

## Chapter VI

### Construction and Demolition waste

Ministry of Environment, Forest and Climate Change, GoI, notified (March 2016) Construction and Demolition Waste Management Rules, 2016. The Rules defined Construction and Demolition (C&D) waste as the waste comprising building materials, debris and rubble resulting from construction, re-modeling, repair and demolition of any civil structure.

#### 6.1 State Policy for Construction & Demolition waste management

Rule 9(1) of C&D Waste Management Rules, 2016<sup>156</sup> stipulates that the Secretary in-charge of development in the State Government shall prepare their policy document with respect to management of Construction and Demolition of waste in accordance with the provisions of these rules within one year from date of final notification of these rules, *i.e.*, by 29 March 2017.

Greater Hyderabad Municipal Corporation Act, 1955 (Act II of 1956) was not amended to make suitable provisions for C&D waste management.

Section 132 (1) to (4) of Telangana Municipalities Act, 2019 applicable to other 141 ULBs mandates that ULBs have to undertake management of C&D Waste, which includes (i) identification of suitable places for processing & disposal of C&D waste and to engage private operator in accordance with the rules in force, (ii) payment by the C&D waste generator to the Municipal Corporation/Municipality, the cost of C&D waste disposal, in the manner prescribed and (iii) powers to the Municipal Corporation/Municipality to levy and collect penal charges from the individuals or institutions, causing or said to have caused un-safe, improper and unauthorised dumping, of C&D waste in places other than the designated places, and at the rates prescribed.

Audit observed that the MA&UD Department had not notified a State Policy for C&D Waste Management as of September 2023. In the absence of a State Policy, no action plan was developed by the MA&UD Department even after lapse of more than five years of notification of the C&D Waste Management Rules, 2016. Further, Audit observations on C&D waste management in GHMC and test-checked other 14 ULBs are discussed in the succeeding paragraphs.

Commissioner and Director of Municipal Administration Hyderabad confirmed (September 2022) that no C&D waste management policy was developed by the State Government.

#### 6.2 Status of generation of Construction & Demolition waste

The quantum of C&D waste generated and processed in the State during the years 2017-18 to 2021-22 was not furnished to Audit by CDMA, Hyderabad. In GHMC, there was no C&D waste data for the year 2017-18, as there was no C&D waste management till

<sup>156</sup> Construction and Demolition Waste Management Rules, 2016 notified by MoEFCC, GoI, on 29 March 2016

2017-18. Further, test-checked other 14 ULBs do not have the data on C&D waste generation in their jurisdiction during the audit period. The details of C&D waste generated and processed for the years 2018-19 to 2021-22 in GHMC area are shown in **Table-6.1**.

**Table-6.1: C&D waste generated and processed in GHMC during 2018-19 to 2021-22**

(Figures in MT)

| Year         | Generated        | Collected        | Dumped without processing | Processed       | Balance to be processed |
|--------------|------------------|------------------|---------------------------|-----------------|-------------------------|
| 2018-19      | 4,51,702         | 4,51,702         | 3,48,343                  | 0               | 1,03,359                |
| 2019-20      | 4,69,862         | 4,69,862         | 2,79,534                  | 0               | 1,90,328                |
| 2020-21      | 6,44,168         | 6,44,168         | 0                         | 1,34,351        | 5,09,817                |
| 2021-22      | 4,40,827         | 4,40,827         | 0                         | 1,81,843        | 2,58,984                |
| <b>Total</b> | <b>20,06,559</b> | <b>20,06,559</b> | <b>6,27,877</b>           | <b>3,16,194</b> | <b>10,62,488</b>        |

Source: Information provided by GHMC and Diagnostic Assessment Report of the Consultant, M/s Ernst & Young LLP engaged by GHMC

The above C&D waste generated figures include the waste dumped without processing during 2018-19 at a separate place in Jawaharnagar T&D site (72,067 MT) and in Kothwalguda (4,996 MT). Besides, the entire quantity of C&D waste of 5,50,814 MT collected and transported during 2018-20 to Jeedimetla C&D waste processing plant was utilised to fill the existing abandoned quarry in the site and for levelling the site.

Audit observed from the information furnished by GHMC that initially it had planned to establish four C&D waste processing plants at Fathullaguda, Jeedimetla, Kothwalguda and Mallapur sites by dividing the GHMC area into four collection centres. However, due to non-identification/non handing over of feasible lands at Kothwalguda and Mallapur by the Revenue Department, GHMC could not establish C&D waste processing plants at these two sites.

Greater Hyderabad Municipal Corporation replied (April 2023) that in view of Swachh Survekshan, C&D waste of 4,996 MT was deposited in the low-lying area in Kothwalguda area as shown by the Revenue Department. Later, as feasible land was not allotted to GHMC by the Revenue Department, no further C&D waste was dumped in Kothwalguda site. The C&D waste of 72,067 MT collected was transported to Jawaharnagar T&D facility for levelling the site.

At present, two C&D waste processing plants at Jeedimetla and Fathullaguda are in operation. Audit observations on dumping of C&D waste without processing and operations of these two plants are discussed in the succeeding paragraphs.

