

Chapter-3 : Project Implementation

3.1 Target and Achievements

3.1.1 Shortfall in achievements

TSC/NBA Scheme aims to accelerate sanitation coverage in rural India by providing access to toilets to all through individual household latrines (IHHL), Community Sanitary Complex and toilets in schools and anganwadis and by developing community managed environmental sanitation system focusing on solid and liquid waste management. Targets set and achievement made during 2009-10 to 2013-14 under these components are given in the **Table-3.1** below:

Table-3.1: Details of targets and achievements

(Figures in lakh)

Component	Year	Target	Achievement	Shortfall in achievement	Per cent shortfall
IHHL-BPL	2009-14	426.32	222.32	204.00	47.85
IHHL-APL	2009-14	469.76	207.55	262.21	55.82
CSC	2009-14	0.42	0.12	0.30	71.43
School Toilet	2009-14	9.28	4.87	4.41	47.52
Anganwadi Toilet	2009-14	4.59	2.04	2.55	55.55
SLWM	2009-14	NA	0.20	NA	NA

[Source: Ministry of Drinking Water and Sanitation]

It can be seen from the details given above that there was a shortfall of 48 to 56 *per cent* in achievement of IHHL. Shortfall in case of CSC, School toilets and Anganwadi toilets was up to 71, 48 and 56 *per cent* of targets respectively. Further, no targets were set for SLWM projects in any year covered under audit; hence the achievement could not be compared with targets (Breakup of the above figures is given in **Annex-3.1**).

The Ministry stated that AIPs were prepared before commencement of each financial year by the States projecting the likely number of toilets that they might construct during the financial year without reference to the funds that might be actually available. Further, the Scheme being a demand driven programme, the Ministry kept no ceiling on the targets

proposed by the States and thus the proposed targets were much higher than what could be achieved with available funds. Ministry, however, accepted that inadequate implementation capacities at grass root level might have contributed to lower achievement.

In this regard, Audit is of the view that the Ministry may restrict the targets at the realistic levels on the basis of the demand of States vis-à-vis their performance and availability of funds so that the implementation is monitored properly.

3.1.2 Inflated achievement

As per Census 2011 (February 2011), 514.64 lakh rural households had toilet facility within the premises, however, as per records in the Ministry, 768.07 lakh toilets were constructed up to February 2011 in rural households under the TSC/NBA scheme. It was noted that there were wide variations in the IHHL figures in various States and in the following 16 States the Ministry had reported achievement on higher side in comparison to Census 2011 figures:

Table-3.2: Details of inflated achievement as compared to Census 2011

SL. No.	State	Census 2011	Ministry	Excess	Per cent Excess over Census 2011
		Households having latrine facility within the premises	IHHL constructed up to 02/2011		
1.	Andhra Pradesh	45,85,620	72,35,242	26,49,622	57.78
2.	Chhattisgarh	6,36,991	17,98,136	11,61,145	182.29
3.	Gujarat	22,35,623	40,36,449	18,00,826	80.55
4.	Haryana	16,63,159	19,04,459	2,41,300	14.51
5.	Himachal Pradesh	8,72,545	9,89,600	1,17,055	13.42
6.	Jharkhand	3,57,289	15,24,722	11,67,433	326.75
7.	Karnataka	22,34,534	36,54,793	14,20,259	63.56
8.	Madhya Pradesh	14,59,201	54,98,678	40,39,477	276.83
9.	Maharashtra	49,46,854	63,99,597	1452,743	29.37
10.	Odisha	11,46,552	34,25,625	22,79,073	198.78
11.	Rajasthan	18,64,447	34,70,005	16,05,558	86.11
12.	Sikkim	77,694	94,600	16,906	21.76
13.	Tamil Nadu	22,20,793	64,26,175	42,05,382	189.36

14.	Tripura	4,95,053	5,69,354	74,301	15.01
15.	Uttar Pradesh	55,45,881	1,51,07,255	95,61,374	172.40
16.	West Bengal	64,11,152	72,57,522	8,46,370	13.20
	Total	3,67,53,388	6,93,92,212	3,26,38,824	88.80

[Source: Ministry of Drinking Water and Sanitation; Census 2011]

It can be seen from the table given above that against 367.53 lakh households having toilet facilities within the premises; the Ministry had inflated the achievement by 326.39 lakh and shown an achievement of 693.92 lakh IHHL up to February 2011. This gap may increase further because Census 2011 might have included household toilets which were not constructed under the NBA/TSC Scheme.

Moreover in Sikkim, against the total households of 92,370 as per census 2011, Ministry had reported construction of 94600 IHHL, i.e. more than the total households.

Ministry accepted the observation and stated that the difference in achievement was probably due to over-reporting to some extent by States (especially in APL toilets) to get more NGP awards, some toilets falling out of use/becoming dysfunctional due to lack of behavioural change, poor construction quality etc. and difference in methodology of counting the toilets.

