

| <b>TABLE OF CONTENTS</b>                   |                                                                                      |                       |
|--------------------------------------------|--------------------------------------------------------------------------------------|-----------------------|
| <i>Paragraph</i>                           | <i>Description</i>                                                                   | <i>Page reference</i> |
|                                            | Preface                                                                              | iii                   |
|                                            | Executive Summary                                                                    | v                     |
| <b>Chapter I – Introduction</b>            |                                                                                      |                       |
| 1.1                                        | Introduction                                                                         | 1                     |
| 1.2                                        | Mission components                                                                   | 1                     |
| 1.3                                        | Organisational set up                                                                | 2                     |
| 1.4                                        | Audit objectives                                                                     | 3                     |
| 1.5                                        | Audit criteria                                                                       | 3                     |
| 1.6                                        | Audit scope and methodology                                                          | 4                     |
| 1.7                                        | Sampling                                                                             | 4                     |
| 1.8                                        | Acknowledgement                                                                      | 4                     |
| 1.9                                        | Audit findings                                                                       | 4                     |
| <b>Chapter II – Planning the Mission</b>   |                                                                                      |                       |
| 2.1                                        | Project planning                                                                     | 5                     |
| <b>Chapter III – Financial Management</b>  |                                                                                      |                       |
| 3.1                                        | Project fund                                                                         | 20                    |
| 3.2                                        | Administrative and office expenses                                                   | 22                    |
| 3.3                                        | Reform incentive                                                                     | 23                    |
| 3.4                                        | Loss of Central assistance for the preparation of GIS based Master Plan, LAP and TPS | 24                    |
| 3.5                                        | Inadmissible payments                                                                | 25                    |
| 3.6                                        | Avoidable burden due to upfront release of loan assistance to ULBs                   | 26                    |
| <b>Chapter IV – Project Implementation</b> |                                                                                      |                       |
| 4.1                                        | Execution of projects                                                                | 30                    |
| 4.2                                        | Physical and financial progress of projects                                          | 30                    |
| 4.3                                        | Execution of water supply projects                                                   | 31                    |
| 4.4                                        | Status of achievement of Service Level Benchmarks                                    | 44                    |
| 4.5                                        | Execution of sewerage facilities and septage management projects                     | 48                    |
| 4.6                                        | Status of universal coverage of sewerage and septage systems                         | 56                    |
| 4.7                                        | Operation and maintenance of treatment plants under water supply and sewerage sector | 57                    |
| 4.8                                        | Execution of projects under urban transport                                          | 59                    |
| 4.9                                        | Execution of stormwater drains                                                       | 64                    |
| 4.10                                       | Execution of projects under green space and parks                                    | 69                    |
| <b>Chapter V – Project Monitoring</b>      |                                                                                      |                       |
| 5.1                                        | Monitoring of projects                                                               | 73                    |

| <b>APPENDICES</b> |                                                                                                      |             |
|-------------------|------------------------------------------------------------------------------------------------------|-------------|
| <i>Appendix</i>   | <i>Description</i>                                                                                   | <i>Page</i> |
| 1.1               | Statement showing number of approved projects and number of projects selected by Audit               | 79          |
| 2.1               | Details of SAAP wise duration and funds                                                              | 80          |
| 2.2               | Details of projects abandoned/cancelled/delayed due to absence of hindrance free land                | 81          |
| 2.3               | DPRs prepared by M/s Ram Biologicals under sewerage/septage component                                | 85          |
| 2.4               | DPRs prepared by KITCO under storm water drain, urban transport and green space and parks components | 87          |
| 3.1               | Delay in release of funds by Government of Kerala                                                    | 89          |
| 4.1               | Status of sewerage network                                                                           | 90          |
| 4.2               | Funds allocated and facilities created under urban transport                                         | 91          |
| 4.3               | Foot paths constructed without clearing obstacles                                                    | 92          |
| 4.4               | Non-providing of facilities in parks                                                                 | 94          |
| 5.1               | Projects not appraised by SLTC                                                                       | 96          |
|                   | Glossary of abbreviations used in the Report                                                         | 101         |