### **6.3 Identification of site for disposal of Construction & Demolition waste and setting up processing units**

Rule 9(2) of C&D Waste Management Rules, 2016 stipulates that the concerned department in the State Government dealing with land shall be responsible for providing suitable sites for setting up of the storage, processing and recycling facilities for construction and demolition waste.

**In GHMC:** In the GHMC area, two C&D waste processing facilities with 500 TPD operating capacity each were established on PPP mode at Jeedimetla and Fathullaguda sites with permission from TSPCB in May 2018 and May 2020 respectively, covering initially a total of 30 Circles in GHMC. Later, GHMC entered into Agreement (October 2022) with a Licensee for setting up two C&D waste units at Shamshabad (covering eight Circles<sup>157</sup>) and Thumukunta (covering seven Circles<sup>158</sup>) on licensing model<sup>159</sup> and only Collection & Transportation of C&D waste had commenced from November 2022 onwards in these two new units (**Exhibit No.20**). The C&D waste processing facilities at Jeedimetla and Fathullaguda are now catering to eight<sup>160</sup> and seven<sup>161</sup> Circles each respectively.

**In test-checked other 14 ULBs:** Section 132 (1) of the Telangana Municipalities Act, 2019 mandates that the ULBs may handle the C&D waste and identify suitable places for its disposal and processing. Audit observed that no sites were identified for processing & disposal of C&D waste in the 14 test-checked ULBs. The following were observed with regard to C&D waste disposal during JPV of MSW dumpsites of test-checked 14 ULBs.

- a. Collected C&D waste was dumped at a corner in the Solid Waste dumpsites (Khanapur, Peerzadiguda, Yellareddy and Zaheerabad ULBs) for its later use.
- b. Collected C&D waste mixed with MSW in the dumpsite (Chandur ULB).
- c. Khammam and Mahabubnagar ULBs earmarked separate places in the dumpsite for C&D waste. However, no processing facilities for C&D waste were established.

Eight ULBs (Bollaram, Khanapur, Khammam, Kothagudem, Mancherial, Peerzadiguda, Yellareddy and Zaheerabad) stated that C&D waste was being utilised for filling low lying areas and Kalwakurthy ULB stated that it was being utilised for lower layers of road pavements in colonies and rural roads as and when required.

Audit also observed that the test-checked 14 ULBs had neither identified suitable places for C&D waste disposal nor prepared a comprehensive plan for setting up of processing facilities to process C&D waste, though mandated as per Telangana Municipalities Act, 2019. In the absence of separate debris disposal site for C&D waste, it was being dumped/utilised as per the convenience and requirements of the ULBs.

Commissioner and Director of Municipal Administration, Hyderabad confirmed (September 2022) that suitable land for setting up of C&D waste processing facilities were not yet identified.

<sup>157</sup> Chandrayangutta, Charminar, Falaknuma, Goshamahal, Jubilee Hills, Karwan, Mehdipatnam and Rajendranagar

<sup>158</sup> Alwal, Begumpet, Kapra, Khairatabad, Musheerabad, Malkajgiri and Secunderabad

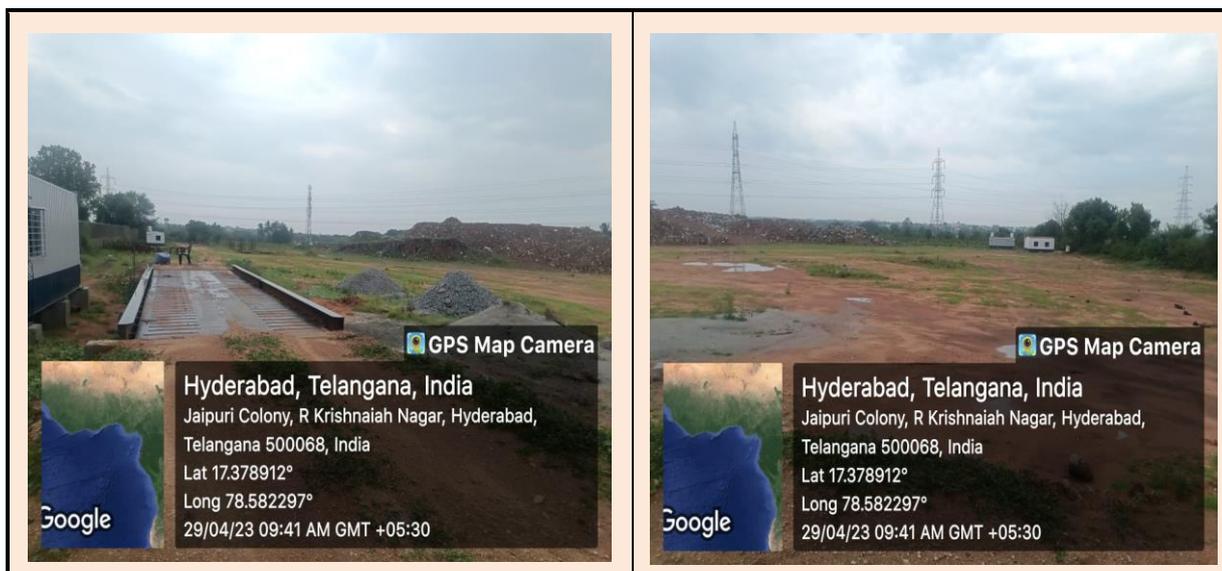
<sup>159</sup> The selected agency shall procure/own/obtain on lease basis the land to establish C&D waste plant