3.1.3 Non-inclusion of 22 districts under the Scheme

TSC was renamed as NBA with effect from 01 April 2012. The objective of the Scheme was to accelerate the sanitation coverage in the rural areas so as to comprehensively cover the rural community through complementing the demand driven approach of TSC with saturation approach. NBA envisages covering the entire community for saturated outcomes with a view to create Nirmal Gram Panchayats. However it was noticed that NBA scheme was not implemented in the 22 districts of 12 States/UTs as detailed in **Table-3.3** below:

Table-3.3: Districts where NBA Scheme was not implemented

Sl. No.	Name of State/UT	Number of districts	Sl. No.	Name of State/UT	Number of districts
1.	A & N Islands	3	7.	Lakshadweep	1
2.	Chandigarh	1	8.	Puducherry	1
3.	Daman & Diu	2	9.	Punjab	1
4.	Delhi	7	10.	Rajasthan	1
5.	Gujarat	1	11.	Uttar Pradesh	1
6.	Karnataka	1	12.	Tamil Nadu	2
Total					22

[Source: Data extracted from IMIS of the Ministry]

Further, it was noticed that TSC/NBA was not being implemented in all the GPs in the project districts and some GPs where TSC/NBA was implemented were not integrated in project AIP of States/UTs during the year 2009-14 as detailed in **Table-3.4** below:

Table-3.4: Details of GPs where Scheme was not implemented

Year	Total GPs in the Project districts	GPs where TSC/ NBA was not implemented	GPs not integrated in the AIP
2009-10	2,54,163	33,815	351
2010-11	2,54,163	33,803	12
2011-12	2,54,163	33,732	83
2012-13	2,54,163	33,815	Nil
2013-14	2,54,163	33,815	Nil

[Source: Ministry of Drinking Water and Sanitation]

Thus out of 2.54 lakh GPs in the projects districts, the scheme was not being implemented in 0.34 lakh GPs.

The Ministry needs to recognize that non-implementation of the Scheme in some districts/GPs has a direct bearing on the overall objectives of the scheme and defeats the very purpose of comprehensively covering the rural community.

Ministry stated that TSC/NBA was being implemented in all the GPs of rural areas of Project District and it was not operational in urban districts. Further, there was no demand for TSC/NBA in some UTs as

they had their own sanitation programmes that provided better incentives.

The reply of the Ministry may be seen in the light of the information available on IMIS of the Ministry, clearly showing that the Scheme was not being implemented in 22 districts having rural population.

3.2 Project Implementation

3.2.1 Individual Household Latrines (IHHL)

The above component is aimed to cover all rural families by providing incentive for construction of a sanitary latrine including a super structure in every household. Incentive is to be extended to all BPL households and APL households restricted to SCs/STs, small and marginal farmers, landless labourers with homestead, physically handicapped and women headed households. The construction of household toilets should be undertaken by household itself and on completion and use of the toilet, cash incentives is to be given to the household. During field audit in States, various irregularities were noticed in providing the incentive for IHHLs as discussed in succeeding paragraphs.

3.2.1.1 Defunct Latrines

To achieve the aim of total sanitation, it is essential that the toilets constructed under the Scheme are maintained properly so that they remain functional for the use of beneficiary. However, as per Baseline Survey 2012 conducted by the Ministry, out of the total 7.05 crore toilets in individual households, nearly 1.45 crore (20.54 *per cent*) toilets were defunct (State-wise details in **Annex-3.2**). This fact was corroborated during field audit in test checked 53 districts of eight States where proportion of defunct toilets was found to be more than 33 *per cent* (24.03 lakh out of total 71.86 lakh households). The reasons for such high degree of defunct toilets were poor quality of construction, incomplete structure, non-maintenance, etc. as detailed in **Table-3.5** below:

Table-3.5: Defunct/non-functional IHHLs

Sl. No.	State	Districts	Total IHHL	Defunct Units	Remarks
1.	Arunachal Pradesh	04	22495	7191	These units had outlived their life span
2.	Bihar	10	1284309	472011	Poor quality construction.
3.	Gujarat	02	2055	2055	Inferior quality & incomplete construction, non-construction of soak pits etc.
4.	Jammu and Kashmir	05	118124	9719	Reasons were not defined
5.	Jharkhand	06	430158	284478	Non-availability of running water, non-maintenance, lack of awareness, partial construction, collapse of super structure due to heavy rains, storms, etc.
6.	Tamil Nadu	07	2580635	374919	Improper super structure.
7.	Uttarakhand	04	448000	35000	Reasons were not defined
8.	Uttar Pradesh	15	2300454	1218121	Remained unused/ without maintenance by the beneficiaries.
	Total	53	7186230	2403494	

[Source: Data compiled from the records of sample project districts]

Further, joint physical verification/ beneficiary survey of 5527 households in seven States revealed that in 3050 households (55 per cent) toilets were either defunct or lying incomplete, hence not used by the beneficiary. Details are given in Table-3.6 below:

Table-3.6: Beneficiary Survey: Defunct/non-functional IHHLs

Sl. No.	State	Total IHHL	Defunct Units	Per cent
1.	Assam	330	63	19.09
2.	Bihar	1263	593	46.95
3.	Chhattisgarh	1024	852	83.20
4.	Gujarat	190	128	67.37
5.	Jharkhand	1115	704	63.14
6.	Rajasthan	1205	519	43.07
7.	Tripura	400	191	47.75
	Total	5527	3050	55.18

[Source: Data compiled from the records of sample project districts]



Toilet without superstructure at Rongpuria GP, Tinsukai, Assam



Toilet not put to use in Peddapalem GP of Chittoor district, Andhra Pradesh

Problem of defunct toilets, found during Baseline Survey 2012 and also found during audit poses a serious problem for rural sanitation. The high incidence of defunct toilets makes the TSC/ NBA ineffective in tackling the problem of rural sanitation with the result that huge financial investment becomes unfruitful. The reason appears to be poor quality

of construction, lack of water facilities, sustainability, financial and behavioural constraints. Ministry should look into this aspect and should find out the reasons for remedial action.

