सत्यमेव जयते

Report of the Comptroller and Auditor General of India on Performance Audit on the Efficacy of Implementation of the 74th Constitutional Amendment Act, 1992

SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest

Government of West Bengal

Report No. 3 of the year 2023

सत्यमेव जयते

Report of the
Comptroller and Auditor General of India
on
Performance Audit on the Efficacy of Implementation of the 74th Constitutional Amendment Act, 1992

SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest

Government of West Bengal

Report No. 3 of the year 2023

TABLE OF CONTENTS

Preface

PREFACE

This Report on audit of Urban Local Bodies (ULBs), under the West Bengal Municipal Act, 1993; Kolkata Municipal Corporation Act, 1980; Howrah Municipal Corporation Act, 1980 and West Bengal Municipal Corporation Act, 2006, has been prepared for submission to the Government of West Bengal.

The Report, covering the period 2015-16 to 2020-21, contains the results of Performance Audit of the 'Efficacy of Implementation of the 74th Constitutional Amendment Act' in West Bengal.

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

Executive Summary

EXECUTIVE SUMMARY

The 74th Constitutional Amendment, which came into effect on 1 June 1993, provided a clear mandate for democratic decentralisation and sought to create an institutional framework for ushering in democracy at the grassroots level, through self-governing local bodies, in the urban areas of the country. It empowered Urban Local Bodies to perform 18 functions listed in the 12th Schedule of the Constitution.

As per Census 2011, West Bengal had a population of 9.13 crore, out of which 2.91 crore (31.87 *per cent*) were residing in urban areas and 1.66 crore in areas covered under the 125 ULBs in the State. Urban areas in West Bengal face multiple challenges in regard to waste management, sanitation, public health issues and poverty alleviation. In this scenario, ULBs have an important role to play, as most of these issues can be handled best at the local level. In West Bengal, the three tiers of Urban Local Bodies are categorised on the basis of the population in their jurisdiction, population density and occupational pattern.

The objective of this Audit was to assess whether the State Government had adequately empowered the Urban Local Bodies, by creating a robust institutional framework, supported by transfer of functions, funds and functionaries; whether the ULBs were able to deliver the services devolved to them in a satisfactory manner and whether they had attained self-reliance for financing their activities through taxation and other sources of revenue.

Out of the 18 functions to be devolved, one function, relating to fire services, had not been devolved to ULBs. Out of the remaining 17 functions devolved to ULBs, in case of 15 functions, ULBs had an overlapping role with parastatals/ departments; in case of one function, ULBs had minimal role and, in case of one function, were ULBs solely responsible.

Holding regular elections and participation of elected representatives in citizen-centric development activities is crucial to democratic decentralisation. There was delay in holding elections in 109 ULBs, which ranged from six months to 32 months. Thus, non/delayed holding of elections may result in the ULBs being rendered ineligible for the Central Finance Commission (CFC) grants.

Preparing long-term and short-term development plans and formation of different committees with earmarked objectives, to ensure integrated development in all spheres, are crucial for the effective functioning of the ULBs. Audit, however, noticed non-preparation of draft development plans, in all the 27 test-checked ULBs, with only six ULBs having prepared annual development plans.

Pendency in the preparation and submission of Annual Financial Statements was noticed in 119 ULBs, raising concerns about the proper management and utilisation of financial resources. Delays in constitution of State Finance Commissions (SFC) and delayed release of State Finance Commission and Central Finance Commission Grants, adversely affected the financial position of the Urban Local Bodies.

It was noticed that the revenues raised by ULBs from their own sources were low and they were dependent upon grants for their functioning. Significant amounts, pertaining to Property Tax, were due to the Urban Local Bodies. The test-checked ULBs had not explored all the possible areas mandated in the Acts, to augment their own source revenue.

Sufficient and suitably trained Human Resources are critical for the effective functioning of any institution. However, Audit observed that the last staff assessment for ULBs had been conducted in 1995, although the ambit of service delivery and the urban population had increased manifold over the past 27 years. Recruitment to all categories of staff of ULBs, through the Municipal Service Commission, was made mandatory with effect from January 2019, yet a large number of vacancies were existing in the ULBs.

The 12th Schedule, added by the 74th Constitutional Amendment, envisaged supply of water and public health and sanitation, including solid waste management, among the 18 functions to be devolved to the ULBs. The Acts governing the ULBs also incorporated devolution of these functions to the ULBs.

Audit noticed that, out of the 27 test-checked ULBs, 17 were fully/partially dependent on parastatals for supply of water; five ULBs had no role in water supply; four of them were dependent on parastatals; and, in case of one ULB, citizens were dependent only on tube-wells for supply of water. Only one ULB had achieved the benchmark of 135 litres *per capita* per day water supply and none of the test-checked ULBs had achieved the benchmark of providing 100 *per cent* house connections and 24 hours of water supply.

In the area of solid waste management, delays were noticed in the preparation of plans for implementation of the solid waste management function, by agencies engaged by SUDA. Further, these plans were not distributed among the ULBs. Segregation at source, as well as collection and disposal of solid waste in a segregated manner, are essential for effective solid waste management. Audit noticed that, out of 27 ULBs, 14 ULBs had not implemented segregation at source and four ULBs had not implemented door-to-door collections. Six ULBs did not have their own dumping sites or sanitary landfill sites and only four out of 27 ULBs had functional processing facilities for solid waste.

In the area of sewerage and drainage, among four ULBs having underground sewerage systems, only *Kolkata* MC had a functional underground sewerage system, while the remaining ULBs were dependent on networks of drains. In 20 ULBs, the sewerage and drainage network/drains discharged into rivers or canals, and only seven of these ULBs had STPs in their municipal areas.

Based on the above observations, Audit recommends that:

- *Government may ensure that the 17 functions that have been either partially devolved or not devolved at all, may be handed over to the ULBs, to the maximum extent possible on priority*
- *Government may ensure that elections for the ULBs are held in a timely manner, in consultation with the State Election Commission*
- *Ward Committees may be constituted, as per the Acts, so that the ground level priorities of citizens are factored into the decisions of the ULBs*
- *Government may ensure constitution and effective functioning of the District Planning Committees, for integrated planning and development*

- *ULBs may prepare Draft Development Plans and Annual Development Plans, for strategic and holistic development of their jurisdictional areas*
- *Government may constitute the SFCs and implement their recommendations in a timely manner*
- *Government may stipulate a uniform timeframe for preparation of the Annual Financial Statements of all ULBs, as also for timely submission of Annual Financial Statements, for audit by the statutory auditor (ELA)*
- *Government may ensure that ULBs conduct internal audit regularly and take remedial action to strengthen their internal control system*
- *Government may ensure that MACs are constituted every year and meetings held regularly, to discuss the audit reports (including internal audit reports) of the concerned ULBs*
- *SFC and CFC grants may be released in a timely manner*
- *Recommendations of the SFCs, relating to devolution, may be implemented, to the maximum extent possible*
- *ULBs may take all possible measures to increase revenue from property tax*
- *Government may ensure that valuation of properties in the ULBs is conducted in a timely manner and, while determining the value of land, the guidance values fixed by the State Government are taken into consideration, to avoid undervaluation of properties*
- *ULBs may be advised to initiate discussion with the Departments of the Government, to decide the quantum of services which would be delivered to them and the resultant service charges to be levied and collected*
- *ULBs are to ensure that Rates/Fees levied by them may be revised, time to time*
- *ULBs may prepare their budgets within the stipulated timeframe, considering their actual requirements of funds*
- *The BSUP fund should be mandatorily created by all ULBs and regular contributions should be made therein, to ensure delivery of basic services to the urban poor, as well as to the inhabitants of slum areas*
- *ULBs may explore all possible areas to augment their own revenue and strengthen their collection efficiency. They may also arrange special drives, from time to time, to collect arrears, in order to meet their revenue expenses*
- *A professional assessment of the staff requirements for the ULBs, to enable them to cater to the growing urban population, may be taken up*
- *Government may take immediate steps for filling the existing vacancies in the ULBs, through the West Bengal Municipal Service Commission*
- *Government may provide adequate funds and functionaries to ULBs, to enable them to construct and maintain water supply projects and also to take possession of water supply projects from parastatals/other departments*

- *Government may introduce regular monitoring, for achieving the Service Level Benchmarks, to ensure supply of quality water to citizens*
- *ULBs may levy and collect fees for supply of water from both domestic and non-domestic consumers, as per extant rules. Metering of water may also be taken up, to charge fees based on consumption and increase the own sources of revenue*
- *ULBs may take steps to reduce waste generation and achieve 100 per cent segregation of waste at source, as well as collection, processing and disposal of segregated waste*
- *ULBs may implement 100 per cent door-to-door collection of solid waste and involve waste pickers/Self Help Groups in this endeavour*
- *ULBs may prepare and adopt bye-laws and implement levy and collection of user fees from waste generators*
- *ULBs may be equipped with adequate manpower and funds, for effective implementation of the Solid Waste Management Rules*
- *Government may take immediate steps to construct STPs, with the active involvement of the ULBs*
- *ULBs may take up construction of the sewerage and drainage infrastructure, wherever necessary, on priority basis, and ensure 100 per cent house sewer connections, as per Service Level Benchmarks*
- *Government may ensure that all UPHCs in the ULBs are functioning properly, with laboratory facilities. They may also ensure placement of requisite human resources, to implement the NUHM, aiming at the urban poor population's health needs.*

CHAPTER I

Introduction

CHAPTER I

Introduction

In West Bengal, there are 125 Urban Local Bodies (ULBs) under the administrative control of Urban Development and Municipal Affairs Department (UD&MAD), Government of West Bengal. There are several other parastatals and agencies working in the sphere of urban governance. This Chapter discusses the profile of ULBs in the State and their structure, the trend of urbanisation and the organisational structure of the UD&MAD.

1.1 Brief History of Municipal Governance in West Bengal

The history of municipal governance in West Bengal dates back to the eighteenth century, when the Calcutta Corporation was formed by the Charter of 1726. Later, the Calcutta Municipal Corporation (presently *Kolkata* Municipal Corporation) was established by the Calcutta Municipal Consolidation Act of 1876. Apart from that, a number of municipal establishments came up in West Bengal during the second half of nineteenth century[1]. Since 1850, there were a number of Acts relating to municipal administration[2], at different points of time. Prior to the introduction of the 74th Constitutional Amendment, all Municipalities in West Bengal were governed by the Bengal Municipal Act, 1932, while the *Kolkata* Municipal Corporation was governed by the Kolkata Municipal Corporation Act, 1980; *Howrah* Municipal Corporation by the Howrah Municipal Corporation Act, 1980; and *Chandernagore* Municipal Corporation by the Chandernagore Municipal Corporation Act, 1955[3].

1.2 74th Constitutional Amendment

The Seventy-Fourth Constitutional Amendment Act, 1992 (74th CAA), which came into effect on 1 June 1993, introduced Part IX A (concerning the Municipalities), which deals with issues relating to Municipalities. The Act provided for grant of Constitutional status to Urban Local Bodies. Article 243W of the 74th CAA authorised the State Legislatures to enact laws to endow local bodies with powers and authority, as may be necessary to enable them to function as institutions of Self-Government and make provisions for devolution of powers and responsibilities. The 74th CAA, *inter alia*, provided for constitution of three types of ULBs *viz*. (i) Municipal Corporations, for large urban areas (ii) Municipal Councils, for small urban areas and (iii) Nagar Panchayats, for areas in transition from a rural area to urban area.

---

[1] *Source: Municipal Statistics of West Bengal (2013-14), Bureau of Applied Economic and Statistics, Department of Statistics and Programme Implementation, Government of West Bengal.*

[2] *Act XXVI of 1850, Act XX of 1856, Bengal Municipal Act 1884, the Calcutta Municipal Act, 1951 etc.*

[3] *Chandernagore Municipal Corporation Act, 1990 was published on 22 September 1993 and repealed the Chandernagore Municipal Act, 1955; Asansol Municipal Corporation Act, 1990 and Siliguri Municipal Corporation Act, 1990, relating to constitution of the Asansol and Siliguri Municipal Corporations, respectively, were published on 15 September 1993; Durgapur Municipal Corporation Act, 1994 was published on 1 October 1996. Bidhannagar Municipal Corporation was constituted with effect from 18 June 2015.*

The Twelfth Schedule of the Constitution specified 18 functions to be devolved to ULBs, as listed in ***Appendix-1***. Out of the 18 functions listed in the 12th Schedule, except for fire services, the remaining 17 functions were devolved to ULBs by the State Acts governing ULBs.

1.3 Trend of Urbanisation in West Bengal

As per Census 2011, out of the total population of West Bengal (9.13 crore), 2.91 crore (31.87 *per cent*) was residing in urban areas. The growth rate of urban population, in the decade 2001-2011, was 29.72 *per cent*. The projected total population of West Bengal in 2021 is 9.81 crore and the projected urban population is 3.53 crore (35.98 *per cent*)[4]. The decadal growth rate of urban population of West Bengal, for the period 2011 to 2021, is 21.31 *per cent*. As per Census 2011, the actual population residing in the areas under the jurisdiction of ULBs, was 1.66 crore[5].

Urban areas in West Bengal face multiple challenges, ranging from waste management, sanitation, public health issues, poverty alleviation *etc.* In this scenario, the ULBs have an important role to play, as most of these issues can be handled best at the local level.

1.4 Profile of the Urban Local Bodies in West Bengal

As on 31 March 2021, there were 125 ULBs in West Bengal, located in 23 districts (including *Kolkata*). Among these 125 ULBs, there were 7 Municipal Corporations (MC), 115 Municipalities and 3 Notified Area Authorities (NAA)[6]. There were, in total, 2,947 Wards, in the 125 ULBs. The basis of classification of the ULBs in the State is shown in **Table 1.1**.

Table 1.1: Classification of ULBs in West Bengal

Sl. No.	Classification of ULB	Basis of Classification
1.	**Municipal Corporations**[7]	Any one or more than one municipal area together with, or exclusive of, any railway station, village within the jurisdiction of any Gram Panchayat land, or building, in the vicinity of such area which – (i) contains a population of not less than 5 lakh inhabitants, (ii) has a density of population of not less than 3,000 inhabitants per square kilometre of area, and (iii) has an occupational pattern in which more than three-fourth of the adult population are chiefly engaged in pursuits other than agriculture, and if the income of the Corporation from taxation and other sources is likely to be adequate for the discharge of the functions of the Corporation

4 *Source: Report of the Technical Group on Population Projections, July 2020, National Commission on Population, Ministry of Health & Family Welfare, Government of India.*

5 *As per Census 2011, the 'urban population' comprises the people living in ULBs, as well as other urban units, such as Cantonment Boards, Town Panchayats etc.*

6 *In terms of Section 2(41A) of the West Bengal Municipal Act, 1993, NAA of a notified area means a Nagar Panchayat for a transitional area, that is to say, an area in transition from a rural area to an urban area as defined in Article 243Q of the Constitution of India.*

7 *The above criteria for constitution of Municipal Corporation as contained in the West Bengal Municipal Corporation Act, 2006, is applicable to all Corporations except Kolkata Municipal Corporation and Howrah Municipal Corporation, which are governed by their respective acts.*

Sl. No.	Classification of ULB	Basis of Classification
2.	**Municipalities**	Any town, together with, or exclusive of, any railway station, village, land or building in the vicinity of any such town which- (i) contains a population of not less than 30,000 inhabitants, (ii) has a density of population of not less than 750 inhabitants per square kilometre of area, and (iii) has an occupational pattern in which more than one-half of the adult population are chiefly engaged in pursuits other than agriculture, and if the municipal income from taxation and other sources is likely to be adequate for the discharge of municipal functions. **In terms of Section 3 of the West Bengal Municipal Act, 1993, the State Government has power to determine separate conditions, to constitute any area of the hill areas as a municipal area.**
3.	**Notified Area Authorities (NAAs)**	(i) Any urbanised area which does not fulfil the conditions for being immediately constituted a municipal area, or (ii) any area which is comprised in a newly developing town, or (iii) an area where new industries have been or are being established.

(Source: respective Acts)

In terms of Section 7 of the West Bengal Municipal Act, 1993, the Municipalities and NAAs, are classified into the following five groups **(Table 1.2),** based on the population, as ascertained at the last preceding census.

Table 1.2: Category-wise number of ULBs (Municipalities and NAAs) in West Bengal

Category/ Group	Required Criteria	No. of Municipalities and NAAs belonging to the Category/Group
A	Municipal areas having population above 2,15,000	14
B	Municipal areas having population above 1,70,000 but not exceeding 2,15,000	7
C	Municipal areas having population above 85,000 but not exceeding 1,70,000	34
D	Municipal areas having population above 35,000 but not exceeding 85,000	39
E	Municipal areas having population not exceeding 35,000	24
Total		**118**

(Source: data furnished by UD&MA Department)

North 24 Parganas district has the largest number of ULBs (27 ULBs; one Municipal Corporation and 26 Municipalities), while *Alipurduar, Jhargram* and *Kalimpong* districts have one ULB each. Apart from the ULBs, there are also three Industrial Township Authorities, the *Nabadiganta* Industrial Township Authority (NDITA), *Golden City* Industrial Township Authority and *Sector-VI* Industrial Township Authority. The Industrial Township Authorities are also governed by the West Bengal Municipal Act. Out of the three Industrial Township Authorities, only NDITA is audited by the Examiner of Local Accounts (ELA), at present.

The remaining two Industrial Township Authorities are yet to be brought under the purview of audit by ELA. NDITA has the power to levy and collect property tax, deliver services in the sphere of solid waste management, sewerage, water supply *etc*., but it does not have elected representatives. The Chairman and the Vice-Chairman are appointed by the State Government from among the members of the NDITA.

The Municipalities[8] located in the hill areas of West Bengal *i.e.*, areas within the region, as specified in clause (*o*) of Section 2 of the Gorkhaland Territorial Administration (GTA) Act, 2011, are also governed by the West Bengal Municipal Act.

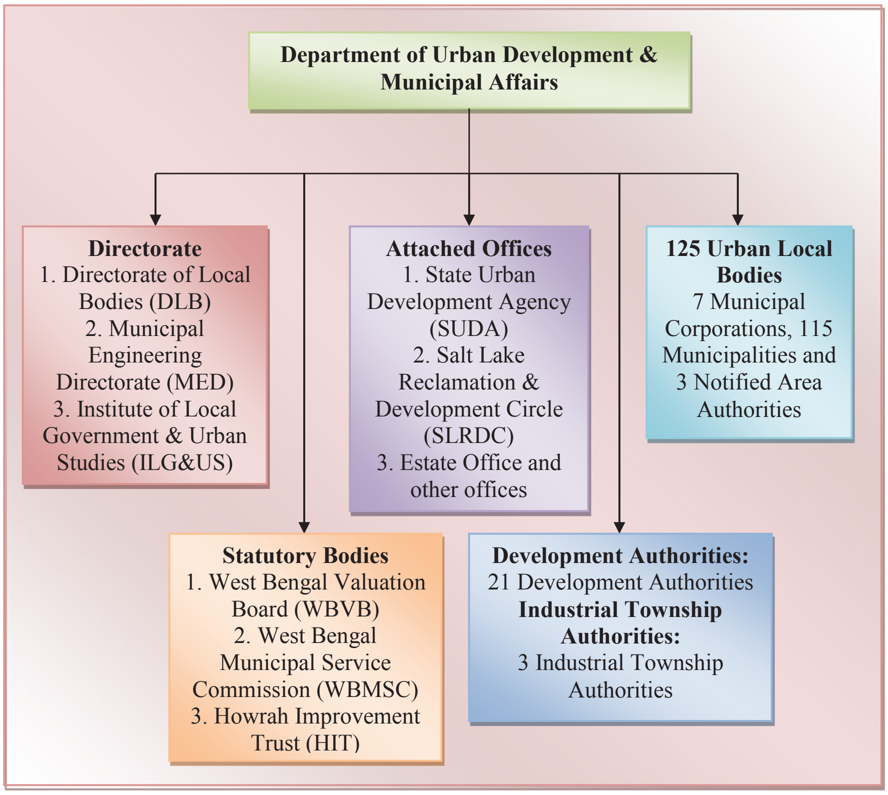
1.5 Organisational Structure of Urban Administration in West Bengal

1.5.1 Organisational Structure for the Administration of Urban areas in West Bengal

The UD&MA Department is entrusted with the responsibility of providing administrative support to all the ULBs in West Bengal. It is headed by an officer in the rank of Principal Secretary, who looks after the various functions of the Department, as also the Directorate of Local Bodies (DLB), Municipal Engineering Directorate (MED), West Bengal Valuation Board (WBVB), State Urban Development Agency (SUDA) and other organisations of the Department.

The organisational structure of the UD&MAD is given in **Chart 1.1**.

Chart 1.1: Organisational Structure of the UD&MA Department, Government of West Bengal



8 *Four ULBs-Darjeeling Municipality, Kurseong Municipality, Kalimpong Municipality and Mirik NAA.*

The role of the directorates, statutory bodies, attached offices and other developmental authorities, which act as parastatals in urban governance, are discussed in the succeeding Chapters.

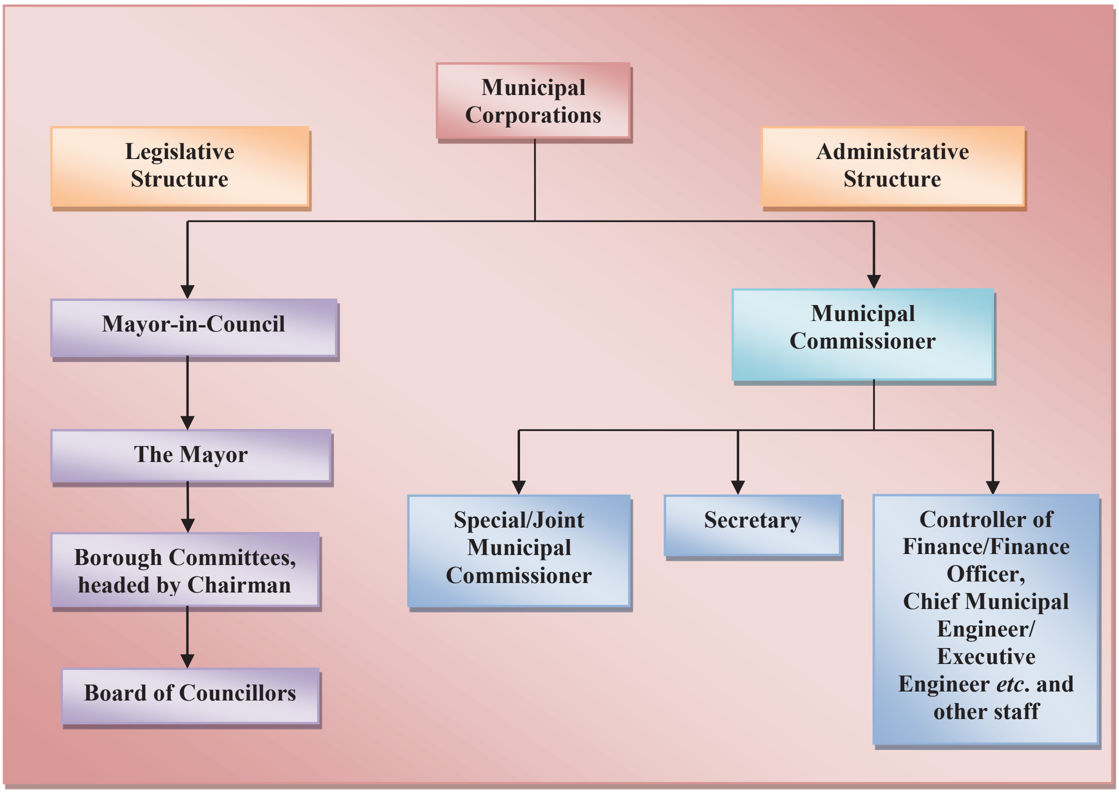
1.5.2 Organisational Structure of Urban Local Bodies

In the ULBs, the Chairman (in the case of Municipality and NAA)/Mayor (in the case of Municipal Corporation), elected by the majority of the Board of Councillors (BoC)[9], is the executive head. The Chairman/Mayor presides over the meetings of the Chairman-in-Council[10]/Mayor-in-Council[11], responsible for governance of the ULB. All executive powers of the Municipality vest in the Chairman-in-Council/Mayor-in-Council.

The Executive Officer (in case of Municipality and NAA)/Commissioner (in case of Municipal Corporation), subject to the supervision and control of the Chairman/Mayor, functions as the Principal Executive Officer of the ULB. The Executive Officer/Commissioner exercises such powers and performs such functions, as are notified by the State Government, from time to time.

The organisational structure of the Municipal Corporations varies among Corporations. An illustrative structure is given in **Chart 1.2**.

Chart 1.2: Organisational Structure of a Municipal Corporation



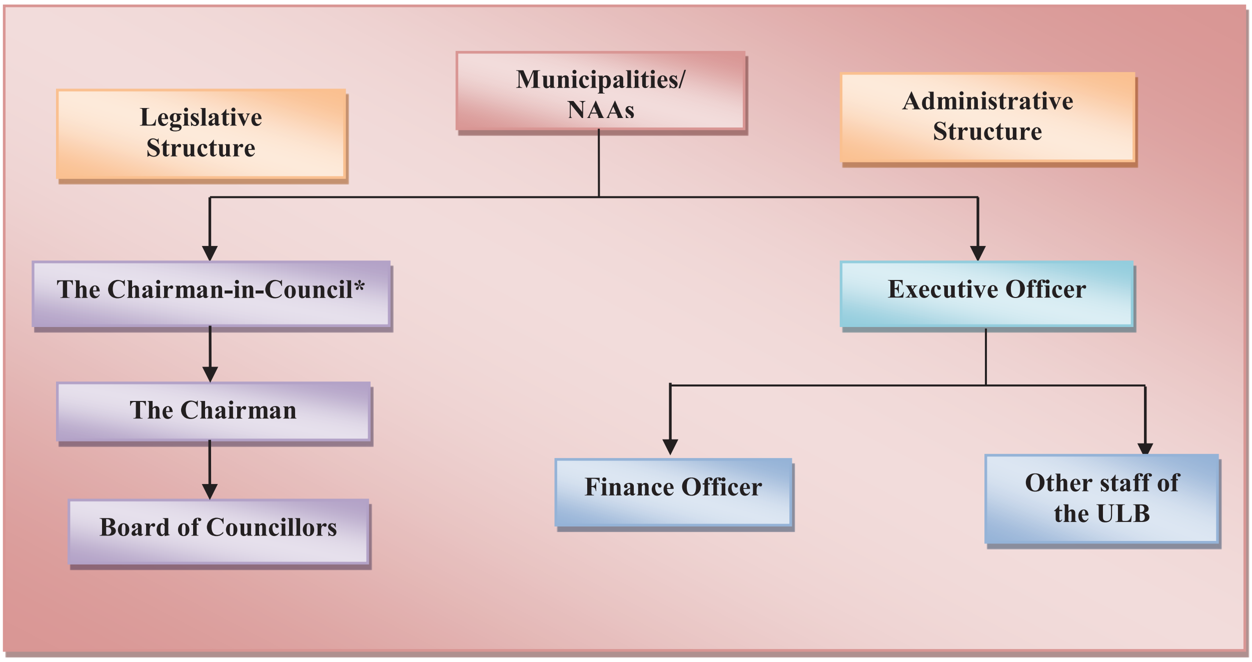
[9] *'Board of Councillors' consists of all the Councillors representing Wards of the Municipality/ Municipal Corporation.*

[10] *'Chairman-in-Council' consists of the Chairman, the Vice-Chairman and other members selected by the Chairman.*

[11] *'Mayor-in-Council' consists of the Mayor, the Deputy Mayor and other members selected by the Mayor.*

The organisational structure of Municipalities/NAAs is as follows-

Chart 1.3: Organisational Structure of Municipalities/NAAs



* *In terms of Section 15 of the West Bengal Municipal Act, 1993; in respect of the municipal areas included in Group D and Group E, all the powers and functions vested with the Chairman-in-Council are examined or performed by the Chairman.*

Further, in terms of Section 22 of the West Bengal Municipal Act, every Municipality, with a population of three lakh or more, may group the Wards into a maximum of five Boroughs. A Borough is constituted with not less than six contiguous Wards. Section 11 of the Kolkata Municipal Corporation Act, Section 11 of the Howrah Municipal Corporation Act and Section 22 of the West Bengal Municipal Corporation Act, also mandate the formation of Boroughs. As per the Acts *ibid,* a Borough Committee is constituted for each Borough. The Councillors of the respective Wards are the members of the Borough Committees and elect the Chairman (not being a member of Chairman-in-Council/Mayor-in-Council) from among themselves. The Borough Committees discharge the functions assigned by the concerned ULBs. At the Ward level, the ULBs constitute Ward Committees, under the chairmanship of the Ward Councillors.

CHAPTER II

Audit Framework

CHAPTER II

Audit Framework

The overall objective of this performance audit was to ascertain whether the Urban Local Bodies (ULBs) had been duly empowered, in terms of funds, functions and functionaries, to establish themselves as effective institutions of local self-government and whether the Seventy-fourth Constitutional Amendment Act, 1992 (74th CAA), had been effectively implemented in the State. This Chapter discusses the audit objectives, the Acts/Rules from where the audit criteria were sourced and the audit scope and methodology.

2.1 Audit Objectives

The objectives of the Performance Audit (PA) were to assess:

- whether the ULBs had been duly empowered, by the State Government, to discharge their functions/responsibilities, in a time-bound, economical and sustainable manner, through creation of appropriately designed institutions/institutional mechanisms;
- the effectiveness of the functions stated to have been devolved;
- whether the ULBs had been empowered to access adequate resources, including sufficient resources for discharge of the functions stated to have been devolved to them.

2.2 Audit Criteria

The criteria for the Performance Audit were derived from the following:

(i) 74th Constitutional Amendment Act, 1992

(ii) Kolkata Municipal Corporation (KMC) Act, 1980

(iii) Howrah Municipal Corporation (HMC) Act, 1980

(iv) West Bengal Municipal (WBM) Act, 1993

(v) West Bengal Municipal Corporation (WBMC) Act, 2006

(vi) West Bengal Town and Country (Planning and Development) Act, 1979

(vii) West Bengal State Election Commission Act, 1994

(viii) West Bengal Municipal Elections Act, 1994

(ix) West Bengal Valuation Board (WBVB) Act, 1978

(x) West Bengal District Planning Committee (DPC) Act, 1994

(xi) West Bengal Metropolitan Planning Committee (MPC) Act, 1994

(xii) West Bengal Municipal Service Commission (MSC) Act, 2018

(xiii) West Bengal Municipal (Finance and Accounting) Rules, 1999

(xiv) West Bengal Municipal Employees' (Recruitment) Rules, 2005

(xv) West Bengal Municipal Elections (Reservation of Seats) Rules, 1994

(xvi) West Bengal Municipal (Ward Committee) Rules, 2001

(xvii) West Bengal Municipal (Building) Rules, 2007

(xviii) Kolkata Municipal Corporation Building Rules, 2009

(xix) West Bengal Municipalities (Procedure and Conduct of Business) Rules, 1995

(xx) Solid Waste Management Rules, 2016

(xxi) West Bengal Trees (Protection and Conservation in Non-Forest Areas) Act, 2006

(xxii) West Bengal Slum Areas (Improvement & Clearance) Act, 1972

(xxiii) Calcutta Burial Boards Act, 1881

(xxiv) Prevention of Cruelty to Animals Act, 1960

(xxv) West Bengal Urban Street Vendors (Protection of Livelihood and Regulation of Street Vending) Rules, 2018

(xxvi) West Bengal Fire Services Act, 1950

(xxvii) West Bengal Primary Education Act, 1973

(xxviii) Accounting Manual for Urban Local Bodies, issued by erstwhile Change Management Unit, UD&MA Department, Government of West Bengal, January 2006

(xxix) Guidelines of National Urban Health Mission (NUHM)

(xxx) Central Finance Commission Reports and State Finance Commission Reports

(xxxi) State Government orders, notifications, circulars and instructions, issued from time to time, on the constitution and action taken reports of the State Finance Commission, recruitment of staff of municipalities *etc.*

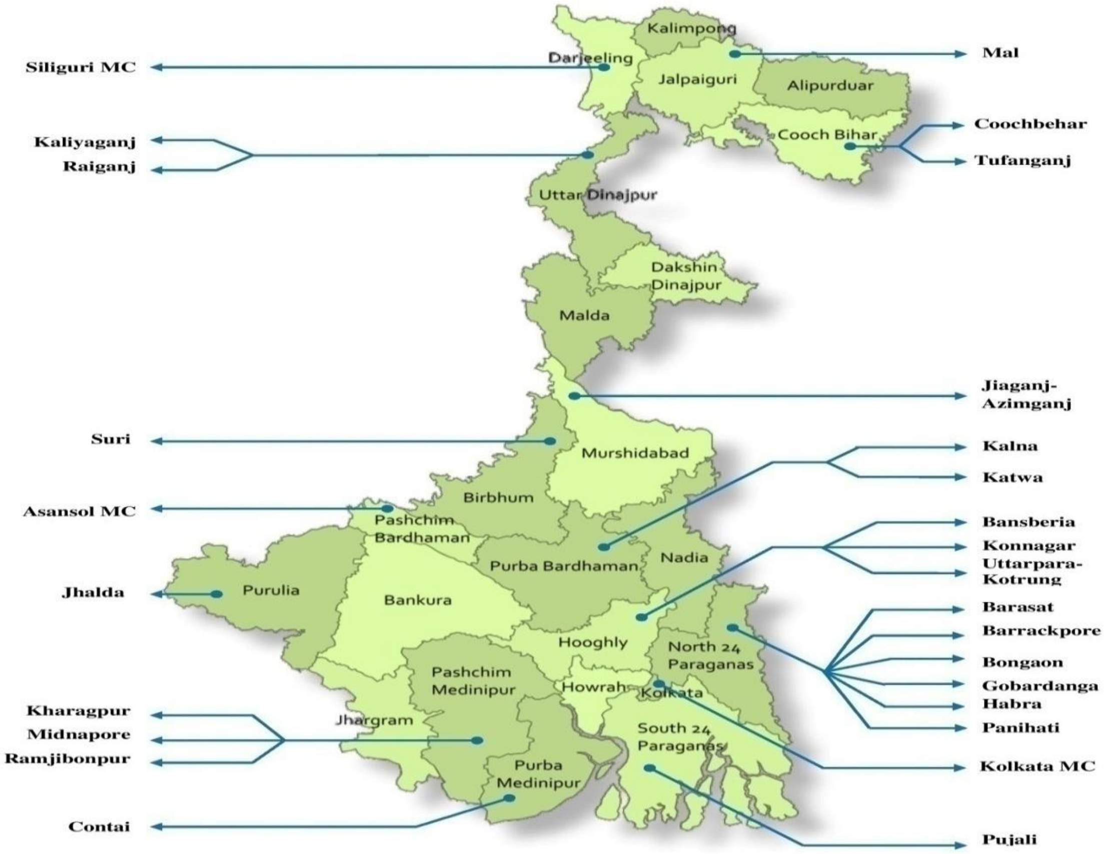
2.3 Audit Scope and Methodology

The Performance Audit, covering the period for the FYs April 2015 to March 2021, was carried out in two phases: from January 2021 to March 2021 and from July 2021 to February 2022, due to the disruption arising out of the COVID pandemic. Out of 125 ULBs, 26 ULBs, located in 14 districts, were selected through Stratified Simple Random Sampling, with population (Census 2011) as the size measure from each tier (strata) of ULBs. In addition, the *Kolkata* Municipal Corporation (KMC), being located in the State capital, was also selected for the PA.

Apart from ULBs, the Urban Development and Municipal Affairs Department, eight other State Government Departments, five organisations (two Directorates, two Statutory Bodies and one Urban Development Agency) and four Authorities/ Development Authorities, under the Urban Development and Municipal Affairs Department, offices of the District Planning Committee (DPC) in 14 districts and offices of the Chief Medical Officer of Health (CMOH), under the Health and Family Welfare Department, in 14 districts, were also covered in the Performance Audit.

The list of 27 ULBs and other audit units selected for Performance Audit, is given in ***Appendix-2***. The district-wise list of selected ULBs is given in **Chart 2.1**.

Chart 2.1: District-wise list of the ULBs selected for the PA



Out of the 18 functions specified in the 12th Schedule, activities relating to following five functions were selected for detailed study, under the PA-

- Property Tax
- Water Supply
- Water Tax/Charges
- Solid Waste Management
- Public Health and Sanitation

Audit observations relating to Property Tax have been discussed in Chapter IV, while the other selected functions have been discussed in Chapter VI.

