipal Affairs, Urban Development Department, NPCB and six ULBs as detailed in **Table 2.8.2**.

Table 2.8.2: Number of ULBs selected for test-check

Sl. No.	Category of ULBs	Total No. of ULBs in the State	No. of ULBs selected for test-check
1.	Municipal Councils	3	3 ⁹ (100 per cent)
2.	Town Councils	36	3 ¹⁰ (8 per cent)

All the three Municipal Councils were selected for audit. Further, out of 36 Town Councils, three Town Councils were selected by simple random sampling method for audit. The sampled ULBs accounted for 53 per cent¹¹ of urban population (2011 census) with approximately 65 per cent¹² of waste generated in the State during the review period. The total expenditure on solid waste management in the sampled ULBs amounted to ₹33.58 crore during the last six years ending 31 March 2023.

2.8.2.4 Audit methodology

An Entry Conference was held on 12 September 2022 with the Principal Secretary, Municipal Affairs & Urban Development Department (MA&UDD), in which the audit methodology, scope, objectives and criteria were explained. The audit methodology involved document analysis, responses to audit queries, joint physical verifications (JPV) with municipal staffs and collection of photographic evidence. While framing the conclusions and recommendations, good practices regarding waste management have also been quoted to illustrate the fact that these practices are possible in the field of waste management and can serve as examples to policy makers while framing policies. The results of the performance audit were discussed with the Principal Secretary, MA & UDD in an Exit Conference on 22 August 2023. Replies of the State Government were received on 18 August 2023 and have been suitably incorporated.

2.8.2.5 Acknowledgement

Audit acknowledges the cooperation and assistance extended by the Directorate of Municipal Affairs, Directorate of Urban Development Department (UDD), all the Urban Local Bodies and Nagaland Pollution Control Board in conducting the PA.

⁹ Kohima Municipal Council (KMC), Dimapur Municipal Council (DMC) and Mokokchung Municipal Council (MMC).

¹⁰ Pftusero Town Council (PTC), Wokha Town Council (WTC) and Longleng Town Council (LTC).

¹¹ Population of sampled six ULBs/Total Urban Population *i.e.* 310774/589654*100.

¹² Waste generated by six ULBs/Total waste generated in the State *i.e.* 1275/1966 (average TPD)*100.

Audit findings

Audit findings are organised into sections and are discussed in the following paragraphs.

2.8.3 Planning and Institutional Mechanism

2.8.3.1 Entities involved in solid waste management

The framework for administration and management of SWM in India is broadly divided into three tiers - Central, State and Urban Local Bodies. Other stakeholders that play a crucial role are households, businesses, industries, informal sector, non-governmental organisations (NGOs), community-based organisations (CBOs) and self-help groups (SHGs). Involvement of all these stakeholders is necessary at several stages of SWM. **Appendix 2.8.2** lists out the roles and major responsibilities of stakeholders involved in the process of SWM.

2.8.3.2 Generation and Assessment of solid waste

A reliable assessment of different kinds of waste generated in the city limit is essential for planning and effective implementation of SWM. Section 3.3.6 of MSWM Manual, 2000, stipulates that data on waste generation, weight and volume should be collected by each authority for application in its own area of operation. Similarly, Section 1.4.3.3 of MSWM Manual, 2016, states that each ULB should assess the quantity and composition of waste generated to plan for and design MSWM systems effectively. The quantity and composition of MSW generated in the ULB determine collection, processing, and disposal options that could be adopted. Moreover, Section 6.9.4.1 of MSWM Manual, 2000 stipulates that every landfill must have a weighbridge for assessing the quantum of waste. Further, Section 1.4.3.3.1 of MSWM Manual, 2016 stipulates 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 ULB, in each of the three main seasons *viz.* summer, winter and rainy seasons. Waste should be aggregated over the seven-day period, weighed and averaged. These quantities could then be extrapolated to the entire ULB and *per capita* generation assessed.

The details of solid waste generated by all ULBs in the State and sampled ULBs for the period from 2017-18 to 2022-23 are shown in **Table 2.8.3**:

Table 2.8.3: Details of solid waste generated in Urban areas of the State and the sampled ULBs

Years	Ton per day (TPD)					
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
State	348.00	339.50	304.30	331.49	364.51	278.91
Sampled ULBs	199.67	207.78	215.14	213.96	217.50	220.45

Source: Annual Reports of NPCB and information furnished by sampled ULBs

The information furnished by six sampled ULBs was not verified as survey was not conducted by the ULBs to assess the quantum of waste generated during the period

from 2017-18 to 2022-23 as none of the ULBs in Nagaland have weighbridge facility in their dumping sites. Most of the data on quantity of solid waste were *per capita* based estimates. As per the Handbook on Service Level Benchmarks (SLBs), however, *per capita* based assessments have low reliability¹³. The quantum of special waste and C&D waste generated by ULBs, were not available with either the NPCB or ULBs.

Audit also attempted to estimate the *per capita* waste quantity by adopting the municipal refuse generation rates suggested in MSWM Manual, 2000 (Section 3.3.6.2) and MSWM Manual Part-II, 2016 (Section 1.4.3.3) but it was found that the *per capita* estimates indicated by ULBs and NPCB were at variance with the audit estimation, as detailed in **Appendices 2.8.3** and **2.8.4**. Hence, the assessment of solid waste by ULBs and NPCB was not realistic when compared with the estimation under both MSWM Manual, 2000 and MSWM Manual, 2016. None of the sampled ULBs adhered to the prescribed methodology for estimating the waste generated. As a result, the authenticity of waste quantification could not be verified. The improper assessment of solid waste generation would have a significant bearing on the quality of planning and strategy on solid waste management. Audit further observed difference in estimation of solid waste by ULBs and NPCB as detailed in **Table 2.8.4**.

Table 2.8.4: Statement showing inconsistent solid waste generation data provided by six sampled ULBs and NPCB

(figures in TPD)

Authority	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
ULBs	199.67	207.78	215.14	213.96	217.50	220.45
NPCB	240.00	246.00	254.00	286.60	286.30	227.80
Variance	40.33	38.22	38.86	72.64	68.80	7.35

Source: Data on selected urban area provided by sampled ULBs and NPCB

While accepting the audit observation, the State Government cited (August 2023) the lack of proper facilities, weighbridges, equipment and technical manpower for non-adherence to MSWM, 2016. It was further stated that NPCB sources its data on waste from ULBs only. Also, it was assured that necessary instruction shall be given to ULBs for making realistic quantification of various wastes scientifically. The reply indicates that the State Government would take steps to reconcile the data of the Municipal Affairs Department with the NPCB.

2.8.3.3 State Policy and strategy on solid waste management

MSWM Manual, 2000 (Section 25.2) stipulates that the State Government should prepare a State Policy and strategy on SWM. Further, the SWM Manual, 2016 (Section 1.4.1.4) and Rule 11(a) of SWM Rules, 2016, stipulates that the Secretary, UDD of the concerned State or Union territory has the overall responsibility for the implementation of MSWM systems in cities and towns in line with SWM

¹³ Highest/preferred level of reliability- Waste generation estimates based on quarterly survey/sample of statistically significant and representative number of households and establishments. Seasonal variation in waste quantity generation is captured in these estimates. Waste collection is based on actual weightment of waste on a weighbridge at the disposal site (which is aggregate of waste measured at composting yard, sanitary landfill site, and waste taken out for recycling/reuse after it has been collected).

Rules. The UDD is required to prepare a State Policy and strategy for MSWM in the State and report on Service Level Benchmarks for SWM service provision in ULBs to the Ministry of Urban Development (MoUD). The NPCB is responsible for monitoring the compliance to the MSWM plan and the SWM Rules.

The GoN notified the Nagaland Integrated Waste Management (NIWM) Policy, 2019, which highlighted that a long-term management strategy and action plan would be developed. Audit observed that the State Policy was not fully operationalised as the strategy documents and action plans addressing the following crucial aspects were not prepared:

- Proper assessment of solid waste generation in various ULBs and identification of the best possible means for managing (as discussed in **Paragraph 2.8.3.2**);
- Setting operational targets for each of the waste management activities and indicating the means of achieving them for various ULBs (as discussed in **Paragraph 2.8.3.10**);
- Setting out roles and responsibilities of stakeholders (as discussed in **Paragraph 2.8.3.7**);
- Developing resource (human and financial) utilisation guidelines for different categories of ULBs (as discussed in **Paragraph 2.8.3.11**); and
- The State Policy projected that each ULB would frame bye-laws incorporating provisions of various waste management Rules. However, the draft bye-laws prepared by various ULBs are not approved by the State Government till date (October 2023).

While accepting the audit observation, the Government cited (August 2023) lack of technical manpower and absence of resources to engage consultants for non-development of a long-term management strategy and action plan on waste management. It was also stated that the draft bye-laws prepared by three ULBs were accorded approval by the Law & Justice Department. However, the Government has not notified any bye-laws for ULBs.