<sup>160</sup> Chandanagar, Gajularamaram, 24-Kukatpally, Moosapet, Quthubullapur, RC Puram, Serilingampally and Yousufguda

<sup>161</sup> Amberpet, Hayathnagar, LB Nagar, Malakpet, Santoshnagar, Saroonagar and Uppal

**Exhibit No. 20, Para 6.3**

**Setting up two new C&D waste units in GHMC area at Shamshabad (covering eight Circles) and Thumukunta (covering seven Circles), where only Collection & Transportation of C&D waste had commenced**



**Thumukunta C&D waste facility site (dated 29 April 2023) under construction. Source: Provided by GHMC**



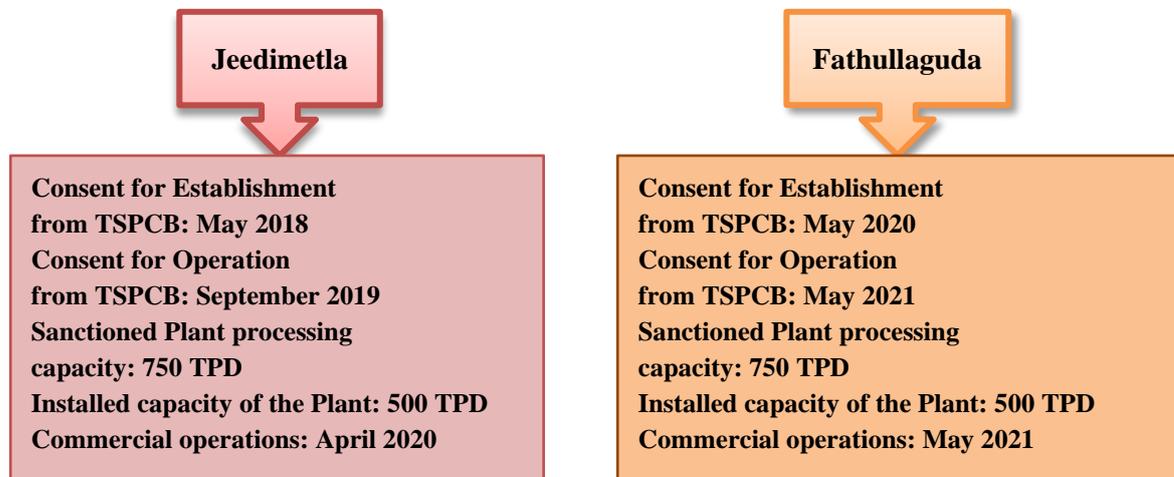
**Shamshabad C&D waste facility site (dated 18 April 2023). Source: Provided by GHMC**

**6.4 Non-operation of Construction & Demolition waste processing plants to full capacity-Stockpiling of unprocessed Construction & Demolition waste in Greater Hyderabad Municipal Corporation**

Greater Hyderabad Municipal Corporation concluded Concession Agreement (CA) with Ramky Enviro Engineers Ltd (REEL) [later novated to Hyderabad C&D Waste Pvt. Ltd (HCDWL, the Concessionaire for C&D waste)] to undertake collection, transportation, processing, management and safe disposal of C&D waste for a period of 25 years on Public Private Partnership (PPP)- Build, Operate and Transfer (BOT) mode. The Agreements were

entered into for the two C&D waste processing plants in Jeedimetla and Fathullaguda in February 2018 and December 2019 respectively. A process flow chart showing the working mechanism of C&D waste plant at Jeedimetla is given in **Appendix-6.1** as an illustration. The details of these two plants are given in **Chart-6.1**.

**Chart-6.1: Details of C&D Waste Processing Plants in operation in GHMC**



Source: Information provided by GHMC

Article 3.6 (c) of the respective Concession Agreements (CAs) of the two processing plants stipulate that the Concessionaire for C&D waste should plan to handle additional waste as appropriate each year and plan to augment the capacity of the C&D waste processing facility at the rate of 5 per cent every year during the Concession period (25 years). The details of C&D waste received and processed in the two plants are given in **Table-6.2**.

**Table-6.2: C&D waste received and processed during 2018-19 to 2021-22 in Jeedimetla and Fathullaguda C&D waste processing plants**

(Figures in MT)

| Year         | Jeedimetla       |                 |                            |                       | Fathullaguda    |               |                       |
|--------------|------------------|-----------------|----------------------------|-----------------------|-----------------|---------------|-----------------------|
|              | Collected        | Processed       | Dumped without processing# | Balance not processed | Collected       | Processed     | Balance not processed |
| 2018-19      | 2,71,280         | 0               | 2,71,280                   | 0                     | 1,03,358        | 0             | 1,03,358              |
| 2019-20      | 2,79,534         | 0               | 2,79,534                   | 0                     | 190328          | 0             | 1,90,328              |
| 2020-21      | 3,99,927*        | 1,34,351        | 0                          | 2,65,576              | 2,44,241        | 0             | 2,44,241              |
| 2021-22      | 2,16,856         | 1,31,246        | 0                          | 85,610                | 2,23,970        | 50,597        | 1,73,373              |
| <b>Total</b> | <b>11,67,597</b> | <b>2,65,597</b> | <b>5,50,814</b>            | <b>3,51,186</b>       | <b>7,61,897</b> | <b>50,597</b> | <b>7,11,300</b>       |