An Entry Conference was held on 21 September 2021, with the Additional Secretary, UD&MA Department, along with representatives from the selected ULBs, in which the audit methodology, scope, objectives and criteria were explained. The draft Performance Audit Report was forwarded to the Department on 21 September 2022. The Exit Conference was held on 28 October 2022, with the Principal Secretary of the Department, to discuss the audit observations, conclusions and recommendations. The views expressed by the Department have been suitably mentioned at relevant places.

2.4 Acknowledgement

Audit acknowledges the cooperation and assistance extended by the UD&MA Department; Directorates and offices under the UD&MAD (DLB, MED,

SUDA, WBVB, WBMSC); Authorities/Development Authorities (ADDA, KMDA, NDITA, SJDA); other departments of Government of West Bengal (***Appendix-2***) and the ULBs, in conduct of the Performance Audit.

2.5 Chapters of Audit Findings

Audit Observations, relating to status of devolution of functions, funds and functions, are presented in the following chapters:

Chapter III - Compliance to the provisions of the Seventy-fourth Constitutional Amendment Act

Chapter IV - Financial resources of Urban Local Bodies

Chapter V - Human Resources

Chapter VI - Performance in the discharge of the devolved functions.

CHAPTER III

Compliance to the provisions of the Seventy-fourth Constitutional Amendment Act

CHAPTER III

Compliance to the provisions of the Seventy-fourth Constitutional Amendment Act

Articles 243Q to 243ZG, introduced by the 74th CAA, enjoined the State to make provisions in the State Acts, to enable the ULBs to perform as local self-governments, with devolved functions. The State Government enacted the West Bengal Municipal Act, 1993, on 31 May 1994 and repealed the then existing Bengal Municipal Act, 1932. The Kolkata Municipal Corporation Act, 1980 and Howrah Municipal Act, 1980, were already in force. The West Bengal Municipal Corporation Act, 2006, governing the Corporations (except for *Kolkata* and *Howrah*), came into force on 29 May 2008 and replaced the Siliguri Municipal Corporation Act, 1990, the Asansol Municipal Corporation Act, 1990, the Chandernagore Municipal Corporation Act, 1990 and the Durgapur Municipal Corporation Act, 1994.

This Chapter presents the comparison of State level legislations with the provisions of the 74th CAA, empowerment of ULBs by the State Acts and compliance with provisions of 74th CAA. Audit observed that, although provisions were made in the State Acts to devolve the 18 functions enshrined in the 12th Schedule, ULBs had been accorded sole responsibility in only one function and had overlapping/minimum roles in most of the functions, with no role in one function. Extension of the tenure of the Administrators/Board of Administrators, delays in holding municipal elections, non-formation of Ward Committees, Standing Committees and Municipal Accounts Committees, non-formation and non-functioning of District Planning Committees (DPC), delays in constitution of State Finance Commissions (SFC), non-preparation and non-submission of Annual Financial Statements of ULBs and non-conduct of internal audits, were also observed. Audit could not analyse present status of the Kolkata Metropolitan Planning Committee (KMPC) and the role of parastatals, due to non-availability of information from the respective departments/authorities.

3.1 Comparison of State level legislations with the provisions of the Seventy-fourth Constitutional Amendment Act

Article 243W of the Constitution (Seventy-fourth Amendment) Act, 1992, authorised the State Legislatures to enact laws to endow local bodies with powers and authority, as may be necessary to enable them to function as institutions of self-government and make provisions for devolution of powers and responsibilities, with respect to preparation of plans for economic development and social justice. A comparison of the State Acts, with the provisions under the 74th CAA, is given in **Table 3.1.**

Table 3.1: Comparison of State level legislations with the provisions of the 74th CAA

Provision of Constitution of India	Requirement as per the Constitution	Provision of State Act/Acts
Article 243Q	**Constitution of Municipalities:** provides for constitution of three types of Municipalities, namely Nagar Panchayats for transitional areas, Municipal Councils for smaller urban areas and Municipal Corporations for larger urban areas.	**Municipal Corporations:** • Section 2(21) and Sections 3 to 5 of the KMC Act • Section 2(6) and Sections 3 to 5 of the HMC Act • Section 2(18), Sections 3 to 10 of the WBMC Act **Municipalities:** • Section 2(38A) and Sections 3 to 13 of the WBM Act **Notified Area Authorities (NAAs) (Nagar Panchayats):** • Section 2(41A) and Sections 378, 379 and 381 of the WBM Act **In terms of Section 3 of the West Bengal Municipal Act, 1993, the State Government has the power to determine separate conditions, to constitute any area of the hill areas, as a municipal area.**
Article 243R	**Composition of Municipalities:** all the seats in a Municipality shall be filled by direct elections and by persons with special knowledge in municipal administration nominated by Government. The Legislature of a State may, by law, provide for representation to the Municipality of, Members of Parliament and Legislative Assembly, whose constituencies lie within the municipal area and Members of the Council of States and State Legislative Council, who are registered as electors within the city.	**Municipal Corporations:** • Sections 5 and 50 of the KMC Act • Sections 5 and 30 of the HMC Act • Sections 10 to 12 of the WBMC Act **Municipalities and NAAs:** • Sections 13, 26 and 28 of the WBM Act The provisions of the State Acts do not explicitly provide for representation for the Members of Parliament and Legislative Assembly, whose constituencies lie within the municipal area and Members of the Council of State and State Legislative Council, who are registered as electors within the city. However, Section 13 of the KMC Act, dealing with the remuneration of the Mayor, indicates that the Mayor can simultaneously hold the post of either a Member of Legislative Assembly or a Member of any House of Parliament.
Article 243S	**Constitution and composition of Wards Committee**: provides for constitution of Wards Committees in all municipalities with a population of three lakh or more.	**Municipal Corporations:** • Section 11A of the KMC Act • Section 11A of the HMC Act • Section 23 of the WBMC Act **Municipalities and NAAs:** • Section 23 of the WBM Act
Article 243T	**Reservation of seats:** seats to be reserved for Scheduled Castes (SC)/Scheduled Tribes (ST), women and Backward classes, for direct election.	Section 29 of the West Bengal Municipal Elections (WBME) Act, 1994, and the West Bengal Municipal Elections (Reservation of Seats) Rules, 1994, relating to election to the Municipalities and Municipal Corporations, including KMC, provide for the same.

Provision of Constitution of India	Requirement as per the Constitution	Provision of State Act/Acts
Article 243U	**Duration of Municipalities:** municipalities have a fixed tenure of five years from the date of their first meeting and re-elections are to be held within six months of the end of tenure.	**Municipal Corporations:** • Section 81 of the KMC Act • Sections 5 and 40 of the HMC Act • Sections 11 and 13 of the WBMC Act **Municipalities and NAAs:** • Sections 14 and 21A of the WBM Act As per the provisions of Section 5(4) of the HMC Act, Section 11(4) of the WBMC Act and Section 14(4) of the WBM Act, if it is not possible to hold general elections before expiry of the period of five years, the Board of Councillors shall stand dissolved on the expiry of the said period and all the powers or functions, vested with the municipal authorities, shall be performed, by person/persons appointed *vide* notification by the State Government, who are to be designated as the Administrator or Board of Administrators.
Article 243V	**Disqualifications for membership:** a Person shall be disqualified for a member of a Municipality- • If he is so disqualified by any law in force for the purposes of elections of the Legislature of the State concerned. • If he is so disqualified by or under any law made by the Legislature of the State.	**Municipal Corporations:** • Sections 61 and 61A of the KMC Act • Section 40A of the HMC Act • Section 14 of the WBMC Act **Municipalities and NAAs:** • Section 21B of the WBM Act Further, Sections 30 to 35 of the WBME Act, 1994, detail the terms for disqualification of membership.
Article 243W	**Powers, authority and responsibilities of the Municipalities:** all municipalities would be empowered with such powers as may be necessary to enable them to function as effective institutions of self-government and to carry out the responsibilities in relation to the 12th Schedule.	**Municipal Corporations:** • Sections 29, 30, 210B, 445 and Chapters XIX, XX, XXA, XXII, XXIIIA, XXIV, XXVII, XXVIII of the KMC Act • Sections 87, 226A and Chapters X, XIA, XIIA, XIII, XIV, XVIII of the HMC Act • Sections 96S, 96T, 97, 98, 244, 257, 332, 333, 402, 402A and Chapters XI, XIII, XV, XVI, XVIII, XX of the WBMC Act **Municipalities and NAAs:** • Sections 63, 64, 95B, 167, 194, 297 and Chapters XXIV, XXIVA, XVI, XVII, XVIII, XVIIIA, XIX, XXIII of the WBM Act (The Sections and Chapters relating to discharge of functions, as delineated in the 12th Schedule and as provided in **Paragraph 3.2** and **Table 3.2**)

<table>
<tr><th>Provision of Constitution of India</th><th>Requirement as per the Constitution</th><th>Provision of State Act/Acts</th></tr>
<tr><td>Article 243X</td><td>Power to impose taxes by, and funds of the Municipalities:
Municipalities are to be empowered to levy and collect taxes, fees, duties etc.,
Constitution of funds, for crediting and withdrawal of moneys by the Municipality.
Grants-in-aid are to be given to Municipalities from the State.</td><td>❑ Power to levy and collect taxes, fees, duties etc.
Municipal Corporations:
Sections 131, 170, 199, 204, 210, 210A, 210B, 211, 212, 213, 217, 234, 237, 239, 248, 265, 307, 331, 355, 392, 393, 400, 430, 450C, 469, 499, 521, 543 and 610 of the KMC Act
Sections 60, 87, 87A, 88, 88B, 102 and 220 of the HMC Act
Sections 69, 102, 103, 104, 105, 106, 107, 109, 111, 113, 133, 141, 310 and 384 of the WBMC Act
Municipalities and NAAs:
Sections 93, 94, 94A, 95, 95A, 95B, 97, 100, 117, 118, 276 and 440 of the WBM Act
❑ Constitution of funds for crediting and withdrawal of moneys by the Municipality
Municipal Corporations:
Sections 119 and 124 of the KMC Act
Sections 55 and 56 of the HMC Act
Sections 62 and 63 of the WBMC Act
Municipalities and NAAs:
Sections 67 and 69 of the WBM Act
❑ Grants-in-aid to the Municipalities from the State
Municipal Corporations:
Sections 120, 121, 122, 123, 123A, 123B of the KMC Act
Section 60A of the HMC Act
Section 70 of the WBMC Act
Municipalities and NAAs:
Section 71 of the WBM Act</td></tr>
<tr><td>Article 243Y</td><td>Finance Commission: State Government shall constitute Finance Commission for:
Reviewing the financial position of the Municipalities and taking such steps that help in boosting the financial condition of the Municipal bodies.
Determination of the taxes, fees, tolls and duties that are assigned to or appropriated by the Municipalities and distributing, between the State and the Municipalities, the net proceeds thereof, as charged by the State Government.
Allotting funds to the Municipal bodies in the State, from the Consolidated Fund of the State.</td><td>Section 123B of the KMC Act, Section 55A of the HMC Act, Section 62A of the WBMC Act and 70A of the WBM Act, provide for creation of a separate fund, namely, the Non-lapsable Basic Services for Urban Poor Fund in ULBs, for delivery of basic services to urban poor and for allocating funds from the State Finance Commission therein.

Provisions regarding review of financial position of the ULBs, taking steps that help in boosting the financial condition, determination of the taxes, fees, tolls and duties that are assigned to or appropriated by the ULBs and distributing the net proceeds thereof between the State and the ULBs, allocation of funds to ULBs from the Consolidated Fund of State, are not included in the State Acts related to governance of ULBs.</td></tr>
</table>

Provision of Constitution of India	Requirement as per the Constitution	Provision of State Act/Acts
Article 243Z	**Audit of accounts of Municipalities:** Provision for maintenance of accounts by the Municipalities and the auditing of such accounts.	❒ **Maintenance of Accounts** **Municipal Corporations:** • Section 155 of the KMC Act and Section 73 of the HMC Act, deal with keeping of accounts of all financial transactions, in such manner and form, as the State Government may prescribe. • Section 83 of the WBMC Act states that the accounts of the Corporation is to be kept by Finance Officer. **Municipalities and NAAs:** • Section 84 of the WBM Act ❒ **Audit** **Municipal Corporations:** • Sections 156 to 159 of the KMC Act deal with audit of accounts by the Chief Municipal Auditor of the Corporation (*i.e.* Internal Audit). Section 160 of the Act *ibid* deals with audit of the accounts by the State Government or by auditor appointed by the State Government. • Sections 74 to 76 of the HMC Act deal with audit of accounts by the Chief Auditor of the Corporation (*i.e.* Internal Audit). Section 77 of the Act *ibid* deals with audit of the accounts by the auditor appointed by the State Government. • Sections 84 to 86 of the WBMC Act deal with audit of accounts by the Chief Auditor of the Corporation (*i.e.* Internal Audit). Section 87 of the Act *ibid* deals with audit of the accounts by the auditor appointed by the State Government. **Municipalities and NAAs:** • In terms of Section 86 of the WBM Act, the accounts of the ULBs may be audited by the auditor appointed by the State Government.
Article 243ZA read with Article 243K	**Elections to the Municipalities:** the superintendence, direction and control of all procedure of election of the Municipalities shall be vested in the State Election Commission (SEC).	**Municipal Corporations:** • Section 50 of the KMC Act • Section 30 of the HMC Act • Section 12 of the WBMC Act **Municipalities and NAAs:** • Section 28 of the WBM Act
Article 243 ZD	**Committee for District Planning:** • Constitution of District Planning Committee at the district level. • Composition of District Planning Committee. • Preparation of draft development plan and forwarding to the Government.	**Municipal Corporations:** • Section 239 of the HMC Act • Section 333 of the WBMC Act **Municipalities and NAAs:** • Section 297 of the WBM Act There is no provision for preparation of a draft development plan in the KMC Act. Provision for constitution of the West Bengal District Planning Committee is contained in District Planning Committee Act, 1994.

Provision of Constitution of India	Requirement as per the Constitution	Provision of State Act/Acts
Article 243ZE	**Committee for Metropolitan Planning:** provision for constitution of a Metropolitan Planning Committee (MPC), in every Metropolitan area with a population of 10 lakh or more.	• Section 3 of the West Bengal Metropolitan Planning Committee Act, 1994, deals with the constitution, composition and functioning of the Metropolitan Planning Committee (MPC). • Section 239 of the HMC Act also refers to preparation of a draft plan, in consultation with District Planning Committee or Metropolitan Planning Committee, as the case may be.

(Source: provisions of the Acts)

The above table indicates that, barring areas relating to provisions of State Finance Commission and Central Finance Commission, reservation of seats and constitution of Metropolitan Planning Committees, the enacted statutes complied with the provisions of the 74th CAA. Provisions relating to reservation of seats and constitution of Metropolitan Planning Committees, were covered in separate Acts/Rules[12] enacted by the Government of West Bengal. Provisions regarding State Finance Commissions and Central Finance Commissions were not covered in any Acts, although an Act, namely the West Bengal Finance Commission (Miscellaneous Provisions) Act, 2011, came into effect from January 2012, pertaining to the powers, composition, requisite qualification of members, manner of selection *etc.*, of the State Finance Commissions.

3.2 Empowerment of Urban Local Bodies and their functioning

The 74th CAA sought to empower ULBs to perform functions and implement schemes, in relation to the 18 subjects specified in the 12th Schedule. The State was expected to enact legislation, to implement the Amendment.

Audit observed, however, that the legal provisions were not backed by decisive actions, in particular, with regard to provisions pertaining to the devolution of functions and creation of appropriate institutional mechanisms for effective decentralisation, as discussed subsequently in this Report.

Audit also observed several overlaps in discharge of functions between the ULBs and parastatals/Government departments. The State Government, through Amendments, had transferred 17 functions, out of the 18 specified functions, to the ULBs (the only function not covered was Fire Services).

The function-wise role of the ULBs is depicted in **Table 3.2.**

[12] *The West Bengal Municipal Elections (WBME) Act, 1994, along with the West Bengal Municipal Elections (Reservation of Seats) Rules, 1994 and West Bengal Metropolitan Planning Committee Act, 1994.*

Table 3.2: Actual status of devolution of functions

Sl. No.	Functions	Activities	Status of devolution	Act provisions
Functions where the ULBs have full jurisdiction				
1	Vital statistics, including registration of birth and deaths	Coordinating with hospitals/ crematoriums *etc*., for obtaining information	The ULBs have full powers in exercise of all these functions.	• Chapter XXVII of the KMC Act, 1980 • Chapter XVIII of the HMC Act, 1980 • Chapter XX of the WBMC Act, 2006 • Chapter XXIII of the WBM Act, 1993
		Maintaining and updating database		
		Issue of birth & death certificates		
Functions where the ULBs have dual role/overlapping jurisdiction				
1	Regulation of slaughterhouses and tanneries	Ensuring quality of animals and meat	ULBs have overlapping role with the State Government in this activity.	• Chapter XXIV of the KMC Act, 1980 • Chapter XIV of the HMC Act, 1980 • Chapter XVIII of the WBMC Act, 2006 • Chapter XVIII of the WBM Act, 1993 • West Bengal Meat Control Order, 1966
		Disposal of waste	ULBs have full powers in the exercise of all these functions.	
		Operation and maintenance of slaughterhouses		
2	Urban planning, including town planning	Formulation of Master Plans/ Development Plans/ Zonal Plans	ULBs have an overlapping jurisdiction in devising development plans, in co-ordination with the Development Authorities.	• Section 29 of the KMC Act, 1980 • Section 226A(b) (i) of the HMC Act, 1980 • Section 97(3) of the WBMC Act, 2006 • Section 63(3) and Chapter XXVA of the WBM Act, 1993 • Section 13(1)(ii)(f) of the West Bengal Town and Country (Planning and Development) [WBT&C (P&D)] Act, 1979
		Enforcing master planning regulations	Master planning regulations are prepared and enforced by the Development Authorities. ULBs have no role in areas where Development Authorities exist. Where there are no Development Authorities, this function is devolved to the ULBs.	
		Enforcing building bye-laws and licenses	ULBs have a shared role in enforcing building bye-laws and licenses, alongside the Development Authorities.	
		Group housing scheme	ULBs have a shared role with the development authorities and the concerned State Government Department (Housing), in this area of activity.	
		Development of industrial areas	Development of industrial areas is to be carried out by the Development Authorities; ULBs have no assigned role in this area.	

Sl. No.	Functions	Activities	Status of devolution	Act provisions
3	Roads and bridges	Construction and maintenance of roads	ULBs have a dual role in this function, along with PWD and an overlapping role with the Development Authorities.	• Section 29(e) of the KMC Act, 1980 • Section 226A(b) (iv) of the HMC Act, 1980 • Sections 97(1) and 244 of the WBMC Act, 2006 • Sections 63(1) and 167 of the WBM Act, 1993 • WBT&C (P&D) Act, 1979 • Statutes of formation and functioning of various Development Authorities
		Construction and maintenance of bridges, drains, flyovers and footpaths		
4	Public amenities, including street lighting, parking lots, bus stops and public conveniences	Installation and maintenance of streetlights	ULBs have an overlapping role, with the Development Authorities and other State Government agencies.	• Section 29(e) and (f) of the KMC Act, 1980 • Section 226A(b) (xvi) of the HMC Act, 1980 • Sections 97(1) and 257 of the WBMC Act, 2006 • Sections 63(1), 167 and 194 of the WBM Act, 1993 • WBT&C (P&D) Act, 1979 • Statutes of formation and functioning of various Development Authorities
		Construction and maintenance of parking lots	ULBs have an overlapping role, with the Development Authorities, in this activity.	
		Construction and maintenance of public toilets	ULBs have an overlapping role in this function, with the Development Authorities	
		Deciding and operating bus routes	ULBs have no role in deciding and operating bus routes. This role is vested in the Transport Department of the State Government.	
5	Planning for land-use and construction of buildings	Regulating land use	Although empowered by the respective Acts in this regard, ULBs have practically no role in this area. Regulation of land use is dealt by the Development Authorities, in their respective jurisdictions. In ULBs outside the jurisdiction of any Development Authority, regulation of land use remains largely untouched.	• Section 29 of the KMC Act, 1980 • Section 226A(b) (ii) of the HMC Act, 1980 • Section 97(3) of the WBMC Act, 2006 • Section 63(3) of the WBM Act, 1993 • Sections 13 and 53 of the WBT&C (P&D) Act, 1979 • Rule 53 of the West Bengal Municipal (Building) Rules, 2007 • KMC Building Rules, 2009
		Approving building plans/high rises	ULBs, except KMC, have full powers in sanctioning of plans of buildings having height up to 14.50 meters. In case of buildings above this height, permission is to be obtained from the Municipal Engineering Directorate (MED), Government of West Bengal. KMC has full power in sanctioning building plans upto any height.	
		Demolishing illegal buildings.	ULBs have a shared role with the Development Authorities, in exercising these powers.	

Sl. No.	Functions	Activities	Status of devolution	Act provisions
6	Water supply for domestic, industrial and commercial purposes	Treatment of water Distribution of water Storage of water Providing water connection Operation and maintenance	ULBs have an overlapping role in this function, with the Development Authorities and the Public Health Engineering Department (PHED), Govertment of West Bengal.	• Section 29, Chapter XVII of the KMC Act, 1980 • Chapter X of the HMC Act, 1980 • Section 97(1) and (3), Chapter XI of the WBMC Act, 2006 • Section 63(1) and (3), Chapter XV of the WBM Act, 1993 • Chapters VII and VIII of the WBT&C (P&D) Act, 1979
		Collection of charges	ULBs have full powers in this area of activity.	
7	Public health, sanitation, conservancy and solid waste management	Maintenance of hospitals, dispensaries Immunization/ vaccination	ULBs have full powers in these areas, subject to observance of directives issued by regulatory agencies and competent authorities within the Central and State Government, in this regard.	• Sections 30, 210B and Chapters XIX, XX of the KMC Act, 1980 • Clause (h) of Section 87(1), Chapters X, XIV of the HMC Act, 1980 • Sections 97(2), 98(3), 105 and Chapters XI, XVI of the WBMC Act, 2006 • Sections 63(2), 64(3), 95B and Chapters XVI, XVII of the WBM Act, 1993 • Chapters VII and VIII of the WBT&C (P&D) Act, 1979 • NUHM Guidelines of Government of India, as well as guidelines issued by the Department of Health & Family Welfare, Government of West Bengal • **Provisions relating to legacy waste removal, basic service delivery and construction of household latrines, were not found in the Acts.**
		Cleaning and disinfection of localities	ULBs have full powers in this area of activity.	
		Construction and O&M of SWM Treatment Plants Legacy waste removal	ULBs have an overlapping role in this function, with the Development Authorities, particularly KMDA and MED.	
		Basic service delivery Conservancy charge collection	ULBs have full powers in this area of activity.	
		Sewerage and drainage	ULBs have an overlapping role in this function, with the Development Authorities, particularly KMDA and Public Health Engineering Department (PHED), Govertment of West Bengal.	
		Construction of household latrines	ULBs have full powers in this area of activity.	
8	Urban forestry, protection of the environment and promotion of ecological aspects	Forestation and plantation Awareness campaign Protection of the environment and promotion of ecological aspects Maintenance of natural resources, like water bodies *etc*.	ULBs have an overlapping role in this function, along with the Forest Department, Govertment of West Bengal and Development Authorities.	• Section 29 of the KMC Act, 1980 • Sections 97(1) and 98(5) of the WBMC Act, 2006 • Sections 63(1) and 64(5) of the WBM Act, 1993 • Chapter VII and VIII of the WBT&C (P&D) Act, 1979 • The WB Trees (Protection & Conservation in Non-Forest Areas) Act, 2006 • **Provisions for protection of the environment and promotion of ecological aspects, were not found in the Acts.**

Sl. No.	Functions	Activities	Status of devolution	Act provisions
9	Provision of urban amenities and facilities, such as parks, gardens, playgrounds *etc*.	Construction and O&M of parks and gardens	ULBs have an overlapping role in this function, with the Development Authorities, as well as Railways and various departments of the State Government.	• Section 29(o) of the KMC Act, 1980 • Section 226A (b) (xi) of the HMC Act, 1980 • Section 63(3) of the WBM Act, 1993 • Section 97(3) of the WBMC Act, 2006 • Chapters VII and VIII of the WBT&C (P&D) Act, 1979
10	Planning for economic and social development	Policies for social development	ULBs have a dual role in planning for economic and social development, along with the State Government.	• Section 226A (b) (iii) of the HMC Act, 1980 • Sec 333 of the WBMC Act, 2006 • Section 297 of the WBM Act, 1993 • **There is no provision for planning for economic and social development in KMC Act, 1980.**
11	Slum improvement and upgradation	Identifying beneficiaries Affordable housing Upgradation	ULBs have overlapping roles, with the Development Authorities, in the exercise of all these functions.	• Section 445 of the KMC Act, 1980 • Chapter XIII of the HMC Act, 1980 • Chapter XV of the WBMC Act, 2006 • Chapter XIX of the WBM Act, 1993 • WB Slum Areas (Improvement & Clearance) Act, 1972
12	Burial and burial grounds, cremations, cremation grounds and electric crematoriums	Construction and O&M of crematoriums and burial grounds and electric crematoriums	ULBs have shared roles with development authorities, in the exercise of all these functions. The Calcutta Burial Boards Act, 1881, vests the control and management of all Government Burial grounds, within Kolkata and its suburbs, on the Calcutta Burial Boards.	• Chapter XXVIII of the KMC Act, 1980 • Section 226A(b) (xiii) of the HMC Act, 1980 • Section 332 of the WBMC Act, 2006 • Chapter XXIV of the WBM Act, 1993 • Chapters VII and VIII of the WBT&C (P&D) Act, 1979 • Provisions of the Calcutta Burial Boards Act, 1881
13	Cattle pounds; preventing cruelty to animals	Catching and keeping strays Sterilizations and anti-rabies treatment Ensuring animal safety	ULBs have shared roles with State Government in the exercise of all these functions.	• Section 30(i), Chapter XXXI of the KMC Act, 1980 • Section 226A(b) (xiv) of the HMC Act, 1980 • Sections 96S, 96T and 98(3) of the WBMC Act, 2006 • Section 64(3), Chapter XXI of the WBM Act, 1993 • Section 35 of the Prevention of Cruelty to Animals Act, 1960

Sl. No.	Functions	Activities	Status of devolution	Act provisions
14	Urban poverty alleviation	Identifying beneficiaries	ULBs have dual role in this area of activity, being the executing agency in identification of beneficiaries, based on criteria set by the Central and the State Governments. They also have a shared role with SUDA, West Bengal, in implementation of livelihood and employment generation programs of the State and Central Governments.	• Section 30 of the KMC Act, 1980 • Section 226A(b) (x) of the HMC Act, 1980 • Section 98(7) of the WBMC Act, 2006 • Section 64(5) of the WBM Act, 1993 • WB Urban Street Vendors (Protection of livelihood and regulation of street vending) Rules, 2018 • Scheme guidelines issued by the State and Central Governments, relating to various schemes
		Livelihood and employment		
		Street vendors welfare	ULBs have full powers in exercise of this activity.	
15	Promotion of cultural, educational and aesthetic aspects	Schools and education	As per municipal laws, except for KMC, the role of the ULBs is limited to maintaining and running pre-primary schools, civic education, adult education, social education, non-formal education *etc*. The KMC Act empowers KMC to establish, maintain and give aid to primary schools. Further, the UD&MA Department also implemented the Sishu Siksha Prakalpa (SSP), for providing primary education, in urban areas, through the Sishu Shiksha Kendras (SSKs), under the control of ULBs. Some ULBs have also been running primary schools historically, from the pre-independence era. However, the primary schools in the State are under the control of the District Primary School Councils (DPSC), constituted as per the West Bengal Primary Education Act, 1973, and are under the control of Department of School Education, Government of West Bengal. Thus, ULBs have an overlapping role with the Department of School Education, in the sphere of primary education and running primary schools.	• Section 30 of the KMC Act, 1980 • Section 226A(b) (xii) of the HMC Act, 1980 • Section 98(2) of the WBMC Act, 2006 • Section 64(2) of the WBM Act, 1993 • West Bengal Primary Education Act, 1973

Sl. No.	Functions	Activities	Status of devolution	Act provisions
		Fairs and festivals	ULBs have been devolved with the discretionary function of organisation and management of fairs.	• Section 30(f) of the KMC Act, 1980 • Section 226A(b) (xii) of the HMC Act, 1980 • Section 98(4) of the WBMC Act, 2006 • Section 64(4) of the WBM Act, 1993
		Cultural buildings/ institutions Heritage	ULBs have a dual role in this area, along with the West Bengal Heritage Commission.	• Chapter XXIIIA of the KMC Act, 1980 • Chapter XIIA of the HMC Act, 1980 • Sections 402 and 402A of the WBMC Act, 2006 • Chapter XIVA of the WBM Act, 1993 • West Bengal Heritage Commission Act, 2001
		Public space beautification	ULBs have an overlapping role in this function, along with the Development Authorities.	• Chapter XXI of the KMC Act, 1980 • Section 226A(b) (xi) of the HMC Act, 1980 • Section 97(3) of the WBMC Act, 2006 • Section 63(3) of the WBM Act, 1993 • Chapter VII and VIII of the WBT&C (P&D) Act, 1979
Functions where the ULBs have minimum/partial role or act as implementing agencies				
1	Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded	Identifying beneficiaries Providing tools/ benefits Housing programs Scholarships	ULBs act merely as implementing agencies for some of the related Central and State Government schemes. They have a limited role in identifying beneficiaries, subject to approval of the State Government and providing benefits. Identification of beneficiaries, providing benefits *etc.*, are executed by other Departments as well.	• Section 30 of the KMC Act, 1980 • Section 226A(b) (viii) of the HMC Act, 1980 • Section 98(1) of the WBMC Act, 2006 • Section 64(1) of the WBM Act, 1993 • Scheme guidelines issued by the State and Central Governments, relating to various social welfare schemes
Functions where the ULBs have no role				
1	Fire Services	Establishing and maintaining fire brigades	This function has not been devolved to ULBs and is vested with the West Bengal Fire Services Department.	• Chapter XXA of the KMC Act, 1980 • Chapter XIA of the HMC Act, 1980 • Chapter XIII of the WBMC Act, 2006 • Chapter XVIIIA of the WBM Act, 1993 • WB Fire Services Act, 1950
		Issuing of fire safety certificates, in regard to high-rise buildings	Though empowered by respective Acts for issuing fire safety certificates, in practice, the West Bengal Fire Services Department, rather than ULBs, perform this activity.	

(Source: provisions of the Acts and information furnished by the UD&MAD)

It is evident from the **Table 3.2** that out of 18 functions, ULBs were solely responsible for one function; had minimum role or acted as implementing agencies in one function; had no role in one function and in respect of the fifteen functions, had dual role/overlapping jurisdiction with other departments/ parastatals.

Further, it is observed from **Table 3.2** that the State Government had not fully devolved functions, relating to land-use, to ULBs. The KMDA and other development authorities play a major role in these functions, thereby restricting the autonomy of ULBs. It is evident that the State Government did not completely devolve 17 out of the 18 functions to ULBs even after lapse of 27 years since the constitutional amendment came into effect which undermines the spirit of 74th CAA.

Recommendation:

1. **Government may ensure that the 17 functions that have been either partially devolved or not devolved at all, may be handed over to the ULBs, to the maximum extent possible on priority.**

3.3 Overriding powers of the State Government over the ULBs

Audit observed that the State Government had overriding powers over ULBs, which was against the provisions of the 74th CAA. A few such provisions are indicated in **Table 3.3**.

Table 3.3: Overriding powers of the State Government over the ULBs

Sl. No.	Subject	Provisions
1.	Power to determine the number of Wards in Municipal Areas	As per Section 7 of the WBMC Act and Section 8 of the WBM Act, the State Government has the sole authority to determine the number of Wards in ULBs, without obtaining the views of the concerned ULBs.
2.	Power to frame Rules	As per Section 600 of the KMC Act, Section 215 of the HMC Act, Section 361 of the WBMC Act and Section 417 of the WBM Act, the State Government is unilaterally empowered to make rules for the functioning of the ULBs, without consulting the latter in this regard.
3.	Decision with respect to doubts as to powers, duties or functions of the Municipal authorities	According to the provisions of Section 609 of the KMC Act, Section 29 of the HMC Act, Section 48 of the WBMC Act and Section 424 of the WBM Act, in case of any doubt with respect to any particular power, duty, function or rule pertaining to the Municipal authorities, the decision of the State Government thereon shall be final.
4.	Power to sanction and modify bye-laws/regulations of ULBs, by the State Government	As per the provisions of Section 604 of the KMC Act, Section 362 of the WBMC Act and Section 420 of the WBM Act, any regulation made by the ULBs shall not have any validity, unless and until it is approved by the State Government. Section 604 of the KMC Act and Section 362 of the WBMC Act also empower the State Government to modify regulations, without the concurrence of the ULBs. The HMC Act does not have any such provision.
5.	Power to cancel or modify bye-laws/regulations of ULBs by the State Government	Section 605 of the KMC Act, Section 218 of the HMC Act, Section 364 of the WBMC Act and Section 421 of the WBM Act, empower the State Government to modify or cancel by-laws/regulations. These sections also provide scope for representation by the ULBs, but the State Government is the ultimate authority to cancel or modify the regulation, either wholly or partially.

Sl. No.	Subject	Provisions
6.	Power to annul proceedings and to prohibit passing of orders by the ULBs	As per the provisions of Section 370 of the WBMC Act and Section 429 of the WBM Act, the State Government is empowered to annul any proceedings or resolution or order of the ULB, if they think that such proceedings are not in conformity with the provisions of law.
7.	Power to dissolve the ULBs	Section 117 of the KMC Act, Section 53 of the HMC Act, Section 60 of the WBMC Act and Section 431 of the WBM Act, empower the State Government to dissolve the elected board of the civic body, on grounds of incompetence, persistence default in discharge of duties or abuse of powers.
8.	Sanction to deposit and invest surplus funds	As per the provisions of Section 55 of the HMC Act, Section 62 of the WBMC Act and Section 68 of the WBM Act, the ULBs may invest money, not required for immediate use, in securities or in fixed deposits, with prior approval of and under direction from, the State Government. As per Section 130 of the KMC Act, surplus moneys, standing at the credit of any of the accounts of the Municipal Fund, cannot be transferred permanently by the Corporation, in whole or in part, from one account to another, without prior approval of the State Government. Money which is not transferred, may be invested in public securities or small savings accounts schemes, approved by the State Government.
9.	Sanction to borrow money	As per the provisions of Section 134 of the KMC Act, Section 61 of the HMC Act, Section 71 of the WBMC Act and Section 72 of the WBM Act, the ULBs may raise loans from any public financial institution, nationalised banks or any other lending institution. However, no such loans can be raised without the prior approval of the State Government. Further, the State Government may require the ULBs to observe financial discipline in the matter of debt servicing, including creation of sinking funds for repayment of loans.
10.	Approval of the State Government in case of estimated cost of works or purchases above certain limits	As per the provisions of Section 57A of the HMC Act, Section 66 of the WBMC Act, approval of the State Government is required to be obtained, if the estimated cost of purchases or works exceeds ₹ one crore. Similarly, in terms of Section 73A of the WBM Act, such approval is required in case of Municipalities, if the estimated value exceeds ₹ forty-five lakh.
11.	Lease/Sale of properties	As per the provisions of Section 80 of the WBM Act, prior approval of the State Government is necessary, to let out on hire, grant lease of, or sell or transfer, any immovable property belonging to the Municipality, but not required for carrying out the purposes of this Act, for valuable consideration.
12.	Improvement schemes for *bustee* or slums	As per provisions contained in Section 530 of the KMC Act, Section 185 of the HMC Act, Section 297 of the WBMC Act and Section 287 of the WBM Act, improvement schemes, for the purpose of effecting environmental or general improvement of *bustees* or slums, require the approval of the State Government.

(Source: respective Acts)

3.4 Institutional mechanism for empowerment of ULBs

As stated above, the State Government had transferred 17 functions to the ULBs. The discharge of these functions can be effective only when appropriate institutions are established and adequately empowered. The 74th CAA provided for the establishment of such institutional mechanisms, as can be seen from **Table 3.1**. This Para discusses the effectiveness of such institutional mechanisms.

3.4.1 State Election Commission

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.

In line with the provisions of the Constitution, Section 5 of the West Bengal State Election Commission (WBSEC) Act, 1994, also vests the same responsibilities on the West Bengal State Election Commission (WBSEC). Section 50 of the KMC Act, Section 12 of the WBMC Act, and Section 28 of the WBM Act, also contain similar provisions.

The West Bengal Municipal Elections (WBME) Act, 1994, came into effect in July 1994, to consolidate and amend laws relating to the holding of elections to the Municipalities in West Bengal. Audit observed that, in terms of the provisions contained in the WBME Act, 1994, WBSEC had been entrusted with powers for delimiting Municipal areas into Wards; preparation and revision of electoral rolls; reservation of seats for the Scheduled Castes, Scheduled Tribes and women; qualification and disqualifications from membership of a Municipality; and holding general elections.