Ministry accepted the observation and stated that some IHHLs had indeed become defunct due to reasons such as lack of behavioural change of households, poor quality of construction attributed to very low incentive during early period of TSC, etc.

3.2.1.2 Incomplete construction

It was noted in 19 selected districts of seven States that 6155 households were given incentives of ₹ 2.57 crore before construction of IHHL in violation of Guidelines, which resulted into non-utilisation of funds and incomplete construction of IHHL. The details are given in **Table-3.7** below:-

Table-3.7: Incomplete construction and non-utilisation of funds

Sl. No.	State	Districts	No. of households	Amount (₹ in lakh)	Remarks
1.	Chhattisgarh	4	259	94.00	IHHLs were not constructed.
2.	Haryana	5	133	4.04	IHHLs were not constructed in 95 cases and were incomplete in 38 cases.
3.	Karnataka	4	27	1.10	IHHLs were not constructed/completed.
4.	Kerala	1	1,667	37.97	Incentives remained unutilized.
5.	Meghalaya	1	1,255	70.56	Funds blocked in the form of 1,255 incomplete IHHLs.
6.	Nagaland	2	43	1.16	43 households did not utilise the IHHL materials provided under TSC/NBA.
7.	Rajasthan	2	2,771	48.02	IHHLs were not constructed and the fund remained unutilized.
	Total	19	6,155	256.85	

[Source: Data compiled from the records of sample project districts]



IHHL of Rameshbhai Mathurbhai in Uchhali GP of Ankeleshwar Taluka, Gujarat



Dismantled IHHL at Paomata Centre (Senapati district) Manipur.

3.2.1.3 Non-conversion of bucket latrines into sanitary latrines

Construction of bucket latrines is not permitted in the rural areas. Scheme guidelines provide for conversion of existing bucket latrines into sanitary latrines. As per Census -2011 (**Annex-3.3**), there were insanitary latrines in 12.73 lakh households where night soil was removed by human (5.86 lakh), serviced by animal (3.17 lakh) or disposed in open drain (3.70 lakh). It was, however, noted that in selected districts of four States (**Andhra Pradesh, Jammu & Kashmir,**

Manipur and Odisha), such insanitary/ bucket latrines were not converted into sanitary latrines. Communication and Capacity Development Unit in Manipur did not have the data regarding existence of bucket latrines in the State whereas remaining three States' departments had not conducted any survey to assess the status of insanitary latrines in their respective States.

In **Uttarakhand**, as per records of the PMU, there were a total of 1242 insanitary latrines in the State out of which only 736 (59 *per cent*) were converted into sanitary latrines till the November 2014.

3.2.1.4 IHHL construction by contractors/NGOs

Scheme guidelines clearly stipulate that the construction of toilet should be undertaken by the household itself and there is no provision for construction to be done by the project authorities through contractors or other agencies/NGOs. It was noted during field audit in 31 selected districts of 10 States that 12.97 lakh IHHLs involving expenditure of ₹ 186.17 crore were constructed engaging contractors/NGOs etc. The details are given in **Table-3.8** below:

Table-3.8: IHHL constructed by Contractors/NGOs

Sl. No.	State	Districts	Units of IHHL	Amount (₹ in lakh)
1.	Arunachal Pradesh	1	1,313	33.76
2.	Bihar	10	1026535	17016.00
3.	Gujarat	2	2055	52.11
4.	Karnataka	2	NA	27.75*
5.	Maharashtra	1	51	0.97
6.	Manipur	1	174	5.00
7.	Odisha	8	207390	NA
8.	Rajasthan	4	59,585	1443.00
9.	Tamil Nadu	1	189	10.77
10.	West Bengal	1	60	27.20
	Total	31	1297352	18616.56

(*Paid through 64 cheques wherein number of units was not mentioned)
[Source: Data compiled from the records of sample project districts]

Case study: Bihar

The construction of IHHL was done departmentally/through NGOs in Bihar, who were primarily engaged for IEC activities, demands generation and ensuring use of sanitation facilities by DWSCs. The DWSCs of the test-checked districts constructed 10.27 lakh toilets and made payment of ₹ 170.16 crore to departmental officers/NGOs during 2009-13. Further, the work orders were issued to NGOs for construction of low cost latrines with a model design without approval of an estimate. Thus, the work orders were issued without considering the quality assurance of IHHL.