Source: Information provided by GHMC and Diagnostic Assessment Report of the Consultant, M/s Ernst & Young LLP engaged by GHMC

\* Includes State Secretariat demolition C&D waste of 1,46,054.43 MT

# Disposed by filling the existing quarry in Jeedimetla C&D waste processing site

It could be observed from **Table-6.2**, that after commencement of commercial operations, out of total C&D waste of 6,16,783 MT received during 2020-22 in Jeedimetla plant, only 2,65,597 MT (43 per cent) could be processed and in Fathullaguda plant out of 2,23,970 MT received during 2021-22, only 50,597 MT (22.6 per cent) could be processed.

Article 3.2(q) (ii) of the CAs stipulate that after COD, the Concessionaire for C&D waste shall not be permitted to stockpile unprocessed C&D waste exceeding a quantity equivalent to previous three months cumulative collection of C&D waste as determined by the

Authority at any point of time during the Concession period. However, Audit observed that after COD in both Jeedimetla and Fathullaguda plants, the quantum of cumulative unprocessed C&D waste was more than previous three months cumulative collection of C&D waste as detailed in **Appendix-6.2**. GHMC did not incorporate penalty clause for stockpiling of C&D waste as a deterrent measure in the event of non-adherence by the Concessionaire for C&D waste to Article 3.2(q) (ii) of the CAs.

Thus, failure of the Concessionaire for C&D waste to operate the plants at full capacity resulted in cumulative accumulation of C&D waste of 3,51,186 MT in Jeedimetla and 7,11,300 MT in Fathullaguda plants as on 31 March 2022. It is imperative on the Concessionaire to augment the capacity of the plant to process accumulated C&D waste.

Greater Hyderabad Municipal Corporation replied (February 2023) that C&D waste transported to both the plants consisted of major portion of soil and hence the Concessionaire installed soil separation system in August 2022. Further, the Concessionaire was planning for additional crushers to increase the processing capacity. It was also stated that since the new two plants have been finalised at Shamshabad and Thumukunta covering 15 Circles, the incoming C&D waste load on the Jeedimetla and Fathullaguda plants would reduce.

The reply was not in consonance with the fact that the Concessionaire for C&D waste did not operate the plants to installed capacity of 500 TPD and also failed to augment the plants operating capacity though mandated as per Article 3.6 (c) of the Agreements to process the additional waste.

## **6.5 Increase in unclaimed Construction & Demolition waste due to ineffective monitoring and enforcement**

The Concessionaire for C&D waste as part of CAs of two plants at Jeedimetla and Fathullaguda does collection, transportation, processing and disposal of C&D waste of two types- Claimed C&D waste<sup>162</sup> and Unclaimed C&D waste<sup>163</sup>. The details of claimed and unclaimed C&D waste collected and transported to Jeedimetla and Fathullaguda plants during 2018-19 to 2021-22 are given in **Table-6.3**.

<sup>162</sup> Claimed waste means C&D waste, which is generated by any entity whether individual or bulk generators wherein the generator of waste can be identified by the Concessionaire or Local Authority User fee for collection, transportation and processing of C&D waste levied by the Concessionaire from the C&D waste generators at the rates specified by GHMC

<sup>163</sup> Unclaimed waste means C&D waste, wherein the generator cannot be identified by the Local Authority or the Concessionaire. Tipping fee for collection, transportation and processing of C&D waste is paid by GHMC to the Concessionaire at the rates specified by GHMC

**Table-6.3: Details of claimed and unclaimed C&D waste collected and transported to Jeedimetla and Fathullaguda C&D waste processing plants during 2018-22**

(Figures in MT)

| Year         | Jeedimetla-C&D waste collected                         |  |           | Fathullaguda-C&D waste collected                       |  |          |
|--------------|--|--|-----------|--|--|----------|
|              | Claimed<br>(percentage to<br>total waste<br>collected) | Unclaimed<br>(percentage to<br>total waste<br>collected) | Total     | Claimed<br>(percentage<br>to total waste<br>collected) | Unclaimed<br>(percentage<br>to total waste<br>collected) | Total    |
| 2018-19      | 3,127<br>(1.15)  | 2,68,154<br>(98.85)                                      | 2,71,281  | 0  | 1,03,358<br>(100)  | 1,03,358 |
| 2019-20      | 3,159<br>(1.13)  | 2,76,375<br>(98.87)                                      | 2,79,534  | 439<br>(0.23)  | 1,89,889<br>(99.77)                                      | 1,90,328 |
| 2020-21      | 1,47,385 *<br>(36.85)                                  | 2,52,541<br>(63.15)                                      | 3,99,926  | 164<br>(0.07)  | 2,44,076<br>(99.93)                                      | 2,44,240 |
| 2021-22      | 18,581<br>(8.57)                                       | 1,98,276<br>(91.43)                                      | 2,16,857  | 2,530<br>(1.13)  | 2,21,441<br>(98.87)                                      | 2,23,971 |
| <b>Total</b> | 1,72,252<br>(14.75)                                    | 9,95,346<br>(85.25)                                      | 11,67,598 | 3,133<br>(0.42)  | 7,58,764<br>(99.58)                                      | 7,61,897 |