As per Section 36(3) of the WBME Act, 1994, read along with Section 8 of the West Bengal State Election Commission (WBSEC) Act, 1994, the State Government, in consultation with the Commission, is to fix the date or dates, on which, and the hours during which, the polls would be conducted.

These provisions indicate that the State Election Commission can decide upon the dates of holding of General Elections, to any Municipality or Municipal Corporation, on the expiry of its duration, only with the consent of the State Government.

3.4.2 Reservation of seats

Section 29 of the West Bengal Municipal Elections Act, 1994 and the West Bengal Municipal Elections (Reservation of Seats) Rules, 1994, provide for reservation of seats for persons belonging to Scheduled Castes (SC) and Scheduled Tribes (ST), in the same proportion to the total number of seats to be filled by direct election to the ULB, as the population of the SCs or of the STs in the Municipal area, bears to the total population of that Municipal area. The Section and Rule, *ibid,* also provide for reservation of not less than one-third of the seats earmarked for SCs and STs, as well as of the total number of seats of the ULBs, for women.

As per reply furnished (May 2023) by the West Bengal State Election Commission, required number of seats for SC, ST and women were reserved in the last municipal elections held in 2015-16 and 2017-18.

3.4.3 Holding of elections of ULBs and formation of Boards

As per Section 81 of the KMC Act, Sections 5(3) and 40 of the HMC Act, Sections 11(2) and 13 of the WBMC Act and Sections 14(2) and 21A of the WBM Act, the duration of holding office of elected Councillors/Board of Councillors, is five years from the date of the first meeting after the general election and subsequent elections are to be conducted, by the State Election Commission, before the expiry period of five years. Further, as per provisions[13] contained in the HMC, WBMC and WBM Acts, if it is not possible to hold the general elections before the expiry of the period of five years, the Board of Councillors

[13] *Section 5(4) of the HMC Act, Section 11(4) of the WBMC Act and Section 14(4) of the WBM Act.*

shall stand dissolved on the expiration of the five years period. Section 117 of the KMC Act, Section 53 of the HMC Act, Section 60 of the WBMC Act and Section 431 of the WBM Act, also empower the State Government to dissolve the ULBs, in case of incompetence shown or persistent default in performing their duties/exercise of functions or in case of abuse of or exceeding their powers. Following dissolution, all the powers or functions, vested with the municipal authorities, are to be exercised by persons appointed by the State Government (in case of KMC) or the Administrator/Board of Administrators appointed by the State Government (in case of other ULBs). The provisions of the Acts *ibid* also mandate to hold general elections within six months of dissolution of ULBs for constitution of a new Board, thereby limiting the period of dissolution and tenure of the Administrator or Board of Administrators, to six months.

Article 243U of the Constitution and the respective Acts mandate holding of general elections within six months of the dissolution of the concerned ULBs, for constitution of a new Board, thereby limiting the period of dissolution and tenure of Administrator or Board of Administrators, to six months.

Audit observed that -

(i) During 2019-20, the State Government amended the HMC, WBMC and WBM Acts[14], by inserting the provision that, if it is not possible to hold the election before the expiry of the period of six months, the State Government may, by notification, extend the term of such Administrator or Board of Administrators, for a further period not exceeding twelve months. This is a contravention of Article 243U, which clearly states that the Municipality should have a fixed tenure of five years from the date of its first meeting and re-election to be held within six months of the end of tenure and it undermines the spirit of democratic decentralisation.

(ii) Between August 2018 and December 2018, 16 ULBs were dissolved and, between February 2020 and October 2020, 93 ULBs were dissolved, due to expiry of the tenures of their existing Boards out of which 91 ULBs were dissolved for more than six months, as on March 2021. On 18 June 2019, the *Darjeeling* Municipality was dissolved by the State Government, following Section 431 of the WBM Act. The *Chandernagore* Municipal Corporation was also dissolved by the State Government, following Section 60 of the WBMC Act, on 24 August 2018. As on 31 March 2021, elections had not been conducted in any of the ULBs, to constitute the new Boards. Instead, the municipal functions and administrations were being run by Administrators or Board of Administrators, appointed by the State Government, from time to time. Delays in holding elections and tenures of the Administrators/Board of Administrators, in 125 ULBs, are given in **Table 3.4.**

[14] *Amendment to Section 53, by the Howrah Municipal Corporation (Amendment) Act, 2019 dated 30 July 2019; amendment to Section 60, by the West Bengal Municipal Corporation (Amendment) Act, 2006 dated 30 July 2019; and amendment to Section 431, by the West Bengal Municipal (Amendment) Act, 2019 dated 7 January 2020.*

Table 3.4: Delays in holding elections in ULBs, as on 31 March 2021

Delay	6 months to 10 months	10 months to 11 months	13 months to 14 months	21 months to 22 months	27 months to 28 months	28 months to 29 months	29 months to 30 months	31 months to 32 months	Total
Number of ULBs#	3	87	1	1	4	1	11	1	109

(**Source**: data furnished by UD&MAD)

 # In 13 ULBs[15], the validity of the existing Boards did not expire and in two ULBs period of dissolution of ULBs did not exceed six months, as on 31 March 2021, hence, elections were not due. Election in HMC could not be held due to administrative reasons[16].

The municipal election in KMC was held in December 2021 and in the remaining 108 ULBs in February 2022, with a further delay of 10 months, in addition to the delays shown in **Table 3.4** above, in holding municipal elections from the date of dissolutions and date of elections.

The State Government (February 2021) stated that the elections were not held due to the pandemic. The reply, however, does not justify the delays in holding elections in 18 ULBs, including the *Darjeeling* Municipality and the *Chandernagore* Municipal Corporation, where the tenure of the elected Boards had expired between August 2018 and June 2019.

In the absence of elected councils, the involvement of elected representatives in decision making and implementation, was missing.

Further, the Central Finance Commissions (CFCs) have recommended of holding regular elections as a pre-condition for receipt of grants. However, during audit it was found that delays in holding elections in 109 ULBs ranged from six to 32 months. Thus, non/delayed holding of elections may result in the ULBs being rendered ineligible for the CFC grants.

Recommendation:

2. **Government may ensure that elections for the ULBs are held in a timely manner, in consultation with the State Election Commission.**

3.4.4 Composition of Municipalities/Corporations

Article 243R of the Constitution stipulates the composition of Municipalities. Section 3 of the KMC Act, Section 5 of the HMC Act, Section 9 of the WBMC Act and Section 12 of the WBM Act, state that the municipal authorities would consist of the Corporation/Municipalities, the Mayor-in-Council (in case of Corporations)/the Chairman-in-Council (in case of Municipalities and NAAs) and the Mayor/Chairman.

As per Section 5 of the KMC Act, Section 5 of the HMC Act, Section 10 of the WBMC Act and Section 13 of the WBM Act, the Corporations and Municipalities

[15] *Buniyadpur, Coopers' Camp NAA, Dhupguri, Domkal, Durgapur MC, Haldia, Kalimpong, Kurseong, Mirik NAA, Nalhati, Panskura, Pujali and Raiganj.*

[16] *The demerger of Bally Municipality, from Howrah Municipal Corporation, is subjudice, in the Hon'ble Kolkata High Court, after issue of notification regarding the demerger, by the State Government.*

consist of elected Members, as well as Members with special knowledge or experience of municipal administration, nominated by the State Government, in accordance with Article 243R of 74th CAA. The nominated Members do not have voting power. However, the said Acts do not contain provisions with respect to the nomination of Members of the Legislative Assembly, Members of the Legislative Council, Members of the Lok Sabha, Members of the Rajya Sabha, representing the constituencies which comprise wholly or partly the Municipal area, as members of the Municipalities/Corporations.

Thus, the representation of elected peoples' representatives in Municipalities/ Corporations, was not as per the prescribed norms.

3.4.5 Chairman/Mayor

Article 243R (2)(b) of the Constitution stipulates that the State Legislature may, by law, provide the manner of election of the Chairperson of the Municipality.

Audit observed that provisions contained in the Municipal/Municipal Corporation Acts[17], provide for selection of the Mayor/Chairman by the elected Councillors, from among themselves. Except for the KMC Act, the Acts also empower the State Government to elect a Mayor/Chairman from among the elected Members, if the elected Members (Councillors) of the ULB fail to elect a Mayor and/or a Chairman.

In case of Corporations, the respective Acts also provide for election of a Chairman (distinct from the Chairman of a Municipality or NAA), who convenes the meetings of the Corporation, presides over the meetings (except for the first meeting) and to whom the Councillors tender resignation in writing[18].

The Mayor/Chairman should be a whole-time functionary. However, as per Section 13 of the KMC Act and Section 28 of the WBMC Act, it is implicit that the Mayor may hold the post of either a Member of Legislative Assembly or a Member of any House of the Parliament, simultaneously. The Mayor presides over the meeting of Mayor-in-Council, presents the budget, allots business among members of the Mayor-in-Council *etc*. In case of Municipalities[19], the Chairman presides over the meeting of Chairman-in-Council, allocates business among members of the Chairman-in-Council *etc.*

The Model Municipal Law, 2003, circulated by the Ministry of Urban Development (MoUD), Government of India (GoI), provides that the term of office of the Mayor/President shall be coterminus with the duration of the Municipality and the executive powers of the Municipality shall be exercised by the Mayor-in-Council/Chairman-in-Council.

Audit observed that the tenure of the Mayor/Chairman is coterminus with the Councillors, *i.e.*, five years[20]. Audit also observed that, in terms of Section 33

---

[17] *Section 6 of the KMC Act, Section 8 of the HMC Act, Section 17 of the WBMC Act and Section 17 of the WBM Act.*

[18] *Sections 81, 94 and 98 of the KMC Act; Sections 40, 44 and 48 of the HMC Act; Sections 13, 50 and 55 of the WBMC Act.*

[19] *In terms of Section 16 of the WBM Act.*

[20] *As per Section 7 of the KMC Act, Section 9 of the HMC Act, Section 18 of the WBMC Act and Section 18 of the WBM Act.*

of the KMC Act, Section 22 of the HMC Act, Section 41 of the WBMC Act and Section 15 of the WBM Act, the executive powers of the ULBs have been vested in the Mayor-in-Council/Chairman-in-Council. Section 16 of the WBM Act envisages the Chairman as being the executive head of the Municipality/ NAA and vests the municipal administration under his control.

3.4.6 Ward Committees

Article 243S of the Constitution provides for Ward Committees in all Municipalities with a population of three lakh or more.

Section 11A of the KMC and HMC Acts, as well as Section 23 of the WBMC and WBM Acts, mandate the formation of Ward Committee, in each Ward of the ULBs, irrespective of the population of the ULBs. The Sections *ibid* also state that the Councillor, elected from a Ward, shall be the Chairperson of the Ward Committee for that Ward. They also prescribe the composition and function of the committee.

The Ward Committees are to consist of: (i) elected Councillors from the Wards and (ii) local residents, nominated by the Councillor and the Municipality. The term of Ward Committees is co-terminus with the council. The Ward Committees, subject to general supervision of the Borough Committee or the Municipality, are to supervise and monitor the detection of violations of various provisions of the WBM Act, execution of various obligatory and discretionary functions of the concerned ULBs, work of assessment, collection of property tax, other taxes and sums, planning and execution of development schemes for the Ward, maintenance of public utilities, safeguarding of the assets of the Municipality, redressal of public grievances *etc.*

Thus, the Ward Committees are required to act as a bridge between the municipal government and citizens and to provide a space for citizen participation in local level planning. They are expected to perform duties such as preparation and submission of Ward development schemes for allotment of funds, ensuring proper utilisation of allotted funds, maintenance of public utilities and safeguarding the assets of the ULBs.

Audit, however, observed that, out of the 27 test-checked ULBs, Ward Committees had been formed in 12[21] ULBs, had not been formed in 12 ULBs, while data regarding formation of Ward Committees was not furnished by three ULBs[22]. Non-formation of Ward Committees defeated the objective of facilitating community participation in local governance. The ULBs did not furnish any reason for non-formation of Ward Committees. The absence of community participation is expected to adversely impact the prioritisation of development works, and also lead to non-monitoring of the execution of schemes and utilisation of the assets created.

---

[21] *ULBs where Ward Committees were formed with latest period of formation: Bansberia (in 2015-16), Barasat (in 2017-18), Habra (in 2013-14), Jhalda (in 2015-16), Kaliyaganj (in 2015-16), Kharagpur (in 2017-18), Midnapore (in 2013-14), Panihati (date not furnished), Pujali (in 2017-18), Raiganj (in 2017-18), Ramjibonpur (in 2015-16) and Siliguri MC (in 2015-16 and 2016-17).*

[22] *ULBs where Ward Committees were not formed: Bongaon, Contai, Coochbehar, Gobardanga, Jiaganj-Azimganj, Kalna, Katwa, Kolkata MC, Mal, Suri, Tufanganj and Uttarpara-Kotrung. ULBs which did not furnish data: Asansol MC, Barrackpore and Konnagar.*

Recommendation:

3. **Ward Committees may be constituted, as per the Acts, so that the ground level priorities of citizens are factored into the decisions of the ULBs.**

3.4.7 District Planning Committee and Metropolitan Planning Committee

- **District Planning Committee (DPC)**

Article 243ZD of the Constitution provides for constitution of District Planning Committees (DPCs), for consolidation of plans prepared by the Panchayats and the Municipalities in a district and to prepare a draft development plan for the district.

Accordingly, the State Government enacted the West Bengal District Planning Committee (DPC) Act, 1994 and the West Bengal District Planning Committee (DPC) Rules, 1994. The Act extends to the whole of West Bengal, except for the KMC area and areas covered under the provisions of the Darjeeling Gorkha Hill Council Act, 1988. In terms of Section 3 of the Act, DPCs were to be constituted in all districts, while, for *Siliguri*, a Sub-division Planning Committee was to be constituted.

The main function of the DPC is to consolidate the plans of Panchayats/ ULBs in the district and prepare a draft development plan, for approval of the Government.

The West Bengal DPC Rules stipulates the formation of an Urban Development Sub-Committee, District Planning and Co-ordination Sub-committee and other sub-committees, to assist the DPCs in preparation of their draft development plans. The functions of the Urban Development Sub-Committees, *inter alia*, include examination and integration of plans drawn up by different ULBs of the districts, consideration of issues relating to water supply, solid waste management, disposal of sewage *etc.* The functions of the District Planning and Co-ordination Sub-Committees, *inter alia*, include preparation of the draft development plans of the concerned districts, with regard to the matters of common interest between the ULBs and the Panchayats, formulation of plans for integrated infrastructure, like water supply, disposal of solid waste and sewerage *etc.*

The status of formation of DPCs pertinent to test-checked ULBs is discussed in **Table 3.5.**

Table 3.5: Status of formation of DPCs

Sl. No.	District	ULBs under the districts	Status of DPC
1.	Birbhum	Suri	The DPC was constituted in FY 2014-15 but the Urban Development Sub-Committee and the District Planning and Co-ordination Sub-Committee, were not constituted. After that, the DPC was not constituted. Information regarding meetings of DPC was not furnished.

Sl. No.	District	ULBs under the districts	Status of DPC
2.	Hooghly	Bansberia, Konnagar, Uttarpara-Kotrung	The DPC was constituted in FY 2014-15. The Urban Development Sub-Committee and District Planning and Co-ordination Sub-Committee were also constituted. Thereafter, no DPCs were constituted. However, the ULBs submitted their Annual Development Plans pertaining to FYs 2018-19 and 2019-20, to the Planning Section of the district. During the period 2015-16 to 2020-21, only one meeting was held (in 2015-16).
3.	Uttar Dinajpur	Kaliyaganj, Raiganj	The DPC was constituted in FY 2013-14 and, thereafter, in FY 2019-20. Information about constitution of the Urban Development Sub-Committee and District Planning and Co-ordination Sub-Committee, was not available. Formal meetings of DPC were not held during the period 2015-16 to 2020-21.
4.	East Midnapore	Contai	The last DPC was constituted in FY 2018-19. The Urban Development Sub-Committee and District Planning and Co-ordination Sub-Committee were not constituted. Meetings of DPC were not held during the period 2015-16 to 2020-21.

(Source: information furnished by respective district authorities)

In the *Coochbehar* and *Murshidabad* districts, DPCs were not constituted during the period 2015-16 to 2020-21[23]. In case of *Darjeeling* district, the DPC was formed but was transferred to the *Gorkhaland* Territorial Administration (GTA)[24]. A Sub-division Planning Committee for *Siliguri* was not constituted.

- **Metropolitan Planning Committee (MPC)**

Article 243ZE of the Constitution provides for Constitution of a Metropolitan Planning Committee (MPC), in every Metropolitan area, to prepare a draft development plan for the Metropolitan area[25] as a whole, on matters of common interest between the Municipalities and the Panchayats. The State Government enacted the West Bengal Metropolitan Planning Committee Act, 1994. As per provisions of this Act, the Kolkata Metropolitan Planning Committee (KMPC) was constituted in October 2001, as one of the first Metropolitan Planning Committees in India. Chief Minister, West Bengal, is the Chairperson of KMPC and the Minister-in-Charge, Municipal Administration and Urban Development Department, is the Vice-Chairperson. Secretary, Kolkata Metropolitan Development Authority (KMDA), is the Member-Secretary of the KMPC and the office of the KMDA is the Secretariat of the KMPC. KMPC also constituted an Executive Committee, to finalise the sectoral plan, as well as five sectoral sub-committees, to prepare the perspective master plans of different sectors of development.

[23] *Information for seven districts was not available.*

[24] *Vide notification dated 10 September 2012, issued by the Department of Planning, Government of West Bengal.*

[25] *"Metropolitan area" means an area having a population of ten lakh or more, comprised in one or more districts and consisting of two or more Municipalities or Panchayats or other contiguous areas.*

The ULBs under the *Kolkata* Metropolitan Area (KMA)[26] were to submit the Draft Development Plans and Annual Development Plans, to KMPC, for approval.

However, information regarding the recent functional status of the KMPC was not furnished to Audit.

- **Preparation of Draft Development Plans by ULBs**

As per the provisions of Section 333 of the WBMC Act and Section 297 of the WBM Act, the Board of Councillors is to prepare a Draft Development Plan (DDP) for the municipal/notified area, in consultation with the District Planning Committee (DPC), for a period of five years and submit it to the Urban Development Sub-Committee, under the DPC, at least one year before completion of the term of the preceding Draft Development Plan.

Section 336 of the WBMC Act and Section 300 of the WBM Act, provide for preparation of an Annual Development Plan (ADP), for one financial year, covering only the relevant portion of the DDP, in consultation with the DPC, which is to be submitted to the State Government, within the last week of the month of October of the year preceding the period for which the ADP pertains. The State Government is to consider the ADP, based on the availability of funds for the purpose and to approve the ADP, with necessary modifications, if any.

Similar provisions exist in Sections 239 and 242 of the HMC Act. However, provisions relating to preparation of DDP and ADP, are not available in the KMC Act. Sections 333 to Section 336 of the WBMC Act provide for preparation and finalisation of Development plans by the Municipal Corporation.

Audit observed that none of the 27 test-checked ULBs had prepared DDPs, during FYs 2015-16 to 2020-21. Two ULBs (*Panihati* and *Pujali*) had prepared City Development Plans for five years, anchored with the Jawaharlal Nehru National Urban Renewal Mission (JNNURM). The City Development Plans do not, however, supplement the statutory Draft Development Plans.

Audit further noticed that, during FYs 2015-16 to 2020-21, only six out of 27 selected ULBs (*Gobardanga, Jiaganj-Azimganj, Katwa, Konnagar, Midnapore* and *Uttarpara-Kotrung*) had prepared ADPs. Only two ULBs, *viz.*, *Konnagar* and *Uttarpara-Kotrung,* had submitted the ADPs to the respective DPC (*Hooghly* DPC); both these ULBs were under the KMA area. However, information relating to submission of the ADP to KMPC, was not furnished by the two ULBs.

At the district level, non-constitution of DPCs and sub-committees under DPCs, non-functioning of the constituted DPCs, and, at the ULB level, non-preparation of draft development plans and annual development plans, in accordance with the codified provisions, defeated the purpose behind integrated planning and development of the concerned areas through the DPCs. Absence of holistic development plans by DPCs, encompassing areas of service delivery, such as supply of potable water, solid waste management and sewerage *etc.*, affected the implementation of devolved functions by ULBs**.**

[26] *KMA area is a planning area, as specified in the First Schedule, under Section 16 of the West Bengal Town and Country (Planning and Development) Act, 1979. KMA extends over six districts (Kolkata, Howrah, Hooghly, Nadia, North 24 Parganas and South 24 Parganas). The area comprises of four Municipal Corporations, 37 Municipalities and 23 Panchayat Samities.*

The observation regarding non-formation of DPC was forwarded to the Department of Planning and Statistics, Government of West Bengal, in November 2022, but reply was not received.

Recommendation:

4. **Government may ensure constitution and effective functioning of the District Planning Committees, for integrated planning and development.**
5. **ULBs may prepare Draft Development Plans and Annual Development Plans, for strategic and holistic development of their jurisdictional areas.**

3.4.8 State Finance Commissions (SFCs)

Articles 243I and 243Y of the 73rd and 74th Constitutional Amendment Act, 1992, make it mandatory for the State Government to constitute a Finance Commission, within one year of the commencement of the CAA and, thereafter, on expiry of every five years. SFCs are required to review the financial position of local bodies (*i.e.*, Panchayats and Municipalities) and to make recommendations to the Governor for devolution of funds.

In West Bengal, there were delays in formation of SFCs and their subsequent recommendations, as shown in **Table 3.6.**

Table 3.6: Delays in constitution of State Finance Commissions

Finance Commission	To be constituted as per Constitution	Actual date of appointment	Actual date of report submission	Date of submission of Action Taken Report	Period of delay in constitution of SFC, in terms of Constitutional norms
1st	1993-1998	30 May 1994	27 November 1995	22 July 1996	-
2nd	1998-2003	14 July 2000	6 February 2002	15 July 2005	2 years
3rd	2003-2008	22 February 2006	31 December 2008	16 July 2009	3 years
4th	2008-2013	30 April 2013	2 February 2016	6 June 2022	5 years
5th	2013-2018	23 May 2022	-	-	9 years
6th	2018-2023	-	Not constituted	-	-

(Source: SFC Reports and Orders/Notifications, issued by the Finance Department, Government of West Bengal)

It was also noticed that the tenure of 4th SFC was extended for 22 months, in place of its original tenure of 12 months, which ultimately led to delayed submission of its report. Significant delays in constitution and subsequent submission of recommendations of the SFCs, as per Constitutional norms, deprived the ULBs from getting their share of State revenues, at an enhanced rate, in a time-bound manner.

Out of 46 recommendations made by the 1st SFC, the State Government accepted 35 recommendations. In case of the 2nd SFC, out of 18 recommendations made, six were accepted. The 3rd SFC made 32 recommendations, out of which 16 were accepted, three recommendations were agreed to in principle and the rest were either already implemented or left for further examination[27]. The status of

[27] *4th SFC Report, Part-III.*

recommendations of the 4th SFC, as per the Action Taken Report (ATR) of the State Government is detailed in **Table 3.7**.

Table 3.7: Action taken on the recommendations of the 4th SFC

Sl. No.	Recommendations	Action Taken by the State Government
1.	**Recommendations relating to Fiscal Devolution**: The Commission recommended grants of ` 1,103.80 crore for the financial year 2015-2016 and progressive enhancement at the rate of 15 *per cent per annum,* from 2016-2017 to 2019-2020. *(vide Para Nos. 14.5 & 14.15 of Part-I of the Report).*	The State Government agreed to devolve ` 900 crore to the Local Bodies for the year 2016-2017 from its Own Tax Revenues and an annual increase of three *per cent* from 2017-2018 to 2019-2020. Necessary budget provisions were made accordingly.
2.	**Further recommendations relating to Fiscal Devolution**: The Commission recommended that 60 *per cent* of the recommended grant should be spent towards creation of new assets and 40 *per cent* of the grant should be spent as expenditure towards payment of electricity bills, O & M, cost of water supply schemes, street lights and regular maintenance of other assets created by the Urban Local Bodies *(vide Para No. 14.20 of Part-I of the Report).*	The State Government accepted the recommendation of the Commission.
3.	**Other recommendations**: In addition to the above, the Commission made some other recommendations, relating to improvement of the functioning of the Rural Local Bodies (RLBs) and Urban Local Bodies (ULBs), like institutional strengthening, structural changes and resource generation. The Commission suggested that an Empowered Committee, under the Chief Secretary, may be set up, consisting of the Secretary-in-charge of Panchayats & Rural Development Department, Secretary of the Municipal Affairs Department, Secretary of the Finance Department and Secretary of the Law Department, to follow-up the accepted recommendations and ensure full implementation. *(Chapter VI to Chapter XII and Para Nos. 14.8, 14.11, 14.17, 14.21, 14.35, 14.36 & 16.11 of Part-I of the Report).*	A State Level Committee of Secretaries, under the Chairmanship of the Chief Secretary, Government of West Bengal and comprising of Additional Chief Secretary, Panchayats & Rural Development Department, Principal Secretary, Finance Department and Secretary, Urban Development & Municipal Affairs Department, was constituted to look into other measures recommended by the Commission. The Committee held meetings and deliberated over several issues, *viz.* inclusion of solid waste management as an obligatory duty of the Gram Panchayats, issue of notification relating to minimum standards of service delivery, waste management by the Urban Local Bodies, Ward level vigilance for prevention of pollution, recovery of unpaid tax, handing over of operation and maintenance of motor supply projects to the concerned Municipalities by the Public Health Engineering Department, revitalizing the Gram Samsads, Gram Sabha and Ward Sabhas, audit at regular intervals, revitalizing the statistical cells of the Directorate/ Offices of P&RD Department *etc.*

Observations relating to release of SFC grants have been discussed in **Paragraph 4.3.**

Recommendation:

6. Government may constitute the SFCs and implement their recommendations in a timely manner.

3.4.9 Accounts and Audit

As per Article 243Z of the Constitution, the Legislature of a State may, by law, make provisions with respect to the maintenance of accounts by the

Municipalities and the auditing of such accounts. Maintenance of accounts in the ULBs and the audit arrangements are discussed below.

3.4.9.1 Annual Accounts of the ULBs

The Task Force constituted[28] by the Comptroller & Auditor General of India (C&AG), to recommend budget and accounting formats for the ULBs in India, *inter alia*, suggested adoption of accrual-based accounting, by the ULBs. Based on the recommendations of the Task Force, the Ministry of Urban Development (MoUD), Government of India, had prepared a National Municipal Accounting Manual (NMAM), with the support of the C&AG. In terms of the recommendations of the Task Force of the C&AG and the National Municipal Accounting Manual, the Government of West Bengal introduced an accrual-based Double Entry System, in place of the existing cash-based accounting system, in the ULBs in the State[29].

The Change Management Unit (CMU)[30], under the Kolkata Urban Services for the Poor (KUSP) programme, of the Government of the West Bengal, assisted by the Department for International Development (DFID) of the Government of United Kingdom, brought out an Accounting Manual for ULBs, covering aspects of the accrual-based double entry system and facilitated the introduction of the accrual-based double entry accounting system, in 40 ULBs in the *Kolkata* Metropolitan Area (KMA), except for KMC.

Under the accrual-based double entry accounting system, the ULBs are required to prepare the following five reports. (1) Balance Sheet (2) Income & Expenditure Statement (3) Receipts & Payments Account (4) Trial Balance and (5) Cash Flow Statement. All the ULBs were also required to prepare Opening Balance Sheets for the inception years.

Provisions for following the accrual-based double entry system were made by amending Section 84 of the WBM Act and insertion of Section 86A of the WBMC Act[31], which specifically mandate ULBs to prepare their Annual Financial Statements.

Audit observed that:

(i) There was lack of uniformity in the Acts/Rules, in regard to the components of the mandatory Annual Financial Statements required to be prepared by ULBs, as shown in **Table 3.8.**

---

[28] *Based on the recommendations of the Eleventh Finance Commission and Guidelines issued by the Ministry of Finance, Government of India.*

[29] *The Government of West Bengal was also committed to introducing the double entry accrual-based Accounting System, in view of the Memorandum of Understanding (MoU) signed with Government of India, to access funds under the Urban Reforms Incentive Fund (URIF).*

[30] *A registered society; CMU was merged with SUDA vide order of UD&MAD dated 7 June 2017.*

[31] *With effect from 1 October 2006 and 1 March 2010, respectively.*

Table 3.8: Components of Annual Financial Statements as per different Acts/Rules

Components of Annual Financial Statements, as per Accounting Manual of ULBs published by erstwhile CMU	Components of Annual Financial Statements, as per WBM Act and WBMC Act	West Bengal Municipal (Finance & Accounting) Rules, 1999 (Rule 260)
(1) Balance Sheet, (2) Income & Expenditure Statement, (3) Receipts & Payments Account, (4) Trial Balance and (5) Cash Flow Statement	(1) Balance Sheet, (2) Income & Expenditure Account, (3) Receipt & Payment Account and (4) Cash Flow Statement	(1) Balance Sheet, (2) Income and Expenditure Statement, (3) Statement of Cash Flow, (4) Receipts and Payments Account, (5) Revenue Trend Analysis and (6) Notes to Accounts

(Source: respective Acts/Rules/Orders)

As on 31 March 2021, the ULBs prepared and submitted the Annual Financial Statements including notes to accounts comprising of – Balance Sheet, Income and Expenditure Statement, Receipt and Payment Accounts and Trial Balance.

(ii) The ULBs in the *Kolkata* Metropolitan Area (KMA) started preparation of annual accounts, following the accrual-based double entry accounting system, from 2006-07, while the ULBs in non-KMA areas started following it from 2007-08. As on 31 March 2021, all the 124 ULBs, including HMC, were following the accrual-based double entry accounting system and preparing the above reports as per the Accounting Manual of ULBs. KMC also follows the accrual-based double entry accounting system.

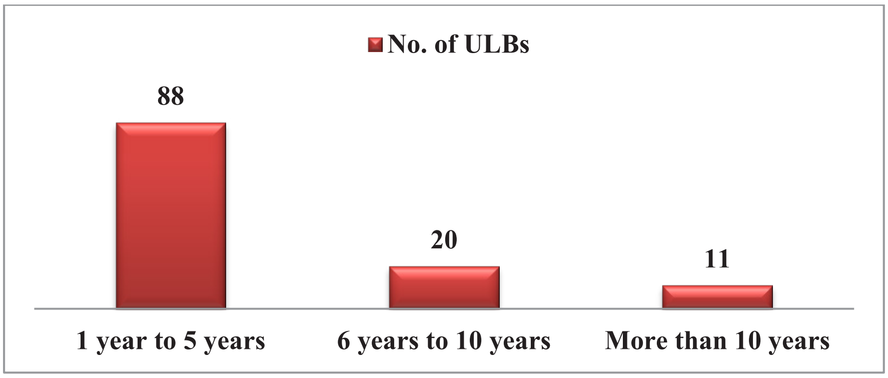
Audit observed that as on 31 March 2021, three ULBs *viz*., *Bishnupur* (for the period 2007-08), *Buniadpur* (for the period 2014-15) and *Domkal* (for the period 2015-16) did not prepare and submit to the Examiner of Local Accounts (ELA), the Opening Balance Sheets as well as subsequent Annual Financial Statements. As on 31 March 2021, 544 Annual Financial Statements of 124 ULBs[32], had not been submitted to the ELA for audit. The year-wise number of Annual Financial Statements, pending for submission to the ELA, are shown in ***Appendix-3***.

It can be seen from ***Appendix*** that Annual Financial Statements, pertaining to financial years as far back as 2007-08, are still due for preparation and submission for audit.

As on 31 March 2021, the pendency in the number of years in preparation and/or submission of Annual Financial Statements of 125 ULBs, is shown in **Chart 3.1.**

[32] *Out of these 124 ULBs, the annual accounts of five erstwhile ULBs (Jamuria, Raniganj, Kulti, Rajarhat Gopalpur and Bally Municipalities), which were later merged with three Municipal Corporations, were not prepared and submitted.*

Chart 3.1: Pendency in the preparation and/or submission of Annual Financial Statements



Six ULBs, *viz.*, *Arambagh, Basirhat, Jangipur, Purulia, Suri* and *Taki,* had no pendency in the preparation and submission of Annual Financial Statements, as of March 2021. Thirty-four Annual Financial Statements, of five erstwhile Municipalities, which have been merged with three Municipal Corporations and have ceased to exist as individual ULBs, were also not prepared (as on 31 March 2021), as detailed in **Table 3.9**.

Table 3.9: Pendency in preparation of Annual Financial Statements by five erstwhile Municipalities

Sl. No.	Name of the Municipality	Municipal Corporation with which the Municipality was merged	Date of merger	Period of Annual Financial Statements not prepared and submitted	Number of Annual Financial Statements
1	Rajarhat Gopalpur Municipality	Bidhanangar Municipal Corporation	June 2015 (2015-16)	2012-13 to 2015-16	4
2	Bally Municipality	Howrah Municipal Corporation	June 2015 (2015-16)	2008-09 to 2015-16	8
3	Jamuria Municipality	Asansol Municipal Corporation	June 2015 (2015-16)	2008-09 to 2015-16	8
4	Raniganj Municipality			2011-12 to 2015-16	5
5	Kulti Municipality			2007-08 to 2015-16	9

(Source: data maintained by the ELA)

Non-preparation of Annual Financial Statements, within the prescribed period, indicates failure on the part of the ULBs and raises serious concerns about the management of Municipal Funds and utilisation of public money provided to the ULBs, in the form of grants-in-aid. Further, the FC-XIV recommended that to be eligible for Performance Grants, the ULB has to submit audited annual accounts that relate to a year not earlier than two years preceding the year in which it seeks to claim the Performance Grant. The FC-XV also recommended timely availability of accounts, both before and after audit, of individual ULBs online in the public domain from 2021-22, as the entry level conditions to qualify for its recommended grants. Owing to non/delayed preparation of accounts by ULBs, the audit of the accounts has been delayed. This may result in the ULBs being rendered ineligible for the CFC grants.

Recommendation:

7. **Government may stipulate a uniform timeframe for preparation of the Annual Financial Statements of all ULBs, as also for timely submission of Annual Financial Statements, for audit by the statutory auditor (ELA).**

3.4.9.2 Audit

(i) Statutory Audit by the Examiner of Local Accounts (ELA), preparation of Audit Report, laying of Audit Report in the State Legislature and discussion thereon in the specific committee constituted for that purpose.

In terms of Municipal laws[33], the accounts of all the ULBs are to be examined and audited by an Auditor appointed by the State Government. Accordingly, the State Government appointed an Examiner of Local Accounts (ELA), an officer of the Indian Audit & Accounts Department, in the rank of Deputy Accountant General, as the Auditor for audit of accounts of the ULBs. The ELA, thus, is the Primary/Statutory Auditor of the accounts of ULBs. The ELA also conducts the Compliance Audit and Performance/Detail Compliance Audit of the ULBs.

The ELA prepares Separate Audit Reports (SARs) on the annual accounts of ULBs[34], audited and examined by the ELA. The ELA also prepares a Compliance Audit Report, namely the 'Report of the Examiner of Local Accounts on Urban Local Bodies', for each year, which is laid in the State Legislature, by the State Government, in terms of Section 163A of the KMC Act, Section 80A of the HMC Act, Section 91A of the WBMC Act and Section 90A of the WBM Act.

The 'Committee on Local Fund Accounts' (CLFA) was constituted through the Rules of Procedure of the Committee on Local Fund Accounts of the West Bengal Legislative Assembly (Internal Working) Rules, 2018[35], for discussion of the Report of the ELA on ULBs and reporting thereon[36]. The said Committee came into operation with effect from 3 August 2018. As on 31 March 2021, evidence taking of four paragraphs had been discussed by the committee.

(ii) Internal Audit

Section 156 of the KMC Act, Section 74 of the HMC Act and Section 84 of the WBMC Act, provide for monthly internal audit of accounts of the Corporations, by the Chief Municipal Auditor/Chief Auditor, who is a staff of the Corporation. Section 157 of the KMC Act, Section 75 of the HMC Act and Section 85 of the WBMC Act, contain provisions for the reports of the Chief Municipal Auditor/ Chief Auditor, in matters in addition to the accounts, as well as submission

[33] *Section 160 (1) of the KMC Act, Section 77 (1) of the HMC Act, Section 87 (1) of the WBMC Act and Section 86 (1) of the WBM Act.*

[34] *In terms of Section 161 of the KMC Act, Section 78 of the HMC Act, Section 88 of the WBMC Act and Section 87 of the WBM Act.*

[35] *Made under Rule 279 of the Rules of Procedure and Conduct of Business in the West Bengal Legislative Assembly.*

[36] *Previously, the State Level Audit Committee (SLAC) had been constituted, in February 2006, to examine the findings of the Report of the ELA on ULBs. However, no paras had been discussed in the SLAC.*

of these reports to the Municipal Commissioner (in case of KMC and other Corporations)/Mayor-in-Council (in case of HMC).