3.2.1.5 Other deficiencies

During audit in States, various other deficiencies like procurement of hardware without demand, part payment of incentive, non-disbursement of incentive, etc. were also noticed. State-wise details are given in **Table-3.9** below:

Table-3.9: IHHL- Other deficiencies

Sl. No.	State	Observation
1.	Assam	Hardware material procured at a cost of ₹ 3.31 crore were supplied (December 2013 to May 2014) to districts by SWSM for construction of toilets under TSC/NBA without any demand from the districts. As a result, the hardware material was lying idle with districts.
2.	Gujarat	Instead of paying the incentive of ₹ 1,200 in cash, the Sarpanch paid cash of ₹ 840 only and for the remaining amount of ₹ 360, sanitary kits (i.e. toilets seat, connecting pipe and tiles) were distributed in cases of 16 beneficiaries.
3.	Himachal Pradesh	In two GPs (Behral and Shilla), ₹ 3.67 lakh received (April 2012 and June 2012) from block was not disbursed in spite of construction of IHHLs by the beneficiaries as of August 2014. The concerned Panchayat Secretaries stated (June 2014) that due to non-construction of IHHLs by the beneficiaries in time, incentive was not distributed.
4.	Karnataka	101 GPs under ZP, Tumkur procured materials at a cost of ₹ 4.02 crore during 2009-10 for construction of toilets. Based on the complaint from elected representatives of the district regarding alleged misappropriation of funds/stock, an inquiry was conducted (March 2012) by CEO, ZP, Tumkur. As per the report of the Committee material costing ₹ 1.50 crore was distributed to beneficiaries and materials worth ₹ 0.36 crore was found missing.

Sl. No.	State	Observation
		The material worth ₹ 2.16 crore was lying unused as a blocking of money. In GP, Kunkova under ZP, Davanagere, payment of ₹ 70,200 was made to 17 ineligible beneficiaries whose photographs were fake/morphed and fictitious. The GP Oorukere under ZP, Tumkur incurred an avoidable expenditure of ₹ 2.43 lakh towards digging pits for IHHLs despite the fact that beneficiaries were paid entitled incentive.
5.	Meghalaya	In West Garo Hills, beneficiaries were not given full incentive for construction of IHHLs as per their entitlement and underpaid to the tune of ₹ 5.16 crore. In two selected districts, procurement of goods worth ₹ 8.98 crore was done without following General Financial Rules.
6.	Tamil Nadu	Incentive of ₹ 5.79 crore (@ ₹ 2,200) was not paid to 26,317 households for construction of toilets in Thiruvannamalai district.

3.2.2 Community Sanitary Complexes

Community Sanitary Complex (CSC) comprising an appropriate number of toilet seats, bathing cubicles, washing platforms, wash basin, etc. can be set up in a place in the village acceptable and accessible to all. Ordinarily such complexes were to be constructed, with the approval from National Scheme Sanctioning Committee (NSSC), only when there is a lack of space in the village for construction of household toilets and the community owns up the responsibility of their operation and maintenance.

3.2.2.1 Non-maintenance of CSCs

In spite of provision in Scheme Guidelines, maintenance and upkeep of CSCs was not proper in twelve States and CSCs remained non-functional, abandoned due to non-availability of water, not being approachable by public or in damaged condition etc., as detailed in **Annex-3.4**.



CSC Nana Rajkot GP of Lathi Taluka, Amreli district, Gujarat !



CSC without prescribed facilities at Maiba village under DWSM Senapati, Manipur

3.2.2.2 Other deficiencies

It was noted during field audit that in some cases CSCs were constructed without obtaining the approval of NSSC, without realisation of community contribution, left incomplete or constructed

in violation of scheme guidelines. State-wise observations are given in **Table-3.10** below:

Table-3.10: CSC - Other deficiencies

State	Observation
Gujarat	CSCs were constructed without approval of NSSC
Jharkhand	DWSM, Ranchi advanced (between July 2009 and March 2012) ₹ 56.49 lakh to VWSCs for construction of 39 CSCs. As of March 2014, only 18 CSCs were complete and remaining 21 CSCs were incomplete even after lapse of more than 25 to 57 months from the date of granting of first advance. In Garhwa district, 19 CSCs costing ₹ 0.38 crore ¹ were constructed in various high schools which was against the guidelines, as these were not available for use of community at large.
Jammu and Kashmir	Against ₹ 54.77 lakh due as community contribution, ₹ 14.73 lakh only had actually been accounted for in the books by the selected districts resulting in short accountal ₹ 40.04 lakh.
Karnataka	Construction of a CSC was abandoned at Hanumagiri village under GP, Beladara under ZP, Tumkur in October 2012 after a payment of ₹ 1.72 lakh to the contractor. Even after 20 months (June 2014), no action has been taken by the GP against the contractor and to resume/complete the work.
Kerala	Alathur Block Panchayat and Malampuzha Block Panchayat received ₹ 9.00 lakh (April - October 2012) and ₹ 1.80 lakh (August 2011) respectively for construction of CSCs, but did not utilise the amount. The BPs could not provide any reasons for the non-utilisation of the amount.
Manipur	In DWSM (Senapati), 19 CSCs were constructed without the approval of the NSSC and without collecting community share.
Mizoram	The DWSCs constructed 62 units of Women Sanitary Complex (WSC) outside the approved State AIP and spent ₹ 10.38 lakh from funds allotted for CSC. The construction of WSC was neither included in the district PIP nor approved by the SSSC/NSSC. There was no water connection in the constructed WSCs.
Rajasthan	Four CSCs were constructed at primary health centre and community health centres contrary to scheme provisions.