2.8.3.4 Municipal solid waste management plan

Section 1.4.5 and 1.4.6 of MSWM Manual, 2016 emphasised the need for ULBs to prepare a detailed SWM plan, with short-term (two to five years) and long-term (20 to 25 years) actions. The short-term plan should lead to the achievement of the long-term plan. Each short-term plan should be reviewed every two to three years, to ensure higher success of implementing all plan activities. Short-term plan should cover aspects of institutional strengthening, community mobilisation, waste minimisation initiatives, waste collection and transportation, treatment and disposal, and financial outlay. Audit observed that during 2017-18 to 2022-23, the ULBs neither prepared short-term nor long-term plans, which deprived ULBs the opportunity of adopting a systematic approach to SWM. In the absence of these plans, the planning and selection of infrastructure projects in ULBs was, to a large extent, driven by perceived availability of funds rather than a need-based analysis.

In reply (August 2023), the Government stated that short-term plan on SWM was approved in June 2023 under SBM-U. No reply was furnished for non-preparation of the long-term plan.

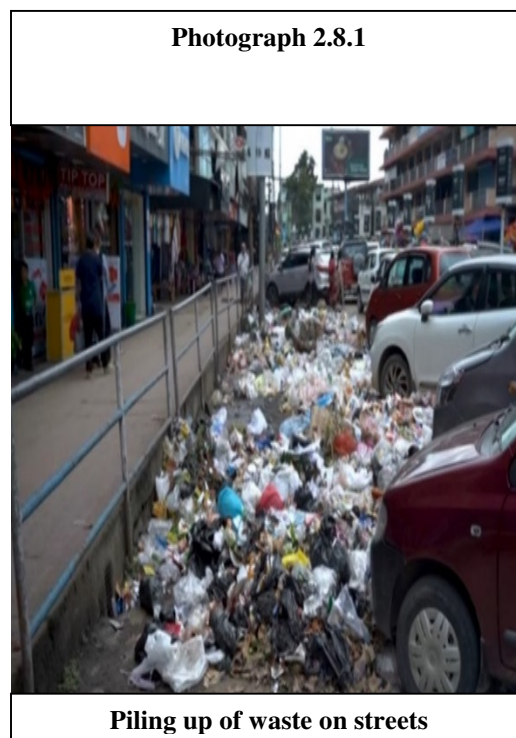
2.8.3.5 Detailed Project Reports for solid waste management

The Government of India (GoI) launched its flagship scheme of Swachh Bharat Mission-Urban (SBM-U) in October 2014 and SWM was one of its six components. As per Paragraph 7.2 of SBM Guidelines, ULBs were to prepare Detailed Project Reports (DPRs) for SWM of their city in consultation with the State Government. It also stipulated that the State Government may handhold ULBs in quickly preparing DPRs for SWM by shortlisting/identifying private or Government agencies.

Audit observed that during 2017-18 to 2022-23, DPRs on SWM were not prepared by the ULBs except in 2018-19 by Dimapur Municipal Council and Mokokchung Municipal Council for projects costing ₹110.72 crore and ₹103.19 crore respectively. In reply (August 2023), the Government stated that DPRs shall be prepared as and when projects are sanctioned by the Ministry under SBM-U. The reply is not acceptable as DPRs were not prepared for all the ULBs in the State. Moreover, the reply validates the fact that the ULBs are dependent on GoI grants to take up SWM projects.

2.8.3.6 Non-preparation of contingency plans

Section 5.4 of MSWM Manual, 2016 stipulates that ULBs should prepare contingency plans for appropriate storage of waste, to tide over situations of non-performance of processing/treatment/disposal facilities. Audit observed that the requirement of a contingency plan was neither envisaged in the NIWM Policy, 2019 nor addressed by any of the sampled ULBs. As a result, ULBs were not prepared to tackle any unforeseen situation and crisis such as when DMC employees protested (September/October 2022) regarding non-payment of salaries. This resulted in accumulation of waste on the streets due to absence of proper waste storage option when disposal facilities were non-operational as can be seen in the photograph.



In reply (August 2023), the Government assured that necessary instructions will be issued to all ULBs for preparation of contingency plan.

2.8.3.7 Non-involvement of all stakeholders

The provisions of SWM Rules, 2016 and the State Policy (2019) recommended extensive involvement of community in waste management. Section 1.4.4 of the Manual on SWM, 2016 provided for constitution of a core team or advisory team (internal stakeholders) involving all departments concerned with SWM services for developing the SWM plan and involvement of the community (external stakeholders comprising households, informal sector, NGOs, CBOs, SHGs and women's groups), in SWM planning and implementation. Audit observed that neither a core/advisory team (internal stakeholders) nor a stakeholder committee (external stakeholders) was formed in any of the sampled ULBs.

In reply (August 2023), the Government stated that the same was duly noted for future compliance.

2.8.3.8 Non-integration of informal waste collectors in waste management

Clauses 11(c) and 15(c) of SWM Rules, 2016 acknowledged the primary role played by the informal sector of waste pickers, waste collectors and recycling industry in reducing waste. SWM Rules, 2016 require the State Government to provide broad guidelines regarding integration of waste pickers or informal waste collectors with the waste management system. It is the duty of the ULBs to establish a system to recognise organisations of informal waste collectors and establish a system to facilitate their participation in SWM. Audit observed that though the NIWM Policy, 2019 proposed utilising the services of NGOs to provide support to the informal sector, no guidelines were issued in this regard. The sampled ULBs did not financially support organisations/individuals of informal waste collectors and did not integrate them in SWM.

In reply (August 2023), the Government stated that the presence of a syndicate of scrap dealers pose a challenge for integration of the informal sector. It was further stated that ULBs are initiating talks with the informal sectors. The reply is not acceptable as it is the responsibility of the Government to develop a guideline which ULBs can adopt for integration of the informal sector.

2.8.3.9 Lack of institutional mechanism

Section 1.4.5.4 of Manual on SWM, 2016 envisages that for planning an efficient and advanced SWM system, it is essential to have an efficient institutional structure besides having adequate infrastructure and equipment. As per SBM guidelines (2014) and SWM Rules, 2016, the State Government was required to constitute a State High Powered Committee, State Level Advisory Body, State Level Technical Committee under SBM, District Level Review & Monitoring Committee and City Level Task Forces to oversee the implementation of MSWM. Audit observed that while the State Government had constituted the State High Powered Committee for SBM-U and State Level Technical Committee under SBM, cutting-edge institutions like District Level

Review & Monitoring Committee and City Level Task Forces were not constituted leading to poor support to the effective implementation of SWM.

In reply (August 2023), the Government stated that the observation was duly noted for future compliance.

2.8.3.10 Targets and achievement in sampled Urban Local Bodies

Ministry of Urban Development (MoUD), Government of India, launched (2008) the Service Level Benchmark (SLB) initiative covering water supply, waste water, SWM and storm water drainage. The XIV FC have also endorsed the principle of benchmarking and included SLB as one of the conditions for the allocation of performance-based grants to ULBs. MoUD defined a common minimum framework for monitoring and reporting on performance indicators; of which eight performance indicators as detailed in *Appendix 2.8.5* pertain to SWM.

Analysis of SLB declarations (2022-23) by six sampled ULBs in respect of these performance indicators (except efficiency in redressal of customer complaints) showed that in certain cases, targets were set at extremely low levels. As per ULBs' declarations, extent of segregation, recovery of solid waste, scientific disposal and cost recovery of solid waste in majority of the sampled ULBs were significantly below the targets fixed/benchmarks. Achievements of sampled ULBs *vis-à-vis* targets and benchmarks in respect of these performance indicators are depicted in *Appendix 2.8.6*. The correctness of the achievements declared by ULBs could not be verified as ULBs did not furnish any documentary evidence in support of their claims. The Handbook on SLB prescribed by MoUD emphasises the need to ensure reliability of measurement and specifies four levels of reliability for each indicator. ULBs may strive to move towards the highest/preferred level of reliability.

In reply (August 2023), the Government stated that the audit observation had been noted and that the same shall be circulated to the ULBs.

2.8.3.11 Inadequate human resources

Section 1.4.5.4 of SWM Manual, 2016 strongly recommends that ULBs should have an SWM cell or SWM Department having staff with technical and managerial skills specific to SWM. The lack of adequate human resources in ULBs is elaborated below:

- (i) **Notification of Town Councils without adherence to minimum criteria and Manpower Constraints:** Section 3(1) of Nagaland Municipal Act, 2001 stipulates that the Government may declare an area as Town Council where the population is below 20,000 but more than 5,000. Also, a smaller urban area having a population below 5,000 but not less than 1,000 could be declared as Urban Station Committee area. However, over the years, the GoN have declared many Town Councils (TCs) where population size is much below the minimum criteria set in the Municipal Act, 2001 as detailed in *Appendix 2.8.7*. From *Appendix 2.8.7*, it is evident that the number of own employees in the above

13 ULBs is either 'nil' or skeletal compared to the total number of employees. Audit further observed that the other employees are staff from ADC/Administrator's offices. Thus, out of 39 ULBs, the above 13 ULBs do not even fulfil the minimum population criteria to be declared as Town Council/ULB and are functioning with inadequate human resources of their own. In reply (August 2023), the Government stated that the notification of Town Council was a policy decision of the Government. The reply of the Government is not acceptable as declaration of ULBs without fulfilling minimum population criteria deviated from the law enacted by the Government itself.