Similar provisions for Municipalities and NAAs exist in Rule 24 of the WB Municipal (Finance and Accounting) Rules, wherein an officer is to be authorised by the Chairman-in-Council, to conduct checking of the Municipal Fund, at least once every month and submission of a report thereon, to the Municipal Accounts Committee. This Rule is also applicable to the Municipal Corporations[37], except for KMC and HMC. The West Bengal Municipal (Internal Audit) Rules, 1997, provide for conducting internal audit of the accounts, by engaging Audit Officer/s, under the Director of Cooperative Audit or Government registered Auditor(s) (Chartered Accountant Firms) and reporting in this regard, to the Chairman.

Audit noted that *Asansol* MC and *Siliguri* MC had not appointed Chief Municipal Auditor/Chief Auditor. During the period 2015-16 to 2020-21, Audit observed that 17 ULBs[38], including *Asansol* MC and *Siliguri* MC, had conducted internal audit, by engaging external agencies, but there was pendency of one to three years, in conducting internal audit, in 15 ULBs. Six ULBs had not conducted internal audit at all, while data was not available for three ULBs[39].

In *Kolkata* MC, as on 31 March 2021, internal audit for the year 2018-19, was conducted by the Chief Municipal Auditor and, thus, there was pendency of two years, in the conduct of internal audit.

Audit observed that, out of 26 test-checked ULBs (except *Kolkata* MC), only 12 ULBs had conducted monthly checking of the Municipal Fund, while only two ULBs (*Panihati* and *Raiganj*) had conducted quarterly checking of accounts of the Municipal Fund, during FYs 2015-16 to 2020-21. The quarterly audit reports had neither been submitted to the Municipal Accounts Committee, nor had they been further forwarded to the Director of Local Bodies.

Recommendation:

8. **Government may ensure that ULBs conduct internal audit regularly and take remedial action to strengthen their internal control system.**

3.4.10 Municipal Accounts Committees

Section 10 of the KMC Act and the HMC Act, Section 21 of the WBMC Act and Section 92 of the WBM Act, envisage the formation of Municipal Accounts Committees (MAC), each year, by the Board of Councillors, to examine the

[37] *The WBM (Finance and Accounting) Rules, 1999, were made applicable for Municipal Corporations (except KMC and HMC), vide Order No. 248/MA/O/C-5/A/2A-2/1999 dated 26 June 2013, by the erstwhile Department of Municipal Affairs, Government of West Bengal. The order also specified that the powers vested with the Chairman in the said rules, would be exercised by the Commissioner of the Corporation, or, in the Commissioner's absence, by the Secretary.*

[38] *Upto 2016-17: one ULB (Asansol MC); upto 2017-18: one ULB (Kalna); upto 2018-19: nine ULBs (Bansberia, Barrackpore, Habra, Kaliyaganj, Kharagpur, Konnagar, Midnapore, Raiganj and Uttarpara-Kotrung); upto 2019-20: four ULBs (Gobardanga, Panihati, Pujali and Ramjibonpur); upto 2020-21: one ULB (Barasat). Siliguri MC, conducted internal audit but did not specify upto which period the internal audit was conducted.*

[39] *Bongaon, Contai, Jiaganj-Azimganj, Katwa, Mal and Tufanganj did not conduct internal audit. Data was not furnished by Coochbehar, Jhalda and Suri.*

accounts of the ULBs, scrutinise the report on the accounts by the Auditor and submit a report to the ULBs, from time to time, on such examination and scrutiny. The Municipal Accounts Committees consist of three to five Councillors, elected from the Councillors themselves and a maximum of two nominated persons, having special knowledge and experience in financial matters, not being members/employees/officers of the ULBs.

Formation of MACs, in ULBs, during the period for the FYs 2015-16 to 2020-21, is shown in the **Table 3.10**.

Table 3.10: Constitution of Municipal Accounts Committee in the test-checked ULBs

Financial Year	No. of ULBs where MAC was formed	No. of ULBs where meetings of MAC were held	No. of ULBs where MAC was not formed	No. of ULBs who did not furnish data/specific data
2015-16	9	4	14	4
2016-17	3	1	20	4
2017-18	4	3	19	4
2018-19	5	3	18	4
2019-20	Nil	-	22	5
2020-21	1	1	21	5

(Source: data furnished by the ULBs)

Two ULBs (*Asansol* MC and *Raiganj*) did not furnish the relevant data. The *Mal* and *Panihati* Municipalities stated that MACs had been formed but did not specify whether MACs had been constituted in each year, for the period 2015-16 to 2020-21. Details of the ULBs are provided in ***Appendix-4***.

Audit observed that, during FYs 2015-16 to 2020-21, the *Kolkata* MC had constituted MACs twice, in FYs 2015-16 and 2017-18. The MAC formed in FY 2015-16 had continued in FY 2016-17 and it had held meetings in FY 2016-17, to discuss the audit reports. In FY 2017-18, a fresh MAC was formed, which continued till FY 2018-19 and discussed the audit reports in its meetings. Thus, in contravention to the provisions of the Act, new MACs were not constituted every year in the KMC. Similar instances of continuation of MACs beyond the stipulated time of one year were noticed in the case of the *Siliguri* MC, *Coochbehar* Municipality and *Habra* Municipality.

It is also evident from **Table 3.10** that MACs had not been constituted in most of the test-checked ULBs, due to which their audit reports had not been discussed and corrective measures with respect to observations made by Audit could not be taken.

Recommendation:

9. Government may ensure that MACs are constituted every year and meetings held regularly, to discuss the audit reports (including internal audit reports) of the concerned ULBs.

3.4.11 Standing Committees

Section 23AA of the WBM Act mandates the formation of six different Standing Committees, consisting of not less than three and not more than nine

Councillors. In terms of Section 23B of the Act *ibid,* the Standing Committees are responsible for submitting recommendations, indicating the difficulties relating to implementation of development programmes under their respective jurisdictions and also indicating therein, possible measures to remove such difficulties.

Section 24 of the WBMC Act also envisages the formation of six Standing Committees[40]. The Municipal Corporations have the power to recast the shape of Standing Committees, by way of segregating or amalgamating the functions. As per Section 25 *ibid*, the functions of the Standing Committees are the same as in the case of Municipalities. The KMC Act does not have a provision for formation of Standing Committees.

The status of formation of six Standing Committees, in 24 of the test-checked Municipalities, was as shown in **Table 3.11.**

Table 3.11: Status of formation of Standing Committees in Municipalities

Sl. No.	Name of the Standing Committees	Municipalities in which constituted (Period of constitution)	Municipalities in which not constituted	Municipalities which did not furnish data
1.	**Finance and Resource Mobilisation Standing Committee**	1. Bansberia (2015-16)	1. Bongaon	1. Barasat
2.	**Solid Waste Management Standing Committee**	2. Barrackpore (2015-16)	2. Kalna	2. Gobardanga
3.	**Water Supply Standing Committee**	3. Contai (2015-16)	3. Raiganj	3. Jiaganj–Azimganj
4.	**Public Works Standing Committee**	4. Coochbehar (2017-18)	4. Tufanganj	4. Konnagar
5.	**Health Education and Urban Poverty Alleviation Standing Committee**	5. Habra (2013-14) #	5. Uttarpara-Kotrung	
6.	**Public Health and Sanitation Standing Committee**	6. Jhalda (2015-16)		
		7. Kaliyaganj (2016-17)		
		8. Katwa (2015-16)		
		9. Kharagpur (2018-19)		
		10. Mal (2015-16)		
		11. Midnapore (2013-14)		
		12. Panihati (2015-16)		
		13. Pujali (2017-18)		
		14. Ramjibonpur (2015-16)		
		15. Suri (2015-16)		

(Source: data furnished by the ULBs)

 # Public Health and Sanitation Standing Committee was not formed in Habra Municipality

In *Siliguri* MC, five out of six Standing Committees were constituted, although information about the period of constitution was not furnished; the Standing Committee on Health and Sanitation was not formed. *Asansol* MC did not furnish information.

[40] *(i) Finance and Resource Mobilisation Standing Committee, (ii) Solid Waste Management Standing Committee, (iii) Water Supply Standing Committee, (iv) Public Works and Public Safety Standing Committee, (v) Health and Sanitation Standing Committee and (vi) Education and Urban Poverty Alleviation Standing Committee.*

3.4.12 Parastatals and their role in urban governance

Parastatals are institutions/organisations, which are wholly or partially owned and managed by the Government (formed as autonomous bodies or through a specific legislation) and discharge some of the functions of the ULBs.

The UD&MA Department did not furnish the details of parastatals and directorate and or other departments functioning in the sphere of urban governance in the State along with ULBs. However, Audit observed that there are a number of parastatals, which are performing significant roles with regard to ULBs, in urban governance; the role of parastatals is discussed in **Table 3.12.**

Table 3.12: Role of parastatals, directorates and other departments related to urban governance

Name of the Parastatals	Functions
Directorate of Local Bodies (DLB)	DLB is a directorate under the UD&MA Department, with two divisional offices. The functions of DLB include – (i) regular inspection of all ULBs, except all Corporations; (ii) release of salary, dearness allowance, dearness relief and pension, to ULBs, for municipal employees; (iii) monitoring of the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Deendayal Antyodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) projects, under the guidance of SUDA; and (iv) examination of the replies of ULBs, in regard to Statutory Audit, by the Examiner of Local Accounts. DLB has also been empowered to dispose of all matters relating to appointments and promotion, with regard to already sanctioned vacant posts existing in different Municipalities and Notified Area Authorities.
Municipal Engineering Directorate (MED)	MED was constituted as a full-fledged directorate in 1981. MED provides technical support relating to civil, mechanical and electrical engineering to the ULBs (except KMC and HMC). It also conducts technical evaluation of the tenders/e-tenders floated by ULBs, under the two-bid system. MED has been assigned the duty of executing projects/schemes relating to AMRUT, DAY-NULM, National Urban Health Mission (NUHM) *etc.*
State Urban Development Agency (SUDA)	SUDA is a registered society, under the West Bengal Society Registration Act, 1961, constituted *vide* an order of the erstwhile Municipal Affairs Department, issued in May 1991. The functions of SUDA include – (i) supporting ULBs in ensuring reforms and systematic planning towards improved urban governance, (ii) providing basic citizen centric services and establishing infrastructure facilities related to water supply, roads, drainage, sanitation, solid waste management, sewerage, streetlight, in their respective jurisdictions. Presently, SUDA is responsible for implementing and monitoring several National Flagship Programmes, including the AMRUT, Special Backward Region Grant Fund (BRGF) Programme, Pradhan Mantri Awas Yojana (PMAY)/Housing for All (HFA)-Urban, DAY-NULM, NUHM, Swachh Bharat Mission (SBM)-Urban, National Social Assistance Programme (NSAP), health schemes sponsored by the State Government, such as Community Based Primary Health Care Services (CBPHCS) and Urban Primary Health Care Services (UPHCS) *etc.* SUDA provides handholding support to ULBs, to execute activities funded by the State and Central Finance Commissions.

Name of the Parastatals	Functions
West Bengal Municipal Service Commission (WBMSC)	WBMSC was constituted for recruitment of personnel for ULBs and Development Authorities, as per requisitions sent directly by the ULBs and Development Authorities.
West Bengal Valuation Board (WBVB)	WBVB conducts periodic general valuation, to revise the annual value of all municipal holdings, for revision of property tax of the holdings under the ULBs (except KMC and HMC).
Kolkata Metropolitan Development Authority (KMDA)	KMDA, which substituted the erstwhile Calcutta Metropolitan Development Authority (CMDA), was established in 1970, under a Presidential Ordinance and was later provided statutory status, under the KMDA Act of 1972. With the enactment of the West Bengal Town and Country (Planning and Development) Act, 1979, KMDA was designated as the statutory planning and development authority for the Kolkata Metropolitan Area (KMA). The primary function of KMDA is to prepare the Land Use & Development Control Plan (LUDCP) and execute various development schemes. The Water & Sanitation Sector of KMDA implements/executes the augmentation of water supply scheme, in different Municipalities of West Bengal, under AMRUT, State Fund and Special Infrastructure Fund. All repair and maintenance works of such projects, during their warranty periods and thereafter, are undertaken by this sector. The Sewerage Drainage and Solid Waste Management Sector of KMDA looks after different Storm Water Drainage schemes throughout West Bengal. This Sector also looks after Solid Waste Management schemes within the Kolkata Metropolitan Area. At present, it has been assigned with the works of bio-remediation and bio-mining of legacy waste, in a scientific manner, in different dumpsites throughout the State of West Bengal. KMDA is also involved in the operation and maintenance of a large number of pumping stations, of both clear water and sewage water, in different municipalities. It also plays a vital role in the vetting of Detailed Project Reports (DPRs)/Estimates of electro-Mechanical works of ULBs. KMDA is empowered to levy and collect development charges for granting permission for carrying out any development or change of use of land, in terms of Section 102 of the West Bengal Town and Country (Planning and Development) Act.
Asansol Durgapur Development Authority (ADDA) and Siliguri Jalpaiguri Development Authority (SJDA)	These development authorities prepare Land Use & Development Control Plans (LUDCPs) and execute development schemes for the planning regions under their jurisdictions. ADDA and SJDA are also empowered to levy and collect development charges for granting permission for carrying out any development or change of use of land.
Institute of Local Government & Urban Studies (ILG&US)	Provides training to the personnel of the ULBs (excluding KMC).
Public Health Engineering Department (PHED)	Provides water supply to a few ULBs outside the KMA area. STPs in some Urban Areas are constructed and operated by PHED.

(Source: data available from the websites of the respective departments)

The roles of the parastatals, directorates and other departments, in mobilisation of resources, human resource and service delivery, are discussed in the suceeding chapters.

CHAPTER IV

Financial Resources of Urban Local Bodies

CHAPTER IV

Financial Resources of Urban Local Bodies

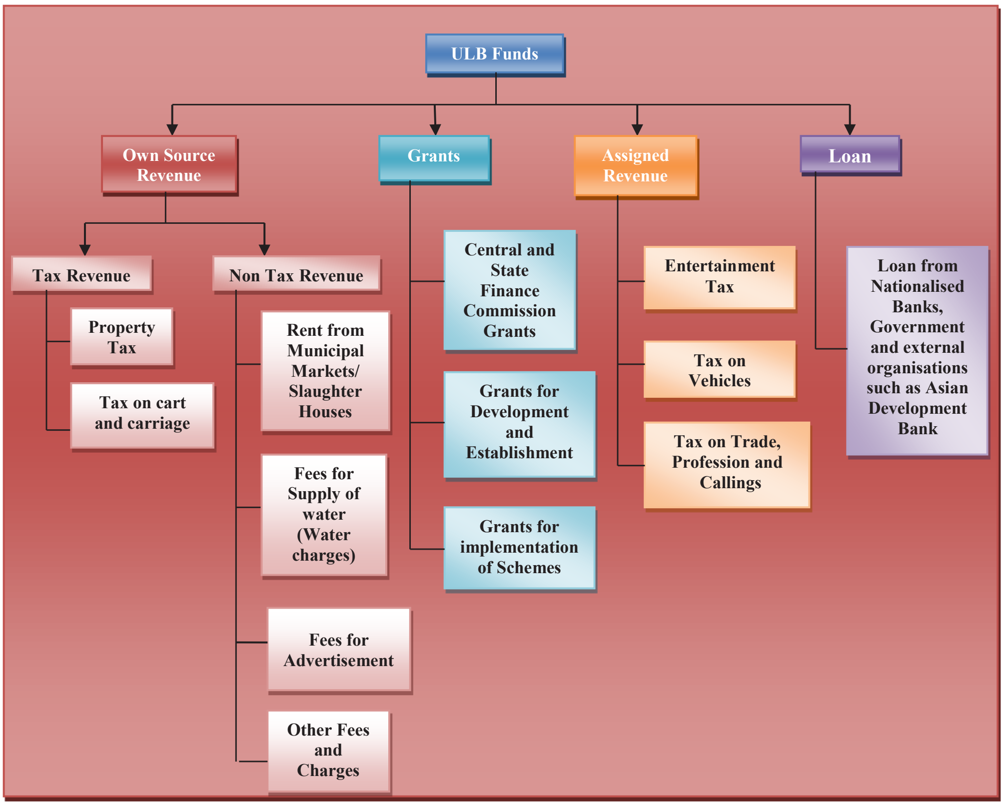
The devolved functions can be carried out effectively by the ULBs only when they are supported with sufficient financial resources, by means of predictable fiscal transfers, or access to own revenue streams. Predictable fiscal transfers to the ULBs need to be ensured through a robust State Finance Commission mechanism. Access to own sources of revenue would include both the power to levy and collect from specific revenue streams.

The Chapter analyses the financial resources of ULBs, covering receipts from State Finance Commissions, Central Finance Commissions and own source revenue, self-reliance of the ULBs in terms of share of own source revenue in total receipts and empowerment of the ULBs to explore various sources of own fund revenue. Audit observed delays in the transfer of SFC and CFC grants to ULBs, short-release of SFC grants, unsatisfactory performance of ULBs in mobilisation of property tax and other own source revenue, along with deficiencies in budget preparation.

4.1 Sources of Revenue in ULBs

ULB funds comprise receipts from (i) their own sources (ii) grants and assistance from the Central and State Governments (iii) share of taxes, in the form of assigned revenues and (iv) loans obtained from public financial institutions or nationalised banks or such other institutions as the State Government may approve. A flow chart of sources of revenues of a ULB, is given in **Chart 4.1.**

Chart 4.1: Sources of Revenue of ULBs



4.2 Funds Flow to ULBs

Central Government grants are allocated and released to the UD&MA Department, through the Finance Department. The UD&MA Department, in turn, sanctions the grants (Non-plan), to the State Urban Development Agency (SUDA), for onward transmission to the ULBs. SUDA releases the funds through the individual bank accounts of Urban Local Bodies (ULBs). In addition, State Government grants are also released to ULBs, by the UD&MA Department, through treasuries (Local Fund Account)[41]. Establishment grants, such as Salary, Dearness Allowance, Pension Contribution *etc*., are released to the Directorate of Local Bodies, which, in turn, releases the grants to the ULBs through treasuries (Local Fund Account).

Details of grants released to ULBs were not available from the Directorate of Local Bodies and State Urban Development Agencies. Hence, details of grants released to the 125 ULBs in the State, as worked out by Audit, during the period from FYs 2015-16 to 2020-21, are indicated in **Table 4.1.**

Table 4.1: Grants to 125 ULBs, during the period from FYs 2015-16 to 2020-21

(₹ in crore)

Years	Grants[42]	Assigned Revenue	Total Release
2015-16	3,796.88	87.33	3,884.21
2016-17	5,349.38	133.47	5,482.85
2017-18	6,771.46	178.96	6,950.42
2018-19	8,049.88	164.63	8,214.51
2019-20	5,541.52	152.06	5,693.58
2020-21	6,023.48	129.69	6,153.17

(Source: data furnished by the UD&MAD and SUDA, Budget documents of the UD&MAD and Appropriation Accounts of West Bengal)

Assigned Revenue comprises of Entertainment Tax, Taxes on Vehicles and Tax on Trade, Profession and Callings. Data relating to revenue of ULBs from own sources, is not maintained at UD&MAD.

4.3 State Finance Commission (SFC) Grants

4.3.1 Short release of SFC Grants

The 4th SFC Report mentioned about short release of 3rd SFC grants, during the period 2010-11 to 2014-15. The actual release of grants, *vis-a-vis* the grants recommended by the 3rd SFC, is shown in **Table 4.2.**

[41] *'Local Fund Account' refers to the Municipal Fund maintained in the treasuries. In terms of Rule 20 of the West Bengal Municipal (Finance & Accounting) Rules, 1999, 'Municipal Fund' shall be treated as Local Fund and kept in the concerned Treasury, under the major head of account "8448-Local Fund Account-00-102-Municipal Fund", in the Public Account, as a part of the Government Account.*

[42] *Contains capital as well as revenue grants, of the Central and State Governments, released to ULBs, from UD&MAD, DLB and SUDA. The grants, inter alia, contain grants released under Central Finance Commissions (FC-XIII and XIV), State Finance Commissions (3rd SFC and 4th SFC), AMRUT, NULM, NUHM, PMAY/HFA-Urban, Green City Mission, West Bengal Urban Employment Scheme (WBUES), Fixed grants, Development grants, Salary and other allowances to municipal employees etc.*

Table 4.2: Actual release *vis-a-vis* recommendations of the 3rd SFC in 125 ULBs

(₹ in crore)

Year	Proposed total Release by the 3rd SFC	Actual Release	Percentage of release
2010-11	192.00	137.24	71.48
2011-12	215.04	117.34	54.57
2012-13	240.84	172.86	71.77
2013-14	269.74	137.59	51.01
2014-15	302.11	143.01	47.35

(Source: 4th SFC Report)

The 4th SFC, in its report submitted in February 2016, recommended devolution of ₹ 442.49 crore, as grant to ULBs, in 2015-16. It also recommended that this amount should grow at 15 *per cent per annum,* for each of the next five years, with the general caveat that, if, in a particular year, the own tax revenue of the State grows by less than 15 *per cent,* this devolution would be proportionately reduced.

Scrutiny of records revealed that the State Government, started releasing the 4th SFC grants from the FY 2019-20, *i.e.*, three years after the submission of the SFC report to the State Government. Although allotment orders for release of 4th SFC grants were published in FY 2018-19, the grants were actually disbursed only in FY 2019-20.

The year-wise allocation, as recommended by the 4th SFC and the actual allocation made by the State Government, to the 125 ULBs, is given in **Table 4.3**.

Table 4.3: Recommended devolution by the 4th SFC and the actual allocation made by the State Government, to the ULBs

(₹ in crore)

Year	Allocation, as recommended in the 4th SFC Report	Actual allocation by the State Government
2015-16	442.49	-
2016-17	508.86	-
2017-18	585.19	-
2018-19	672.97	-
2019-20	773.92	193.06
2020-21	0	79.87
Total	**2,983.43**	**272.93**

(Source: data regarding release of grants furnished by the UD&MAD and Table 14.15.1 of the 4th SFC Report, Part-I, February 2016)

As per the recommendations of the 4th SFC, the allocation of grants to ULBs, for the award period, from the FYs 2015-16 to 2019-20, worked out to be ₹ 2,983.43 crore. It is evident from **Table 4.3** that, as on 31 March 2021, only ₹ 272.93 crore was released to the ULBs, against the required allocation of ₹ 2,983.43 crore, which was merely 9.15 *per cent* of the total recommended allocation.

4.3.2 Delay in the release of SFC Grants

Although the reference period of the 3rd SFC was from the FYs 2008-09 to 2012-13, the grants actually started to be devolved from FY 2010-11. Delayed receipt of SFC grants, by local bodies, was also observed by the 4th SFC. For example, the first quarter allocation of FY 2011-12 was actually transferred at the end of FY 2012-13[43].

Considerable delay was noticed in the release of 4th SFC grants, to the ULBs, during the period from FYs 2015-16 to 2020-21, as discussed in **Table 4.4**. Further, as discussed in the previous paragraph, while the State Government had published allotment orders for the release of 4th SFC grants in FY 2018-19, the grants were actually disbursed only in FY 2019-20.

Table 4.4: Delay in release of 4th SFC grants, for the period from FYs 2015-16 to 2020-21

(₹ in crore)

Year of releasing Funds (As per Allotment Orders)	Grant for the period	Amount of grants	Delay in years
2018-19	2015-16	21.44	3 years
	2016-17	88.91	2 years
	2017-18	19.40	1 year
2019-20	2016-17	105.31	3 years
	2017-18	66.64	2 years
	2018-19	20.42	1 year
2020-21	2016-17	4.25	4 years
	2017-18	2.36	3 years
	2018-19	6.95	2 years
	2019-20	6.99	1 year
2021-22	2016-17	1.63	5 years
	2017-18	2.34	4 years
	2018-19	0.21	3 years
	2019-20	0.54	2 years
	2020-21	1.39	1 year
Total		**348.78**	

(Source: data regarding release of grants furnished by the UD&MAD and allotment orders of the 4th SFC)

The UD&MAD had released grants of ₹ 348.78 crore, with delays ranging between one and five years.

It has been discussed in Para 4.5.1 that the financial resources of test-checked ULBs were largely dependent on grants. In this backdrop, short and/or delayed release of SFC grants to ULBs, affected the financial position of ULBs and timely implementation of plans.

4.4 Central Finance Commission (CFC)

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

[43] *Paragraph 4.21, 4th SFC Report, Part-I.*

to supplement the resource of Municipalities based on the recommendations of the respective SFCs. The 13th and 14th Finance Commissions had recommended Basic Grants and Performance Grants to ULBs, as a percentage of the divisible pool account.

In the recommendations of the 15th FC, ULBs have been categorised into two groups, based on population – 'Million Plus' Cities (cities or urban agglomerations with population more than a million) and 'Non-Million Plus' Cities. For 'Million Plus' Cities, the 15th FC recommended 'Million Plus' Cities Challenge Fund (MCF), where the amount of grants is linked to the performance of these cities in improving their air quality and meeting service level benchmarks for urban drinking water supply, sanitation and solid waste management (SWM). The grants for Non-Million Plus Cities are divided into untied grants (40 *per cent* of the total grants) and tied grants for SWM, sanitation, water supply *etc.* (60 *per cent* of the total grants).

In case of delay in release of grants to ULBs, by the State Government, after having received them from the Union Government, both the 14th and 15th FC recommended payment of interest to ULBs on the amount of grants released with delays.

Tables 4.5 and 4.6 depict the allocation and release of 14th FC and 15th FC grants, during the period from FYs 2015-16 to 2019-20 and FYs 2020-21 to 2021-22, respectively.

Table 4.5: Release of 14th FC Grants to 125 ULBs

(₹ in crore)

Year	Grants recommended by the FC			Grants released to ULBs, by the UD&MAD			Delay in release of grants
	Basic Grants	Performance Grants	Total	Basic Grants	Performance Grants	Total	
2015-16	637.21	0.00	637.21	558.19	0.00	558.20	-
2016-17	882.33	260.41	1,142.74	441.17	0.00	441.17	2nd instalment of Basic Grants of ₹ 441.17 crore and Performance Grants of ₹ 260.41 crore, pertaining to FY 2016-17, were released in FY 2017-18.
2017-18	1,019.45	294.69	1,314.14	1,460.62	260.41	1,721.03	-
2018-19	1,179.32	334.66	1,513.98	1,179.32	0.00	1,179.32	-
2019-20	1,593.51	438.20	2,031.71	688.39	294.69	983.09	2nd instalment of ₹ 688.40 crore pertaining to 2019-20 was released in 2020-21.
2020-21*	-	-	-	688.40	0.00	688.40	-
Total	**5,311.82**	**1,327.96**	**6,639.78**	**5,016.09**	**555.10**	**5,571.21**	

(Source: data from allotment orders of FC grants)

***The award period of 14th FC grants was FYs 2015-16 to 2019-20.**

It is evident from **Table 4.5** that there were delays in the release of Basic Grants and Performance Grants, during FYs 2016-17 and 2019-20. Further, there was short receipt of 14th FC grants, amounting to ₹ 1,068.59 crore (Basic Grants of ₹ 295.73 crore and Performance Grants of ₹ 772.86 crore), during FYs 2015-16 to 2019-20.

Table 4.6: Release of 15th FC Grants to 125 ULBs

(₹ in crore)

	Grants Allocated by the FC			Grants Released to ULBs by the UD&MAD			
For Million Plus Cities							
Year	**Tied-Air Quality**	**Tied-SWM/ Sanitation**	**Total**	**Tied-Air Quality**	**Tied-SWM/ Sanitation**	**Total**	**Delay in release of grants**
2020-21	419.00	419.00	838.00	209.50	209.50	419.00	Balance allocation of ₹ 419.00 crore pertaining to air quality and SWM/ sanitation for 2020-21 was released in 2021-22.
For Non-Million Plus Cities							
Year	**Untied**	**Tied**	**Total**	**Untied**	**Tied**	**Total**	**Delay in release of grants**
2020-21			1,286.00	321.50	321.50	643.00	Balance allocation of ₹ 643.00 crore pertaining to 2020-21 (tied and untied) was released in 2021-22.

(Source: data from the allotment orders of FC grants)

It is evident from **Table 4.6** that there was delay in the release of 15th FC grants to the ULBs.

The State Government had to bear interest, amounting to ₹ 25.09 crore, for delayed release of 14th FC grants, as on 31 March 2021 and ₹ 17.82 crore, for delayed release of 15th FC grants, as on September 2021. However, reasons for delayed release of 14th and 15th FC grants were not furnished by the department.

The CFC grants are the major sources of finance for delivery of basic services such as solid waste management, sanitation, water supply *etc.* Thus, delayed release of CFC grants affected the financial position of the ULBs as well as the delivery of citizen centric services.

The matter was reported to the UD&MA Department in September 2022 and Finance Department in November 2022. In reply, the Departments agreed (January 2023) with the audit observation on delayed release of SFC and CFC grants and subsequent payment of interest on delayed release. Finance Department stated that the SFC grants are released after obtaining requisitions from the UD&MA Department and Utilisation Certificates of previously released grants. With regard to delayed release of CFC grants, the Finance Department stated that interest payment for delayed release is utilised by the ULBs for their requirement. The UD&MA Department stated that the payment of interest was within the purview of the grant release guidelines and, such interest amount augments the fund available for development work.

Recommendation:

10. **The SFC and CFC grants may be released in a timely manner.**
11. **The recommendations of SFCs, relating to devolution, may be implemented, to the maximum extent possible.**

4.5 Own Sources of Revenue for the ULBs

Own sources of revenue for the ULBs comprise of tax revenue and non-tax revenue. Provisions contained in the KMC Act, the WBMC Act and the WBM Act, empower ULBs to levy taxes on property, carts, carriages and tolls on ferries, bridges and heavy trucks. Non-tax revenue comprises fee for advertisement, stallage/rent from markets, fee for trade, profession and callings, fee for supply of water, building plan permission fee, mutation fee *etc.* ULBs also earn revenue from parking fees, renting of community halls and guest houses *etc.*

The position, in regard to own sources of revenue, in the test-checked ULBs, is discussed in the succeeding paragraphs:

4.5.1 Insufficiency of own sources of revenue of the ULBs, in comparison to their total receipts

Own sources of revenue are pivotal for discharging functions devolved to the ULBs and achieving self-reliance. Audit observed that, during the period from FYs 2015-16 to 2020-21, the collection of own sources of revenue was very poor in comparison to the total receipts of ULBs, rendering them dependent on grants, for their functioning.

A comparison of own sources of revenue, to total receipts, in 26 out of 27 test-checked ULBs, is given in **Table 4.7**.

Table 4.7: Own sources of revenue *vis-à-vis* total receipts

(₹ in crore)

Financial Year	Receipt from Grants during the year (Capital+Revenue)	Receipts from Assigned Revenue during the financial year	Own Sources of Receipts / Collections during the financial year	Total Receipts during the financial year	Percentage of Own receipts to total receipts
2015-16	1,711.04	785.08	1,473.62	3,969.73	37.12
2016-17	2,444.02	519.45	1,483.01	4,446.49	33.35
2017-18	2,829.79	315.63	1,643.97	4,789.39	34.33
2018-19	3,263.05	823.50	1,634.13	5,720.68	28.57
2019-20	3,066.88	671.34	1,596.59	5,334.81	29.93
2020-21#	935.13	20.76	260.68	1,216.58	21.43
Total	**14,249.91**	**3,135.76**	**8,092.00**	**25,477.68**	**31.76**

(Source: data furnished by 26 ULBs)

 # *Kolkata* MC furnished figures up to FY 2019-20, since figures for FY 2020-21 had not been finalised. Thus figures for 2015-16 to 2019-20 are inclusive of figures of *Kolkata* MC. The *Kalna* Municipality did not furnish reply.

It is evident from **Table 4.7** that the percentage of receipts of ULBs from 'own sources', to the total receipts, ranged between 21.43 *per cent* and 37.12 *per cent,* indicating that ULBs were dependent on grants, which diluted the objective of financial empowerment of the ULBs.

Tax Revenues of ULBs

4.5.2 Property Tax

ULBs are empowered to levy property tax on lands and buildings, as per provisions contained in Section 170 of the KMC Act, 102 of the WBMC Act and 93 of the WBM Act. It is one of the major contributors of revenue from own sources. The rates of the property tax are determined as per the formula prescribed in respective municipal acts, based on the annual valuation of all the holdings determined by the West Bengal Valuation Board (WBVB), in consultation with ULBs, except for *Kolkata* MC. The Final Valuation List published by the WBVB, becomes the Assessment List of the ULBs; based on the Assessment List, property tax is approved and levied by the ULBs. The annual valuation, assessment and determination of property tax in *Kolkata* MC is done by *Kolkata* MC itself.

Audit observations relating to Property tax, in the test-checked ULBs, are discussed in the succeeding paragraphs.

4.5.2.1 Collection of Property Tax

Section 216 of the KMC Act, Section 158 of the WBMC Act and Section 149 of the WBM Act, stipulate that, when property tax becomes due on any land or building, the Chairman (in case of Municipality/NAA)/Commissioner (in case of Corporation) shall cause to be presented to the owner or the occupier thereof, a bill for the amount due. Such property tax shall be payable in quarterly instalments and every such instalment shall be deemed to be due on the first day of the quarter, in respect of which it is payable.

If any amount due is paid within 30 days from the date of presentation of the bill, a rebate, up to 10 *per cent* of the amount of tax, as may be determined by the Board of Councillors, is allowed. A notice of demand is served to the person liable to pay tax, if such tax is not paid within 30 days from the presentation of bill and, if within 30 days of the service of the notice of demand, the sum due is not paid, the person shall be deemed to be in default.

Audit observed the following in this regard:

(i) Outstanding property tax and low tax collection efficiency

The status regarding collection of property tax from households, as well as non-residential/commercial/industrial properties, during the period from FYs 2015-16 to 2020-21, is shown in **Table 4.8**.

Table 4.8: Outstanding property tax in the test-checked ULBs

(₹ in lakh)

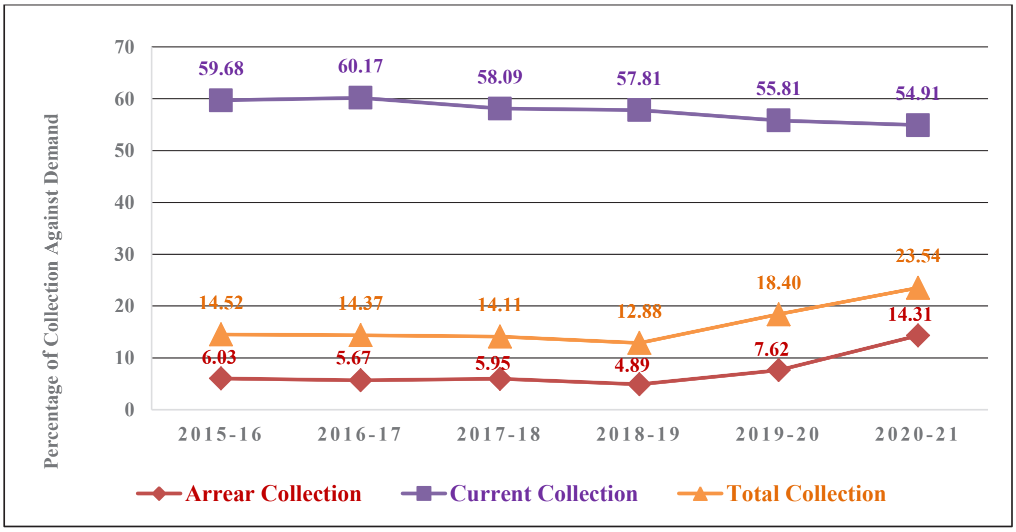
Year	Demand			Collection			Outstanding			Percentage of collection		
	Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total
2015-16	3,74,367.12	70,318.79	4,44,685.91	22,581.03	41,965.69	64,546.72	3,51,786.09	28,353.10	3,80,139.19	6.03	59.68	14.52
2016-17	4,06,833.72	77,255.27	4,84,088.99	23,076.01	46,482.00	69,558.01	3,83,757.71	30,773.27	4,14,530.98	5.67	60.17	14.37
2017-18	4,47,054.25	82,956.88	5,30,011.13	26,598.06	48,190.03	74,788.09	4,20,456.19	34,766.85	4,55,223.04	5.95	58.09	14.11
2018-19	4,88,259.89	86,811.21	5,75,071.10	23,892.57	50,187.28	74,079.85	4,64,367.32	36,623.93	5,00,991.25	4.89	57.81	12.88
2019-20	3,14,051.13	90,462.97	4,04,514.10	23,945.12	50,490.72	74,435.84	2,90,106.01	39,972.25	3,30,078.26	7.62	55.81	18.40
2020-21	3,24,948.72	95,623.46	4,20,572.18	46,499.55	52,506.63	99,006.18	2,78,449.17	43,116.83	3,21,566.00	14.31	54.91	23.54

(Source: data furnished by 27 ULBs)

From **Table 4.8**, it is evident that, as on 31 March 2021, the total outstanding property tax of 27 test-checked ULBs stood at ₹ 3,215.66 crore.