¹ Calculated on the basis of estimated value of one CSC for ₹ 1.99 lakh



CSC not in use due to non provision for its maintenance, GP Ner Chowk; Block: Balh and district: Mandi, Himachal Pradesh



CSC without prescribed facilities at Sandangshenba Maring village under DWSM Kangpokpi Manipur

3.2.3 School Toilets

Rural school sanitation is an entry point for the wider acceptance of sanitation by the rural people. Two toilet units, one each for boys and girls, were to be constructed in each school under the scheme. The scheme guidelines provided for assistance of ₹ 20,000 (December 2007) towards the cost of a toilet which was subsequently revised to ₹ 35,000 (June 2010).



Deteriorated School Toilet at Sange, Dirang, West Kameng district !



Deteriorated School Toilet at Wanghoo, Singchung Block, West Kameng district !

3.2.3.1 Irregularities in construction

During audit it was noted that toilets in various schools were constructed without following model design/ beyond approved PIP or were remained incomplete. Details of deficiencies observed in nine selected districts of five States are given in **Table-3.11** below:

Table-3.11: School toilets

Sl. No.	State	Districts	Toilets	Amount (₹ in lakh)	Remarks
1.	Arunachal Pradesh	1	384	76.80	Construction of school toilets without following model drawing/design.
		1	38	12.97	Toilets constructed beyond the number of toilets approved by the competent authority.
2.	Haryana	3	28	9.08	Construction of school toilets not started or incomplete.
3.	Kerala	1	39	5.95	Fund unutilized and school toilets remained incomplete.
4.	Mizoram	2	51	19.64	Construction of school toilets beyond approved PIP, hence, irregular.
5.	Rajasthan	1	66	9.90	Due to delay in construction of toilets, excess avoidable expenditure.
	Total	9	606	134.34	

[Source: Data compiled from the records of sample project districts]

3.2.3.2 Other irregularities

Audit noted that in five States², construction of school toilets was not as per requirement of strength of students attending the school. Shortage of school toilets was noticed in **Kerala** and **Maharashtra** and poor quality toilets were constructed in **Karnataka** and **Punjab**. Other irregularities in construction and maintenance of school toilets were also noticed in 17 States as in **Annex-3.5**.

3.2.4 Anganwadi Toilets

Children are more receptive to new ideas and Anganwadi Centres (AWCs) are appropriate institutions for changing the behaviour, mind-sets and habits of children from open defecation. Keeping in view this perspective, provision for baby friendly toilet (BFT) in each Anganwadi was made under the scheme. The unit cost of Anganwadi Toilet was revised from ₹ 5,000 (April 2006) to ₹ 8,000 (April 2012).

² Andhra Pradesh (Karimnagar), Bihar, Jharkhand, Uttar Pradesh and Uttarakhand



Anganwadi Toilet at Khamlang GP Nampong Block, Changlang district, Arunachal Pradesh



Anganwadi Toilet in Adol GP, Ankleshwar Taluka, Bharuch district, Gujarat

3.2.4.1 Financial irregularities

In three states, financial irregularities like construction of toilets in excess of requirement, excess allocation of incentive, diversion of funds, etc. were noticed as detailed in **Table-3.12** below:

Table-3.12: Construction of Anganwadi toilets

Sl. No.	State	Observation	Amount (₹ in lakh)
1.	Arunachal Pradesh	In Changlang district, 195 excess units of Anganwadi Toilets, valued at ₹ 9.75 lakh (@ ₹ 5,000 per unit) were constructed by the implementing agencies.	9.75
		In West Siang district, against the approved 2 toilets, the implementing Agency constructed 44 units (20 units during 2008-09 @ ₹ 5,000 per unit and 24 units from 2009-10 to 2013-14 @ ₹ 10,000 per unit). Thus, there was unauthorized expenditure of ₹ 3.17 lakh.	3.17
		Out of the 12 Anganwadi toilets physically inspected, 10 units had become defunct, resulting in wasteful expenditure of ₹ 50,000 @ ₹ 5,000 per unit.	0.50
2.	Mizoram	The NSSC approved construction of 718 toilets for AWCs with an outlay of ₹ 0.72 crore, out of which an amount of ₹ 0.50 crore was incurred towards repairing of 504 existing toilets.	50.00
3.	Rajasthan	₹ 1.37 crore transferred to GPs in 20 Blocks remained unutilized for the period ranging from one to six years because GPs failed to construct BFTs despite sanctions issued by DWSC Sikar, Bhilwara, Karauli and Sriganganagar.	137.03
		DWSC Udaipur issued sanctions of ₹ 9.45 lakh for construction of 189 BFT (Kherwara block-114 on 16 September 2007 and Salumber block-75 on 28 March 2006) for ₹ 5,000 each. While toilets were not constructed; the rate for construction was revised to ₹ 8,000 per toilet in June 2010. Thus revised sanctions at the enhanced rate of ₹ 8,000 per toilet were issued for 111 toilets in Kherwara block and 75 toilets in Salumber block for ₹ 0.15 crore. Delay in construction of toilets in Anganwadi centres resulted in excess avoidable expenditure of ₹ 5.58 lakh.	5.58
Total			206.03

3.2.4.2 Other irregularities

During audit it was also noted that baby friendly toilets (BFT) were not constructed in many states and in some states anganwadis operating out of private buildings were not targeted for construction of toilets under the Scheme. State specific observations are given in the **Annex-3.6**.