- (ii) **Manpower constraint in sampled ULBs for SWM:** Section 1.4.1.4 of MSWM Rules, 2016 stipulates that State has the power to regulate the creation of staff positions (technical and non-technical) in the ULBs. Audit observed that there is no Environment Engineer in all ULBs in the State. Audit further observed that the State ULBs do not have any sanctioned post and appointment is arbitrary in nature. In the sampled ULBs, the required SWM cell to exclusively take care of SWM activities was not set up. As a result, the existing staff had to manage both SWM and sanitation activities. Further, Section 1.4.5.4.1 of MSWM Rules, 2016, stipulates that for a town below one lakh population the ULB must have one Junior Engineer (JE) and Sanitary Inspector. Audit observed that five out of six sampled ULBs (except Dimapur Municipal Council) did not have JE. Moreover, two ULBs (Pfutsero Town Council and Longleng Town Council) are without sanitary inspectors. In reply (August 2023), the Government cited financial and manpower constraints for not setting up SWM cell.

2.8.3.12 Training and Capacity Building

Clauses 6(e), 11(k) and 15 (zc) of SWM Rules, 2016 required MoUD, GoI, the UDD, GoN and the ULBs to arrange for adequate training and capacity building of staff (including contract workers) in managing solid waste, segregation and transportation and processing of such waste at source. Audit observed that due to poor financial position, the ULBs were not able to finance any training and capacity building from their own fund and were dependent on Central and State Governments for capacity building programmes. Audit, however, observed that under Swachh Bharat Mission-Urban (SBM-U) 2.0 (launched in 30 September 2021) a sum of ₹78 lakh was sanctioned for capacity building in all ULBs against which ₹36.48 lakh (47 per cent) was diverted for payment of honorarium to employees engaged for uploading MIS. Thus, diversion of major portion of capacity building fund resulted in staff not being trained adequately, indicating incomplete commitment towards SWM.

In reply (August 2023), the Government stated that most capacity building activities under the XIV FC could not take off during the Covid pandemic, but are now being conducted. The reply is not tenable as the funds under SBM-U 2.0 were released post the Covid pandemic. No reply was accorded for diversion of capacity building fund towards payment of honorarium.

Recommendations:

The State Government may-

- (i) *ensure that ULBs adopt a scientific approach towards assessment of generated waste and that assessment is done on a regular basis.*
- (ii) *notify bye-laws of ULBs expeditiously to operationalise the Nagaland Integrated Waste Management Policy, 2019 for proper management of solid waste.*
- (iii) *instruct the ULBs to prepare a time-bound plan for ULBs to achieve the highest/preferred level of Service Level Benchmarks (SLBs).*
- (iv) *rationally assess manpower requirement and take steps to fill the requirement in a non-arbitrary manner.*
- (v) *devise mandatory modules for training all personnel involved in SWM within a specified period.*

2.8.4 Financial Management

Section 58 (c) of the erstwhile Nagaland Municipal Act, 2001 states that every Municipal Council shall, having regard to the availability of financial resources, make reasonable and adequate provisions for sanitation conservancy and solid waste management within its territorial area by any method or measure, which it may lawfully use or take. Moreover, NIWM Policy, 2019 provides for realisation of user charge by local authorities for providing sanitation services.

2.8.4.1 Sources of funds for solid waste management

The various sources of financing for solid waste management are indicated in **Table 2.8.5**.

Table 2.8.5: Sources of financing in ULBs for solid waste management

Sl. No.	Source	Particulars	Type
1.	Government Grants	14 th & 15 th Finance Commission & Swachh Bharat Mission-Urban	Capital & Revenue
2.	Own Sources	Levy of SWM cess/user charges	Revenue

(I) Own revenue receipts and expenditure

(a) User fee receipts and expenditure of SWM in ULBs

As per Clause 15 (f) of SWM Rules, 2016, the local authorities shall prescribe from time-to-time user fee as deemed appropriate and collect the fee from the waste generators on its own or through authorised agency. The details of user fee collected and revenue expenditure on SWM during the period 2017-18 to 2022-23 in six sampled ULBs are shown in **Table 2.8.6**.

Table 2.8.6: Year-wise details of receipts and expenditure under SWM in sampled ULBs

(₹ in lakh)

ULB	2017-18		2018-19		2019-20		2020-21		2021-22		2022-23	
	Receipt	Exp.	Receipt	Exp.	Receipt	Exp.	Receipt	Exp.	Receipt	Exp.	Receipt	Exp.
DMC	74.00	128.00	101.00	187.00	95.00	172.00	95.00	138.00	95.00	248.00	96.85	550.84
KMC	3.52	57.39	10.53	76.22	7.24	27.92	8.28	69.47	4.01	69.52	4.00	69.52
MMC	21.96	36.97	28.08	39.17	28.20	36.17	26.79	41.66	34.91	34.72	35.97	32.81
WTC	2.44	35.00	3.90	36.00	4.68	37.67	4.24	39.95	13.65	55.87	6.55	6.65
PTC	0	3.83	0	5.44	0	3.90	0	3.23	3.53	10.75	NA	NA
LTC	0	4.00	0	4.00	4.00	7.00	4.00	7.00	7.00	7.00	6.03	10.43

Source: Information furnished by ULBs

While sustainable financing is paramount to ensure discharge of any function, it can be seen from **Table 2.8.6** above that all sampled ULBs except MMC are not able to meet even their revenue expenditure of SWM from the user charges collected. Thus, ULBs were mainly dependent on State/GoI grants for any major expenditure on SWM as discussed in the succeeding paragraph.

In reply (August 2023), the Government cited reluctance of citizens to pay for waste management for the low collection of user charges. The reply is not acceptable as the State Government did not notify bye-laws for proper functioning of ULBs which if notified, would have empowered ULBs to levy penalty on households refusing to pay user charges.

(II) Receipt and Expenditure from Other Sources

The sources of funds for capital and other expenditure in six sampled ULBs on SWM during the period 2017-18 to 2022-23 are shown in **Table 2.8.7**.

Table 2.8.7: Sources of funds for capital and other expenditure in six sampled ULBs.

Sl. No.	Grant	Purpose	Sanction (₹ in lakh)	Status
1.	SBM-U 1.0	Purchase of waste bins	46.39	Complete
2.	SBM-U 2.0	Mobilisation Advance for SWM and Capacity Building	40.44	In-progress
3.	XIV FC	Purchase of vehicles, waste bins and development of dumping sites	732.09	Complete
4.	XV FC	Purchase of dustbins, improvement in dumping sites and awareness campaign	81.00	In-progress
5.	Others	Purchase of one road sweeping machine by Kohima Smart City Development Corporation for KMC	170.00	Complete
Total			1,064.92	-

Source: Departmental records

Audit findings on utilisation of above funds are discussed in the following paragraphs:

(a) Delay in release of SBM-U 2.0 funds to ULBs

The Ministry of Housing & Urban Affairs, GoI sanctioned funds under Swachh Bharat Mission-U 2.0 to the State Mission Directorate for scheme implementation as detailed in **Appendix 2.8.8**. As per the Ministry's sanction letter, the State Government must transfer the released amount as well as the State share to the ULBs within a period between 21 and 40 days respectively. Against the sanctioned amount of ₹234.00 lakh, the actual release by UDD to the ULBs amounted to ₹73.28 lakh.

Thus, the Scheme fund for SWM and Used Water Management projects amounting to ₹156.00 lakh are yet to be released even after a lapse of 12 months after the due date of release to ULBs in contradiction to the terms and conditions of the Ministry's fund sanction order. Moreover, the matching State share of 10 *per cent* is also yet to be released.

In reply (August 2023), the Government stated that delayed release of the project mobilisation fund to ULBs was due to absence of approved SWM Plan. It was, however, stated that the funds have since been released.

(b) Lack of transparency in procurement for funds sanctioned under XIV FC
Rule 162 of GFR, 2017 stipulates that procurement of goods valued upto ₹25 lakh could only be done through Limited Tender Enquiry whereby the minimum number of quotations must be obtained from three firms. For procurement of goods of estimated value of ₹25 lakh and above, invitation to tenders by advertisement should be used. The Government of Nagaland has also notified the Nagaland State e-Procurement and Tendering Policy, 2017 with a view to enhancing transparency, competitive bidding, shorter procurement cycle and timely completion of work. As per the notification, all Government Departments/Agencies shall henceforth call open tenders for construction/supply works through e-procurement and tendering system for construction/civil works worth ₹1.00 crore and above and supply works worth ₹20.00 lakh and above. Floating and launching of all tenders were to be done only through the Nagaland State e-procurement and Tendering Portal. Further, Section 22(vi) of NIWM Policy, 2019 recommended procurement of SWM equipment *i.e.*, vehicles and dustbins, through Government e-Market (GeM).