The trends of arrear collection, current collection and overall collection, are shown in **Chart 4.2** below-

Chart 4.2: Trends of Arrear Collection, Current Collection and Total Collection, during FYs 2015-16 to 2020-21



Audit also observed huge differences between the Closing Balances and the Opening Balances of demand and collection of property tax of successive years, in case of 11 ULBs, *viz*., *Bansberia, Bongaon, Kaliyaganj, Kalna, Katwa, Kolkata* MC*, Konnagar, Panihati, Pujali, Ramjibonpur* and *Uttarpara-Kotrung*, which indicated poor record-keeping (details shown in ***Appendix-5***).

The ULBs did not furnish specific reply in regard to the differences and the steps taken by them to reconcile these differences.

(ii) Non-presentation of bills and non-serving of demand notices

Section 216 of the KMC Act, Section 158 of the WBMC Act and Section 149 of the WBM Act, mandate ULBs to present bills to persons liable to pay property tax, when property tax becomes due. In terms of Section 217 of the KMC Act, Section 159 of the WBMC Act and Section 151 of the WBM Act, a notice of demand is to be served to a defaulter who has not paid property tax within 30 days after the presentation of the bill.

Audit observed that, out of 27 test-checked ULBs, only 18 ULBs had presented bills to taxpayers and only 11 ULBs had served demand notices to defaulters, for not paying property tax. A summary is given in the **Table 4.9**.

Table 4.9: ULBs which presented bills of property tax to taxpayers and served demand notices to defaulters

	Bills of property tax	Demand Notices to defaulters
Served	**18 ULBs:** Bansberia, Barasat, Barrackpore, Bongaon, Contai, Gobardanga, Habra, Kaliyaganj, Kalna, Katwa, Kharagpur, Kolkata MC, Mal, Midnapoe, Panihati, Pujali, Siliguri MC, Tufanganj	**11 ULBs:** Bansberia, Barasat, Barrackpore, Bongaon, Gobardanga, Habra, Kalna, Katwa, Kolkata MC, Mal,Tufanganj
Not served	**7 ULBs:** Asansol MC, Coochbehar, Jhalda, Jiaganj-Azimganj, Konnagar, Raiganj, Ramjibonpur	**14 ULBs:** Asansol MC, Contai, Coochbehar, Jhalda, Jiaganj-Azimganj, Kaliyaganj, Kharagpur, Konnagar, Midnapore, Panihati, Pujali, Raiganj, Siliguri, Ramjibonpur

(Source: data furnished by ULBs)

Two ULBs did not furnish definite information.

Presentation of bills is pivotal to making aware the person liable to pay property tax, about the incidence of tax. Further, any taxpayer, who fails to pay property taxes in a timely manner, may not be termed as a defaulter and steps to recover of taxes cannot be initiated, as per law, unless he/she is served with bills of property tax and/or notice of demand.

(iii) Non-imposition of penalty and interest

Sections 217(3) and (4) of the KMC Act, Sections 160(2) and (3) of the WBMC Act and Section 151(4) of the WBM Act, provide for imposition of penalty upto 15 *per cent* and simple interest up to 10 *per cent*[44] on and in addition to the amount of property tax due.

Audit found that, except for *Kolkata* MC, the rest of the 26 test-checked ULBs had not imposed penalties and seven ULBs (*Asansol* MC, *Siliguri* MC, *Gobardanga, Kaliayganj, Mal, Pujali* and *Ramjibonpur*) had not imposed interest on arrear collections of property tax. The penalty collected by *Kolkata* MC, during the period 2015-16 to 2020-21, was ₹ 40.07 lakh. The interest collected by 17 ULBs, during the period 2015-16 to 2020-21, was ₹ 6.02 crore (details given in ***Appendix-6***). Three ULBs *viz*., *Bongaon, Contai* and *Kolkata* MC, collected interest on arrear property tax, during 2015-16 to 2020-21, but did not furnish the amount collected as interest.

Imposition of penalty and interest not only allows ULBs to earn additional revenue, but also act as a deterrent against default in payment of property tax. Thus, during the FYs 2015-16 to 2020-21, non-imposition of penalty and

[44] *For Kolkata MC, the rate of simple interest is three per cent above the prime lending rate of the State Bank of India, as prevalent on the 1st day of January of the particular calendar year, where the annual valuation is less than ₹ one lakh, and at the rate of six per cent above such prime lending rate, where the annual valuation is ₹ one lakh and above. Such interest shall be payable for the period commencing on the 1st day of quarter following that in which the bill is presented and ending with the month in which the payment is made.*

interest resulted in loss of revenue, amounting to atleast ₹ 8.27 crore[45] (₹ 5.37 crore as penalty and ₹ 2.90 crore as interest).

(iv) Non-collection of surcharge for non-residential and commercial use of properties

For use of land or buildings or other properties or portion thereof, for commercial or non-residential purposes, ULBs are empowered to levy and collect surcharge on and in addition to property tax, from such holdings, as per provisions contained in Section 109 of the WBMC Act and Section 97 of the WBM Act. The rate of surcharge is fixed by the ULBs, and it could be up to 50 *per cent* of the property tax. In case of Municipalities, the minimum rate of surcharge has been stipulated to be 20 *per cent* of property tax.

Twelve ULBs had imposed surcharge during FYs 2015-16 to 2020-21, in addition to property tax, for use of properties for non-residential purposes. Out of these 12 ULBs, six (*Bongaon, Jiaganj-Azimganj, Katwa, Kolkata* MC, *Konnagar* and *Panihati*) had maintained the details of demand of surcharge and, as on 31 March 2021, the outstanding surcharge, in these six ULBs, stood at ₹ 76.66 crore. Three ULBs (*Barasat, Contai* and *Siliguri* MC) had not maintained the details of demand of surcharge and the remaining three ULBs (*Gobardanga, Habra* and *Pujali*) did not furnish specific information.

The remaining 15 ULBs did not implement surcharge on non-residential/ commercial use of properties. The ULBs did not furnish reason for the same.

4.5.2.2 Property Tax Board

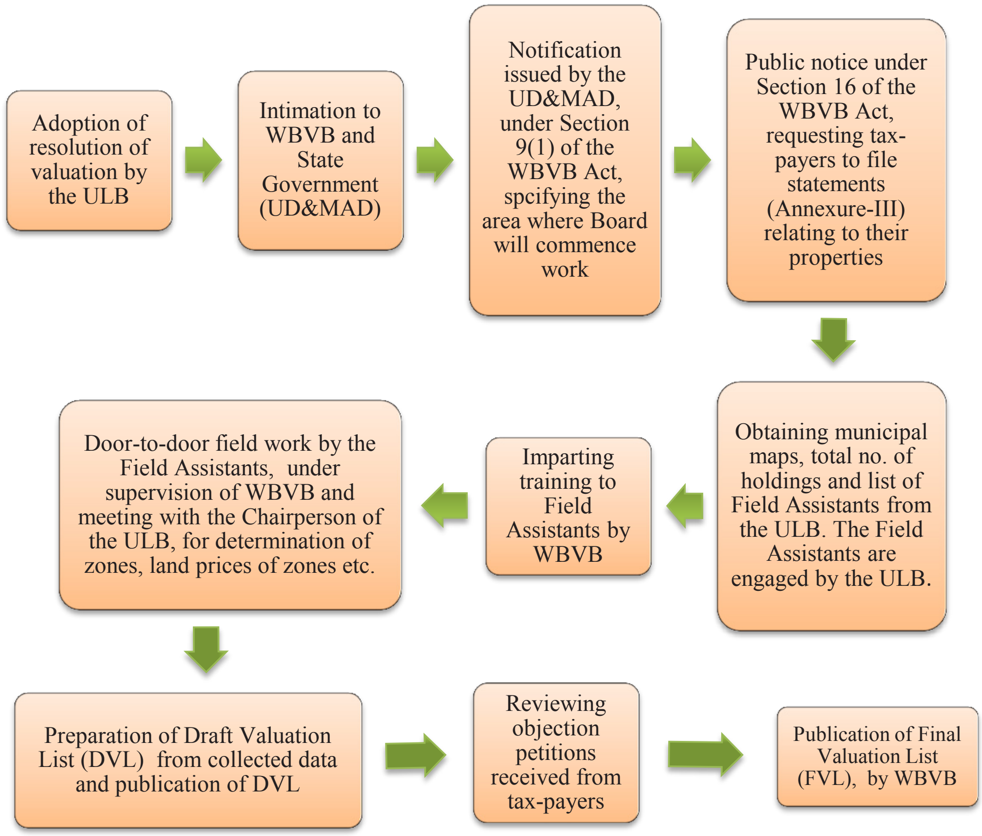
The Thirteenth Finance Commission (13th FC) had recommended that State Governments set up state level Property Tax Boards, to assist all ULBs in the States, in putting in place, an independent and transparent procedure for assessing property tax.

The West Bengal Valuation Board (WBVB) (erstwhile West Bengal Central Valuation Board), under the UD&MA Department, established under the West Bengal Valuation Board Act, 1978, functions as the Property Tax Board of the State. The Board consists of a Chairman and four other members appointed by the State Government. The Director of Local Bodies (DLB), West Bengal, is an *ex-officio* member of the Board. One of the members of the Board is to be its Member-Secretary and is expected to function as the Chief Executive Officer of the Board.

In terms of Section 123 of the WBMC Act and Section 110 of the WBM Act, the general valuation holdings of all ULBs (except KMC and HMC) are conducted by the West Bengal Valuation Board. For KMC and HMC, the general valuations of holdings is done by the ULBs themselves. The process of valuation by the WBVB is depicted in **Chart 4.3**.

45 *Calculated considering penalty and simple interest at the rate of five percent on arrear collection of tax.*

Chart 4.3: The process of valuation by WBVB



The Final Valuation List, published by the WBVB, becomes the Assessment List of the ULB, in terms of Section 123 of the WBMC Act and Section 110 of the WBM Act. Thus, ULBs themselves are primarily responsible for initiating the process of revision of annual valuation. In terms of Section 19 of the WBVB Act, ULBs are required to make payment to the Board, for conducting general valuation. The valuation for *Kolkata* MC was carried out by the ULB itself.

Audit observed that, while fixing the value of land for each zone, in consultation with the ULB, WBVB wholly depended on the figures supplied by the ULBs and the value of land, as fixed by the Inspector General of Registration[46], was not considered. This may result in undervaluation of properties and resultant determination of property tax.

WBVB stated (September 2021) that the matter of considering the value of land, fixed by the Inspector General of Registration, while determining the value of land under each zone, for general valuation, is under active consideration.

4.5.2.3 Valuation and Assessment of Property Tax

Section 122 of the WBMC Act and Section 109 of the WBM Act, mandate conducting of general valuation, to ensure revision of annual valuation of all the holdings of a municipal area, at the termination of a successive period

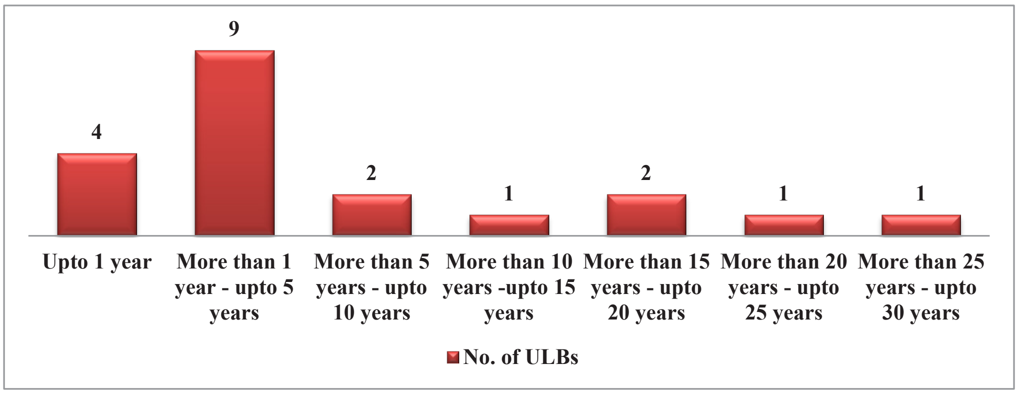
[46] *The Inspector General of Registration and Commissioner of Stamp Revenue, West Bengal, is the Head of Directorate of Stamp Revenue and Registration, Finance Department (Revenue), Government of West Bengal. The Registering Officers of the district establishments, under the Directorate, are entrusted with the duty of transparent determination of the market value of land, under the West Bengal Stamp (Prevention of Under-Valuation of Instruments) Rules, 2001.*

of five years, by the Chairman-in-Council/Corporation. As discussed in the previous paragraph, after the valuation procedure has been completed, the Final Valuation List, prepared by the WBVB, is notified by the State Government, as the Assessment List of the ULB and this list remains valid for a period of five years. If the general valuation could not be completed before the expiration of last valuation, or the new assessment list could not be given effect, the last assessment list should continue to be in force.

In case of *Kolkata* MC, as per KMC Act, the valuation may be conducted either by the KMC or by the WBVB. However, *Kolkata* MC itself conducted the valuation on an yearly basis.

Out of the remaining 26 test-checked ULBs, Audit observed that, in case of 20 ULBs, there had been delays in conducting general valuation of the holdings of the municipal areas, ranging from three months (*Bongaon*) to more than twenty-five years (*Kaliyaganj*) (details given in ***Appendix-7***). A summary of the range of delays is given in **Chart 4.4**.

Chart 4.4: Range of delays in general valuation, in 20 ULBs



(Source: data furnished by WBVB)

Apart from the 20 ULBs, in *Contai* Municipality, general valuation of properties had not been done since the inception of the WBVB. In the remaining five ULBs, there were no delays in general valuation.

4.5.2.4 Service Charges from Central Government properties

Under Clause (1) of Article 285 of the Constitution of India, Central Government properties are exempted from paying all taxes imposed by a State or by any authority within a State. Ministry of Finance, Government of India, decided (May 1954) that Central Government properties would pay service charges to local bodies, for specific services rendered, with effect from 1 April 1954. The Central Government also fixed (March 1967) the rates of service charges, as a percentage of the realisable property tax.

Article 285 of the Constitution, Section 171(6) of the KMC Act, Section 111 of the WBMC Act and Section 100 of the WBM Act, also exempt Central Government properties from payment of property tax and mandate levying and collecting service charges, based on annual values, at rates determined by the Central Government.

Further directive issued (December 2009) by the Ministry of Urban Development (MoUD), Government of India, on the basis of the order of Hon'ble Supreme Court of India, also mentioned collection of service charges as a percentage of the property tax. As per the directive, State Governments were requested to take note of the order and advise ULBs to regulate payment of service charges, in the light of the judgement.

Audit observed that there was an anomaly regarding the determination of service charges, since the calculation of service charges, as per the Central Government, was based on the realisable property tax, whereas, as per the State Acts, the determination was to be done on the basis of annual value of the property. It was noticed that, as of March 2021, necessary steps had not been initiated by the State Government, to dispose of the anomaly between the directive and the State Acts, regarding the basis of determination of service charges.

Out of the 27 test-checked ULBs, Audit, observed that 19 ULBs[47] had not imposed service charges on Central Government properties within their jurisdiction. Only seven ULBs, *viz*. *Bongaon, Coochbehar, Katwa, Kharagpur, Kolkata* MC*, Siliguri* MC and *Suri,* had implemented levy/collection of service charges, while specific information for one ULB (*Panihati*) was not available.

Recommendation:

12. ULBs may take all possible measures to increase revenue from property tax.

13. Government may ensure that valuation of properties in the ULBs is conducted in a timely manner and, while determining the value of land, the guidance values fixed by the State Government are taken into consideration, to avoid undervaluation of properties.

14. ULBs may be advised to initiate discussion with the Departments of the Central Government, to decide the quantum of services which would be delivered to them and the resultant service charges to be levied and collected.

4.5.3 Tax on Cart, Carriage and Animal

Sections 170, 209A, 209B and 209F of the KMC Act, Sections 102 and 148 to 150 of the WBMC Act and Section 93, 127 and 128 of the WBM Act, provide for levy and collection of tax on registration of cart, carriage and animals.

As per provisions, every cart and carriage[48], kept or used within the municipal area, is required to be registered, on payment of tax for registration. The tax is leviable on the owner or on the persons having possession or control of the carriages and animals and may be paid for half-year or a complete year.

[47] *Asansol MC, Bansberia, Barasat, Barrackpore, Contai, Gobardanga, Habra, Jhalda, Jiaganj-Azimganj, Kaliyaganj, Kalna, Konnagar, Mal, Midnapore, Pujali, Raiganj, Ramjibonpur, Tufanganj and Uttarpara-Kotrung.*

[48] *'Carriage' means any wheeled vehicle used for conveyance of human beings and goods and includes van-rickshaw or cycle-rickshaw but does not include a motor vehicle, bicycle or tricycle. 'Cart' means any cart, hackery or wheeled vehicle, with or without springs.*

Audit observed that only four ULBs (*Kolkata* MC, *Siliguri* MC, *Barrackpore* and *Konnagar*) had levied and collected tax on cart, carriage and animals, while 20 ULBs[49] had not levied tax on cart, carriage and animals within the municipal area. Three ULBs (*Asansol* MC, *Barasat* and *Raiganj*) did not furnish the requested information.

Non-tax Revenue

4.5.4 License Fee for Advertisement

Previously, fees for advertisements, was levied and collected in the form of tax on advertisements, other than advertisements published in the newspapers, as per provisions of Section 170 of the KMC Act, 102 of the WBMC Act and 93 of the WBM Act. Following amendments made to the respective acts in 2019-20[50], the entry regarding tax on advertisement was removed from the list of taxes leviable by the ULBs and was classified as fees for advertisement.

Audit observed the following, with regard to levy and collection of fees for advertisement:

4.5.4.1 Collection of license fees for advertisement

a) Section 204 of the KMC Act, Sections 142 and 144 of the WBMC Act and Section 123 of the WBM Act, empower ULBs to collect fees for display of advertisements.

Audit noticed that 23 ULBs had collected license fee for advertisements, in their respective municipal areas and the total amount collected during 2015-16 to 2020-21 stood at ₹ 36.60 crore (details given in ***Appendix-8***). Two ULBs (*Pujali* and *Gobardanga*) had not collected license fee for display of advertisements. Two ULBs (*Jhalda* and *Jiaganj-Azimganj*) did not furnish the requested information.

b) Audit observed that, out of the 23 ULBs which had collected fees for advertisement, 14 ULBs had not maintained demand details for fee for advertisement; five ULBs (*Asansol* MC, *Bansberia, Kalna, Katwa and Ramjibonpur*) had maintained details of current demand only; and four ULBs (*Contai, Kolkata* MC, *Siliguri* MC *and Suri*) had maintained arrear and current demand for fee for advertisement. *Contai* Municipality had maintained arrear and current demand for the period 2015-16 to 2018-19 and *Kolkata* MC, had maintained it for the period 2015-16 to 2019-20. *Kolkata* MC did not furnish data for 2020-21.

Absence of demand details indicates that the ULBs had not maintained data regarding the number of advertisements displayed in their municipal jurisdictions, number of unauthorised advertisements being displayed after expiry of the stipulated period (*i.e.* the period for which permissions had been granted) and fee paid for advertisement, as well as loss of revenue due to non-renewal of licence fee.

---

[49] *Bansberia, Bongaon, Contai, Coochbehar, Gobardanga, Habra, Jhalda, Jiaganj-Azimganj, Kaliyaganj, Kalna, Katwa, Kharagpur, Mal, Midnapore, Panihati, Pujali, Ramjibonpur, Suri, Tufanganj, Uttarpara-Kotrung.*

[50] *The West Bengal Municipal Corporation (Amendment) Act, 2019; the West Bengal Municipal (Amendment) Act, 2019 and the Kolkata Municipal Corporation (Amendment) Act, 2019.*

c) Audit also observed that, as on 31 March 2021, the outstanding fees for advertisement, stood at ₹ 25.22 crore, in case of seven ULBs[51].

4.5.4.2 Collection of license fee for site

In terms of Section 203 of the KMC Act, Section 143 of the WBMC Act and Section 122 of the WBM Act, the owner, occupier, lessee or an advertising agent, should obtain license for use of site for display of advertisement, after making payment for license fee. The license is to be issued for a period of one year.

Audit observed that, out of the 23 ULBs which had collected fee for advertisements, 21 ULBs had not collected licence fee, for use of sites for display of advertisements. Only two ULBs (*Asansol* MC and *Kolkata* MC) had collected license fee for use of sites for display of advertisements and, as on 31 March 2021, the outstanding license fee, for these two ULBs, stood at ₹ 29.92 crore.

4.5.5 Rent from markets

a) As per provisions of Section 430 of the KMC Act, Section 310 of the WBMC Act and Section 276 of the WBM Act, ULBs may levy premium, stallage, rent or fee, for the occupation or use of any stall, shop, stand, shed or pen in a municipal market or put up to public auction, or dispose of by private sale, the privilege of occupying stall, shop *etc.*

During scrutiny of records for the FYs 2015-16 to 2020-21, Audit observed that collection efficiency of stallage/rent, by the ULBs, from municipal markets, was poor and, as on 31 March 2021, the outstanding amount of stallage/rent, from municipal markets, in case of 22 ULBs, stood at ₹ 18.49 crore, with an overall collection efficiency[52] of 55.63 *per cent*. Four ULBs (*Asansol* MC, *Barrackpore, Gobardanga* and *Siliguri* MC) did not furnish the requested information to Audit.

Pujali Municipality had no municipal market under its jurisdiction.

b) Out of the 22 ULBs, only nine ULBs *viz*., *Contai, Habra, Katwa, Kharagpur, Kolkata* MC, *Konnagar, Panihati, Ramjibonpur* and *Uttarpara-Kotrung* had presented bills to owners/occupiers of shops in municipal markets, while five ULBs *viz*., *Coochbehar, Kalna, Mal, Raiganj* and *Tufanganj* had not presented such bills. The remaining eight ULBs *viz*., *Bansberia, Barasat, Bongaon, Jhalda, Jiaganj-Azimganj, Kaliyaganj, Midnapore* and *Suri* did not furnish the requested information.

4.5.6 Fee for Certificates for enlistment of profession, trade and callings

In terms of Section 199 of the KMC Act, Section 141 of the WBMC Act and Section 118 of the WBM Act, every person engaged or intending to be engaged in any profession, trade or calling, as specified in the Schedules appended to the Acts, either by himself or by an agent or representative, is required to obtain a

51 *Arrear and current demand in case of four ULBs (Contai, Kolkata MC, Siliguri MC and Suri), current demand in case of two ULBs (Asansol MC and Bansberia) and data furnished by one ULB (Panihati Municipality) during audit.*

52 *Percentage of collection against demand.*

Permanent Certificate of Enlistment or Provisional Certificate of Enlistment, or get the Permanent Certificate of Enlistment renewed, on or before the expiry of the validity period, by payment of fee for enlistment.

The Provisional Certificate of Enlistment is issued for a period of one year and is not renewable; it has to be converted into a Permanent Certificate of Enlistment, on or before completion of the validity period. A Permanent Certificate of Enlistment may be obtained for a maximum period of three years together and be renewed for a maximum period of three years.

Accordingly, as mandated in the respective Acts/guidelines issued by State Government, ULBs are required to maintain registers or databases for Permanent and Provisional Certificates of Enlistment, to check over non-renewal of Permanent or Provisional Certificates of Enlistment.

Audit, observed that two ULBs (*Jhalda* and *Tufanganj*), were not maintaining records of issued Permanent Certificates of Enlistment, while the remaining 25 ULBs were maintaining the same.

Audit also observed that the ULBs had not been empowered by the Acts, to conduct mandatory inspections, to keep check on trades or professions being carried out, without obtaining Certificates of Enlistment or without renewal of Provisional or Permanent Certificates of Enlistment. In the absence of mandatory provision, Audit observed that only four ULBs were conducting such inspections.

Audit also noticed that the *Konnagar* Municipality, in contravention of the provisions contained in the Act, had renewed Provisional Certificates of Enlistment, instead of converting them to Permanent Certificates of Enlistment, during FYs 2015-16 to 2020-21.

In the absence of maintenance of database/registers and regular inspections, ULBs were not able to monitor the trades, profession and callings being carried out in their jurisdiction, without obtaining Certificates of Enlistment, or without their renewal. Thus, ULBs lost the opportunity to augment their own source revenue.

4.5.7 Other revenue sources of ULBs

- **License fee for private markets**

Section 436 of the KMC Act, Section 308 of the WBMC Act and Section 278 of the WBM Act, provide that, to establish and keep open a private market, license has to be obtained from the ULB, after payment of license fee.

Audit observed that only three of the test-checked ULBs (*Barrackpore, Katwa* and *Uttarpara-Kotrung*) had maintained records of the private markets in their municipal areas and two of these ULBs (*Katwa* and *Uttarpara-Kotrung*) had issued licenses for opening private markets but did not collect license fees. 18 ULBs had not granted licenses and prescribed license fee for private markets. Five ULBs did not furnish the requested information (details given in ***Appendix-9***), while one ULB (*Contai*) did not have private market under its jurisdiction.

- **Surcharge on transfer of immovable properties (Additional Stamp Duty)**

Section 210A of the KMC Act, Section 133 of the WBMC Act and Section 117 of the WBM Act, empower the Corporation/BoC to levy surcharge on the transfer of immovable property situated within the municipal area concerned, in the form of additional stamp duty.

Audit noticed that 16 ULBs were not levying surcharge, in the form of additional stamp duty. Only two ULBs were collecting additional stamp duty, while nine ULBs did not furnish reply (details given in ***Appendix-9***).

- **Stacking fee**

In terms of Rule 44 of the KMC Building Rules, 2009 and Rule 24 of the West Bengal Municipal Building Rules 2007, the Corporation or the BoC, may levy stacking fee, for depositing any building material, including building rubbish, in any street, for which they shall be charged. Further, different rates may be specified for different categories of streets.

Audit found that only eight ULBs, including *Kolkata* MC, had imposed stacking fees, fifteen ULBs had not imposed it, while information was not provided by the remaining four ULBs (details given in ***Appendix-9***).

Further, out of 27 test-checked ULBs only 15 ULBs, provided information regarding latest revision in fees/charges (details given in ***Appendix-10)***. Non-revision of fees/charges, resulted in a substantial dependence on grants from the Central and State Governments, rather than generating own source of revenue.

In the Exit Conference (October 2022), the Department acknowledged the audit observation relating to unsatisfactory performance of ULBs in mobilizing the sources of own revenue, particularly property tax. The Department agreed that the ULBs were unaware of many possible sources of revenue, such as Additional Stamp duty, Stacking fee *etc.* The Department agreed to take up the matters relating to non-collection of surcharges from commercial/semi-commercial/industrial holdings, non-maintenance of demand surcharge and non-imposition of Service Charges from the properties of Central Government. In regard to non-collection of taxes on cart, carriage and animals, the Department opined that such provisions relating to archaic sources of tax revenue, require reconsideration.

In regard to non-consideration of rates of Inspector General of Rates by WBVB, while determining the valuation in ULBs, the Department agreed to take up the issue with Member Secretary, WBVB.

Recommendation :

15. ULBs are to ensure that Rates/Fees levied by them may be revised, time to time.

4.6 Budget Estimates

4.6.1 Budget Preparation

In terms of Section 131 of the KMC Act, Section 69 of the WBMC Act and Section 82 of the WBM Act, ULBs are required to prepare and adopt budget estimates of the income likely to be received by them and the expenditure likely to be incurred by them, on account of the municipal government of the area under their jurisdiction.

The Sections *ibid* further stipulate that these budget estimates are to be adopted by 10th March (in case of Municipalities), 22nd March (in case of *Kolkata* MC) and 31st March (in case of other Corporations). Section 69 of the WBMC Act and Section 82 of the WBM Act, also provide for preparation of revised budgets, for the Corporations and Municipalities, respectively.

In this regard, Audit observed that –

(i) Two ULBs, *viz*. the *Mal* and *Panihati* municipalities, did not place the budget estimates before their Board of Councillors, for adoption, for the periods from the FYs 2015-16 to 2016-17 and 2015-16 to 2017-18, respectively.

(ii) During FYs 2015-16 to 2020-21, 19 ULBs had presented their budgets, to their Board of Councillors, for adoption, with delays ranging from ten days (*Mal*: 2018-19) to eight months (*Ramjibonpur*: 2020-21).

(iii) Two ULBs, *viz*. *Contai* and *Jiaganj-Azimganj,* had not prepared budget estimates during FYs 2015-16 to 2020-21.

4.6.2 Creation of Basic Services for Urban Poor Fund

In terms of Section 123B of the KMC Act, Section 62A of the WBMC Act and Section 70A of the WBM Act, ULBs are required to create a separate fund, called 'Basic Services for Urban Poor' (BSUP), within their respective jurisdictions, including the slum areas. A minimum of 25 *per cent* of the funds within the budget of the ULB from own sources, assigned revenues, allocation from SFC and CFC, grants from externally aided projects, contributions from various sources *etc*., are to be earmarked and used for providing basic services to the urban poor, including inhabitants of the slum areas, on a yearly basis.

The fund is a non-lapsable fund. In the event of the annual allocations not being fully utilised, the balance funds should not be transferred to the municipal fund but carried forward for utilisation in the subsequent years. The fund allocation in subsequent years shall be considered in addition and shall not be reduced by the unspent funds of the previous years.

Audit, however, observed that only the *Katwa* Municipality had created the BSUP fund, as mandated, while 17 ULBs[53] had not created the fund; nine ULBs (*Asansol* MC, *Bongaon, Contai, Gobardanga, Jhalda, Kaliyaganj, Kharagpur, Konnagar* and *Suri*) did not furnish reply.

The matter was referred to the State Government in September 2022, no reply was furnished.

Recommendation:

16. ULBs may prepare their budgets within the stipulated timeframe, considering their actual requirements of funds.

17. The BSUP fund should be mandatorily created by all ULBs and regular contributions should be made therein, to ensure delivery of basic services to the urban poor, as well as to the inhabitants of slum areas.

[53] *Bansberia, Barasat, Barrackpore, Coochbehar, Habra, Jiaganj-Azmganj, Kalna, Kolkata MC, Mal, Midnapore, Panihati, Pujali, Raiganj, Ramjibonpur, Siliguri MC, Tufanganj and Uttarpara-Kotrung.*

4.7 Expenditure by the ULBs

Seventeen ULBs[54] had furnished complete data, regarding revenue expenses and own source revenue, while the desired information was not made available by the remaining 10 ULBs.

Audit observed that the own source revenue of the ULBs was not sufficient to meet their revenue expenditure, as evident from **Table 4.10**.

Table 4.10: Comparison of own source revenue with the total revenue expenditure

(₹ in crore)

Year	Total revenue Expenditure	Own source revenue	Percentage of own fund receipt to total revenue expenditure of ULBs
2015-16	395.63	144.19	36.45
2016-17	481.02	155.63	32.35
2017-18	599.38	179.89	30.01
2018-19	672.78	214.38	31.86
2019-20	652.03	200.31	30.72
2020-21	587.29	184.04	31.34
Total	**3,388.13**	**1,078.44**	**31.83**

(Source: data furnished by the ULBs)

From **Table 4.10**, it is evident that the ULBs were dependent on grants to meet their revenue expenditure and were far from achieving budgetary self-reliance, which is essential for carrying out their devolved functions.

Recommendation :

18. ULBs may explore all possible areas to augment their own revenue, strengthen their collection efficiency and arrange special drives, from time to time, to collect arrears, in order to meet their revenue expenses.

While endorsing the observations and recommendation made by audit, The UD&MA Department issued an order (March 2023) directing that henceforth Finance Officers would act as Nodal Officers for revenue mobilization of ULBs.

[54] *Asansol MC, Bansberia, Barasat, Barrackpore, Contai, Habra, Kaliyaganj, Katwa, Kharagpur, Konnagar, Midnapore, Panihati, Pujali, Raiganj, Ramjibonpur, Suri and Uttarpara-Kotrung.*

CHAPTER V

Human Resources

CHAPTER V

Human Resources

Adequate and qualified manpower is essential for the empowerment of ULBs. This Chapter deals with staff patterns, vacancies and recruitment of staff in ULBs. Audit observed significant gaps in the professional assessment of staff requirements, large numbers of vacancies and poor *per capita* staff, in the ULBs, which affected the smooth functioning of ULBs and their service delivery.

5.1 Staff pattern of ULBs in the State

Section 53 of the WBM Act lays down details of posts for the municipal establishment, allows the Municipality and NAA to determine the municipal establishment and number of officers for itself, out of the posts referred in that Section, and, if necessary, to create posts of such officers and fix the salaries and allowances to be paid and granted to such officers, by the BoC, with the prior approval of the State Government.

In pursuance of the above provision, staff norms for each of the Municipalities were fixed by the erstwhile Municipal Affairs Department in 1995, and were approved by the Finance Department, Government of West Bengal.

Rule 23 of the West Bengal Municipalities (Procedure and Conduct of Business) Rules, 1995, details the departments of the Municipalities, which are required to discharge the obligatory, discretionary and transferred functions, as delineated in Sections 63 to 65 of the WBM Act, devolved to them in line with the 74th CAA. The West Bengal Municipal (Recruitment) Rules, 2005, provide the category of staff under each department, with their eligibility criteria and procedure for selection. The framework of the departments is given in ***Appendix-11***.

Apart from the above, each Municipality has posts of one Executive Officer and one Finance Officer, who are appointed by the State Government and are not under the administrative control of the Board of Councillors of the Municipality. The Executive Officer is the chief executive officer of the Municipality.

Section 14 of the KMC Act and Section 30 of the WBMC Act, contain the list of officers for the municipal establishment, as shown in **Table 5.1**.

Table 5.1: List of officers of *Kolkata* MC and other Municipal Corporations, as per the respective Acts

	Kolkata MC	Other Municipal Corporations
Name of the post	1. Municipal Commissioner 2. Joint Municipal Commissioners 3. Deputy Municipal Commissioners 4. Controller of Municipal Finances and Accounts (CMFA) 5. Chief Municipal Auditor (CMA) 6. Municipal Engineer-in-Chief 7. Chief Municipal Engineers	1. Commissioner 2. Chief Engineer 3. Deputy Commissioner, Revenue 4. Health Officer 5. Finance Officer 6. Chief Auditor 7. Secretary

	Kolkata MC	Other Municipal Corporations
	8. Chief Municipal Architect and Town Planner 9. Chief Municipal Health Officer 10. Chief Municipal Law Officer 11. Municipal Secretary	

(**Source**: **respective Acts**)

In case of *Kolkata* MC, the Municipal Commissioner, Joint Municipal Commissioners, the Controller of Municipal Finances and Accounts (CMFA) and the Chief Municipal Auditor (CMA), and, in case of other Municipal Corporations, all the officials mentioned in **Table 5.1,** are appointed by: (i) the State Government, in consultation with the MIC, from amongst the persons who are, or have been, in the service of the State Government or (ii) if directed by the State Government, by the MIC, in consultation with the State Public Service Commission or (iii) by the MIC, with the prior approval of the State Government, from amongst officers who are or have been in the service of the Corporation. In case of *Kolkata* MC, the other officers mentioned in **Table 5.1** are appointed by the MIC, in consultation with the State Public Service Commission, or by the State Government, in consultation with the MIC, from amongst persons who are or have been in the service of Government.

Section 17 of the KMC Act and Section 33 of the WBMC Act define the officers and staff, other than those mentioned in **Table 5.1,** as the 'municipal establishment'. In *Kolkata* MC, the officer and staff constituting the municipal establishment are maintained through a Schedule of Posts and any revision in the schedule of posts requires approval of the State Government. In case of other Municipal Corporations, the State Government fixes the norms for regulating the size of the establishment and prior approval of the State Government is required for creation of posts. *Kolkata* MC engaged an agency to carry out a study on its organisational development strategy, which submitted its report in 2005, while, in the *Siliguri* MC*,* staff pattern had not been assessed since its formation in 1994.