Source: Information furnished by GHMC

\*Includes State Secretariat demolition C&amp;D waste of 1,46,054 MT

Rule 6(10) of C&D Waste Management Rules, 2016, stipulates that the Local Authority shall create a sustained system of information, education and communication for construction and demolition waste through collaboration with expert institutions and civil societies and also disseminate through their own website.

Greater Hyderabad Municipal Corporation stated that it had conducted awareness programmes and also the Concessionaire for C&D waste had conducted awareness programmes for the C&D waste generators to utilise their services for C&D waste lifting. Documentary evidence in the form of pamphlets creating awareness among citizens on C&D waste was furnished to Audit.

However, it could be observed from **Table-6.3** that the percentage of unclaimed C&D waste received in Jeedimetla and Fathullaguda C&D waste processing plants was more than 80 *per cent* of the total C&D waste received. Since in the case of unclaimed waste, the waste generator cannot be identified, this amounts to unauthorised dumping, despite the stated awareness programmes or IEC activities conducted by the Concessionaire and the GHMC.

Greater Hyderabad Municipal Corporation replied (March 2023) that unauthorised dumping of C&D waste was linked with the behavioural changes in the citizens, which takes time to change and despite their awareness programmes at circle level to citizens, builders *etc.*, there was increase in unclaimed waste. Further, it was stated that C&D waste from public works was contributing more to the unclaimed waste and hence a Committee has been constituted to formulate guidelines for sending C&D waste from the public works to the C&D waste processing plants.

The reply of GHMC regarding increased contribution to unclaimed waste by public works was contradictory to the fact that in the case of public works, the waste generators are known and hence cannot be termed as unclaimed waste. The reply also confirms the fact that there is a need to conduct more awareness/IEC activities more effectively by both GHMC and the Concessionaire for C&D waste. The GHMC should also ensure that enforcement activities are carried out more effectively.

## **6.6 Utilisation of collected Construction & Demolition waste by the Concessionaire for site development without processing and without permission of Greater Hyderabad Municipal Corporation**

Article 2.2 of the CA for Jeedimetla C&D waste processing plant on “Rights associated with the Grant of Concession”, Article 3 on “Scope of work” and Article 3.3 on “Site Development” does not permit the Concessionaire for C&D waste to utilise the collected and transported C&D waste for site development in the plant.

Audit observed that the Concessionaire for C&D waste had utilised the entire quantity of C&D waste collected during 2018-19 and 2019-20 of 5,50,814 MT for filling the abandoned quarry in the Jeedimetla C&D waste processing site and for levelling the site. Though, GHMC had not paid processing fee for this dumped C&D waste, utilisation of the same for site development by the Concessionaire for C&D waste was in violation of the Agreement conditions. The CAs have no provision for levying of penalty for such unauthorised utilisation of collected C&D waste.

Greater Hyderabad Municipal Corporation replied (April 2023) that no written permission was given to the Concessionaire of C&D waste for utilising the entire quantity of C&D waste collected of 5.5 lakh MT for filling the abandoned quarry and levelling the Jeedimetla C&D waste processing site. It was stated that the same was done by the Concessionaire of C&D waste with knowledge of GHMC and TSPCB.

The reply confirms the fact that collected C&D waste was not processed and utilised by the Concessionaire of C&D waste for site development which was in violation of Article 3.3 of the CA for Jeedimetla C&D waste processing plant and without proper authorisation from GHMC. Further, the statement that it was done by the Concessionaire of C&D waste with knowledge of GHMC and TSPCB was neither on record nor there was documentary evidence.

The State Government replied (September 2023) that the C&D waste collected was used for filling the low-lying area in the Jeedimetla site to reclaim the land for the construction of the plant as per the provision made at Article 3.2(j) of the Agreement and on mutual understanding. It was recorded at site and to that extent no processing charges were made.

Article 3.2(j) stipulates that until COD of processing facility, C&D waste if collected by the Concessionaire under any special request by the Authority may be stored in the plant site or disposed off at a mutually agreed location in a manner not detrimental to the environment or any other accepted norms.

In the instant case, there was no documentary evidence submitted to Audit to show that the C&D waste was collected on special request by the GHMC and also for the disposal recorded at site. The collected C&D waste was dumped without processing.