Audit observed that in violation of all the above Rules and Regulations, the Department of Municipal Affairs purchased waste bins and sanitation vehicles amounting to ₹4.75 crore for six sampled ULBs without calling open tender/e-procurement/GeM and restricted procurement to limited quotations as shown in **Appendix 2.8.9**. Due to limited tender enquiry, only a few firms acquainted with the functioning of the Department were able to participate in the bids. The adoption of such an unauthorised system of purchase resulted in lack of competition and transparency in selection of the suppliers and prevented better price discovery. In reply (August 2023), the Government stated that transparency in procurement shall be adopted in future.

Recommendations:

The State Government may-

- (i) ensure that necessary steps are taken for ensuring timely release of scheme funds to ULBs.***
- (ii) ensure transparency in procurement process for competitive price discovery.***

2.8.5 Information, Education and Communication activities

2.8.5.1 Introduction

Behavioural change is vital for effective SWM. Information, Education and Communication (IEC) is a multilevel tool for promoting and sustaining risk reducing behaviour change in individuals and communities. The IEC campaign should target households, shops, and commercial and institutional premises as well as other stakeholders such as municipal officials, elected representatives, schools, non-government organisations (NGOs), the informal sector and media, to ensure their participation in managing waste by discharging their role effectively.

Sl. No. 2 of Schedule II of MSW Rules, 2000 and Clause 15 (zg) of SWM Rules, 2016, Section 25.4.2.12 of Manuals on MSWM, 2000 and Section 1.4.5.13 of Manuals on MSWM, 2016 underscored the importance of IEC activities and required the State Government and ULBs to create public awareness and educate waste generators to achieve the overall objectives of MSWM.

2.8.5.2 Deficiencies in IEC activities

The State Government has not developed any strategy document for IEC with the objective of creating awareness among citizens, bulk waste generators and agencies involved in handling of MSW. Had such a strategy document been prepared, it would have detailed various IEC activities for target groups from public to ULB staff and officers including various associations.

Four¹⁴ out of six sampled ULBs conducted IEC activities, encouraging waste generators to 'segregate waste into wet and dry' and 'not to litter' by issue of bills, banners, stickers and wall paintings. **Appendix 2.8.10** indicates the status of various modes of communication used in the sampled ULBs. Audit observed the following issues related to IEC which were not addressed:

- KMC did not furnish details of various modes of IEC activities conducted during 2017-18 to 2022-23.
- Out of six sampled ULBs, only PTC exercised audio IEC through public announcement.
- No sampled ULBs used video as IEC mode of communication.
- Domestic hazardous waste included both toxic and bio-medical wastes. However, out of six sampled ULBs, only three ULBs (Dimapur Municipal Council, Longleng Town Council and Wokha Town Council) had notified and publicised the list of domestic hazardous waste.
- E-waste consists of different components that are both hazardous and non-hazardous. Hence, e-waste should be segregated at source and should not be mixed with MSW. However, no specific IEC activity focussed on e-waste segregation or Extended Producer Responsibility (EPR) was carried out.

¹⁴ KMC furnished nil data against modes of IEC activities.

- None of the sampled ULBs created awareness on provisions regarding levy of penalty (Section 14.9 of NIWM Policy, 2019) for littering and non-segregation of different waste.
- IEC activities conducted by sampled ULBs did not emphasise ‘not to burn’ and ‘not to bury’ solid waste, and did not propagate waste minimisation through 3R concept.
- Adequate awareness amongst the work force for utilisation of protective equipment was not found in sampled ULBs.
- Out of six sampled ULBs, only PTC encouraged community participation adequately to conduct awareness programme. The impact of community involvement was evident during JPV conducted with ULB staff as general level of cleanliness in the areas visited was significantly better as compared to other ULBs.

No reply of the Government was offered on deficiencies in IEC activities.

Good Practices

To promote waste segregation and to address littering, PTC installed plastic bank and waste segregation bins at various locations under IEC activities.



2.8.5.3 Diversion and under utilisation of IEC fund under SBM-U

Under Swachh Bharat Mission-Urban (SBM-U) 1.0, a sum of ₹95.71 lakh sanctioned (July 2019) for IEC was utilised for procurement of 11 SWM vehicles for ULBs. Further, a sum of ₹two lakh released (February 2020) to DMC for IEC on plastic free sensitisation campaign in educational institutions and religious places was un-utilised as of March 2023.

In reply (August 2023), the Government stated that it provided approval for purchase of 11 pick-up vehicles as part of awareness campaign for plastic waste management. It was further stated that IEC for plastic free campaign shall be carried out at the earliest. The reply is not acceptable as the purchase of vehicle cannot be considered as a part of IEC activities. The reply regarding IEC for plastic free campaign at the earliest indicated delayed approach towards IEC activities.

Recommendations:

The State Government may-

- (i) *devise an effective means of communicating the impact and efficacy of IEC activities.*
- (ii) *ensure that funds meant for IEC activities are not diverted for other purposes and that fund for IEC activities are utilised expeditiously.*

2.8.6 Segregation, Collection and Transportation of waste






2.8.6.1 Segregation

Segregation refers to the process of separation of municipal solid waste into four groups *i.e.*, organic, inorganic, recyclables and hazardous wastes. It is a critical requirement since it enables recycling, reuse, treatment and scientific disposal of different components of waste. Segregation shall take place at different levels such as source/household level; transfer station or centralised sorting facility; waste processing site and landfill site to segregate waste into different streams such as dry recyclables, biodegradable waste, C&D waste and hazardous waste, to minimise waste and ensure reduction in landfill space for final disposal besides ensuring appropriate processing.

(I) Segregation of waste at source

Section 2.2.1 of MSWM Manuals, 2016 stipulates that ULBs must accord highest priority for segregation of waste at source. Out of six sampled ULBs, three ULBs (Dimapur Municipal Council, Kohima Municipal Council and Pfutsero Town Council) could not provide information on solid waste segregation at source. The achievement of source segregation declared by three sampled ULBs (Mokokchung Municipal Council, Wokha Town Council and Longleng Town Council) ranged between 25 and 53 *per cent* as detailed in **Appendix 2.8.11**, indicating poor segregation of waste. Audit observations on segregation of waste at source are enumerated in the following paragraphs.

Photograph 2.8.2

		
<p>Kohima (03.09.2022)</p>	<p>Pfutero (12.12.2022)</p>	<p>Mokokchung (15.10.2022)</p>
		
<p>Dimapur (29.09.2022)</p>	<p>Dimapur (29.09.2022)</p>	<p>Dimapur (29.09.2022)</p>
		
<p>Dimapur (29.09.2022)</p>	<p>Dimapur (29.09.2022)</p>	<p>Wokha (17.10.2022)</p>
<p>Photographs showing transportation of mixed waste in sampled ULBs.</p>		

(a) Issue of waste bins

Scrutiny of records revealed that DMA and UDD procured coloured waste bins for households in four sampled ULBs during 2017-18 to 2022-23 from XIV FC and SBM-U grant amounting to ₹150.24 lakh and issued them to ULBs for distribution to households free of cost to encourage segregation of waste at source. Out of six sampled ULBs, four ULBs had received dustbins for households covering 36 to 94 per cent of households as detailed in *Appendix 2.8.12*. Audit observed during

physical verification conducted along with the officials of ULBs that segregation of waste was not fully adopted despite the issue of waste bins and various IEC activities. Moreover, non-achievement of house-to-house collection of waste as required in service level benchmarks also contributed to non-segregation of waste.

Further, Section 14.1 of NIWM Policy, 2019 and Section 2.2.1.1 of MSWM Manual, 2016 on segregation of waste at source by households into wet (biodegradable) and dry (non-biodegradable) recommended blue coloured waste bins for dry waste and green coloured waste bins for wet waste. The Department of Urban Development (SBM-U) had procured 18,000 waste bins amounting to ₹46.39 lakh for distribution to households in Mokokchung Municipal Council. Audit, however, observed that the colour of waste bins comprised red and blue instead of green and blue. The Government stated (August 2023) that the lack of behavioural change at individual level led to improper segregation of waste at source. However, no reply was furnished by the Government for distribution of waste bins of different colours.

(b) Non-segregation of domestic hazardous waste

Domestic hazardous waste requires special handling and disposal because of its harmful physical and chemical characteristics, or biological properties. Hence, there is a greater need for proper segregation of such waste. Manual on MSWM, 2000 and SWM Rules, 2016 specify the roles and responsibilities of ULBs in this regard.

Audit observed that out of six sampled ULBs, three ULBs¹⁵ did not notify and publicise the list of items classified as domestic hazardous waste to be segregated at source. Consequently, people of these ULBs were not aware of the effect of non-segregation of domestic hazardous waste and contaminated mixed waste was reaching the dumping site. In the other three sampled ULBs¹⁶, though domestic hazardous waste had been publicised, these wastes were not found segregated. In reply (August 2023), the Government stated that the necessary directions are being issued to ULBs for segregation of domestic hazardous waste.