Department-wise data for the ULBs had not been maintained at the level of the Directorate of Local Bodies (DLB) which is entrusted with the matters relating to appointments and promotions (in case of already sanctioned posts). Thus, the details of departments relating to the test-checked ULBs were not available. From the information furnished by the *Kolkata* MC*,* it was noticed that it has 57 departments[55], for discharging its municipal functions; *Siliguri* MC has only 13 departments; while no such information was available for *Asansol* MC.

Audit observed that, after fixing of staff norms in 1995, further staff requirements had not been assessed by the State Government, although the service delivery functions had increased manifold, over the years, since 1995. ULBs had, from time to time, been requesting the UD&MAD, for filling up of vacancies or creation of posts, due to vacancies or increased workload, but the department had not taken up staff assessment for all the ULBs, in a comprehensive manner.

[55] *As per the Schedule of Establishment of KMC: 2022-23.*

5.2 Recruitment of human resources in the ULBs

In the Municipalities, as well as Corporations (including the *Kolkata* MC*)*, posts of officers/employees are classified as Group A, B, C or D. The appointing authorities for Municipalities and Municipal Corporations are given in the **Table 5.2**.

Table 5.2: Appointing authorities

ULB	Appointing authority
Kolkata MC	In case of category-A posts, the Municipal Commissioner; in case of category-B posts, a Joint Municipal Commissioner; in case of category-C posts and category D posts, such officer or officers of the Corporation as the Municipal Commissioner may, with the prior approval of the Mayor-in-Council, designate in this behalf.
Municipal Corporations other than Kolkata MC	All the posts of officers and other employees, by the Commissioner, with the approval of the Corporation and the State Government.
Municipalities/NAA	Appointments of all officers and employees, other than the Executive Officer, Finance Officer and Health Officer, are made by the Municipality, with the prior approval of the State Government.

(Source: respective Acts)

The West Bengal Municipal Service Commission was constituted under the UD&MAD, *vide* the West Bengal Municipal Service Commission Act 2018 (WBMSC), with effect from January 2019, for direct recruitment of personnel, for prescribed categories of posts and services, in the establishment of the Urban Local Bodies (Municipal Corporations, Municipalities, Notified Area Authorities, Industrial Township Authorities), Development Authorities and establishment of different organisations under the UD&MAD, such as the WBVB. Prior to that, recruitment in Municipalities was being done by the Municipalities, under supervision of the Director of Local Bodies and, in case of Municipal Corporations, through the erstwhile Municipal Service Commission, constituted under Section 26 of the KMC Act.

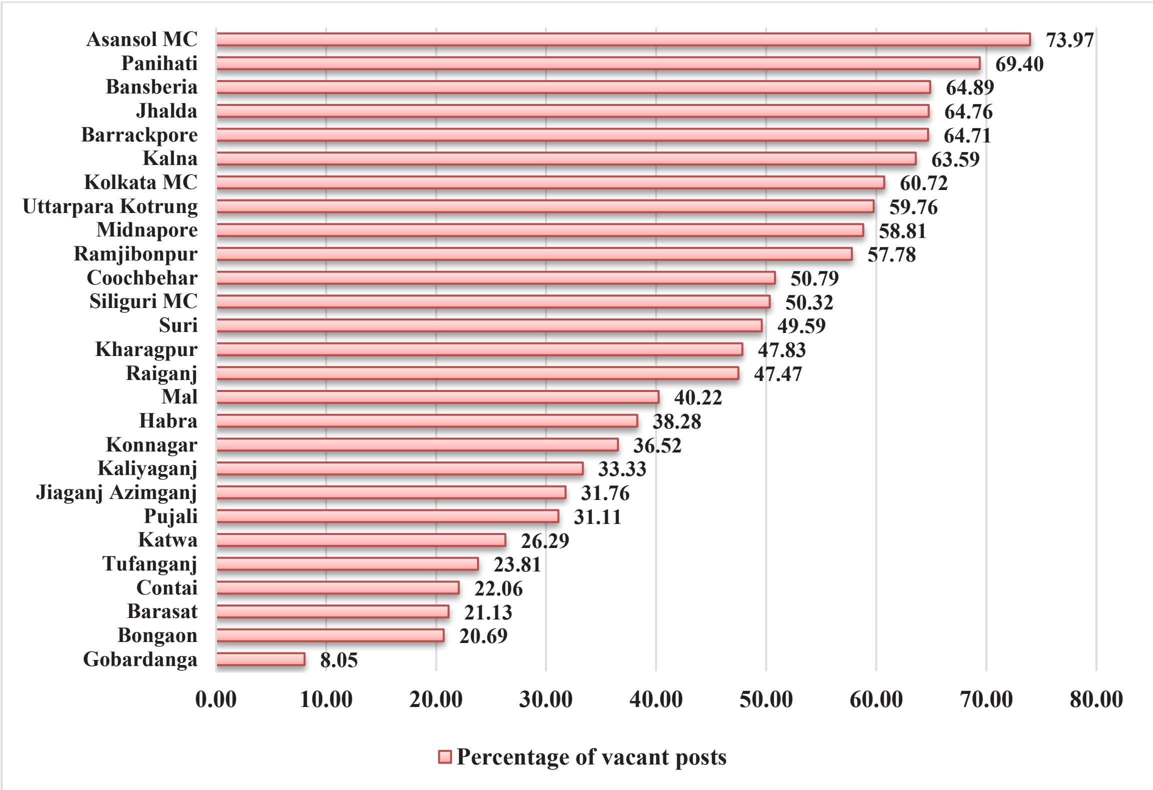
Audit observed that the WBMSC, after its constitution in January 2019, had conducted recruitment of personnel for the *Kolkata* MC, *Durgapur* MC and *Siliguri* MC. Insofar as Municipalities are concerned, as on September 2021, WBMSC had carried out recruitment of personnel for only one Municipality (*Kalyani*), although significant numbers of vacancies exist across the ULBs in the State.

5.3 Vacancies in the ULBs and *per capita* staff

In terms of the order of erstwhile Municipal Affairs Department (September 2009), Director of Local Bodies was entrusted with matters relating to appointment and promotion of already sanctioned posts existing in Municipalities. Further, in terms of the memo of the Finance Department (June 2018), a State Level Committee, on rationalisation and optimal utilisation of human resources in the State, was constituted, for scrutiny/assessment to be carried out for the creation of posts/restructuring of the service cadre in Government establishments, including local bodies, before being processed/concurred with, by the Finance Department, for being placed before the State Cabinet, for its consideration.

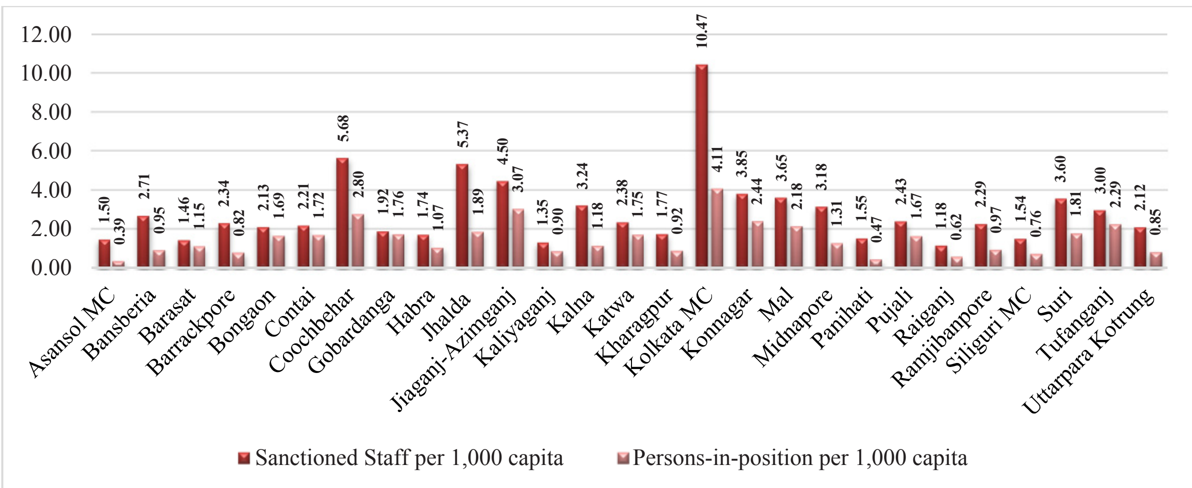
Audit noticed that in spite of the formation of committees and constitution of the WBMSC, significant vacancies existed in the ULBs. As of July 2021, against the sanctioned posts (85,247 in 123 ULBs[56] in West Bengal), the actual staff position was 40,195, *i.e.* there were 52.85 *per cent* vacancies. The vacancy position of the 27 test-checked ULBs is given in **Chart 5.1**.

Chart 5.1: Percentage of vacancies in the 27 test-checked ULBs (as of July 2021)



The sanctioned staff position and actual staff position *per* 1,000 *capita*, are depicted in **Chart 5.2**.

Chart 5.2: Sanctioned staff position and actual staff position, *per* 1,000 *capita*



(Source: data furnished by the DLB)

[56] *Except for Buniadpur and Domkal.*

The sanctioned staff position *per* 1,000 *capita*, ranged between 1.18 (*Raiganj*) and 10.47 (*Kolkata* MC) and the actual staff position *per* 1,000 *capita*, ranged between 0.39 (*Asansol* MC) and 4.11 (*Kolkata* MC). These figures indicate the deficient position of human resources in ULBs. In the absence of permanent staff, ULBs had to engage contractual/casual staff to perform their functions. This led to burden on the municipal funds, since 85 *per cent* of the salary and 100 *per cent* dearness allowances of only permanent staff, would have been borne by the State Government.

The data furnished by the 17[57] ULBs, out of the 27 test-checked ULBs, showed large vacancies, as on 31 March 2021, in Departments engaged in revenue collection and service delivery functions, as detailed in **Table 5.3**.

Table 5.3: Vacancies in accounts, revenue and service delivery departments in 17 test-checked ULBs, as on 31 March 2021

Department	Sanctioned Strength	Person-in-position	Vacancy	Percentage of vacancy
Accounts Department	47	29	18	38.30
Revenue Department	195	49	146	74.87
Public Health & Sanitation Department	225	104	121	53.78
Public Works Department	68	46	22	32.35
Water Supply Department	221	102	119	53.85

(Source: data furnished by the ULBs)

Lack of manpower in the Revenue department, as well as in the departments related to service delivery, such as Public Health and Sanitation, Public Works and Water Supply, was likely to have affected the revenue collection of the ULBs and also caused hindrances in delivery of services to citizens.

In the Exit Conference (October 2022), the Department stated that Directorate of Local Bodies (DLB), under the Department, had started assessing the staff requirements in various categories of posts in ULBs. The Directorate of Local Bodies further stated (February 2023) that the planning and programming of recruitment of staff of ULBs had been disrupted, due to the pandemic. However, with regard to the huge number of vacancies in the ULBs, despite constitution of the WBMSC, DLB also cited the austerity measures imposed upon by the State Government, restricting all new appointments, without the prior approval of Finance Department. Further, DLB also stated that most of the vacancies were in Group D posts, whose recruitment could be done by ULBs themselves. However, Audit noted that the State Government needed to take steps to fill in the vacancies, as the ULBs were heavily dependent on grants.

Recommendation:

19. **A professional assessment of the staff requirements for the ULBs, to enable them to cater the growing urban population, may be taken up.**
20. **Government may take immediate steps for filling the existing vacancies in the ULBs, through the West Bengal Municipal Service Commission.**

[57] *Bansberia, Barrackpore, Bongaon, Contai, Habra, Kalna, Katwa, Kharagpur, Konnagar, Mal, Midnapore, Panihati, Pujali, Ramjibonpur, Suri, Tufanganj and Uttarpara-Kotrung.*

CHAPTER VI

Performance in the discharge of devolved functions

CHAPTER VI

Performance in the discharge of devolved functions

One of the prime objectives of the 74th CAA was to empower the ULBs, to enable them perform functions relating to citizen-centric services, by devolving the functions enshrined in the 12th Schedule, through State Acts. In West Bengal, provisions were made in the State Acts to enable them to deliver the basic services. This Chapter deals with the performance of ULBs in discharging the functions relating to service delivery, in regard to water supply, including collection of water charges, solid waste management and sanitation and public health.

In water supply, dependency of the ULBs on parastatals, for supply of water, failure to provide 100 *per cent* water connection to households and non-collection of water charges to meet the revenue expenses by most of the ULBs, were observed. In solid waste management, non-preparation of waste management plans, failure to collect, process and dispose segregated waste, non-implementation of bye-laws and non-collection of conservancy charges, were observed. In regard to functions relating to sanitation, lack of an organised underground sewerage and drainage system and drainage system not being connected to households, limited or no role of ULBs except *Kolkata* MC in the O&M of Sewage Treatment Plants (STPs) were noticed in audit. In performing functions relating to urban health, non-functioning of the Urban Primary Health Centres (UPHCs) as per norms and vacancies in various posts, including Medical Officers, in UPHCs, were noticed. These deficiencies affected the discharge of the devolved functions by ULBs.

6.1 Water Supply

6.1.1 Efficacy in supply of water by the ULBs

Although adequate provisions were made in the Municipal laws, by empowering ULBs to discharge functions, relating to supply of water, Audit noted that not all the selected ULBs had achieved self-reliance in discharging this function, as on 31 March 2021, as discussed in succeeding paragraphs.

6.1.1.1 Source of supply of water

Section 29 of the KMC Act, Section 63 of the WBM Act and Section 97 of the WBMC Act, describe water supply as an obligatory function for Municipalities, *Kolkata* MC and other Municipal Corporations in West Bengal. These Sections also require the ULBs to make adequate provisions relating to construction and maintenance of water-works and providing, by itself or by agency, means for supply of water for public and private purposes.

Section 234 of the KMC Act, Section 226 of the WBM Act and Section 176 of the WBMC Act, provide that it is the duty of the ULB to supply wholesome water to its inhabitants. Supply of wholesome water to the public, by erecting hydrants, stand-posts or through other conveniences to public, has also been covered in Section 237 of the KMC Act, Section 179 of the WBMC Act and Section 233 of the WBM Act.

Section 236 of the KMC Act and Section 178 of the WBMC Act, provide for supply of wholesome water to huts and slums.

Audit observed that:

(i) Out of the 27 test-checked ULBs, only ten had their own water plants/ treatment plants, for supply of wholesome water to their inhabitants. However, out of these ten ULBs, two ULBs (*Asansol* MC and *Uttarpara-Kotrung*) were also dependent on other sources, *viz.* parastatals, other departments and organisations, for supply of potable water.

(ii) Audit further noted that the remaining 17 test-checked ULBs were dependent on water plants, under the control of parastatals/departments, for the supply of water. Details of the sources of supply of water, in the test-checked ULBs, are given in **Table 6.1.**

Table 6.1: Source of Supply of Water in the 27 test-checked ULBs

Name of the Source	Water Plant / Facility owned by ULB	Water Treatment Plant/Facility operated by Parastatals / Departments			Tube-wells	Ground Water
		PHED	KMDA	Any other Development Authority/ Organisation		
No. and Name of the ULB	**10 ULBs:** 1. Asansol MC 2. Contai 3. Coochbehar 4. Kalna 5. Katwa 6. Kolkata MC, 7. Midnapore 8. Ramjibonpur 9. Suri 10. Uttarpara-Kotrung	**10 ULBs:** 1. Asansol MC 2. Bongaon 3. Gobardanga 4. Habra 5. Jhalda 6. Kharagpur, 7. Mal 8. Raiganj 9. Siliguri MC 10. Tufanganj	**7 ULBs:** 1. Bansberia* 2. Barasat* 3. Barrackpore* 4. Konnagar* 5. Panihati 6. Pujali 7. Uttarpara-Kotrung*	**1 ULB:** 1. Asansol MC by Steel Authority of India Limited (SAIL)	**20 ULBs:** 1. Asansol MC 2. Bansberia 3. Barasat 4. Barrackpore 5. Contai 6. Coochbehar 7. Gobardanga 8. Habra 9. Jhalda 10. Katwa 11. Kharagpur 12. Kolkata MC 13. Konnagar 14. Mal 15. Midnapore 16. Panihati 17. Pujali 18. Siliguri MC 19. Suri 20. Tufanganj	**4 ULBs:** 1. Barasat, 2. Barrackpore 3. Coochbehar 4. Uttarpara-Kotrung

(Source: information furnished by the ULBs)

***** *Trans-municipal water supply project with other ULBs, implemented by the KMDA*

***The Kaliyaganj Municipality did not furnish information*.**

Seventeen ULBs, which were dependent on parastatals/departments, for the supply of water, had not taken over the water plants from the parastatals/departments. Six ULBs stated reasons for the same, as given in **Table 6.2.**

Table 6.2: Reasons due to which six ULBs could not take over water plants from parastatals/department

Sl. No.	Name of the ULB	Parastatal/ Department	Reasons for not taking hand-over
1.	Gobardanga	PHED	Infrastructure not available in the ULB
2.	Habra	PHED	ULB does not have the infrastructure for O&M
3.	Mal	PHED	Financial constraints of the ULB
4.	Panihati	KMDA	Insufficient infrastructure and funds crisis in the ULB
5.	Pujali	KMDA	Constraint of funds for maintaining and operating the project, with repair and up-gradation, as well as manpower constraints
6.	Tufanganj	PHED	Paucity of funds and technical expertise for maintenance

(<u>Source:</u> information furnished by the ULBs)

(iii) Out of the 27 test-checked ULBs, Audit noticed that five ULBs *viz*., *Bongaon, Jhalda, Jiaganj-Azimganj, Mal* and *Raiganj* municipalities had no role in supply of water to its citizens. In *Bongaon* and *Jhalda* municipalities, water was supplied by PHED from its own water plant; house connections do not exist in these ULBs. In *Jiaganj-Azimganj* Municipality the only source of water is shallow hand tube-wells, the ULB has no role in drilling of tube-wells or granting permission for the same. *Mal* and *Raiganj* municipalities were also dependent on PHED for water supply.

(iv) Further, twenty ULBs were dependent on tube-wells and four ULBs on ground water sources, in addition to their own water plant/water plants of parastatals/department, which was indicative of the insufficiency of water supply from water plants **(Table 6.1)**.

Barrackpore, Barasat, Pujali and *Siliguri* MC admitted (July to December 2021) the fact of insufficient water supply in their areas.

ULBs which did not have own water plants, were dependent on parastatals/ departments for supply of water. Due to insufficient supply of water, the *Barrackpore* Municipality stated that it had to rely on ground water sources, while the *Pujali* Municipality informed that local people of the municipal area were dependent on deep tube-wells, hand pumps *etc. Siliguri* MC stated that it had decided to install tube-wells, to deal with the scarcity of water.

In 13 ULBs, new water supply projects were planned/undertaken under the AMRUT scheme, State fund or from other grants funds[58]. Four ULBs (*Contai*, *Coochbehar*, *Gobardanga* and *Pujali*), stated that there was no water supply project in the pipeline, while eight ULBs (*Barasat*, *Jhalda, Kalna, Katwa, Konnagar, Ramjibonpur, Siliguri* MC and *Suri*) did not furnish the requested information.

6.1.1.2 Storage and distribution of water

Section 243 of the KMC Act and Section 187 of the WBMC Act, empower the KMC and other Corporations, to construct, operate, maintain, manage or purchase or take on lease waterworks or right to store or take and convey water, either within or outside the Corporation area. Sections 251 and 252 of the KMC Act provide for laying of mains and service mains, respectively; similar provisions in regard to other Corporations, are contained in Sections 195 and 196 of the WBMC Act.

In terms of Section 228 of the WBM Act, municipalities, either singly, or jointly with any other ULB or local authority, within or without a municipal area, may undertake construction of water-works and operate, manage or maintain any water-works, subject to approval of the State Government.

Audit noted that -

(i) Storage of water, in reservoirs, was being done by parastatals, in 12 of the test-checked ULBs, as furnished in **Table 6.3.**

Table 6.3: Storage of water by parastatals

Sl. No.	Parastatal/Department	Name of the ULB
1.	**KMDA**	Bansberia
2.		Barasat
3.		Panihati
4.		Pujali
5.	**MED**	Coochbehar
6.	**PHED**	Gobardanga
7.		Habra
8.		Jhalda
9.		Kharagpur
10.		Mal
11.		Siliguri MC
12.		Tufanganj

(Source: information furnished by the ULBs)

(ii) In two ULBs (*Asansol* MC and *Barrackpore*), both the ULBs and the parastatals, were managing storage of water. Nine ULBs (*Contai, Kalna,*

[58] **AMRUT grants:** *Bansberia, Barrackpore, Panihati and Uttarpara-Kotrung municipalities through KMDA; Asansol MC, Bongaon, Habra and Midnapore municipalities through MED.* **Special BRGF grants:** *Kharagpur Municipality through MED.* **State Funds:** *Jiaganj-Azimganj, Mal and Tufanganj municipalities through MED.* **UIDSSMT and State Funds:** *Raiganj Municipality, through MED. Kolkata MC, through various government grants and own source revenue.*

Katwa, Kolkata MC, *Konnagar, Midnapore, Ramjibonpur, Suri* and *Uttarpara-Kotrung*) were managing reservoirs themselves. In three ULBs (*Katwa, Ramjibonpur* and *Uttarpara-Kotrung*), the reservoirs had been constructed by parastatals (PHED, KMDA and ADDA) but had, later on, been handed over to the ULBs. The *Bongaon, Raiganj* and *Jiaganj-Azimganj* municipalities had no role in the storage of water. *Kaliyaganj* Muncipality did not furnish reply.

(iii) In eleven ULBs, the construction, operation and maintenance of pipelines, for distribution of water, was being carried out by parastatals (details in **Table 6.4**). In four ULBs, *viz*. *Asansol* MC, *Bansberia, Habra* and *Kharagpur,* the work was being executed both-by the ULBs, as well as the parastatals, while nine ULBs had been managing the said work themselves.

Table 6.4: Details of distribution of water by parastatals in 11 ULBs

Sl. No.	Parastatal/Department	Name of the ULB
1.	KMDA	Panihati
2.		Pujali
3.	MED	Coochbehar
4.		Kalna
5.	PHED	Bongaon
6.		Gobardanga
7.		Jhalda
8.		Mal
9.		Raiganj
10.		Siliguri MC
11.		Tufanganj

(Source: information furnished by the ULBs)

Barasat Municipality had informally taken over the operation and maintenance of pipeline from KMDA. *Kaliyaganj* Muncipality did not furnish reply and *Jiaganj-Azimganj* Municipality had no role in water supply.

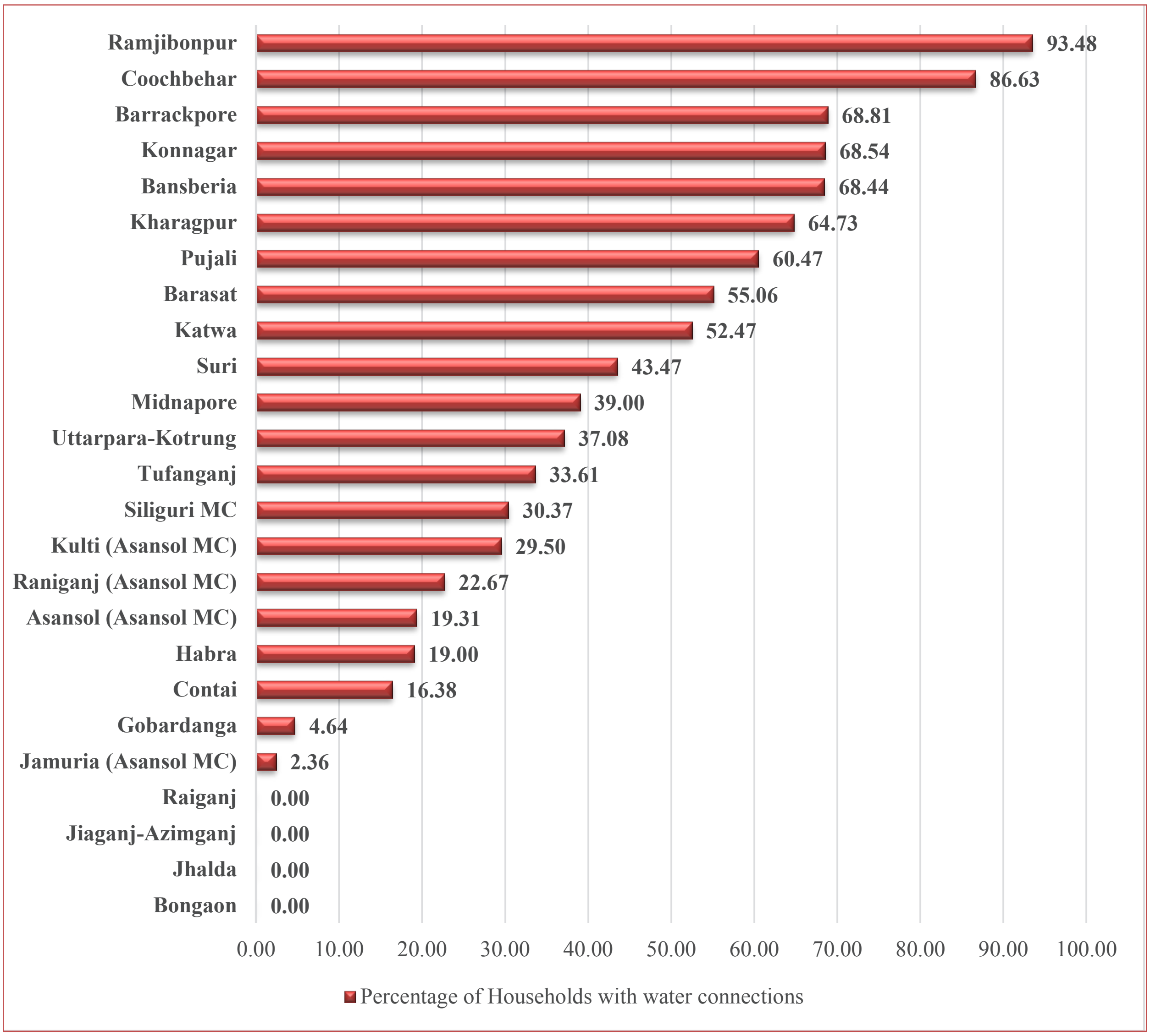
6.1.1.3 Water connections

Section 254 of the KMC Act, Section 198 of the WBMC Act and Section 231 of the WBM Act, vest power on the ULBs, to allow connections to premises, from mains or supply mains.

ULBs, are required to ensure water connections to households, for discharging their obligatory function relating to supply of wholesome water. The Handbook of Service Level Benchmarking was published (2006) by the Ministry of Urban Development (MoUD), Government of India, for achieving the goal of improved service delivery to citizens.

Twenty-five ULBs furnished information regarding the number of households, where water connections had been provided, as on 31 March 2021. Details regarding the percentage of households with water connections, are given in **Chart 6.1.**

Chart 6.1: Percentage of Households with water connections, in selected ULBs, as on 31 March 2021



(Source: data furnished by ULBs. The *Jamuria, Kulti* and *Raniganj* municipal areas have been merged with the *Asansol* Municipal Corporation. However, data in regard to these municipalities was furnished to Audit separately and, hence, they have been shown separately in Chart 6.1.)

Five ULBs, *viz.*, *Kaliyaganj, Kalna, Kolkata* MC*, Mal* and *Panihati,* did not furnish data in this regard. It is evident from **Chart 6.1** that, none of the test-checked ULBs had provided water connections to all the households, therefore, it could not be ensured that every household had access to clean water.

6.1.1.4 Quantity, continuity and quality of water supply

The Handbook of Service Level Benchmarking indicators fixed the quantity and continuity of water supply, at 135 litres *per capita per day* (lpcd) and 24 hours, respectively. The handbook also fixed ensuring quality of water supplied at 100 *per cent*. The status of quantity and continuity of water supply, in the test-checked ULBs, are depicted in **Charts 6.2 and 6.3.**

Chart 6.2: Quantity of water supplied

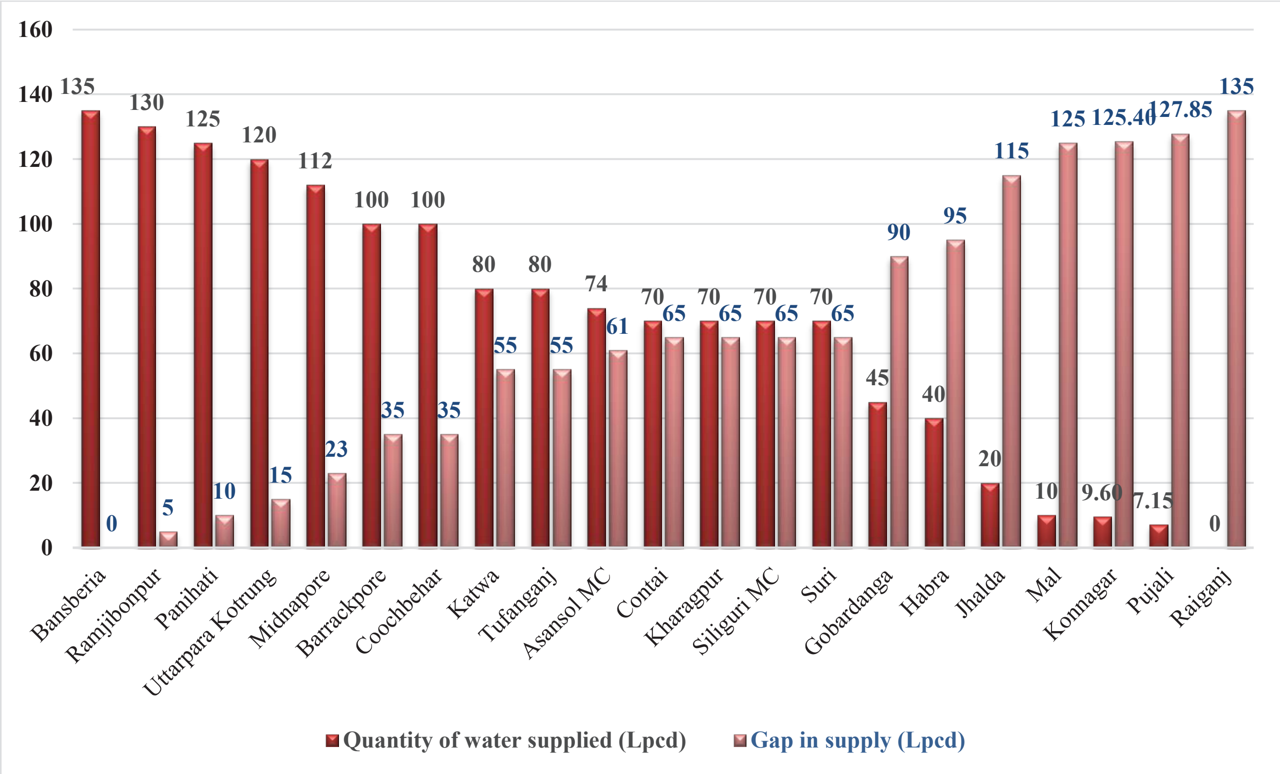
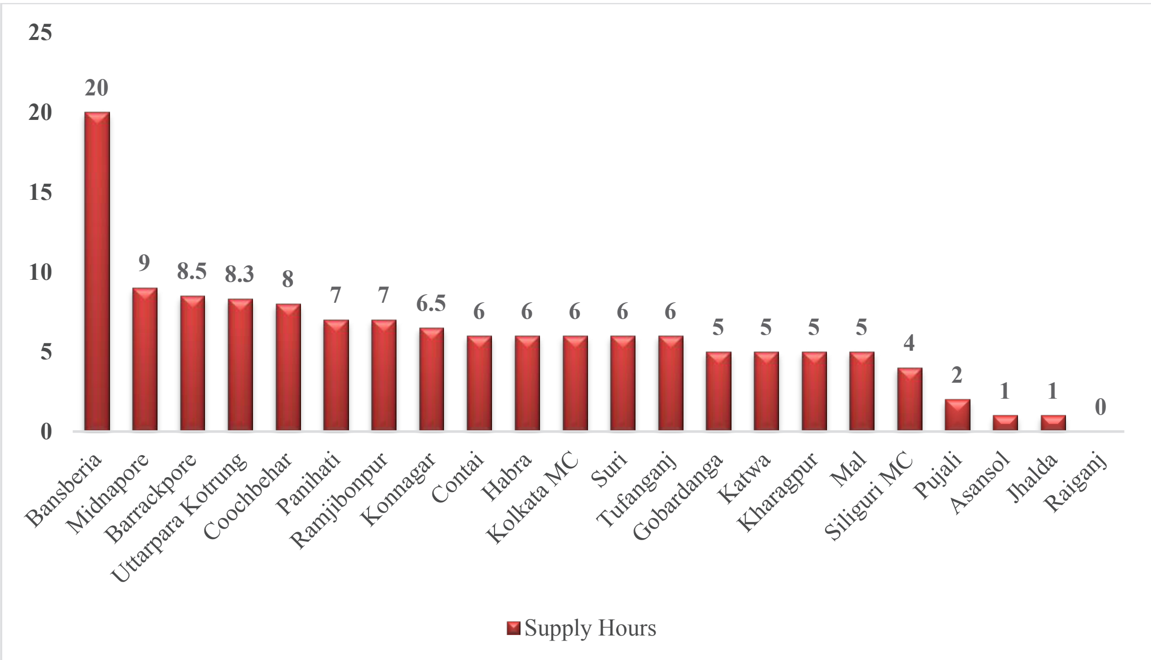


Chart 6.3: Continuity of water supply (in hours)



It is evident that only one ULB (*Bansberia*) had achieved the benchmark of supplying 135 lpcd water. With regard to continuity of the supply of water, none of the ULBs had achieved the benchmark.

Audit also found that only ten ULBs (*Asansol* MC, *Barasat, Contai, Coochbehar, Katwa, Kharagpur, Kolkata* MC, *Midnapore, Ramjibonpur* and *Suri*) had tested the quality of water supplied. Two of these ULBs *viz*. *Barasat* and *Suri* had conducted such tests, as and when needed. 12 ULBs had not conducted quality tests of the water supplied. Four ULBs (*Kaliyaganj, Kalna, Konnagar* and *Siliguri* MC) did not furnish the desired information. *Jiaganj-Azimganj* had no role in water supply and did not conduct any tests.

6.1.1.5 Metering of water connections

Section 262 of the KMC Act, Section 206 of the WBMC Act and Section 226 of the WBM Act, state that ULBs may provide water meters and attach the same in the supply mains, in the premises connected with the service mains. The expenses of providing and attaching meters are to be borne by the ULBs. Section 265 of the KMC Act and Section 209 of the WBMC Act, provide for payment, as per the reading of the water meter. The Handbook of Service Level Benchmarking fixed the target of extent of metering of water connections at 100 *per cent*.

Audit observed that only five ULBs, *viz*. *Asansol* MC, *Coochbehar, Contai, Kharagpur* and *Pujali,* had provided water-meters. *Contai* and *Pujali* had provided water-meters to households but were not taking reading of these meters.

The *Kharagpur* and *Coochbehar* municipalities had provided only a few meters and had not generated bills for consumers, while *Asansol* MC had provided meters for bulk water connections, apartments and commercial properties only.

Fifteen ULBs[59] did not provide water-meters. Six ULBs (*Bansberia, Barrackpore, Gobardanga, Kaliyaganj, Kalna, Ramjibonpur*) did not furnish the desired information. *Jiaganj-Azimganj* Municipality had no house connections and, hence, water meters had not been installed.

6.1.1.6 Collection of fees for supply of water

Section 234 of the KMC Act, Section 176 of the WBMC Act and Section 226 of the WBM Act, empower ULBs to collect fees for supply of water, at rates determined by regulations. The Handbook of Service Level Benchmarking also pegged the cost recovery in water supply services at 100 *per cent*.

Audit observed that only three ULBs, *viz*., *Kharagpur, Ramjibonpur* and *Siliguri* MC*,* had collected fees for supply of water, from domestic consumers and seven ULBs (*Asansol* MC, *Katwa, Kharagpur, Kolkata* MC*, Konnagar, Ramjibonpur* and *Siliguri* MC), had collected the same from non-domestic consumers.

Twenty ULBs[60] had not collected water charges from domestic consumers and sixteen ULBs[61] had not collected the same from non-domestic consumers.

Three ULBs (*Gobardanga, Kaliyaganj, Kalna*) did not furnish the requested information. *Jiaganj-Azimganj* Municipality had no house connections and, hence, fees for supply of water had not been collected.