## 6.7 Penalties levied on unauthorised/ dangerous transportation and dumping of Construction & Demolition waste

Government of Telangana issued (September 2019) orders<sup>164</sup> for levying of penalties against unauthorised/dangerous transportation and dumping of C&D waste as ₹25,000 for first offence, ₹50,000 for second offence and ₹one lakh for third offence along with confiscation of vehicle used. Further, a penalty of ₹50,000 shall be levied against the entity for every offence on whose behalf the C&D waste was being transported/dumped in an unauthorised/dangerous manner. Government revised (November 2021)<sup>165</sup> the penalty rates as ₹5,000 in case of individual households other than slum areas and ₹25,000 in case of bulk generators, such as builders/work contractors, institutions, commercial establishments *etc.*

### 6.7.1 Difference in penalties levied and collected figures between Annual Reports submitted to Telangana State Pollution Control Board and Greater Hyderabad Municipal Corporation figures

The details of penalties levied and collected by GHMC during the period 2019-22 furnished to Audit were compared with the figures mentioned in the Annual Reports for 2018-19 to 2021-22 on implementation of C&D Waste Management Rules, 2016 submitted by GHMC to TSPCB. There were no Annual Reports prior to 2018-19. It was observed that there were differences in figures as indicated in **Table-6.4**.

**Table-6.4: Details of penalties levied and collected as per information furnished to Audit and as per Annual Reports on C&D waste for the years 2018-22**

(₹ in lakh)

| Year         | As per Annual Reports (2018-22) |                        |                          |                                   | As per information furnished to Audit by GHMC  |                        |                          |                                   |
|--------------|---------------------------------|------------------------|--------------------------|-----------------------------------|--|------------------------|--------------------------|-----------------------------------|
|              | No. of offences                 | Penalty amount imposed | Penalty amount collected | Penalty amount pending collection | No. of offences  | Penalty amount imposed | Penalty amount collected | Penalty amount pending collection |
| 2018-19*     | 2,451                           | 40.26                  | NIL                      | 40.26                             | No levy and collection of penalties by EV&DM as the G.O on levy of penalties was issued in September 2019. |                        |                          |                                   |
| 2019-20      | 4,333                           | 1,260.84               | 290.09                   | 970.75                            | 3,296  | 824                    | 77.75                    | 746.25                            |
| 2020-21      | NIL                             | NIL                    | NIL                      | NIL                               | 73   | 18.25                  | 2.5                      | 15.75                             |
| 2021-22      | 412                             | 12.2                   | NIL                      | 12.2                              | 12   | 3.00                   | 0.75                     | 2.25                              |
| <b>Total</b> | <b>7,196</b>                    | <b>1,313.3</b>         | <b>290.09</b>            | <b>1,023.21</b>                   | <b>3,381</b>   | <b>845.25</b>          | <b>81.00</b>             | <b>764.25</b>                     |

Source: Information furnished by GHMC and Annual Reports on C&D waste for the years 2018-20 submitted by GHMC to TSPCB

\* Inclusive of 2017-18 figures mentioned in the 2018-19 Annual Report

Greater Hyderabad Municipal Corporation replied (April 2023) that the figures in Annual Reports were inclusive of penalties levied by Enforcement Vigilance & Disaster Management (EV&DM) Wing and also penalties levied at Circle level by the sanitation staff, whereas the figures furnished to Audit pertain to penalties levied by EV&DM Wing.

<sup>164</sup> G.O.Rt.No. 632 dated 23 September 2019 of MA&UD (GHMC-II) Department

<sup>165</sup> G.O.Rt.No. 854 dated 27 November 2021 of MA&UD (GHMC-II) Department

The reply of GHMC was not in consonance with the fact that since the figures in Annual Reports include penalties levied by both EV&DM and at Circle level as per the statement of GHMC, the figures pertaining to penalties levied by EV&DM for the year 2020-21 should have been atleast reflected in that year instead of showing NIL figures, even if there was delay in receipt of figures from Circle level. Similarly, penalty collected during the year 2021-22 was ₹0.75 lakh as per EV&DM figures (figures furnished to Audit), whereas corresponding figure was shown as NIL in the Annual Report for the year 2021-22.

Discrepancies in the outstanding penalty amount between the Annual Reports of TSPCB and GHMC were not reconciled.

### **6.7.2 Non-recovery of pending penalty amounts**

Audit enquired about action taken to recover the pending penalty amount of ₹7.64 crore due as on 31 March 2022 (**Table-6.4**) and GHMC replied (April 2023) that its General Body had passed a Resolution dated 8 February 2020 directing to keep in abeyance the system of imposing penalties by the EV&DM Wing on the owners of the buildings for wayward dumping of building C&D waste material on the roadside. However, it was stated that the system of imposing penalties on vehicles transporting C&D waste and boulders in a dangerous manner was being continued and hence there was reduction of number of penalty cases in subsequent years.

The reply was not in consonance with the fact that the Resolution does not prevent collection of already imposed pending penalties. Hence, effective action was not taken by GHMC to recover the pending penalties. There was also no reconciliation and consolidation of penalty amounts at Circle level and those imposed by EV&DM to the end of 31 March 2022 to arrive at the actual penalty amounts to be recovered (*Para 6.7.1 refers*).

### **6.7.3 Non-constitution of a Committee to streamline the process of imposing penalties**

The Resolution (February 2020) of GHMC Council mandated that it should constitute a committee to examine the matter in detail with regard to curtailing of haphazard dumping of C&D waste and to streamline the process of imposing penalties and subsequently the proposal/Report of the constituted Committee should be placed before the Standing Committee of GHMC for consideration.