(c) Non-segregation of sanitary waste

As per Section 2.2.1 (4) of SWM Manual 2016, sanitary waste generated by households was to be wrapped in old newspaper/pouches provided by the manufacturers and handed over to the waste collectors separately. Audit observed that none of the sampled ULBs emphasised segregation and disposal of sanitary waste as required. In reply (August 2023), the Government stated that the necessary directions are being issued to ULBs for segregation of sanitary waste.

¹⁵ Wokha Town council, Pfutsero Town Council and Longleng Town Council.

¹⁶ Dimapur Municipal Council, Kohima Municipal Council and Mokokchung Municipal Council.

Good Practice

In Pfitsero Town Council, Chakhesang Women Welfare Society (CWWS) has started manufacturing cloth diapers and pads to address sanitary waste. The Society attended training (January 2022) in the Training Resource Centre, Jalukie on cloth diapers and sanitary pads and imparted (February 2022) the knowledge to 30 self-help groups comprising 90 participants.



(d) Absence of incentive mechanism and enforcement

Section 2.1.4 of MSWM Manuals, 2016 specifies various activities and methodologies required to be adopted by ULBs to ensure proper segregation of waste at source. One such methodology is providing incentives in the form of rewards/grants/subsidies.

Similarly, Section 14.9 of NIWM Policy, 2019 provides for incentives as well as penal action for non-compliance of directives of the SWM Rules. While all efforts should be made to educate people to effectively participate in the management of waste through IEC, they also need to be made aware of penalties if they fail to discharge their civic duties. The provision for penalties should be made known to the people and details of those punished should be publicised widely to deter others.

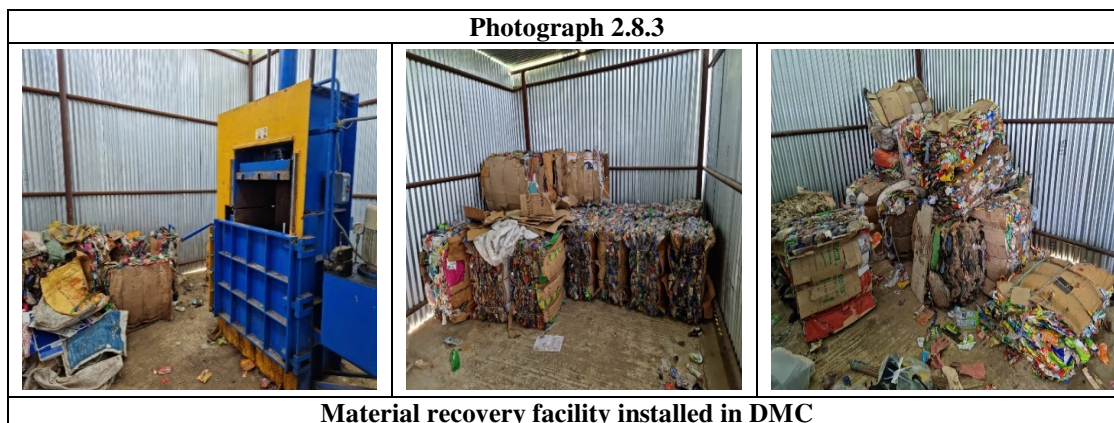
Audit observed that incentive/disincentive mechanism to promote segregation of waste was not established in any of the sampled ULBs. Audit also noticed that penalty provisions as stipulated in NIWM Policy, 2019 were not enforced.

In reply (August 2023), the Government stated that the observation was duly noted and necessary directions are being issued to ULBs for introducing incentive/disincentive mechanism to promote segregation of waste.

(II) Segregation of waste at sorting facility

Section 8.10.3(a) of the Manual on MSWM, 2000 states that sorting at the waste storage depot/transfer station is not desirable. However, if source level sorting is not developed, then such sorting may be allowed till a household level sorting and collection system is established. Since source level segregation was absent/ deficient in the ULBs as stated above, there was a need for ensuring segregation of waste at least before it reaches the processing/ landfill site. Further, as per Clause 15 (h) of SWM Rules, 2016, the local authorities shall set up Material Recovery Facilities (MRFs) or secondary storage facilities for sorting of recyclable materials.

Audit observed that the ULBs did not formulate any plan or prepare budget for the establishment of MRFs. It was observed that out of six sampled ULBs, only DMC had installed MRF and that the facility is fully functional as seen in **Photograph 2.8.3**:



In reply, the Government stated (August 2023) that initiatives have been taken to install MRF facilities in the ULBs generating high plastic waste. The reply is not acceptable as the MRF facilities should be installed in all ULBs.

Good Practices

The role of the informal sector such as of rag-pickers in the segregation of waste is vital for SWM. During JPV at dumping site of KMC, Audit observed the contribution of rag-pickers in segregation of recyclable waste as seen below:



2.8.6.2 Collection of solid waste

Collection of segregated waste is the second step of SWM process. Waste collection system is necessary to ensure that waste stored at source is collected regularly and it is not disposed of on the streets, drains and water bodies. Inefficient waste collection has an impact on public health and aesthetics of urban areas. Waste collection service is divided into primary and secondary collection.

Sections 10.3 and 10.4 of Manual on MSWM, 2000, state that ULBs shall arrange for the collection of domestic, trade and institutional, food/biodegradable waste, recyclable waste material/non-biodegradable waste besides domestic hazardous/toxic waste from doorstep or community bins or waste deposition centres specially

established for the purposes. The collection service provided by ULBs should be regular and reliable. Audit observed that there were challenges for DMC authorities to effectively collect waste due to haphazard dumping of wastes as shown in **Photograph 2.8.4**.



(I) Inadequate collection of waste generated

The quantum of waste generated and collected per day during 2017-18 to 2021-22 in the State and in the sampled ULBs is shown in *Appendix 2.8.13*. On an average, 23 per cent and 13 per cent of waste generated was not collected in the State and in the sampled ULBs respectively.

In reply (August 2023), the Government stated that the ULBs were instructed to collect waste at regular intervals.

(II) Personal protection equipment

MSWM Manuals 2000 and 2016 prohibit manual handling of waste. If manual handling is unavoidable due to constraints, it should be carried out under proper precaution with due care for safety of workers. As per clause 15 (zd) of SWM Rules 2016, local bodies shall ensure that the operator of a facility provides personal protection equipment including uniform, fluorescent jacket, hand gloves, raincoats, appropriate footwear and masks to all workers handling solid waste and the same are used by workforce.

Audit observed during JPV in six sampled ULBs that majority of the work force involved in manual handling of waste were not using protective equipment particularly gloves and boots though they were provided with such equipment by the ULBs as detailed in **Appendix 2.8.14**. Non-utilisation of protective equipment is risky and may lead to serious health hazards especially in view of non-segregation of waste.

In reply (August 2023), the Government stated that PPEs were distributed to sanitary workers.

(III) Street sweeping machines

Street cleaning is one of the primary services rendered by municipal authorities to ensure clean and hygienic urban conditions. Section 2.4.2 of MSWM Manual, 2016 stipulates that it is necessary to have a well-planned, time-bound daily system for street sweeping including adequate staffing and equipment. Further, Section 22-vi of NIWM Policy, 2019 stipulates that ULB must ensure procurement of suitable equipment for waste management. Audit observed that out of six sampled ULBs, DMC and KMC had road sweeping machines as shown in **Table 2.8.8**:

Table 2.8.8: Details of purchase of road sweeping machines

Sl. No.	ULB	Type	Cost of machine (in ₹ lakh)	Date of operation	Source
1.	DMC	Furio 12 road sweeping machine	66.64	January 2022	Purchased by DMA from XIV FC grant
2.	KMC	Dulevo 6000 road sweeping machine	170.00	March 2020	Purchased under Smart City Mission

Audit observed that the road sweeping machines can collect dry micro particles but no other debris and not debris and particles in wet surfaces. Further, these machines are unsuitable for narrow, uneven and pot-holed roads and are therefore only occasionally put to use. No reply was given by the Government.

Photograph 2.8.5



Road sweeping machine

2.8.6.3 Transportation

Transportation plays a vital role in SWM services. Depending on the local conditions and location of landfill site, ULBs use different types of vehicles such as push-carts, tractors, tipper trucks and compactors for collection and transportation of waste.

(I) Shortage of sanitation vehicles

Out of 39 ULBs in the State, 20 ULBs did not possess any vehicle for waste transportation till 2019-20. The shortage of vehicles in these 20 ULBs was met through the XIV FC grant in 2020-21. The status of availability of sanitation vehicles in the sampled ULBs as of March 2023 is shown in *Appendix 2.8.15*. It can be seen from *Appendix 2.8.15* that there was acute shortage of vehicles as additional requirement of vehicles is 39 *per cent* of existing number of vehicles in sampled ULBs. The shortage of collection vehicles is a factor contributing to non-achievement of 100 *per cent* door to door collection. No reply was furnished by the Government regarding shortage of sanitation vehicles.

(II) Non registration of waste management vehicles

Section 39 of the Motor Vehicles Act 1988 states that 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. The vehicle should also carry a registration mark displayed in the prescribed manner. Further, Section 207 of the said Act empowers authorised person of the State Government to detain vehicles used without certificate of registration.