---

59 *Barasat, Bongaon, Habra, Jhalda, Katwa, Kolkata MC, Konnagar, Mal, Midnapore, Panihati, Raiganj, Siliguri MC, Suri, Tufanganj and Uttarpara-Kotrung.*

60 *Asansol MC, Bansberia, Barasat, Barrackpore, Bongaon, Contai, Coochbehar, Habra, Jhalda, Katwa, Kolkata MC, Konnagar, Mal, Midnapore, Panihati, Pujali, Raiganj, Suri, Tufanganj and Uttarpara-Kotrung.*

61 *Bansberia, Barasat, Barrackpore, Bongaon, Contai, Coochbehar, Habra, Jhalda, Mal, Midnapore, Panihati, Pujali, Raiganj, Suri, Tufanganj and Uttarpara-Kotrung.*

The ULBs were empowered by the State Acts for the devolved function relating to supply of water to citizens. However, Audit observed the following issues affecting the efficacy of delivery of water supply services:

i. The ULBs were still largely dependent on parastatals like KMDA and PHED for treatment and supply of water for their citizens. As a result, they could not achieve the Service Level Benchmarks with respect to *per capita* supply of water, continuity of water supply.

ii. The ULBs were unable to take over the projects from the parastatals due to fund constraint and lack of required infrastructure and expertise.

iii. ULBs failed to provide connections to all households although this is mandated in the Act.

iv. The ULBs did not take initiative to levy and collect fees for supply of water from domestic and non-domestic consumers to meet the revenue expenses relating to supply of water.

In the Exit Conference (October 2022), the Department stated that it had been trying to assess the insufficiency, in regard to the function relating to supply of water and bridge the gaps through AMRUT projects.

Recommendation:

21. Government may provide adequate funds and functionaries to ULBs, to enable them to construct and maintain water supply projects and also to take possession of water supply projects from parastatals/other departments.

22. Government may introduce regular monitoring, for achieving the Service Level Benchmarks, to ensure supply of quality water to citizens.

23. ULBs may levy and collect fees for supply of water from both domestic and non-domestic consumers, as per extant rules. Metering of water may also be taken up, to charge fees based on consumption and increase the own sources of revenue.

6.2 Solid Waste Management

The Acts governing ULBs had detailed provisions regarding management of solid waste by the ULBs. However, the detailed provisions, for Municipal Corporations governed by the WBMC Act, 2006, were added under Section 300, by the WBMC (Second Amendment) Act, 2018, published in December 2018.

The ULBs are also required to comply with Solid Waste Management Rules, 2016, by the Ministry of Environment, Forest and Climate Change (MoEFC), Government of India, which came into force from 8 April 2016[62].

These rules apply to ULBs, census towns, notified areas, notified industrial townships, areas under the control of the Indian Railways, airports, ports and harbours, defence establishments, State and Central government organisations *etc.* and to every domestic, institutional, commercial and any other non-

[62] *In exercise of the powers conferred by the Environment (Protection) Act, 1986 and in supersession of the Municipal Solid Waste (Management and Handling) Rules, 2000.*

residential solid waste generator situated in the areas (except to generators of Bio-Medical waste, e-waste, industrial waste, hazardous waste *etc*).

These rules delineate the duties and responsibilities of local bodies, as also of the department dealing with Urban Development in the State Government, District Magistrates, State and Central Pollution Control Boards and other authorities.

Compliance of the ULBs, with these rules and their efficacy in performing the functions conferred on them, by the municipal laws of the State, are discussed in the succeeding paragraphs.

6.2.1 Efficacy of ULBs in the delivery of solid waste management related services

6.2.1.1 Preparation of plan for solid waste management

As per Rule 11 of SWM Rules, the State Government was required to prepare a State Policy and Solid Waste Management Strategy for the State, within one year from the notification of the said rules. Further, as per Rule 15(a) of the rules, *ibid*, ULBs were required to prepare a SWM plan, within six months from the date of notification of the State Policy and Strategy on Solid Waste Management and submit a copy of the same to the UD&MAD.

The UD&MAD published the State Policy and Strategy on Solid Waste Management in January 2018. In compliance with provisions contained in SWM Rules, ULBs were required to prepare their SWM plans within six months, *i.e.* by July 2018.

Audit noticed that the *Kolkata* MC had published (September 2019) a Master Plan for SWM and the *Kharagpur* Municipality had prepared (November 2017) a Detailed Project Report (DPR) for SWM, under the Swachh Bharat Mission. Apart from these, seven ULBs[63] had prepared plans/DPRs for SWM functions, either solely or as a part of other projects, at different points of time, but none of the plans were in accordance with the provisions of the SWM Rules. The remaining 18 ULBs had not prepared plans for SWM.

Audit noted that the State Urban Development Agency (SUDA) had engaged agencies for preparation of micro-plans, as per SWM Rules, 2016, in all the 124 ULBs (except *Kolkata* MC), by inviting Expression of Interest (EoI) in May 2019, and issued work orders, to selected agencies, between September and December 2019. However, the micro-plans/DPRs, prepared by the agencies, were not distributed among the ULBs, to implement the SWM functions, as per plans.

Further, SUDA stated (September 2022) that the final DPRs of all the ULBs (except *Kolkata* MC, for which DPR had not been prepared by the micro planning agency), had been approved by the State Level Task Force (SLTF) of UD&MAD, but were yet to be placed before the State High Power Committee (SHPC), for its approval. The DPRs would be circulated to the respective ULBs only after the approval of SHPC.

It is evident that the ULBs did not receive the micro plans/DPRs prepared by the agencies (as on September 2022) which had resulted in delay in implementation

[63] *Asansol MC, Bansberia, Habra, Konnagar, Panihati, Siliguri MC and Uttarpara-Kotrung.*

of the SWM function, in conformity with the SWM Rules. Further, due to delay in the engagement of agencies, the planning process had been delayed by three years (as of September 2022).

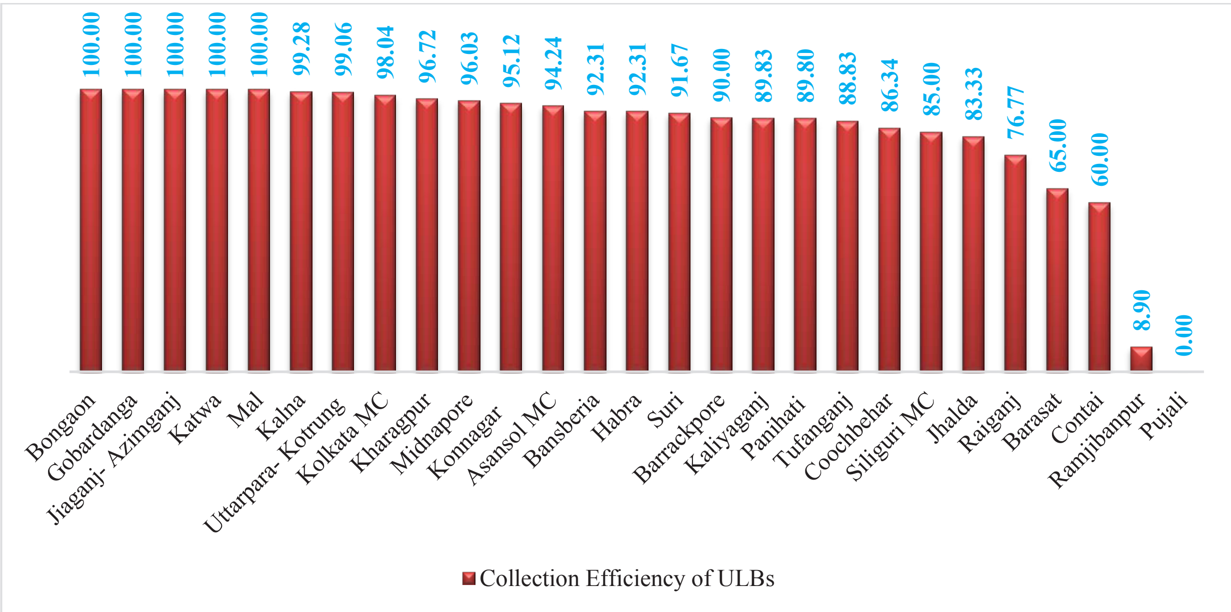
6.2.1.2 Collection and segregation of waste

Section 29 of the KMC Act, Section 63 of the WBM Act and Section 97 of the WBMC Act, describe the collection, removal and disposal of solid waste, as an obligatory function for municipalities, KMC and other Municipal Corporations in West Bengal. Sections 322 and 329 of the KMC Act, Section 260 of the WBM Act and Section 300 of the WBMC Act, also reiterate the responsibility of the ULBs in the management of solid waste.

(i) The Handbook of Service Level Benchmarks, published by MoUD, fixed the collection efficiency *i.e.* percentage of waste collection *vis-à-vis* generation, at 100 *per cent*.

Audit noted that the total daily waste, generated by the 27 test-checked ULBs, was 7,080.97 Tonnes per day (TPD), out of which 6,695.09 TPD was being collected daily by the ULBs. Thus, the overall collection efficiency was 94.55 *per cent* **(Chart 6.5)**. The individual collection efficiencies of the 27 test-checked ULBs are given in **Chart 6.4**.

Chart 6.4: Collection efficiency of 27 test-checked ULBs



In case of the *Pujali* Municipality, the collection efficiency was 'nil', since the Municipality had no role in the collection, segregation and disposal of solid waste. In the case of *Ramjbonpur* Municipality, the collection efficiency was 8.90 *per cent* only.

(ii) Rule 15 (b) of the SWM Rule mandates ULBs to arrange for door-to-door collection of segregated solid waste from all households, including slums and informal settlements, commercial, institutional and other non-residential premises.

Out of the 27 test-checked ULBs, 22 had introduced door-to-door collection and 12 had implemented segregation of Municipal Solid Waste (MSW) at source.

The status of door-to-door collection and segregation of MSW at source, is depicted in **Table 6.5**.

Table 6.5: Status of implementation of door-to-door collection and segregation at source

	Door to Door Collection		Segregation at Source	
	Implemented	Not implemented	Implemented	Not implemented
Number and names of the ULBs	**22 ULBs**: Bansberia, Barasat, Barrackpore, Bongaon, Contai, Coochbehar, Gobardanga, Habra, Jiaganj-Azimganj, Kaliyaganj, Kalna, Kharagpur, Kolkata MC, Konnagar, Mal, Midnapore, Panihati, Raiganj Suri, Siliguri MC, Tufanganj and Uttarpara-Kotrung	**4 ULBs**: Asansol MC, Katwa, Pujali and Ramjibonpur	**12 ULBs**: Barasat, Barrackpore, Jiaganj-Azimganj, Kalna, Katwa, Kharagpur, Kolkata MC, Konnagar, Ramjibonpur, Siliguri MC, Suri and Uttarpara-Kotrung	**14 ULBs**: Asansol MC, Bansberia, Bongaon, Contai, Coochbehar, Gobardanga, Habra, Kaliyaganj, Mal, Midnapore, Panihati, Pujali, Raiganj and Tufanganj

(Source: data furnished by the ULBs)

The Asansol MC and *Ramjibonpur* Municipalities were collecting Municipal Solid Waste from vats/community bins only. The *Jhalda* Municipality did not furnish reply.

(iii) For segregation at source, separate storage of waste is necessary. Rule 4(a) of the SWM Rules states that it is the responsibility of the waste generators to segregate and store the waste generated by them, in three separate streams, namely, bio-degradable, non-biodegradable and domestic hazardous wastes, in suitable bins and to handover the segregated waste to authorised waste pickers or waste collectors, as per directions or notifications issued by the local authorities, from time to time.

Audit, however, observed that, out of the 27 test-checked ULBs, only 20[64] had supplied bins to households. Further, out of 20 ULBs, 14[65] had issued only two types of bins, instead of three, to households, to encourage segregation at source. Only *Siliguri* MC has supplied three types of bins, although they were supplied at different points of time. Out of the 20 ULBs, three (*Barrackpore, Coochbehar* and *Raiganj*) did not specify the type of bins supplied and two did not furnish information.

Five ULBs (*Asansol* MC, *Bansberia, Gobardanga, Midnapore* and *Pujali*) had not issued bins to households and two ULBs *viz*. *Habra* and *Jhalda* did not furnish the requested information.

Audit also observed that SUDA had centrally procured two types of bins and supplied them to the ULBs.

64 *Barasat, Barrackpore, Bongaon, Contai, Coochbehar, Jiaganj-Azimganj, Kaliyaganj, Kalna, Katwa, Kharagpur, Kolkata MC, Konnagar, Mal, Panihati, Raiganj, Ramjibonpur, Siliguri MC, Suri, Tufanjganj and Uttarpara-Kotrung.*

65 *Barasat, Bongaon, Contai, Jiaganj-Azimganj, Kaliyaganj, Kalna, Katwa, Kharagpur, Mal, Panihati, Ramjibonpur, Suri, Tufanganj and Uttarpara-Kotrung.*

Due to non-supply of three different types of bins, the objective of segregation at source could not be achieved in a proper manner.

6.2.1.3 Carriage of solid waste

Section 324 of the KMC Act, Section 265 of the WBM Act and Section 300E of the WBMC Act, provide for arrangement of vehicles or other suitable means, for removal of solid waste.

(i) Audit noted that all the 27 test-checked ULBs had primary and secondary waste collection vehicles[66] for transportation of MSW. In case of 22 ULBs[67], secondary waste collection vehicles had been provided by SUDA. Out of these 22 ULBs, 10 ULBs[68] were solely dependent on SUDA (and KMDA, in case of *Bansberia* Municipality), for secondary waste collection vehicles. In case of two ULBs (*Kharagpur* and *Kolkata* MC), secondary waste collection vehicles had been purchased from the funds provided by SUDA. However, the *Gobardanga, Jhalda* and *Panihati* municipalities did not furnish any reply in this regard.

The *Pujali* Municipality had no role in solid waste management, yet SUDA had supplied it six secondary waste collection vehicles (tipper/dump truck). The ULB had purchased one secondary waste collection vehicle (movable compactor), from the funds provided by SUDA. Since the ULB was unable to use the vehicles, these six vehicles were lying idle, while the movable compactor was transferred to the *Maheshtala* Municipality.

(ii) In 12 ULBs[69], the primary waste collection vehicles were not compartmentalized, which resulted in mixing of waste and defeated the objective of source segregation, segregated collection and carriage of solid waste. In six ULBs *viz*. *Contai, Kalna, Katwa, Konnagar, Mal* and *Uttarpara-Kotrung*, the primary waste collection vehicles were compartmentalized. No information was available in regard to eight ULBs. In the *Pujali* Municipality, the primary waste collection vehicles had not been put to use.

6.2.1.4 Sanitary land filling, dumping and processing of solid waste

Section 325 of the KMC Act, Section 267 of the WBM Act and Section 300G of the WBMC Act, provide for disposal of solid waste at places within or outside municipal areas.

---

[66] *'Primary collection' refers to collection of waste stored at source i.e. from individual households and shops, offices and any other non-residential premises (door-to-door collection) to carry to another point determined by ULB/transfer stations or dump site or waste processing site. The vehicles used in primary collection, such as containerized push carts, tricycles or small mechanised vehicles, are called primary collection vehicles. 'Secondary collection' refers to picking up of waste from community bins, waste storage depots, or transfer stations and transporting it to waste processing sites or to the final disposal sites. The vehicle used in secondary collection, such as trucks and compactors, are called secondary collection vehicles.*

[67] *Asansol MC, Bansberia, Barasat, Barrackpore, Bongaon, Contai, Coochbehar, Habra, Jiaganj-Azimganj, Kaliyaganj, Kalna, Katwa, Konnagar, Mal, Midnapore, Pujali, Raiganj, Ramjibonpur, Siliguri MC, Suri, Tufanganj and Uttarpara-Kotrung.*

[68] *Asansol MC, Barasat, Bongaon, Contai, Jiaganj-Azimganj, Konnagar, Midnapore, Pujali, Raiganj and Ramjibonpur.*

[69] *Bansberia, Barasat, Barrackpore, Bongaon, Coochbehar, Jiaganj-Azimganj, Kaliyaganj, Kolkata MC, Raiganj, Siliguri MC, Suri and Tufanganj.*

Section 327 of the KMC Act, Section 268 of the WBM Act and Section 300H of the WBMC Act, empower ULBs to construct, acquire, operate, maintain, develop and manage any work, within or outside the municipal area, for the purpose of receiving, storing, treating, processing and disposing solid waste or converting such solid waste into compost or other matter and run it on a commercial basis.

Section 328 of the KMC Act, Section 268 of the WBM Act and Section 300H of the WBMC Act, also empower ULBs to utilise solid waste, for filing up any well, tank or low land, on a commercial basis, within or outside the municipal area.

Rule 15 (w) of the SWM Rules, also mandates the ULBs to undertake, on their own or through any other agency, construction, operation and maintenance of sanitary landfills[70] and associated infrastructure, for disposal of residual waste. Rule 15 (zh) *ibid* directs the ULBs to stop land filling or dumping of mixed waste, while Rule 15 (zi) *ibid* directs allowing only the non-usable, non-recyclable, non-biodegradable, non-combustible and non-reactive inert waste and pre-processed reject and residue from waste processing facilities, to go to sanitary landfills, to achieve the desired objective of zero waste going to landfills.

As per Rule 22 *ibid*, the timeline for identification, procurement and setting up of solid waste processing facilities and sanitary landfill facilities, was fixed at two years. For ULBs having population below one lakh, the timeline was fixed at three years.

Further, the criteria for sanitary landfill sites have been delineated in Schedule–I of the SWM Rules, which, *inter alia*, state that the site shall be 100 meters away from rivers, 200 meters away from ponds, 200 meters away from highways *etc.* The landfill sites are required to be fenced, to prevent entry of unauthorised persons and stray animals.

Audit observed that:

(i) Out of 27 test-checked ULBs, only five ULBs had solid waste processing units, as on 31 March 2021, as per details given in **Table 6.6**.

Table 6.6: Details of solid waste processing in ULBs

Sl. No.	ULB	Details of solid waste the processing facility
1.	Kolkata MC	The ULB has one centralised compost plant of 500 TPD, at *Dhapa* in PPP model. The project was commissioned in 1999. A 2-TPD plastic waste management plant as a pilot project at *Dhapa*, to convert plastic waste into benches, chairs *etc.* started in July 2021.
2.	Siliguri MC	The ULB has one compost plant, in the Public Private Partnership (PPP) model. The project was commissioned in 2019, with a capacity of 21 Tonnes per month.

70 *'Sanitary land filling' means the final and safe disposal of residual solid waste and inert wastes, on land, in a facility designed with protective measures against pollution of ground water, surface water and fugitive air dust, wind-blown litter, bad odour, fire hazard, animal menace, bird menace, pests or rodents, greenhouse gas emissions, persistent organic pollutants slope instability and erosion. 'Dump sites' refer to land utilised by a local body for disposal of solid waste, without following the principles of sanitary land filling.*

Sl. No.	ULB	Details of solid waste the processing facility
3.	Konnagar	The ULB has a 42 TPD Capacity Composting Plant, constructed with aid from JICA, under the Kolkata Solid Waste Management Improvement Project (KSWMIP), a trans-municipal solid waste management project, with six ULBs, including Uttarpara-Kotrung. The project was constructed by KMDA and handed over to these ULBs. The project started operations from 2019. The project has two parts - a Compost Plant and a Transfer Station. The residual 10.95 TPD waste (mixed waste/inert waste) is sent to the Regional Waste Management Centre (RWMC), at Baidyabati, for sanitary landfill.
4.	Uttarpara-Kotrung	This ULB is also a part of KSWMIP consisting of a Compost Plant and a Transfer Station. The residual waste (mixed waste) is sent to the RWMC, at Baidyabati, for sanitary landfill.

(Source: data furnished by the ULBs)

There is a compost plant processing unit in the *Mal* Municipality, which is non-operational.

(ii) Only three ULBs, *viz*., *Kalna, Konnagar* and *Uttarpara-Kotrung,* have their own sanitary landfill facilities. The sanitary landfill of the *Kalna* Municipality is not yet operational. The common landfill site of *Konnagar* and *Uttarpara-Kotrung* is located at the Regional Waste Management Centre (RWMC) under the *Baidyabati* Municipality. In case of *Konnagar* municipality, partially mixed waste, is dumped in the landfill sites.

(iii) Six ULBs (*Contai, Jhalda, Katwa, Mal, Ramjibonpur* and *Suri)* do not have their own dumping sites for MSW. These six ULBs were dumping MSW on unauthorised lands, including on the side of railway tracks (*Mal*), vested land (*Suri*) *etc.* The *Asansol* MC has five dumping sites, out of which two are not in possession of the ULB and are on Panchayat lands (*Jamuria, Kulti*). The dumping site at *Kulti* is an abandoned mining place.

The present dumping site at the *Habra* Municipality has been exhausted and the cluster project with *Ashokenagar-Kalyangarh* Municipality is not operational. As a result, the ULB presently dumps mixed waste on the land of the Social Welfare Department, Government of West Bengal, at Ward No. 24. *Pujali* Municipality has a dumping site at Ward No. 2, beside the *Hooghly* River, which, in turn, is an infringement of SWM Rules. The Municipality had to stop dumping there, due to objections raised by local people. The ULB had sent a proposal for purchase of land, to UD&MAD, in May 2021, to which response was awaited (as of August 2021).

Seventeen ULBs[71] have own their dumping sites, where mixed solid waste is disposed.

(iv) The dumping sites of five selected ULBs (*Barasat, Bongaon, Coochbehar, Jiaganj-Azimganj* and *Tufanganj*) were not fenced. In case of 12 ULBs, the location of the dumping sites infringed the SWM Rules, due to non-observance of one or more than criteria, such as not being 100 m away from river or 200 m away from habitations or 200 m away from water supply *etc.*

[71] *Bansberia, Barasat, Barrackpore, Bongaon, Coochbehar, Gobnardanga, Jiaganj-Azimganj, Kaliyaganj, Kalna, Kharagpur, Kolkata MC, Midnapore, Panihati, Pujali, Raiganj, Siliguri MC and Tufanganj.*

(v) In case of three ULBs, *viz*., *Kalna, Katwa* and *Ramjibonpur*, Bio-Medical waste was found to have been disposed, in the dumpsites, by private clinics and nursing homes.

(vi) During joint physical verification with officers/officials of the ULBs, heaps of waste at the dumping sites, burning of waste and dumping by the riverside, were noticed. Photographs taken during the joint physical verification are given below.

Exhibit 6.1: Burning of solid waste (prohibited as per SWM Rules, 2016), in an open dumping site of the *Coochbehar* Municipality.

Exhibit 6.2: Open municipal dumping ground in Ward No. 06, on the banks of *Raidak* River of the *Tufanganj* Municipality

Exhibit 6.3: Heaps of garbage at the *Ramchandrapur* dumping Ground, in the *Panihati* Municipality

Exhibit 6.4: Heaps of garbage at the *Muktapukur* dumping ground, in the *Barrackpore* Municipality

6.2.1.5 Framing of Bye-laws and collection of user fees

Section 95B of the WBM Act and Section 105 of the WBMC Act, empower ULBs to collect Special Conservancy Charges, from the waste generators, for providing municipal services in connection with the removal of solid waste. Section 210B of the KMC Act, however, provides for levy of Special Conservancy Charges on commercial and industrial establishments only. All these Sections also empower ULBs to determine the rates of such charges and make regulations specifying the occasions on which such charges may be imposed, the rates and mode of collection *etc.*

Section 332 of the KMC Act and Section 300B of the WBMC Act, empower ULBs to impose administrative charges or special cleansing service charges, for sweeping, cleansing of the premises and for collecting and final disposal of the rubbish and offensive matters, on the owner or the occupier of any premises, at such rates as may be determined by the CIC/MIC, from time to time. Any unpaid sum under this Section, is recoverable from the person concerned, as an arrear tax, under these Acts. Similar provisions for non-residential premises exist in Sections 333 of the KMC Act, Section 266 of the WBM Act and Section 300B of the WBMC Act.

Section 338 of the KMC Act, Section 272 of the WBM Act and Section 300K of the WBMC Act, provide for imposition of fines, for depositing or throwing solid waste, in contravention of these Acts.

In terms of Rule 15 (e) of the SWM Rules, ULBs were required to frame bye-laws, incorporating the provisions of these rules, within one year from the date of notification of these rules and also to ensure their timely implementation. The bye-laws were required to prescribe criteria for levying of spot fines for persons, who were littering or had failed to comply with the provisions of these rules, and delegate powers, to officers or local bodies, to levy spot fines, as per the bye-laws framed. Rule 15 (f) *ibid*, allows ULBs to impose and collect user fee from the waste generators.

Audit observed that only four ULBs, *viz.,* the *Asansol* MC, *Kolkata* MC, *Siliguri* MC and *Uttarpara-Kotrung* Municipality, had prepared regulations/bye-laws for solid waste management activity. The bye-laws prepared by the *Kolkata* MC was approved and published (August 2020) by the State Government, while the bye-laws prepared by *Asansol* MC and *Uttarpara-Kotrung* had been sent (January 2021) to SUDA, for approval. Detailed information, about the bye-laws prepared by the *Siliguri* MC, was not available. 22 ULBs[72] had not framed bye-laws in regard to the SWM function.

Audit observed that four ULBs, *viz*. the *Kolkata* MC, *Siliguri* MC, *Barrackpore* and *Konnagar,* were collecting user fees from waste generators. The *Asansol* MC and *Uttarpara-Kotrung* had not collected user fees, although they had prepared bye-laws for the purpose. 20 ULBs[73] did not frame bye-laws and collect user charges.

Jhalda Municipality did not furnish the requested information.

6.2.1.6 Integration of waste pickers and Self-Help Groups in solid waste management

Rules 15(c) and (d) of the SWM Rules provide for integration of the organisations of waste pickers or informal waste collectors and Self-Help Groups (SHGs), to facilitate their participation in solid waste management, including in door-to-door collection.

Audit noted that only eight ULBs (*Barasat, Barrackpore, Bongaon, Konnagar, Pujali, Siliguri* MC, *Suri* and *Uttarpara-Kotrung*) had formed SHGs and three

[72] *Bansberia, Barasat, Barrackpore, Bongaon, Contai, Coochbehar, Gobardanga, Habra, Jiaganj-Azimganj, Kaliyaganj, Kalna, Katwa, Kharagpur, Konnagar, Mal, Midnapore, Panihati, Pujali, Raiganj, Ramjibonpur, Suri and Tufanganj.*

[73] *Bansberia, Barasat, Bongaon, Contai, Coochbehar, Gobardanga, Habra, Jiaganj-Azimganj, Kaliyaganj, Kalna, Katwa, Kharagpur, Mal, Midnapore, Panihati, Pujali, Raiganj, Ramjibonpur, Suri and Tufanganj.*

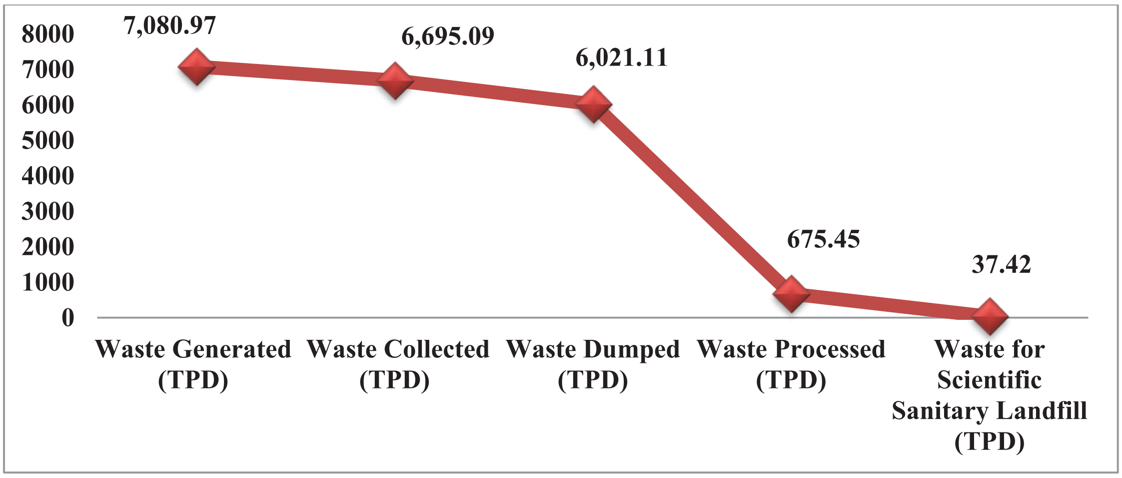
ULBs (*Bongaon, Habra, Uttarpara-Kotrung*) had established a system to recognise the waste pickers, for their integration in solid waste management activities.

Seventeen ULBs[74] did not form SHGs and two ULBs (*Jhalda* and *Jiaganj-Azimganj*) did not furnish the requested information.

6.2.1.7 Gap between waste generation and disposal, legacy waste and environmental compensation

(i) Audit found that there were gaps in the total waste generated, collected, dumped and processed in the 27 test-checked ULBs, (daily status as on 31 March 2021), as shown in **Chart 6.5:**

Chart 6.5: Gap in solid waste management in the 27 test-checked ULBs



It is evident from **Chart 6.5** that there are huge gaps in the waste generated and processed, as well as in disposal of the residual waste into sanitary landfill sites. The chart also depicts that 85 *per cent* of the waste generated daily and 89.93 *per cent* of the waste collected daily, was being unscientifically dumped; only 0.53 *per cent* of the waste generated daily and 0.56 *per cent* of the waste collected daily was going to sanitary landfills. 9.54 *per cent* of the waste generated daily and 10.09 *per cent* of the waste collected daily was going for processing[75]. This indicated the inability of the ULBs in discharging their functions relating to solid waste management.

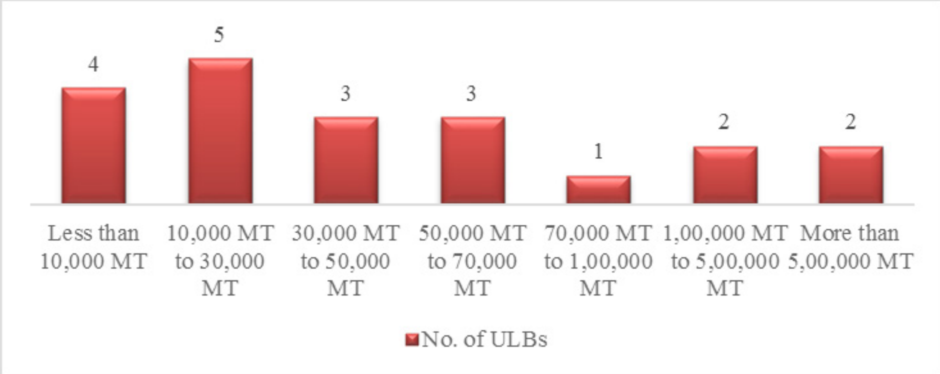
(ii) Audit also found that a huge quantity of legacy waste, with a volume of 62,91,950 Metric Tonne (MT), had accumulated in 20 out of 27 ULBs, as shown in **Chart 6.6**.

---

[74] *Asansol MC, Bansberia, Contai, Coochbehar, Gobardanga, Habra, Kaliyaganj, Kalna, Katwa, Kharagpur, Kolkata MC, Mal, Midnapore, Panihati, Raiganj, Ramjibonpur and Tufanganj.*

[75] *Unscientific dumping of 85 per cent of the waste generated daily, 89.93 per cent of the waste collected daily: (6,021.11/7,080.97) per cent and (6,021.11/6,695.09) per cent, respectively; 0.53 per cent of the waste generated daily and 0.56 per cent of the waste collected daily going to sanitary landfills: (37.42/7,080.97) per cent and (37.42/6,695.09) per cent, respectively; 9.54 per cent of the waste generated daily and 10.09 per cent of the waste collected daily going for processing: (675.45/7,080.97) per cent and (675.45/6,695.09) per cent, respectively.*

Chart 6.6: Legacy waste in 20 ULBs



There was more than 5,00,000 MT legacy waste, in case of *Asansol* MC (11,00,000 MT) and *Kolkata* MC (41,50,000 MT). In 2021-22, KMDA and SUDA had engaged agencies for bio-remediation/bio-mining of legacy waste, in all the ULBs.

(iii) Hon'ble National Green Tribunal (NGT), in its order dated 17 July 2019, directed that, in case of failure on the part of the ULBs to commence bio-remediation of legacy waste, in compliance with Rule 22 of the SWM Rules (Sl. no. 11), from 1 November 2019, they would be liable to pay compensation.

In another order dated 17 January 2020[76], the Hon'ble NGT directed that, in case of non-compliance with Rule 22 of the SWM Rules, 2016 (Sl. nos. 1 to 10)[77], ULBs would be liable to pay compensation from 1 April 2020. Since 95 ULBs were not able to comply with Hon'ble NGT's direction with respect to legacy waste and 124 ULBs failed to comply with the observance of Rule 22 of the SWM Rules, West Bengal State Pollution Control Board calculated the monthly compensation, to be paid by the respective ULBs, from 1 July 2020[78].

Audit, however, noticed that, SUDA, on behalf of the ULBs, paid a total amount of ₹ 26.62 crore[79], as environmental compensation, to the Environment Compensation Fund, under WBPCB, Department of Environment, Government of West Bengal, for the period July 2020 to May 2021, in compliance with directions of the Hon'ble NGT, from the interest of Swachh Bharat Mission

[76] *Vide OA No. 519/2019 and 606/2018 respectively.*

[77] *Serial nos. 1 to 10; deal with the timeframe for implementation, and state that necessary infrastructure for implementation of these rules shall be created by the local bodies and other concerned authorities, as the case may be, on their own, directly, or by engaging agencies, within the timeframe specified under these rules.*

[78] *Due to the pandemic, the start of period of payment monthly compensation was fixed from 1 July 2020.*

[79] *With respect to Rule 22 (Sl. No. 11) dealing with legacy waste: ₹ 5.16 crore for the period July 2020 to October 2020, paid in November 2020; With respect to Rule 22 (Sl. No. 1 to 10) dealing with fresh waste : ₹ 6.52 crore for the period July 2020 to September 2020, paid in November 2020 and ₹ 11.48 crore for the period November 2020 to May 2021, paid in August 2021. ₹ 3.46 crore was also paid in three phases (July 2020, August 2020 and March 2021), but the pertinent period of compensation was not furnished. ₹ 6.49 crore for the period November 2020 to May 2021, was yet to be paid by SUDA.*

(SBM) funds[80]. ₹ 6.49 crore pertaining to the compensation for the period November 2020 to May 2021, was yet to be paid by SUDA.

The ULBs were empowered by the State Acts to carry out the devolved function of SWM. Audit, however, noticed the following issues affecting the service delivery, with regard to solid waste management:

i. ULBs were not given the power to prepare plans for solid waste management, although they were the implementing agencies at the grassroots level.

ii. ULBs failed to implement segregation at source and door-to-door collection of solid waste. They were dependent on SUDA, for supply of bins, primary and secondary vehicles.

iii. ULBs failed to estimate the projected waste generation, arrangement for processing units, dumping sites and land filling sites.

iv. ULBs did not frame bye-laws and did not levy and collect user fees from waste generators, to meet their revenue expenses and reduce waste generation at source.

v. ULBs did not take necessary steps for bio-remediation and bio-mining of legacy wastes.

In the Exit Conference (October 2022), the Department agreed that many ULBs were infringing the stipulation contained in SWM Rules, due to rapid urbanization, reaching out to dumping sites.

Recommendation:

24. ULBs may take steps to reduce waste generation and achieve 100 *per cent* segregation of waste at source, as well as collection, processing and disposal of segregated waste.

25. ULBs may implement 100 *per cent* door-to-door collection of solid waste and involve waste pickers/Self Help Groups in this endeavour.

26. ULBs may prepare and adopt bye-laws and implement levy and collection of user fees from waste generators.

27. ULBs may be equipped with adequate manpower and funds, for effective implementation of the Solid Waste Management Rules.

6.3 Sanitation and Public Health

The functions of ULBs relating to public health and sanitation, *inter alia*, include construction, maintenance and cleansing of sewers, drains, sewerage and drainage works, sewage treatment and preparation of compost manure from sewage and other refuse *etc.*

The urban public health delivery system remains one of the most important areas to be addressed under the public health function of the ULBs, since access to urban health facilities is severely restricted[81] for the urban poor. The National Urban Health Mission (NUHM), launched in 2013, is a sub-mission under the National Health Mission (NHM), which aims to cater to the unique and diverse

[80] *Interest accrued in the Swachh Bharat Mission (SBM) fund maintained at the bank account of SUDA.*

[81] *NUHM Framework for Implementation, May 2013.*

needs of the urban poor and vulnerable population. Cities having a population of 50,000 and above and the district headquarters, were covered under the mission.

6.3.1 Efficacy in implementation of sewerage and drainage functions

In regard to the efficacy in delivery of sewerage and drainage related services, by ULBs, Audit observed as follows:

6.3.1.1 Sewerage and drainage network, outfall

As discussed in **Paragraph 6.3**, Section 63 of the WBM Act and Section 97 of the WBMC Act, describe the construction, maintenance and cleansing of sewers and drains, sewerage and drainage network (in the sphere of public works) and disposal of liquid waste (in the sphere of public health and sanitation), as obligatory functions. Section 29 of the KMC Act also has similar provisions but does not demarcate these functions as being separate from each other. Section 277 of the KMC Act and Section 245 of the WBM Act, also reiterate the role of the ULBs, in providing drainage and sewerage.