In response to an Audit Enquiry, GHMC replied (May 2023) that Committee was not constituted.

The State Government replied (September 2023) that in view of the existing orders on levy of penalties issued in September 2019 and November 2021 (*Para 6.7 refers*), the Committee formation was not done.

The reply was not in consonance with the fact that despite the existing orders, there was increase in unclaimed C&D Waste and non-recovery of penalties amount of ₹7.64 crore (*Para Nos. 6.5 and 6.7.2 refer*).

The resolution was to streamline the process of imposing penalties, which needs to be implemented by formation of Committee, which was not done. Thus, non-constitution of a Committee by GHMC even after lapse of more than two years, to streamline the process of imposing penalties had led to ineffective enforcement and consequent increase in dumping of unclaimed C&D waste (*Para 6.5 refers*).

**In test-checked other 14 ULBs:** Section 132 (3) of The Telangana Municipalities Act, 2019 stipulate that the onus, to get the C&D waste collected is on the person generating, and such a person shall pay to the municipality for the cost of its disposal, in the manner prescribed. Further, Section 132 (4) provides that the Municipality shall have the powers to levy and collect penal charges from the individuals or institutions, causing or said to have caused un-safe, improper and unauthorised dumping, of C&D waste in places other than the designated places, and at the rates prescribed.

Audit observed that Nagaram ULB only notified (September 2021) a rate of ₹1,000 for collection of C&D waste. In Khammam ULB, notification was issued (February 2021) assigning dedicated teams for collection & disposal of C&D waste. Further, six ULBs<sup>166</sup> had notified rates for levy of penalty for unauthorised dumping of C&D waste. However, no effective actions were taken by these ULBs to impose penalty for unauthorised dumping.

## 6.8 Non-use of Construction & Demolition Waste for construction works

Rules 9(4) of C&D Waste Management Rules, 2016 stipulates that procurement of materials made from C&D waste shall be made mandatory by the State Government to a certain percentage (say 10-20 *per cent*) in Municipal and Government contracts subject to strict quality control.

Audit observed during JPV (February 2023) of Jeedimetla and Fathullaguda C&D waste processing plants that an in-house production facility was developed where the processed recycled waste (stone aggregates, sand, *etc.*) (**Exhibit No.21**) was used as raw material for producing wide range of building materials like cement bricks, paver blocks, tiles, kerb stones, *etc.* The Concessionaire for C&D waste was earning revenue by selling these building materials. However, the State Government had not made it mandatory for usage of materials made from C&D waste in Municipal and Government contracts.

Greater Hyderabad Municipal Corporation replied (September 2022) that the issue was addressed (August 2022) to the MA&UD Department with a request to constitute a Committee for issuing guidelines and recommendations for utilisation of recycled C&D waste material. In response, MA&UD Department constituted (December 2022) a Committee for this purpose and guidelines and recommendations are awaited as of September 2023.

<sup>166</sup> Kalwakurthy, Khanapur, Khammam, Mahabubnagar, Nagaram and Zaheerabad

**Exhibit No.21, Para 6.8**

**JPV of Jeedimetla and Fathullaguda C&D waste processing plants on 03 February 2023  
Recycled and reusable materials out of C&D waste**

|  |   |
|--|---|
|   |   |
| <p><b>Recycled sand</b></p>  | <p><b>Recycled aggregate</b></p>  |
|  |  |
| <p><b>Recycled aggregates</b></p>  | <p><b>Reusable Paver blocks out of processed C&amp;D Waste</b></p>                  |

**6.9 Non-monitoring of implementation of Construction & Demolition Waste Management Rules, 2016 by Telangana State Pollution Control Board**

Rule 13 of C&D Waste Management Rules, 2016 prescribed a time frame<sup>167</sup>, for monitoring by SPCBs for implementation of these Rules.

Documentary evidence with regard to monitoring done by TSPCB in GHMC and in test-checked other 14 ULBs on C&D waste management, was not furnished to Audit.

<sup>167</sup> Three times a year in cities with population of 10 lakh and above; and two times a year in cities with population less than 10 lakh

Audit observed during JPV (February 2023) of Jeedimetla and Fathullaguda C&D waste processing plants that those standards or facilities (Schedule-B) mandated by TSPCB while sanctioning CFO and CFE to the Concessionaire for C&D waste were not followed. Details of non-compliance are shown below:

- a. Facility of regular water sprinkling on the roads to avoid fugitive emissions was not provided at the plant.
- b. Buffer zone of 40 m all around boundary of the processing area was not provided.
- c. The Concessionaire did not install a dust extractions system with proper ducting, to extract the fugitive emissions generated in the processing area.
- d. Continuous Ambient Air Quality Station with connectivity to TSPCB server for measuring particulate matter was not installed.
- e. Wind breaking walls around construction site not constructed, though mandated in Article 3.3 (d) of the CAs entered with the Concessionaire.

Further, the following standards were not followed in the C&D waste processing plant in Fathullaguda:

- a. The operations of the plant were carried out in a partially closed manner instead of in closed sheds (**Exhibit No.22**).
- b. Water sprinklers were not provided at primary crusher, secondary crusher, conveyor belts and at all transfer points.