It is seen from *Appendix 2.8.15* that in six sampled ULBs, 58 out of 135 numbers of waste management vehicles (43 *per cent*) were operating without registration. Audit also observed that logbooks for these vehicles were not maintained. In reply (August 2023), the Government stated that ULBs are in the process of registering their sanitation vehicles.

(III) Use of vehicles without partition/open vehicles for transportation of Municipal Solid Waste

Source segregation is successful only when the segregated wastes are not mixed at any stage of transportation while being taken to the respective processing or disposal facility directly or through a transfer station. Hence, segregated transportation of solid waste from source to destination is essential. Further, Section 2.3.2 of MSWM Manual, 2016 stipulates that vehicles used for transportation of waste should be covered so that waste is not visible to public and that they should have the facility for preventing spillage of waste. For this purpose, vehicles need to be covered and provided with two separate containers or a single container with an effective partition.

Audit observed during JPV that out of six sampled ULBs, only KMC had 29 vehicles with partitions for collection of wet and dry waste but the waste collectors were depositing both wet and dry waste in both the sections thereby defeating the purpose of segregation of waste. Vehicles for door-to-door collection of waste in other five

sampled ULBs did not have partition to collect the segregated waste. It was also seen that the sampled ULBs were using open vehicles for transportation leading to scattering of waste, which caused littering and could also be a health hazard as can be seen in **Photograph 2.8.2**.

In reply (August 2023), the Government stated that initiatives have been taken by the ULBs to cover the same with tarpaulin. However, the provision of tarpaulin will not address the problem of mixed waste.

(IV) Monitoring of transportation vehicles

Transportation of MSW from source of generation to the authorised destination is important to ensure its proper disposal. MSWM Manual, 2016 stipulates that communication technologies such as global positioning system (GPS) are to be integrated as part of monitoring of SWM system. This also helps in improving the collection and transportation efficiency of the vehicles.

In six sampled ULBs, none of the sanitation vehicles were affixed with GPS devices depriving ULBs of an effective tracking mechanism. Also, the sampled ULBs did not have the facility of weighbridge and CCTV cameras resulting in absence of effective monitoring of transportation activity. In reply (August 2023), the Government stated that the monitoring system to track the sanitation vehicles shall be put in place in future.

2.8.7 Processing, Treatment and Disposal of Solid Waste

2.8.7.1 Processing

As per Section 4.1 of MSWM Manual, 2016 (Volume I), selection and adoption of MSW processing technologies should be based on defined selection criteria and subject to a detailed due diligence study which ascertains the appropriateness of the technology to the prevailing conditions of the respective ULB. Treatment and processing of segregated waste not only reduces operational costs but also increases the efficiency of the process. The waste processing technologies available for ULBs are composting, waste to energy and bio-methanation.

(I) Status of waste processing

The status of waste collected and processed in the sampled ULBs during 2017-18 to 2022-23 is shown in **Table 2.8.9**.

Table 2.8.9: Status of waste processed in sampled ULBs

(in tons per day)

Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
MSW collected	175.57	181.65	189.93	187.28	186.79	192.69
Processed	0	0.03	0.03	0.03	0.18	14.18
Percentage	0	0	0	0	0	6.50

Source: Information furnished by ULBs.

It can be seen from the above that a negligible percentage (6.50 *per cent*) of the waste collected was processed in the sampled ULBs during 2017-18 to 2022-23. Due to absence of designated landfills, the waste collected by ULBs (excluding those collected by rag-pickers and scrap dealers) was being dumped in unsanitary open landfill/ dumpsite, posing risks to the health of sanitary workers and the environment as shown in **Photograph 2.8.6**. Further, due to absence of sanitary landfills, the NPCB was unable to assess the pollution levels at the dumping site as the waste was dumped haphazardly making it difficult to conduct the test.

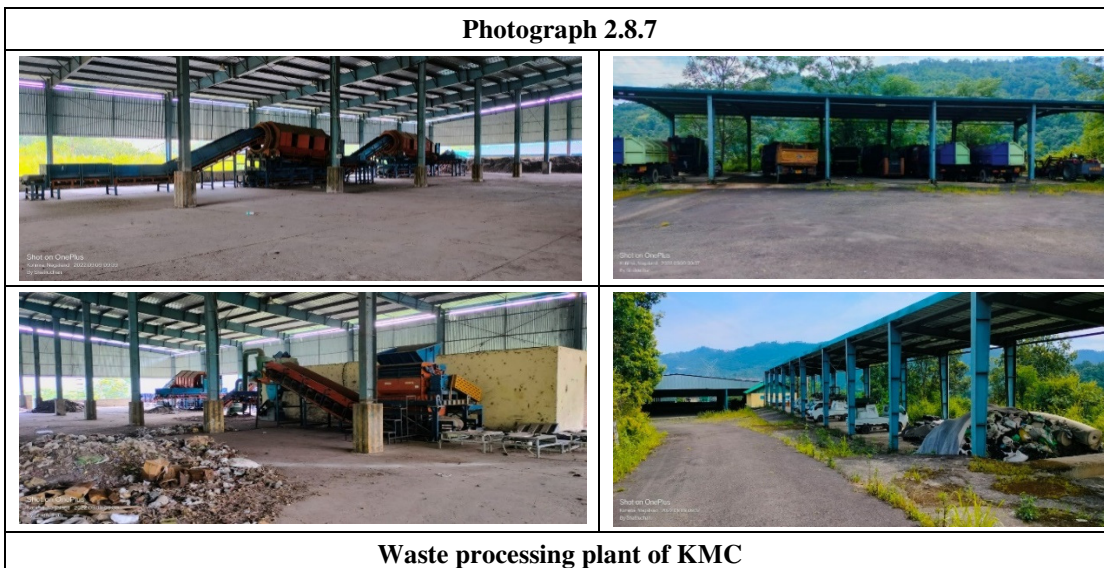


In reply (August 2023), the Government cited inadequate facility for low processing of waste. The reply is not tenable as the existing SWM plant in Kohima remains non-functional as discussed in the succeeding paragraph.

(II) Non-functioning and inadequate SWM project

Out of six sampled ULBs, KMC had infrastructure on waste processing for SWM funded through Asian Development Bank (ADB) Project comprising 50 TPD compost plant and sanitary landfill. The project was commissioned (February 2016) at ₹48.63 crore. Audit, however, observed that the plant was non-functional as can be seen in **Photograph 2.8.7**.

Photograph 2.8.7



Waste processing plant of KMC

In the remaining five sampled ULBs, MRF for waste processing sanctioned under the XIV FC was found functional only in DMC. In reply (July 2023), the Government stated that MRF facilities are now operational in 17 ULBs. However, there is a requirement for installation of MRF in the remaining 22 ULBs.

Good Practices

DMC practised treatment of legacy waste through bioremediation and bio mining process in its dumpsite (29 September 2022) as shown below:



PTC transferred legacy waste in bio-capped landfill site (12 December 2022) as shown below:



2.8.7.2 Disposal of waste

All the waste that cannot be reused/recycled/processed further finds its way to the landfills, the ultimate destination of the solid waste. The landfills are designed to minimise the impact of the waste on the environment by containment of the waste.

Further, as per Section 15(y) of SWM Rules 2016, ULBs must obtain authorisation from NPCB for disposal facility if the volume of waste exceeds five metric tons per day.

As per the Annual Report 2021-22 of NPCB, out of 39 ULBs in the State, four ULBs did not have landfills for disposal of municipal solid waste and were using landfills of neighbouring ULBs. Audit also observed that other than the landfill in Kohima, all other landfill/dumping sites are unsanitary. Audit further observed that out of six sampled ULBs, four¹⁷ ULBs generated waste in excess of five metric tons per day. Out of these four ULBs, only KMC had obtained authorisation from NPCB for its sanitary landfill.

In reply (August 2023), the Government stated that the ULBs have acquired land for landfill and also stated that necessary directions were being issued to ULBs to obtain authorisation from NPCB for setting up of landfill. The reply is not acceptable as there was no record of authorisation of NPCB for setting up of landfill in the defaulting ULBs (as of October 2023).

Recommendations:

The State Government may-

- (i) ensure that ULBs adopt a scientific approach towards assessment of generated waste and that assessment is done on a regular basis.***
- (ii) instruct the ULBs to prepare a time-bound plan for ULBs to achieve the highest/preferred level of Service Level Benchmarks (SLBs).***
- (iii) need to explore the possibility of installing of Material Recovery Facility (MRF) in each district.***
- (iv) devise an effective means of communicating the impact and efficacy of IEC activities.***
- (v) ensure that segregation of waste at source be given greater emphasis by means of publicity and awareness campaigns and holding regular meetings with members of housing colonies and non-government organisations.***
- (vi) put in place a system of incentivising waste collectors for segregation of waste at source.***
- (vii) ensure installation of waste sorting plant/MRF in all ULBs in the State to address the segregation of waste before the wastes are dumped in landfills.***
- (viii) take steps to monitor regular waste collection by ULBs to ensure adequate collection of generated waste.***
- (ix) take steps to bridge the shortfall of sanitation vehicles to improve waste collection by ULBs and may expedite the process of registration of sanitation vehicles.***

¹⁷ DMC, KMC, MMC and WTC

- (x) take necessary steps to make SWM facility in Kohima functional and maximise processing of waste through MRF plants installed in other ULBs.
- (xi) ensure that all landfill sites operate with valid authorisation and environmental clearances.
- (xii) conduct periodic checks to ensure that unprocessed waste is properly disposed in landfills.
- (xiii) enforce strict adherence to Plastic Waste Management Rules, Bio-medical Waste Management Rules, E-Waste Management Rules and Construction and Demolition Waste Rules.