3.2.5 Solid and Liquid Waste Management

Solid and Liquid Waste Management (SLWM) is one of the key components to address the improvement in the general quality of life in rural areas. SLWM is to be taken up in project mode for each GP with financial assistance capped for a GP on number of household basis to enable all GPs to implement sustainable SLWM projects. Under this component, activities like compost pits, vermin composting, common and individual biogas plants, low cost drainage, soakage channels/pits, reuse of waste water and system for collection, segregation and disposal of household garbage, etc. could be taken up. Projects were to be approved by SSSC.

3.2.5.1 SLWM activities not taken up

Audit noted that in five States (**Arunachal Pradesh, Jammu & Kashmir, Karnataka, Meghalaya and Tripura**), in five districts each of **Andhra Pradesh** and **Jharkhand** and 13 districts of **Madhya Pradesh**, SLWM activities were not taken up. In other States, Audit noticed several discrepancies such as non-maintenance of waste treatment plants, incomplete works, etc. These discrepancies are detailed in **Annex-3.7**.

3.2.5.2 Financial irregularities in SLWM projects

Further, in 13 districts of seven States, various financial irregularities, like incurring expenditure without approval, diversion of funds, etc. amounting to ₹ 7.81 crore were noticed in construction of SLWM infrastructure as detailed in **Table-3.13** below:-

Table-3.13: Construction of SLWM

Sl. No.	State	District	Amount (₹ in lakh)	Remarks
1.	Andhra Pradesh	1	231.00	DWSM, Chittoor procured garbage bins and tricycles worth ₹ 2.31 crore and supplied to 184 GPs during January to March 2014 without identification/alienation of land.
2.	Himachal Pradesh	1	50.23	The DRDA Mandi had not implemented this activity during 2009-14 and utilised ₹ 50.23 lakh out of this component on IEC activities.
3.	Mizoram	2	74.46	The activities involving expenditure of ₹ 74.46 lakh under SLWM of the two DWSCs were not approved by the SSSC. Master plan for SLWM was not prepared for the districts.
4.	Nagaland	2	2.30	During 2011-12, DWSM Zunheboto diverted an amount of ₹ 0.80 lakh from SLWM component for payment of honorarium to officers and staff of the establishment. Similarly, in Dimapur district, DWSM diverted (2011-12) an amount of ₹ 1.50 lakh for construction of CSC at Darogapathar.
5.	Punjab	1	91.85	In Ludhiana against the admissible amount of ₹ 35.20 lakh (Centre Share: ₹ 28.80 lakh, beneficiary share: ₹ 6.40 lakh), an expenditure of ₹ 127.05 lakh was incurred on SLWM activities i.e. renovation of 28 ponds, resulting in excess expenditure of ₹ 91.85 lakh by diverting funds from other components.
6.	Rajasthan	1	14.46	DWSC, Churu sanctioned (July 2013) ₹ 13.41 lakh for SLWM work in GP-Lunas (Block-Taranagar) but ₹ 15.00 lakh was transferred to the GP. The excess amount of ₹ 1.59 lakh was not recovered as of June 2014. DWSC, Churu, transferred (August 2012) ₹ 6.77 lakh to block Rajgarh for construction of drain under SLWM in GP Dhanthal lekhu, Bhagela and Suratpura and ₹ 6.10 lakh for construction of drain in GP Paharsar, Rampura and Kalanatal. The GPs neither constructed the drains nor refunded the amount.
7.	Tamil Nadu	5	316.94	₹ 316.94 lakh was spent on individual items like compost pits, soak pits, dust bins, etc. No project of SLWM was planned as a whole.
	Total	13	781.24	

3.2.6 Rural Sanitary Marts and Production Centres

Rural Sanitary Mart (RSM) is a commercial venture with a social objective. The main aim of an RSM is to provide materials, services and guidance needed for constructing different types of latrines and other sanitary facilities for a clean environment. Production Centres (PCs) are the means to produce cost effective affordable sanitary materials at the local level. They could be independent or part of the RSMs. The PCs/RSMs could be opened and operated by Self Help Groups (SHGs)/women organizations/Panchayats/NGOs etc. The maximum interest free loan admissible was ₹ 3.50 lakh per RSM/PC and was to be recovered in 12-18 instalments after one year from the date of receiving of loan.

3.2.6.1 RSM activities not taken up

Audit noted that in the selected districts of 12 States³ RSMs and PCs were not opened.