The above observations during JPV of the two plants in GHMC indicate lack of effective monitoring by TSPCB.

Hence, GHMC had not taken appropriate action to ensure that the Concessionaire for C&D waste maintain the prescribed standards & facilities mandated by TSPCB uniformly in the two C&D waste processing plants.

## 6.10 Good practices noticed

*Good practices that were followed in operation of these two plants by maintaining few required facilities as detailed in Box No.2.*

### **Box No.2**

#### ***Good practices in Fathullaguda and Jeedimetla C&D waste processing plants***

During JPV of the Fathullaguda and Jeedimetla C&D waste plants on 03 February 2023, Audit observed that the Concessionaire for C&D waste had provided in the plants (i) Weighbridge, (ii) Green cover, (iii) approach roads, (iv) PPE kits to the personnel handling C&D waste (**Exhibit No.23 and Exhibit No.24**).

**Exhibit No.22, Para 6.9**  
**Fathullaguda C&D waste processing plant operating in partially closed shed**



**Exhibit No.23, Para 6.10**  
**Jeedimetla C&D Waste processing plant**



**Weighbridge**



**Green cover inside the plant premises with approach roads**



**Green cover inside the plant premises**



**Personnel with PPE kit doing manual sorting of C&D waste**

**Exhibit No.24, Para 6.10**  
**Fathullaguda C&D waste processing plant**



**Weighbridge**



**Manual sorting of C&D Waste by personnel with PPE kits**



**Green cover inside plant premises**



**Approach roads with green cover inside plant premises**

**6.11 Non-conduct of Social Audit to assess the performance of Concessionaire for Construction & Demolition waste**

Article 3.8.5 of the CAs stipulate that Social Audit should be conducted by GHMC for assessment of the performance of the C&T by the Concessionaire for C&D waste yearly and findings shall be considered for the improvement of the performance of the project.

Audit observed that GHMC had not conducted Social Audit to assess the performance of the Concessionaire for C&D waste. GHMC replied that the same would be conducted.

## 6.12 Implementation of recommendations of the Consulting firm on Road Map for sustainable and efficient management of Construction & Demolition waste

Greater Hyderabad Municipal Corporation engaged Consultancy Services of M/s Ernst & Young LLP for strategy and implementation support for C&D waste management in GHMC area and an Agreement was entered into (July 2020) with a contract period of six months. The Consultant as a part of the contract, submitted (January 2021) Implementation Road Map Report with recommendations for sustainable and efficient management of C&D waste in GHMC area.

The recommendations of the Consultant on eight work tracks<sup>168</sup> and status on its implementation by GHMC are detailed in **Appendix-6.3**. Action/decision was still pending on the recommendations pertaining to three<sup>169</sup> out of eight work tracks as detailed below:

- a. **Construction and Demolition Waste Management:** Considering C&D waste processing plant as a recycling industry for providing land in Telangana State Industrial Infrastructure Corporation (TSIIC) industrial areas. Though State Government replied (September 2023) that pursuance was made by GHMC with TSIIC, documentary evidence for GHMC having pursued the matter with TSIIC in this regard was not furnished to Audit.
- b. **Greater Hyderabad Municipal Corporation Act Amendment:** Amendment to GHMC Act for making a provision for collection of C&D waste charges and levying of penalties to avoid legal implications.
- c. **Bulk Waste Generators:** Streamlining Bulk Waste Generators and informal processing units and to authorise them after compliance with C&D Waste Management Rules, 2016 to reduce adverse environmental impacts. Though State Government replied (September 2023) that GHMC had not taken up this issue due to possible legal issues, specific reasons for not implementing the recommendation were not furnished to Audit.

<sup>168</sup> (i) User charges and Penalties, (ii) C&D Waste Management, (iii) GHMC Act Amendment, (iv) Works Contract (Public Works), (v) Demolition Permit, (vi) Tech-Upgradation, (vii) Bulk Waste Generators and (viii) Awareness and IEC Activities

<sup>169</sup> (i) User charges and Penalties, (ii) Works Contract (Public Works) and (iii) Demolition Permit

### **6.13 Conclusion**

The State Government had not notified a State Policy for C&D Waste Management as of September 2023. Though C&D Waste Processing Plants were set up in GHMC at four places, the GHMC Act, 1955 (Act II of 1956) was not amended to make suitable provisions for C&D waste management. Test-checked other 14 ULBs had neither identified suitable places for C&D waste disposal nor prepared a comprehensive plan for setting up of processing facilities to process C&D waste, though mandated as per Telangana Municipalities Act, 2019. The Concessionaire did not operate plant for Construction and Demolition (C&D) waste at full capacity which resulted in accumulation of C&D waste of 3,51,186 MT in Jeedimetla and 7,11,300 MT in Fathullaguda plants as on 31 March 2022.

### **6.14 Recommendations**

- (i) State Government should notify a State Policy for C&D Waste Management and allocate suitable lands to the ULBs for proper disposal of C&D waste.*
- (ii) State Government should direct GHMC to make suitable provisions for C&D waste management in GHMC Act.*