2.8.8 Special Waste and Construction & Demolition Waste

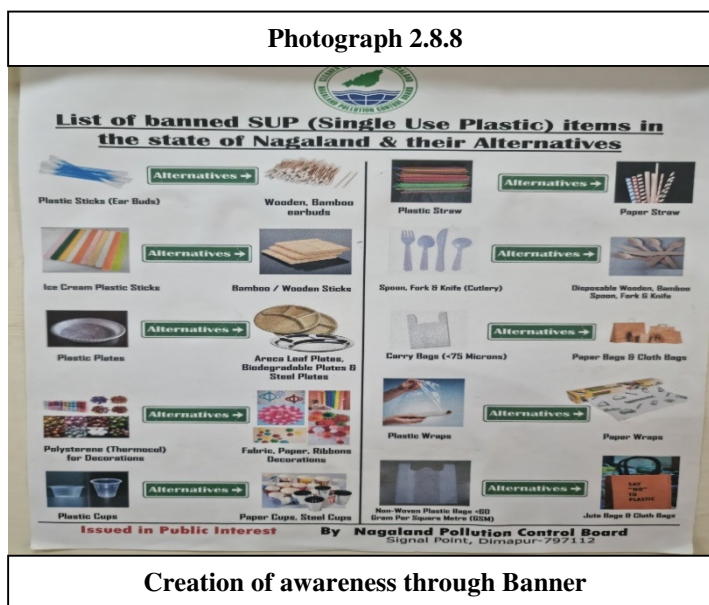
As per Section 7.1 of MSWM Manual 2016, the following wastes are defined as special waste viz., (a) Plastic waste, (b) Bio-medical waste (BMW), (c) Electric and Electronic waste (e-waste), and (d) Slaughterhouse waste.

2.8.8.1 Plastic waste

The Plastic Waste Management Rules, 2016 (PWM Rules, 2016) were notified (18 March 2016) by GoI which shall apply to every waste generator, local body, manufacturer, importers and producer.

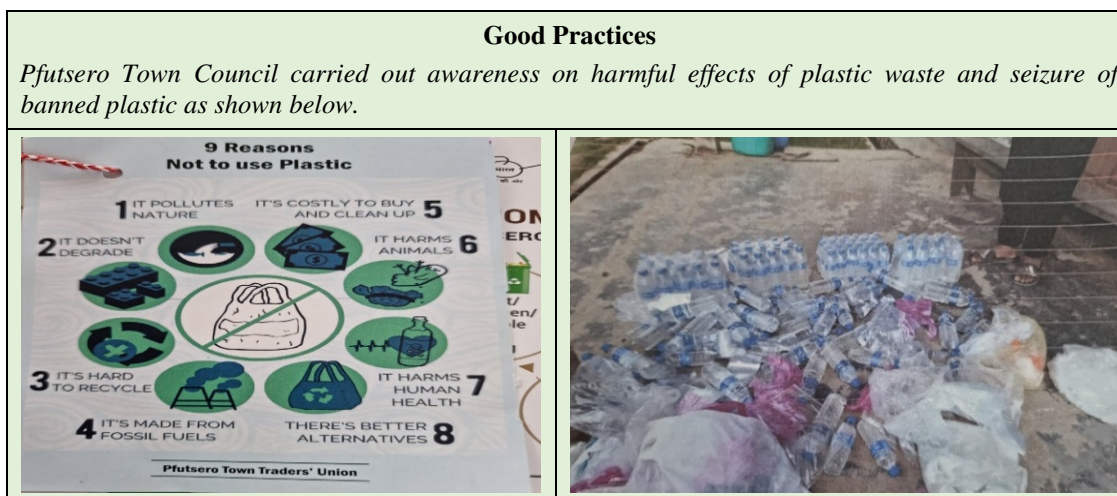
(I) Usage of banned plastic

Rule 4(c) of PWM Rules, 2016 prohibit manufacture, stock, distribution or sale of any carry bag made of virgin or recycled plastic which is less than 50 microns in thickness. GoN notified (June 2019) a ban on manufacture, supply, sale and usage of plastic carry bags, plastic banners, plastic buntings, flex, plastic flags, plastic plates, plastic cups, plastic spoons, cling films and plastic sheets used for spreading



on dining table including the above items made of thermocol and plastic, which use plastic micro beads in the State. To ensure compliance to the ban, ULBs conducted raids on commercial establishments and seized banned plastic from time to time. Audit, however, observed that banned plastic waste was collected at source from households and dumpsite is filled with the same, indicating that the ban was not implemented effectively.

In reply (August 2023), the Government stated that awareness was being created through IEC activities and that for successful enforcement of ban on single use plastic public co-operation is needed. The reply should be seen in the context of widely prevailing usage of single use plastic.



(II) Status of compliance to Plastic Waste Management Rules

Clauses 5 and 6 of PWM Rules, 2016 spell out the responsibility of the municipal authority/local body for plastic waste management. The status of compliance to these provisions in the sampled ULBs is shown in **Table 2.8.10**.

Table 2.8.10: Status of compliance to PWM Rules 2016

Sl. No.	Requirement	Provision	Compliance/ Remarks
1.	Ensuring segregation, collection, storage, transportation, processing and disposal of plastic waste	Rule 6 (2) (a)	Partial segregation in the sampled ULBs resulted in mixed waste to the landfill site.
2.	Creating awareness among all stakeholders about their responsibilities	Rule 6 (2) (e)	Awareness on use of alternative products in place of plastic was promoted by the sampled ULBs.
3.	Engaging civil societies or groups working in waste management including waste pickers	Rule 6 (2) (f)	No sampled ULBs engaged civil societies or groups working in waste management including waste pickers.
4.	For setting up of system for plastic waste management, the local body shall seek assistance of producers in line with the principle of Extended Producer Responsibility (EPR)	Rule 6 (3)	No sampled ULBs established an EPR based plastic waste management system.
5.	The local body to frame bye-laws incorporating the provisions of these rules.	Rule 6 (4)	State Government has not approved any Bye-laws framed by sampled ULBs.

Inability of ULBs to follow several stages prescribed in the rules for PWM Rules, 2016 resulted in low rates of segregation of unsegregated waste reaching the landfill sites as evident from the JPV which showed that banned plastic waste was dumped in the landfill site. No reply was given by the Government.

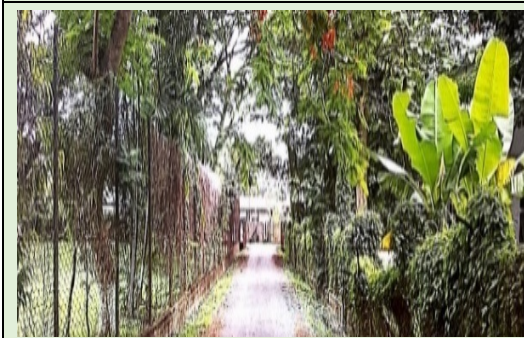
(III) Non-usage of plastic in formation of roads/energy recovery

Rule 5(b) of PWM Rules, 2016 stipulates that the municipal authorities/local bodies shall encourage the use of plastic waste (preferably the plastic waste which cannot be further recycled) for road construction as per Indian Roads Congress guidelines or energy recovery or waste to oil, in compliance with the standards and pollution control norms specified by the prescribed authority. Audit observed that in Nagaland there are no waste to energy facilities. However, NPCB in collaboration with DMC constructed a one Km Polymer Bitumen road using waste plastics as a model road for other Departments to emulate. Till date, no Department has initiated construction of road using plastic waste.

In reply (August 2023), the Government stated that utilisation of plastic waste in road construction is at experimental stage and with time if it becomes cost effective the use of plastic waste for road construction could be explored.

Good practices

- *With financial support from CBCB, NPCB in collaboration with DMC constructed a one Km Polymer Bitumen road using waste plastics as a model road for other Departments to emulate. (27 September 2022)*
- *Scrap market in PTC to encourage public to earn from waste segregation. (12 December 2022,)*

**2.8.8.2 Bio-medical waste**

GoI notified the Bio-medical Waste Management Rules, 2016 (BMW Rules) to provide a regulatory framework for management of bio-medical waste generated in the country. NPCB is the authority designated for implementation of the provisions of these rules in the State. As per these rules, every occupier or operator handling BMW, irrespective of the quantity should obtain authorisation from NPCB and shall hand over segregated waste to a Common Bio-Medical Waste Treatment Facility (CBMWTF) for treatment, processing and final disposal. Disposal by deep burial is permitted only in rural or remote areas where there is no access to CBMWTF and needs to be carried out with prior approval from the prescribed authority and as per the Standards specified.