In **Uttarakhand**, ₹ 5.65 lakh was released for setting up of RSM and PCs in Almora, Dehradun, Pauri, and U S Nagar. Against a target of six centres only one centre was set up in Dehradun and that too was not in operation as on date of audit (June 2014). In remaining districts no RSM/PC was set up despite release of budget. The released money was, however, recovered with a delay of 18 months to 4 years.

3.2.6.2 Irregularities in RSM projects

In 21 selected districts of six States, loan of ₹ 1.38 crore was provided for opening of RSMs/PCs, but ₹ 1.20 crore remained unrecovered as detailed in **Table-3.14** below:

³ Andhra Pradesh (except in Karimnagar and Srikakulam), Arunachal Pradesh, Chhattisgarh, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Manipur (Senapati District), Meghalaya, Odisha, Punjab and Tripura.

Table-3.14: Rural Sanitary Mart/ Production Centres

Sl. No.	State	District	Amount given (₹ in lakh)	Amount unrecovered (₹ in lakh)	Remarks
1.	Assam	3	23.68	23.68	RSMs/PCs became defunct since 2008-09, amount of ₹ 23.68 lakh remained unrecovered in districts Tinsukia, Goalpara and Udalguri.
2.	Gujarat	4	21.90	20.30	Loan of ₹ 21.90 lakh was disbursed to various SHGs/NGOs for establishing 41 RSMs in the test checked districts, out of which ₹ 1.60 lakh was recovered as of March 2014 and an amount of ₹ 20.30 lakh was pending for recovery. RSMs were not operational in any of the test checked districts.
3.	Madhya Pradesh	4	16.50	14.25	In DWSMs of Anuppur, Dewas, Sagar and Shahdol, ₹ 16.50 lakh was given to SHGs as loan for setting up 16 RSMs. Out of these, only one RSM (Shakti SHG, Tonkhhurd, district Dewas) was functional (August 2014) and two ⁴ RSMs refunded ₹ 2.25 lakh after a lapse of nine years from the date of sanction of the loan. The remaining ₹ 14.25 lakh was outstanding for recovery (August 2014).
4.	Odisha	1	5.00	0.33	DWSM, Koraput released interest free loan of ₹ 5.00 lakh to one SHG in Semiliguda in May 2013 for establishment of RSM against the maximum admissible amount of ₹ 3.50 lakh. SHG did not establish RSM and refunded ₹ 4.67 lakh in June 2014 after lapse of over one year from the date of receipt leaving ₹ 0.33 lakh outstanding against it
5.	Tamil Nadu	4	21.00	11.80	Loan given to SHGs/NGOs for establishing RSMs/PCs was not recovered even after more than five years and RSMs/PCs became non-functional.
6.	Uttar Pradesh	5	49.74	49.74	Five test checked districts provided loans of ₹ 49.74 lakh to the RSMs/PCs but recovery was not made.
	Total	21	137.82	120.10	

⁴ Shakti SHG, Tonkhhurd made a repayment of ₹ 25,000 out of ₹ 50,000 received and Ganga SHG, Beohari, Shahdol made repayment of ₹2.00 lakh after nine years of receiving the loan.

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Nandigram Panchayat Samiti (PS) paid ₹ 1.60 lakh to a RSM for construction of 500 IHHLs in Mohammadpur, Haripur and Gokulnagar GPs. The PS neither issued any work order nor supplied any beneficiary list to RSM.

In the five selected districts it was noted by Audit that RSMs were engaged for construction of IHHL, School Toilets, Anganwadi Toilets as well as for IEC activities but not for providing material, services and guidance needed for constructing of different types of latrines, etc., as per the guideline. Thus, the engagement of RSMs in construction of IHHLs was in contravention of the guidelines.

3.2.7 Revolving Fund

The scheme guidelines provide that a Revolving Fund may be created for providing funds to NGOs/SHGs/Women Organisations/ Panchayats for setting up of Production Centres(PCs)/Rural Sanitary Marts (RSMs). The maximum interest free loan admissible was ₹ 3.50 lakh per RSM/PC and was to be recovered in 12-18 instalments after one year from the date of receiving of loan by them.

3.2.7.1 Deficiencies in creation and operation of Revolving Fund

Audit noted that in the selected districts of 14 States⁵ and in five districts of **Rajasthan**, revolving fund was not created. Various irregularities in creation and operation of revolving fund were noticed as detailed in **Table-3.15** below:

Table-3.15: Operation of Revolving fund

Sl. No.	State	Observation
1.	Andhra Pradesh	₹ 1.20 crore was released to the districts across the State during 2012-14, but there was no mechanism to watch its disbursement and subsequent recovery. In Adilablad Mandal, ₹ 0.95 lakh was given to two SHGs during August - October 2013 for onward distribution to 38 beneficiaries for construction of IHHLs. No recovery was made as of August 2014. An amount of ₹ 0.50 crore was released to DRDA, Chittoor (March 2013) by DWSM, Chittoor

⁵ Arunachal Pradesh, Assam, Haryana, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Punjab and Uttarakhand