There are 646 Health Care Establishments (HCEs) functioning in Nagaland, which include hospitals, nursing homes and other units such as veterinary institutes, diagnostic laboratories and clinical research. The data on quantum of bio-medical waste generation and disposal in the State is neither available with the sampled ULBs

nor with NPCB. In absence of any CBMWTF in the State, the bio-medical waste is being disposed through deep burial system and incineration at the HCEs.

(I) Role of Urban Local Bodies in management of Bio-medical waste

As per Schedule III(7) to BMW Rules, 2016, ULBs shall provide or allocate suitable land for development of CBMWTF in their respective jurisdictions as per the guidelines of CPCB and collect bio-medical waste from the health care facilities. Further, as per Schedule I (12) of BMW Rules, 2016, ULBs are required to collect segregated bio-medical waste generated in households and have an arrangement with the CBMWTF to collect this waste from the Material Recovery Facility or from the household directly for final disposal.

Audit observed that there was no CBMWTF in the sampled ULBs and that there was no household level segregation of bio-medical waste in the sampled ULBs. Moreover, out of the six sampled ULBs, only KMC had bio-medical waste collecting vehicles which are deployed as and when called for by the HCE on payment of user fees. Instances of bio-medical waste from HCEs mixed with other solid waste in KMC dumpsite were found as can be seen in the picture below:

Photograph 2.8.9



Bio-medical waste mixed with other solid waste in KMC dumpsite (03 September 2022)

In reply (August 2023), the Government stated that necessary directions are being issued to ULBs for compliance to Bio-Medical Waste Rules.

2.8.8.3 E-Waste

The waste generated from electrical and electronic equipment such as computers, laptops, printers, copying machine, phones, television sets, refrigerators, washing machines and air-conditioners are categorised as E-waste. E-Waste (Management) Rules, 2016 (EWM Rules, 2016) are applicable to every producer, consumer or bulk consumer, collection centre, dismantler and recycler of e-waste involved in the manufacture, sale, purchase and processing of electrical and electronic equipment or components specified in Schedule-I of these Rules. In Nagaland, the Department of Information Technology & Communication, GoN notified (2019) guidelines for disposal of e-waste in consonance with EWM Rules, 2016.

(I) Role of Urban Local Bodies in management of E-Waste

As per Schedule IV of EWM Rules 2016, the ULBs must ensure that e-waste is properly segregated, collected and channelised to authorised dismantler or recycler and that e-waste pertaining to orphan products¹⁸ is collected and channelised to authorised dismantler or recycler. Moreover, Rule 9 (responsibilities of bulk consumer) of EWM Rules, 2016 stipulates that ULBs are required to maintain records for management of e-waste in Form II indicating the nature and quantity of e-waste generated, stored and transferred to recyclers.

Audit observed that the details of e-waste generated, collected and channelised to recyclers, dismantlers or otherwise disposed of in the State during the period 2017-18 to 2022-23 was not available with the sampled ULBs. Therefore, it could not be assessed whether the ULBs effectively managed e-waste as per the provisions of the EWM Rules, 2016.

In reply (August 2023), the Government stated that necessary directions are being issued to ULBs for compliance to E-Waste Management Rules.

Good Practice

Ms. Sowete-u K Letro and Ms. Bendangwala Walling founded (2018) e-Circle in Dimapur, Nagaland in partnership with Hulladek Recycling Pvt. Ltd., Kolkata. e-Circle focuses on the collection and channelisation of e-waste and is actively conducting awareness sessions in schools and colleges to educate future generation about the problems that can arise due to improper disposal of electronic and electrical waste. In 2018, e-Circle transported around 20 tonnes of e-waste to Kolkata. Till date, e-Circle in collaboration with DMC has set up 47 collection points in Dimapur town.

2.8.8.4 Slaughterhouse waste

Waste material produced in the slaughterhouses is of three types: solid, liquid, and gas. Solid waste is generated from manure, intestinal contents, hair, horns, hooves, trimmings, internal organs, condemned carcasses or body parts, carton, and plastics. Liquid wastes of slaughterhouses come from urine, blood, and waste water from the slaughter processes. Gaseous waste materials (odour and emissions) are also produced in the operations. These waste materials if not handled and managed properly pose a hazard to the health and environment. Hence, scientific processing and disposal of slaughterhouse waste is essential to recover useful fractions and for safe disposal of residual pathogenic biological waste.

(I) Role of Urban Local Bodies in management of slaughterhouse waste

Rule 3(1) of Prevention of Cruelty to Animals (Slaughterhouse) Rules 2001, stipulates that no person shall slaughter any animal within a municipal area except in a slaughterhouse recognised or licensed by the concerned authority empowered under the law for the time being in force to do so. Moreover, as per Section 25 and 26 of the Water (Prevention and Control of Pollution) Act, 1974 (Water Act, 1974), slaughterhouses are required to obtain the consent of NPCB for operation.

¹⁸ Orphan products mean non-branded or assembled electrical and electronic equipment as specified in Schedule-I of the Rules or those produced by a company which has closed its operations or has stopped product support.

Out of six sampled ULBs, KMC and DMC has authorised modern abattoir. Audit, however, observed that the abattoir in DMC has been non-functional for the last two years while the modern abattoir in KMC (completed in 2019 at a cost of ₹22 crore with 75 per cent funding from the Ministry of Food Processing Industries, GoI) has not been put to use. The absence/non-functioning of authorised slaughterhouses in ULBs provided scope for mushrooming of small slaughter houses-cum-meat shops within the urban limits. Audit observed that waste generated in these slaughterhouses and retail mutton/chicken/fish shops were mixed with other commercial waste and transported to dumping site. Thus, the ULBs did not manage slaughterhouse waste effectively, resulting in contamination of the environment.

In reply (August 2023), the Government stated that necessary directions are being issued to ULBs for effective management of slaughterhouse waste.

2.8.8.5 Construction and Demolition Waste

Construction and Demolition (C&D) waste means “the waste comprising of building materials, debris and rubble resulting from construction, remodelling, repair and demolition of any civil structure”. C&D waste includes bricks, tiles, stone, soil, rubble, plaster, drywall or gypsum board, wood, plumbing fixtures, non-hazardous insulating material, plastics, wallpaper, glass, metal (e.g., steel, aluminium) and asphalt. Considering the growth in generation of C&D waste, GoI notified the Construction and Demolition Waste Management Rules, 2016 stating the roles and responsibilities of the different stakeholders as well as the compliance criteria for the management of the C&D waste.

(I) Role of ULBs in management of Construction and Demolition waste

As per Section Rule 6(8) of C&D Rules, 2016, it is the duty of the ULBs to keep track of construction and demolition waste generation within its jurisdiction and establish a yearly data base. Rule 13 (Schedule III) of C&D Rules, 2016 stipulates an 18-month timeframe for identification of sites for collection and processing facility of C&D waste from the date of notification of this Rule. Moreover, Rule 5 (3) of C&D Rules, 2016 authorise ULBs to levy charges from the debris generators and make use of this money for collection, transportation and disposal of C&D waste.

Audit observed that the sampled ULBs did not have any data on C&D waste generation in their jurisdiction. It was also observed that the sampled ULBs had neither identified site for disposal of C&D waste nor fixed any charges for management of C&D waste. The Government in its reply stated (August 2023) that it has been made mandatory for DMC and KMC to designate MRF for C&D waste and that such waste is mostly segregated and managed on-site by the developers, which is admissible under SWM Rule, 2016. The reply is not acceptable as inability to identify C&D waste disposal site resulted in illegal and haphazard dumping of C&D waste in low-lying areas and roadsides of Kohima as seen in **Photograph 2.8.10**.

Photograph 2.8.10



Construction and Demolition waste are found dumped in low-lying areas and roadsides
(03 September 2022)

Recommendation: *The State Government may ensure that ULBs take necessary steps to enforce strict adherence to Plastic Waste Management Rules, Bio-medical Waste Management Rules, E-Waste Management Rules and Construction and Demolition Waste Rules.*

2.8.9 Conclusion

One of the primary functions of the ULBs is the effective management of municipal solid wastes. Audit, however, observed shortcomings in solid waste management which includes non-formulation of short-term and long-term plans for solid waste management, improper assessment of solid waste generation, non-operationalisation of Nagaland Integrated Waste Management Policy 2019, non-integration of informal waste collectors, non-achievement of Service Level Benchmarks pertaining to segregation, collection and processing of waste, ineffective Information, Education and Communication (IEC) and non-compliance to various Acts and Rules governing management of special wastes.

2.8.10 Recommendations

The State Government may-

- (i) *notify bye-laws of ULBs expeditiously to operationalise the Nagaland Integrated Waste Management Policy, 2019 for proper management of solid waste.*
- (ii) *enforce strict adherence to Plastic Waste Management Rules, Bio-medical Waste Management Rules, E-Waste Management Rules and Construction and Demolition Waste Rules.*