Sl. No.	State	Observation
		but details of distribution/utilisation of funds by DRDA were not available. ₹ 0.30 crore ⁶ released to DRDA, Vishakhapatnam and ITDA, Paderu was pending adjustment for more than two years.
2.	Bihar	Funds were not provided to any Cooperative Societies or SHGs, APL households and owner of Anganwadi centres in any of the test-checked districts. However, ₹ 0.83 crore ⁷ was provided to 7 NGOs, 24 GPs and four Assistant Engineers for construction of IHHL and SLWM and ₹ 0.74 crore remained unrecovered as of August 2014.
3.	Chhattisgarh	Only DWSC, Bilaspur had created revolving fund of ₹ 0.03 crore and remaining 15 DWSCs did not create revolving fund aggregating to ₹ 7.92 crore till November 2014.
4.	Gujarat	₹ 0.50 crore was disbursed during 2009-12 to Kheda district Co-operative Milk Producers Union Ltd. Anand from the Revolving Fund. No MoU was executed between the DRDA and the borrower. Though the amount was required to be recovered in 12 to 18 months, no amount had been recovered (September 2014).
5.	Himachal Pradesh	In two (Mandi and Nahan) out of the three test-checked districts, loans amounting to ₹ 0.60 crore (Mandi: ₹ 0.16 crore and Nahan: ₹ 0.44 crore) were disbursed from the revolving fund to SHGs, Mahila Mandals, etc., during 2007-10. Out of this, ₹ 0.44 crore was recovered and ₹ 0.16 crore (Mandi: ₹ 0.12 crore and Nahan: ₹ 4.30 lakh) was outstanding as of August 2014. No loan was disbursed by DRDAs (Mandi and Nahan) during 2010-14 and the revolving fund was not operated by the DRDA Hamirpur as of August 2014.
6.	Odisha	₹ 4.00 crore was sanctioned for test checked districts for revolving fund but in seven ⁸ out of eight test checked districts it was not utilised as of March 2014. The DWSM, Koraput, however, released (September 2010) ₹ 0.21 crore to the District Mission Shakti Coordinator, Koraput for release to 42 women SHGs at the rate of ₹ 50,000 per SHG for promotion of IHHL without verifying their creditworthiness and without any MoU. SHGs did not utilise the fund for the approved purpose, but no action was taken to recover the amount from them. Out of ₹ 0.21 crore given from Revolving Fund, ₹ 0.19 crore remained outstanding as of August 2014.
7.	Tamil Nadu	A loan of ₹ 0.50 crore was disbursed prior to 2009 to 2124 APL families in 19 Blocks in Thirunelveli for constructing IHHL. As on 27 November 2012, ₹ 0.23 crore was outstanding but the same was not recovered till December 2014.
8.	Uttar Pradesh	Four test checked districts (Azamgarh, Deoria, Gorakhpur and Kushinagar) were provided with a Revolving Fund of ₹ 10 lakh each. But the districts did not spend the amount as envisaged.
9.	West Bengal	Katwa-II PS released a sum of ₹ 1.50 lakh as revolving fund to a RSM in October 2013 but the same was not considered as a revolving fund and was shown as advance to the RSM. On being pointed out ₹ 0.40 lakh had been recovered and the remaining amount of ₹ 1.10 lakh was yet to be recovered from the RSM. Suti-II PS paid advance of ₹ 1.20 crore to two working RSMs/Additional

⁶ DRDA, Vishakhapatnam - ₹ 25 lakh; ITDA, Paderu - ₹ 5 lakh

⁷ Bhojpur : ₹ 16.50 lakh to four NGOs for IHHL, Patna : ₹ 6.90 lakh to four AEs for SLWM and West Champaran : ₹ 60 lakh to 24 GPs for IHHL

⁸ DWSM, Angul, Bargarh, Jajpur, Kendrapara, Mayurbhanj, Puri and Sundargarh

Sl. No.	State	Observation
		Production Canters (APCs) from October 2013 to February 2014. Out of that advance ₹ 9.20 lakh was adjusted till August 2014 leaving ₹ 1.10 crore unadjusted.

In conclusion, the implementation of the Scheme and the resultant impact on rural sanitation is not impressive. Despite the implementation of the Scheme, a major share of rural population goes without proper sanitation facilities. The selection of households for IHHLs was not up to the mark leading to the low coverage of BPL and APL households. Various instances were noticed where 12.97 lakh IHHLs involving expenditure of ₹ 186.17 crore were constructed engaging contractors/NGOs against the provision of the NBA guidelines. Bucket latrines were not converted into sanitary latrines in several States. Proportion of defunct toilets was found to be more than 33 per cent (24.03 lakh out of total 71.86 lakh households) in several States due to poor quality of construction, incomplete structure or non-maintenance. SLWM were also not taken up enhancing the probability of insanitation in the rural area. Revolving fund was not created in 14 States depriving the households of the cost-effective and affordable sanitary materials needed by them for construction of sanitation facilities. All these point to inefficiencies in the implementation leading to non-achievement of objectives of the Scheme.

Recommendations:

- **More realistic planning, data integrity and strict monitoring should be ensured to achieve targets of construction of IHHLs, institutional toilets and community sanitary complexes in a time bound manner.**
- **Keeping in view the large numbers of defunct IHHLs, Ministry may develop a mechanism for periodical review of sanitation practices for taking timely remedial action.**