Audit, noted that-

(i) Only four ULBs had underground sewerage and drainage networks. The *Kolkata* Municipal Corporation had a sewerage and drainage network of approximately 480 km of piped sewer and 180 km of brick sewer. The *Panihati* Municipality had an underground sewerage network of 23 km, which was not functional. The *Uttarpara-Kotrung* Municipality had an underground sewerage network of 8.5 km, while the length of the sewerage network in *Konnagar* was 0.6 km only. These ULBs also had a network of drainage systems, consisting of both open and closed surface drains.

In 20 ULBs[82], the sewerage and drainage network consisted of a drainage system of open or closed surface drains, or both. Three ULBs (*Raiganj, Ramjibonpur* and *Siliguri* MC) did not furnish information about their sewerage and drainage networks.

Underground Drainage System removes toxic materials and disease causing organisms by draining them away through the channels and do not cause contamination in soil. Open and closed drains may choke due to littering, leading to disruption of sewerage and drainage.

(ii) Audit also noted that, in 20 ULBs[83], the drains were finally discharging waste into rivers, canals or lowland near rivers. Nine out of these 20 ULBs (*Bansberia, Barrackpore, Jiaganj-Azimganj, Katwa, Kolkata* MC*, Konnagar, Panihati, Pujali* and *Uttarpara-Kotrung*), were finally discharging waste into the *Hooghly* River, directly or indirectly. Only seven (*Bansberia, Barrackpore, Jiaganj-Azimganj, Katwa, Kolkata* MC*, Konnagar* and *Panihati*) of these ULBs had functional/partially functional STPs, indicating that untreated sewage was being discharged into the *Hooghly*, as well as other rivers, causing

---

[82] *Asansol MC, Bansberia, Barasat, Barrackpore, Bogaon, Contai, Coochbehar, Gobardanga, Habra, Jhalda, Jiaganj-Azimganj, Kaliyaganj, Kalna, Katwa, Kharagpur, Mal, Midnapore, Pujali, Suri and Tufanganj.*

[83] *Asansol MC, Bansberia, Barasat, Barrackpore, Bongaon, Coochbehar, Habra, Jhalda, Jiaganj-Azimganj, Kaliyaganj, Kalna, Katwa, Kolkata MC, Konnagar, Mal, Midnapore, Panihati, Pujali, Tufanganj and Uttarpara-Kotrung.*

pollution of water. Eleven ULBs[84] were discharging into various rivers, canals and ditches.

Three ULBs *viz*. *Kalna, Kharagpur* and *Suri,* were discharging into roadside ditches and paddy fields. Four ULBs *viz*. *Gobardanga, Raiganj, Ramjibonpur* and *Siliguri* MC*,* did not furnish the requested information.

During joint physical verification with officers/officials of the ULBs, outfall of untreated sewers, falling into rivers and clogged open drains, was noticed. Some photographs taken during the joint physical verification are given below:

Exhibit 6.5: Municipal high drain with untreated sewage falling into the *Ichamati* River, in Ward No. 05 at the *Bongaon* Municipality

Exhibit 6.6: Untreated sewer outfall point into the *Bhagirathi* River, at Ward No. 07 at the *Jiaganj-Azimganj* Municipality

Exhibit 6.7: Clogged drain at Ward no. 07, at the *Tufanganj* Municipality

Exhibit 6.8: Confluence of municipal drain with *Torsha* River, near Electric crematorium, at Ward No. 10, at the *Coochbehar* Municipality

[84] *Asansol MC, Barasat, Bongaon, Contai, Coochbehar, Habra, Jhalda, Kaliyaganj, Mal, Midnapore and Tufanganj.*

(iii) Audit found that, in 18 ULBs[85], houses had septic tanks with or without soak pit systems. Out of these 18 ULBs, in case of 12 ULBs[86], septic tanks, with/without soak pits, were connected with the drainage system. Five ULBs *viz. Bansberia, Contai, Coochbehar, Kalna* and *Konnagar* did not specify the system of discharge of household wastewater, while, in one ULB (*Tufanganj*), there was no connection between the septic tanks/soak pits and the drainage system. Nine ULBs *viz*. *Asansol* MC*, Bongaon, Gobardanga, Habra, Kolkata* MC*, Midnapore, Raiganj, Ramjibonpur* and *Siliguri* MC did not specify the sanitation system in the households.

(iv) Audit noted the prominent role of parastatals in the sewerage and drainage functions, in Municipal areas. In the *Uttarpara-Kotrung* Municipality, the operation and maintenance of the sewerage system is carried out by KMDA, while the operation and maintenance of the drainage system is carried out by the ULB. The rejuvenation of the lifting station and the pumping station were being carried out by KMDA. Further, in the *Bansberia* and *Barasat* municipalities, construction of the drainage system had been done by KMDA. In case of *Barasat,* the operation and maintenance function is being carried out by the ULB. The role of parastatals, in regard to Sewage Treatment Plants (STPs), is discussed in the next paragraph.

The operation and maintenance of sewerage and drainage system by parastatals undermined the devolution of power conferred on the ULBs as envisaged in the State Acts. During audit, it was noticed that ULBs did not estimate or were unaware of the liquid waste generated under area of its jurisdiction, which was a primary step, required towards mitigating the environmental issues caused by liquid wastes.

6.3.1.2 Sewage Treatment Plants (STPs) and disposal of faecal sludge

Section 98 of the WBMC Act and Section 64 of the WBM Act delineate the treatment of sewage and preparation of compost manure from sewage and other refuse, as discretionary functions.

(i) Seven ULBs out of 27 test-checked ULBs had 13 STPs in their Municipal areas, out of which seven STPs were under the direct control of two ULBs (*Kolkata* MC and *Jiaganj-Azimganj* Municipality). Details of these STPs are given in **Table 6.7**.

[85] *Bansberia, Barasat, Barrackpore, Contai, Coochbehar, Jhalda, Jiaganj-Azimganj, Kaliyaganj, Kalna, Katwa, Kharagpur, Konnagar, Mal, Panihati, Pujali, Suri, Tufanganj and Uttarpara-Kotrung.*

[86] *Barasat, Barrackpore, Jhalda, Jiaganj-Azimganj, Kaliyaganj, Katwa, Kharagpur, Mal, Panihati, Pujali, Suri, Uttarpara-Kotrung.*

Table 6.7: STPs in Municipal Areas

Sl. No.	ULB	No. of STPs	Authority of Operation & Maintenance	Installed Capacity, in Million Litres per day (MLD)	Present Operational Capacity, in Million Litres per day (MLD)	Details of STPs
1.	Bansberia	1	KMDA	0.3	0.3	Commissioned in July 2020. At present it is partially operational and is undergoing renovation by the KMDA, to make it fully operational. **The ULB has no role.**
2.	Barrackpore	2	KMDA	24	0	Operations are yet to be started. **The ULB has no role**.
3.	Jiaganj-Azimganj	2 (Oxidation ponds)	Jiaganj-Azimganj Municipality	1.39	0.94	Previously, the O&M was with PHED. PHED transferred them to the ULB, in March 2010. They are partially operational. At present, rejuvenation is being done by MED.
4.	Katwa	1	PHED	4.36	2.36	Operational. **The ULB has no role.**
5.	Kolkata MC	5	Kolkata MC	179	70	Three STPs are operational and two are non-operational. The entire O&M lies with *Kolkata* MC. 3 new STPs, with a total design capacity of 108 MLD, were under construction.
6.	Konnagar (Uttarpara)	1	KMDA	22	12	Partially operational. **The ULB has no role**.
7.	Panihati	1	KMDA	12	0	At present, non-operational, work is in progress. **The ULB has no role**.

[Source: information furnished by ULBs, National Inventory of STPs by CPCB, March 2021; Monthly and Quarterly Progress Reports submitted to the National Mission for Clean Ganga (NMCG) and National Green Tribunal (NGT)]

It is evident from **Table 6.7**, even in these seven ULBs, out of the 13 STPs, only eight STPs were operational/partially operational. Further, out of the installed capacity of 243.05 MLD in these 13 STPs, the present operational capacity was only 85.6 MLD.

(ii) Further, during joint physical verification with municipal officials, the STP at *Jiaganj-Azimganj* Municipality was found to be partially functional (**Exhibit 6.9 and 6.10**).

Exhibit 6.9: Partially functional oxidation pond at the STP of the *Jiaganj-Azmiganj* Municipality

Exhibit 6.10: Pump house of the partially functional STP of the *Jiaganj-Azmiganj* Municipality

STPs had not been established in the remaining 20 ULBs, due to which untreated waste was being sent to the drains, canals, rivers, low lands *etc*.

(iii) Eighteen ULBs[87] had been collecting and dumping sludge. Out of these, only two ULBs, *viz*. *Bansberia* and *Uttarpara-Kotrung,* had facilities of treatment of sludge before dumping. The *Bansberia* Municipality had a Faecal Sludge Treatment Plant (FSTP), where manure is produced. In case of *Uttarpara-Kotrung,* the sludge was being dumped at the Regional Waste Management Centre at *Baidyabati*. The remaining 16 ULBs were dumping untreated sludge into dumping grounds. Nine ULBs *viz*. *Gobardanga, Habra, Katwa, Kolkata* MC*, Midnapore, Raiganj, Ramjibonpur, Siliguri* MC and *Tufanganj* did not furnish the requested information.

Audit further observed the following issues, affecting the efficacy of discharge of the sewerage and drainage function by the test-checked ULBs:

i. Lack of an organised underground sewerage and drainage system and drainage system not being connected to households, for effective discharge of wastewater generated in the municipal area were noticed. The presence of open surface drains was also a matter of concern, since these drains may choke due to littering, leading to disruption of sewerage and drainage services.

ii. Except for *Kolkata* MC, parastatals like the KMDA, PHED and MED, had played a major role in the construction, operation and maintenance of STPs. In the test-checked ULBs, Audit noticed a limited role, or no role, for ULBs, in this regard. Parastatals also had a role in the construction, and operation and maintenance of the sewerage network and drainage system.

iii. The ULBs were unable to carry out treatment and disposal of the collected faecal sludge.

[87] *Asansol MC, Bansberia, Barasat, Barrackpore, Bongaon, Contai, Coochbehar, Jhalda, Jiaganj-Azimganj, Kaliyaganj, Kalna, Kharagpur, Konnagar, Mal, Panihati, Pujali, Suri and Uttarpara-Kotrung.*

Recommendation:

28. Government may take immediate steps to construct STPs, with the active involvement of the ULBs.

29. ULBs may take up construction of the sewerage and drainage infrastructure, wherever necessary, on priority basis, and ensure 100 *per cent* house sewer connections, as per Service Level Benchmarks.

6.3.2 Efficacy in functions relating to Public Health

Out of the 27 selected ULBs, the National Urban Health Mission (NUHM) was operational in 21 ULBs with population of 50,000 or more. Audit observations, in this regard, are discussed in the following paragraphs.

6.3.2.1 Functioning of Urban Primary Health Centres (UPHCs)

In terms of the NUHM Guidelines 2013, and Guidelines for Organising Urban Primary Health Centre Services (January 2018), the UPHCs should function for eight hours, every day, to provide health services to citizens. The suggested timings were 12 PM to 8 PM, or dual shifts from 8 AM to 12 PM and 4 PM to 8 PM. Each UPHC was to have morning and evening Out Patient Departments (OPDs) (OPD timings could vary, as per state norms). The UPHCs were also required to have laboratory facilities, for conducting routine blood and urine tests *etc.*, as well as pharmacy facilities.

Audit however, observed that, as on 31 March 2021:

(i) Out of 21 ULBs, in one ULB *viz*. *Asansol* MC, there were two non-operational UPHCs out of 23 UPHCs.

(ii) Twelve UPHCs out of 33 in three ULBs (in *Barasat,* all six UPHCs; in *Asansol* MC, five UPHCs; and in *Raiganj*, one UPHC), did not have laboratory facilities. In 15 ULBs[88] all 192 UPHCs had laboratory facilities. Three ULBs *viz*., *Bansberia, Bongaon* and *Suri,* did not furnish requested information.

(iii) In 213 UPHCs under 15 ULBs[89] (except two non-operational UPHCs under *Asansol* MC), the OPD timings were less than eight hours a day. In four UPHCs, under two ULBs, *viz*. *Jiaganj-Azimganj* and *Katwa*, the OPD timings in UPHCs were eight hours or more. Four ULBs *viz*., *Bansberia, Bongaon, Midnapore* and *Raiganj,* did not furnish the requested information. In none of the 21 ULBs, were the OPD timings variable.

Except for three ULBs, *viz*. *Bansberia, Bongaon* and *Suri,* which did not furnish information, 223 functional UPHCs in 18 ULBs (except two non-operational UPHCs under *Asansol* MC) had pharmacy facilities. The details of OPD timings, laboratory and pharmacy facilities in UPHCs, in 21 ULBs, are given in **Table 6.8**.

[88] *Bansberia, Barrackpore, Contai, Coochbehar, Habra, Jiaganj-Azimganj, Kaliyaganj, Kalna, Katwa, Kharagpur, Kolkata MC, Konnagar, Panihati, Siliguri MC, Suri and Uttarpara-Kotrung.*

[89] *Asansol MC, Barasat, Barrackpore, Contai, Coochbehar, Habra, Kaliyaganj, Kalna, Kharagpur, Kolkata MC, Konnagar, Panihati, Siliguri MC, Suri and Uttarpara-Kotrung.*

Table 6.8: Details of OPD timings and Laboratory/Pharmacy facilities in UPHCs, in 21 ULBs

Sl. No.	Name of the ULBs	Population	No. of UPHCs	OPD Timing in UPHCs	OPD Timing in hours	No. of UPHCs with Laboratory facilities	No. of UPHCs with Pharmacy facilities
1	Asansol MC	11,52,443	23	10 AM to 4 PM	6	18	Yes
2	Bansberia	1,03,920	2	Data not furnished	Data not furnished	Data not furnished	Data not furnished
3	Barasat	2,78,435	6	11 AM to 4 PM, in other 5 cases 9 AM to 2 PM	5	0	Yes
4	Barrackpore	1,52,783	3	12 PM to 4 PM	4	3	Yes
5	Bongaon	1,08,864	2	Data not furnished	Data not furnished	Data not furnished	Data not furnished
6	Contai	92,226	2	2 PM to 6 PM	4	2	Yes
7	Coochbehar	77,935	2	10 AM to 4 PM	6	2	Yes
8	Habra	1,47,221	3	11 AM to 3 PM	4	3	Yes
9	Jiaganj-Azimganj	51,790	2	12 PM to 8 PM	8	2	Yes
10	Kaliyaganj	53,530	1	10AM to 2 PM	4	1	Yes
11	Kalna	56,722	1	10 AM to 5 PM	7	1	Yes
12	Katwa	81,615	2	8 AM to 6 PM	10	2	Yes
13	Kharagpur	2,07,604	6	10 AM to 3 PM	5	6	Yes
14	Kolkata MC	44,96,694	144	9 AM to 2 PM	5	144	Yes
15	Konnagar	76,172	2	10 AM to 3 PM	5	2	Yes
16	Midnapore	1,69,264	3	Data not furnished	Data not furnished	3	Yes
17	Panihati	3,77,347	8	11 AM to 5 PM	6	8	Yes
18	Raiganj	1,83,612	4	Data not furnished	Data not furnished	3	Yes
19	Siliguri MC	5,13,264	10	10 AM to 2 PM	4	10	Yes
20	Suri	67,864	1	12 PM to 5 PM	5	Data not furnished	Data not furnished
21	Uttarpara-Kotrung	1,59,147	3	9 AM to 2 PM	5	3	Yes

(Source: data furnished by the ULBs)

6.3.2.2 Shortage of manpower in UPHCs

As per Guidelines, the UPHCs were to be staffed by two Medical Officers (doctors) - one regular and one on part-time basis. There were to be three staff nurses, one pharmacist, one laboratory technician and four to five Auxiliary

Nurse Midwives (ANMs) (depending upon the population covered), apart from clerical and support staff. Apart from part-time Medical Officers, all the staff were to be recruited by the Chief Medical Officer of Health (CMOH) of the district, under the Department of Health and Family Welfare (DH&FW), Government of West Bengal. The part-time Medical Officer could be recruited by the ULB itself.

Audit observed that, as on 31 March 2021:

(i) Eight ULBs, *viz*. *Asansol* MC, *Bansberia, Kalna, Kolkata* MC, *Panihati, Raiganj, Siliguri* MC and *Uttarpara-Kotrung,* had shortfall in the posts of regular/permanent and part-time Medical Officers in the UPHCs. Shortages, in case of regular/permanent Medical Officers, were noticed in 11 ULBs[90]. In case of part-time Medical Officers, shortages were noticed in 10 ULBs[91]. In case of seven ULBs *viz*. *Barasat, Contai, Jiaganj-Azimganj, Katwa, Kharagpur, Konnagar* and *Midnapore*, there were no vacancies in the posts of Medical Officers (details given in ***Appendix-12***).

(ii) Shortages of staff nurse were noticed in 18 ULBs[92], while shortages of ANMs were noticed in 20 ULBs.

There was no shortfall of staff nurses in two ULBs (*Jiaganj-Azimganj* and *Suri*). One ULB (*Bongaon*) did not furnish the requested information regarding staff nurse and ANM (details given in ***Appendix-12***).

(iii) In nine ULBs *viz*. *Asansol* MC*, Habra, Jiaganj-Azimganj, Kalna, Kharagpur, Kolkata* MC*, Panihati Raiganj* and *Siliguri* MC, there was shortage of pharmacists and, in eight ULBs *viz*. *Asansol* MC*, Contai, Kalna, Kharagpur, Kolkata* MC*, Midnapore, Panihati* and *Raiganj*, there was shortage of laboratory technician. One ULB (*Bongaon*) did not furnish the requested information. There was no shortfall of pharmacists in case of 11 ULBs and of laboratory technician, in 12 ULBs (details given in ***Appendix-12***).

In the remaining six ULBs, *viz*. *Gobardanga, Jhalda, Mal, Pujali, Ramjibonpur* and *Tufanganj*, where NUHM had not been implemented and, in case of the ULBs under the NUHM scheme, one or more schemes, relating to health, such as Community Based Primary Health Care Services (CBPHCS), Urban Primary Health Care Services (UPHCS), Urban Reproductive and Child Health (Urban RCH), National Vector Borne Disease Control Programme (NVBDCP), were operational.

---

[90] *Asansol MC, Bansberia, Habra, Kaliyaganj, Kalna, Kolkata MC, Panihati, Raiganj, Siliguri MC, Suri and Uttarpara-Kotrung.*

[91] *Asansol MC, Bansberia, Barrackpore, Coochbehar, Kalna, Kolkata MC, Panihati, Raiganj, Siliguri MC and Uttarpara-Kotrung.*

[92] *Asansol MC, Bansberia, Barrasat, Barrackpore, Contai, Coochbehar, Habra, Kaliyaganj, Kalna, Katwa, Kharagpur, Kolkata MC, Konnagar, Midnapore, Panihati, Raiganj, Siliguri MC and Uttarpara-Kotrung*

Non-functioning of the UPHCs, as per norms, and vacancies in the posts of Medical Officers, staff nurses and ANMs, deprived the urban poor from availing the healthcare benefits, which were central to achieving the objectives of the NUHM.

Recommendation:

30. Government may ensure that all UPHCs in the ULBs are functioning properly, with laboratory facilities. They may also ensure placement of requisite human resources, to implement the NUHM, aiming at the urban poor population's health needs.

KOLKATA	**(SATISH KUMAR GARG)**
The 05 June 2023	**Principal Accountant General (Audit-I)**
	West Bengal

Countersigned

NEW DELHI	**(GIRISH CHANDRA MURMU)**
The 07 June 2023	**Comptroller and Auditor General of India**

Appendices

Appendices

Appendix-1

List of 18 functions to be devolved to ULBs as enumerated in the Twelfth Schedule of the Constitution

(*Vide* Para: 1.2, Page: 2)

1. Urban planning, including town planning.
2. Regulation of land-use and construction of buildings.
3. Planning for economic and social development.
4. Roads and bridges.
5. Water supply for domestic, industrial and commercial purposes.
6. Public health, sanitation, conservancy and solid waste management.
7. Fire services.
8. Urban forestry, protection of the environment and promotion of ecological aspects.
9. Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded.
10. Slum improvement and upgradation.
11. Urban poverty alleviation.
12. Provision of urban amenities and facilities such as parks, gardens, playgrounds.
13. Promotion of cultural, educational and aesthetic aspects.
14. Burials and burial grounds; cremations, cremation grounds; and electric crematoriums.
15. Cattle pounds; prevention of cruelty to animals.
16. Vital statistics including registration of births and deaths.
17. Public amenities including street lighting, parking lots, bus stops and public conveniences.
18. Regulation of slaughterhouses and tanneries.

Appendix-2
List of Audit Units
(*Vide* Para: 2.3, Page: 8)

Audit Units		
A. Urban Local Bodies		
Sl. No.	**Name of the District**	**Name of the ULB**
Municipal Corporations		
1.	Darjeeling	Siliguri Municipal Corporation (SMC)
2.	Kolkata	Kolkata Municipal Corporation (KMC)
3.	West Burdwan	Asansol Municipal Corporation (AMC)
Municipalities/NAA		
4.	Birbhum	Suri
5.	Coochbehar	Coochbehar
6.		Tufanganj
7.	East Burdwan	Kalna
8.		Katwa
9.	East Midnapore	Contai
10.	Hooghly	Bansberia
11.		Konnagar
12.		Uttarpara-Kotrung
13.	Jalpaiguri	Mal
14.	Murshidabad	Jiaganj-Azimganj
15.	North 24 Paraganas	Barasat
16.		Barrackpore
17.		Bongaon
18.		Gobardanga
19.		Habra
20.		Panihati
21.	North Dinajpur	Kaliyaganj
22.		Raiganj
23.	Purulia	Jhalda
24.	South 24 Paraganas	Pujali
25.	West Midnapore	Kharagpur
26.		Midnapore
27.		Ramjibonpur

Audit Units Other than Urban Local Bodies

B. Departments under Government of West Bengal	
Sl. No.	**Name of the Unit**
1.	Department of Urban Development & Municipal Affairs (UD&MA)
2.	Department of School Education
3.	Department of Women & Child Development and Social Welfare
4.	Finance Department
5.	Fire and Emergency Services Department
6.	Health and Family Welfare Department
7.	Land and Land Reforms and Refugee Relief and Rehabilitation Department
8.	Public Health Engineering Department
9.	Transport Department

C. Authority/Development Authorities under UD&MA Department	
Sl. No.	**Name of the Unit**
1.	Asansol Durgapur Development Authority (ADDA)
2.	Kolkata Metropolitan Development Authority (KMDA)
3.	Nabadiganta Industrial Township Authority (NDITA)
4.	Siliguri Jalpaiguri Development Authority (SJDA)
D. Directorates/Statutory Bodies/Attached Offices under UD&MA Department	
Sl. No.	**Name of the Unit**
1.	Directorate of Local Bodies (DLB)
2.	Municipal Engineering Directorate (MED)
3.	West Bengal Valuation Board (WBVB)
4.	West Bengal Municipal Service Commission (WBMSC)
5.	State Urban Development Agency (SUDA)
E. District Planning Committees (DPCs) in 14 districts	
F. Offices of the Chief Medical Officer of Health (CMOH), under the Health and Family Welfare Department, in 14 districts	

Appendix-3

Annual Financial Statements pending for submission to the ELA (as on 31/3/2021)

(*Vide* Para: 3.4.9.1; Page: 36)

Sl. No.	ULB	Accounts (Annual Financial Statements) in Arrear as on 31/3/2021 Relating to the year	Number of Arrear Accounts
1	Alipurduar Municipality	2018-20	2
2	Asansol Municipal Corporation	2015-20	5
3	Ashokenagar-Kalyangarh Municipality	2015-20	5
4	Baduria Municipality	2011-20	9
5	Baidyabati Municipality	2018-20	2
6	Bally Municipality	2008-16	8
7	Balurghat Municipality	2017-20	3
8	Bankura Municipality	2018-20	2
9	Bansberia Municipality	2017-20	3
10	Baranagar Municipality	2018-20	2
11	Barasat Municipality	2015-20	5
12	Barrackpore Municipality	2018-20	2
13	Baruipur Municipality	2017-20	3
14	Beldanga Municipality	2016-20	4
15	Berhampore Municipality	2016-20	4
16	Bhadreswar Municipality	2015-20	5
17	Bhatpara Municipality	2019-20	1
18	Bidhannagar Municipal Corporation	2014-20	6
19	Birnagar Municipality	2019-20	1
20	Bishnupur Municipality	2007-20	13
21	Bolpur Municipality	2017-20	3
22	Bongaon Municipality	2015-20	5
23	Budge Budge Municipality	2018-20	2
24	Buniadpur Municipality	2014-20	6
25	Burdwan Municipality	2019-20	1
26	Chakdaha Municipality	2018-20	2
27	Champdany Municipality	2019-20	1
28	Chandernagore Municipal Corporation	2014-20	6
29	Chandrakona Municipality	2018-20	2
30	Contai Municipality	2015-20	5
31	Coochbehar Municipality	2014-20	6
32	Coopers'Camp Notified Area Authority	2011-20	9
33	Dainhat Municipality	2018-20	2
34	Dalkhola Municipality	2018-20	2
35	Dankuni Municipality	2012-20	8
36	Darjeeling Municipality	2018-20	2
37	Dhuliyan Municipality	2015-20	5
38	Dhupguri Municipality	2012-20	8

Sl. No.	ULB	Accounts (Annual Financial Statements) in Arrear as on 31/3/2021	Number of Arrear Accounts
		Relating to the year	
39	Diamond Harbour Municipality	2014-20	6
40	Dinhata Municipality	2014-20	6
41	Domkal Municipality	2015-20	5
42	Dubrajpur Municipality	2013-20	7
43	Dum Dum Municipality	2016-20	4
44	Durgapur Municipal Corporation	2017-20	3
45	Egra Municipality	2014-20	6
46	Englishbazar Municipality	2018-20	2
47	Gangarampur Municipality	2010-20	10
48	Garulia Municipality	2016-20	4
49	Gayeshpur Municipality	2008-20	12
50	Ghatal Municipality	2017-20	3
51	Gobardanga Municipality	2016-20	4
52	Guskara Municipality	2014-20	6
53	Habra Municipality	2018-20	2
54	Haldia Municipality	2019-20	1
55	Haldibari Municipality	2014-20	6
56	Halisahar Municipality	2018-20	2
57	Haringhata Municipality	2015-20	5
58	Hooghly-Chinsurah Municipality	2017-20	3
59	Howrah Municipal Corporation	2016-20	4
60	Islampur Municipality	2018-20	2
61	Jalpaiguri Municipality	2018-20	2
62	Jamuria Municipality	2008-16	8
63	Jhalda Municipality	2011-20	9
64	Jhargram Municipality	2016-20	4
65	Jiaganj-Azimganj Municipality	2008-20	12
66	Joynagar-Mozilpur Municipality	2017-20	3
67	Kalimpong Municipality	2019-20	1
68	Kaliyaganj Municipality	2016-20	4
69	Kalna Municipality	2018-20	2
70	Kalyani Municipality	2016-20	4
71	Kamarhati Municipality	2018-20	2
72	Kancharapara Municipality	2016-20	4
73	Kandi Municipality	2009-20	11
74	Katwa Municipality	2019-20	1
75	Kharagpur Municipality	2016-20	4
76	Kharar Municipality	2017-20	3
77	Khardah Municipality	2018-20	2
78	Khirpai Municipality	2015-20	5
79	Kolkata Municipal Corporation	2019-20	1
80	Konnagar Municipality	2019-20	1
81	Krishnanagar Municipality	2019-20	1

Sl. No.	ULB	Accounts (Annual Financial Statements) in Arrear as on 31/3/2021	Number of Arrear Accounts
		Relating to the year	
82	Kulti Municipality	2007-16	9
83	Kurseong Municipality	2011-20	9
84	Madhyamgram Municipality	2016-20	4
85	Maheshtala Municipality	2018-20	2
86	Mal Municipality	2008-20	12
87	Mathabhanga Municipality	2018-20	2
88	Mekhligunj Municipality	2008-20	12
89	Memari Municipality	2019-20	1
90	Midnapore Municipality	2018-20	2
91	Mirik Notified Area Authority	2007-20	13
92	Murshidabad Municipality	2009-20	11
93	Nabadwip Municipality	2019-20	1
94	Naihati Municipality	2018-20	2
95	Nalhati Municipality	2015-20	5
96	New Barrackpore Municipality	2015-20	5
97	North Barrackpore Municipality	2018-20	2
98	North Dum Dum Municipality	2013-20	7
99	Old Malda Municipality	2018-20	2
100	Panihati Municipality	2018-20	2
101	Panskura Municipality	2018-20	2
102	Pujali Municipality	2018-20	2
103	Raghunathpur Municipality	2009-20	11
104	Raiganj Municipality	2018-20	2
105	Rajarhat Gopalpur Municipality	2012-16	4
106	Rajpur-Sonarpur Municipality	2017-20	3
107	Ramjibonpur Municipality	2013-20	7
108	Rampurhat Municipality	2019-20	1
109	Ranaghat Municipality	2014-20	6
110	Raniganj Municipality	2011-16	5
111	Rishra Municipality	2018-20	2
112	Sainthia Municipality	2016-20	4
113	Santipur Municipality	2018-20	2
114	Serampore Municipality	2018-20	2
115	Siliguri Municipal Corporation	2018-20	2
116	Sonamukhi Municipality	2008-20	12
117	South Dum Dum Municipality	2017-20	3
118	Taherpur Notified Area Authority	2016-20	4
119	Tamralipta Municipality	2018-20	2
120	Tarakeswar Municipality	2014-20	6
121	Titagarh Municipality	2019-20	1
122	Tufangunj Municipality	2017-20	3
123	Uluberia Municipality	2015-20	5
124	Uttarpara-Kotrung Municipality	2017-20	3
Total			**544**

Appendix-4

Constitution of Municipal Accounts Committees (MACs) in the 27 test-checked ULBs

(*Vide* Para: 3.4.10; Page: 40)

Year	ULBs where MACs were formed	ULBs where meetings of MACs were held	ULBs where MACs were not formed	ULBs which did not furnish data
2015-16	1. Bansberia 2. Contai 3. Kaliyaganj 4. Kharagpur 5. Kolkata MC 6. Konnagar 7. Pujali 8. Siliguri MC 9. Tufanganj	1. Kharagpur 2. Kolkata MC 3. Pujali 4. Siliguri MC	1. Barasat 2. Barrackpore 3. Bongaon 4. Coochbehar 5. Gobardanga 6. Habra 7. Jhalda 8. Jiaganj-Azimganj 9. Kalna 10. Katwa 11. Midnapore 12. Ramjibonpur 13. Suri 14. Uttarpara-Kotrung	1. Asansol MC 2. Mal 3. Panihati 4. Raiganj
2016-17	1. Bansberia 2. Kaliyaganj 3. Pujali	1. Pujali	1. Barasat 2. Barrackpore 3. Bongaon 4. Contai 5. Coochbehar 6. Gobardanga 7. Habra 8. Jhalda 9. Jiaganj-Azimganj 10. Kalna 11. Katwa 12. Kharagpur 13. Kolkata MC 14. Konnagar 15. Midnapore 16. Ramjibonpur 17. Siliguri MC 18. Suri 19. Tufanganj 20. Uttarpara-Kotrung	1. Asansol MC 2. Mal 3. Panihati 4. Raiganj
2017-18	1. Bongaon 2. Coochbehar 3. Kolkata MC 4. Pujali	1. Coochbehar 2. Kolkata MC 3. Pujali	1. Bansberia 2. Barasat 3. Barrackpore 4. Contai 5. Gobardanga 6. Habra 7. Jhalda 8. Jiaganj-Azimganj 9. Kaliyaganj 10. Kalna 11. Katwa 12. Kharagpur 13. Konnagar 14. Midnapore 15. Ramjibonpur 16. Siliguri MC 17. Suri 18. Tufanganj 19. Uttarpara-Kotrung	1. Asansol MC 2. Mal 3. Panihati 4. Raiganj

Year	ULBs where MACs were formed	ULBs where meetings of MACs were held	ULBs where MACs were not formed		ULBs which did not furnish data
2018-19	1. Barasat 2. Barrackpore 3. Katwa 4. Kharagpur 5. Pujali	1. Barrackpore 2. Katwa 3. Pujali	1. Bansberia 2. Bongaon 3. Contai 4. Coochbehar 5. Gobardanga 6. Habra 7. Jhalda 8. Jiaganj-Azimganj 9. Kaliyaganj 10. Kalna 11. Kolkata MC 12. Konnagar	13. Midnapore 14. Ramjibonpur 15. Siliguri MC 16. Suri 17. Tufanganj 18. Uttarpara-Kotrung	1. Asansol MC 2. Mal 3. Panihati 4. Raiganj
2019-20	Nil	Nil	1. Bansberia 2. Barasat 3. Barrackpore 4. Bongaon 5. Contai 6. Coochbehar 7. Gobardanga 8. Habra 9. Jhalda 10. Jiaganj-Azimganj 11. Kaliyaganj 12. Kalna	13. Katwa 14. Kharagpur 15. Konnagar 16. Midnapore 17. Pujali 18. Ramjibonpur 19. Siliguri MC 20. Suri 21. Tufanganj 22. Uttarpara-Kotrung	1. Asansol MC 2. Kolkata MC 3. Mal 4. Panihati 5. Raiganj
2020-21	1. Barrackpore	1. Barrackpore	1. Bansberia 2. Barasat 3. Bongaon 4. Contai 5. Coochbehar 6. Gobardanga 7. Habra 8. Jhalda 9. Jiaganj-Azimganj 10. Kaliyaganj 11. Kalna 12. Katwa	13. Kharagpur 14. Konnagar 15. Midnapore 16. Pujali 17. Ramjibonpur 18. Siliguri MC 19. Suri 20. Tufanganj 21. Uttarpara-Kotrung	1. Asansol MC 2. Kolkata MC 3. Mal 4. Panihati 5. Raiganj

(Source: data furnished by the ULBs)

Appendix-5

Difference between the Closing Balances of the previous financial years and the Opening Balances of the current financial years, in regard to Property Tax, for 11 ULBs, during FYs 2015-16 to 2020-21

(*Vide* Para: 4.5.2.1 (i); Page: 53)

Financial Year	ULB	Closing Balance of Property Tax for the previous financial year (₹ in lakh)	Opening Balance of Property Tax for the current financial year (₹ in lakh)	Difference (₹ in lakh)	Total difference (₹ in lakh)
2016-17	Bansberia	812.58	811.69	0.89	-26,694.81
	Bongaon	84.35	72.41	11.94	
	Kalna	55.12	77.13	-22.01	
	Katwa	62.69	61.99	0.70	
	Kolkata MC	3,62,874.15	3,89,600.13	-26,725.98	
	Konnagar	212.06	190.17	21.89	
	Panihati	1,935.13	1,923.37	11.76	
	Uttarpara-Kotrung	760.95	754.95	6.00	
2017-18	Bansberia	861.51	861.99	-0.48	-32,523.31
	Kaliyaganj	6.38	31.17	-24.79	
	Katwa	66.14	56.25	9.89	
	Kolkata MC	3,95,792.75	4,28,296.36	-32,503.61	
	Konnagar	231.31	235.03	-3.72	
	Panihati	2,043.80	2,044.40	-0.60	
2018-19	Bansberia	915.42	914.74	0.68	-33,036.84
	Kaliyaganj	27.67	27.45	0.22	
	Katwa	109.17	111.66	-2.49	
	Kolkata MC	4,34,335.90	4,67,485.46	-33,149.56	
	Konnagar	283.83	302.15	-18.32	
	Panihati	2,189.51	2,169.16	20.35	
	Pujali	133.70	102.74	30.96	
	Uttarpara-Kotrung	933.78	852.46	81.32	
2019-20	Bansberia	965.58	968.91	-3.33	1,86,939.86
	Katwa	165.04	157.97	7.07	
	Kolkata MC	4,78,748.72	2,91,806.20	1,86,942.52	
	Konnagar	348.83	352.04	-3.21	
	Panihati	2,331.32	2,334.51	-3.19	
2020-21	Bansberia	1,049.10	1,042.97	6.13	5,129.91
	Katwa	225.19	226.09	-0.90	
	Kolkata MC	3,05,108.86	2,99,939.45	5,169.41	
	Konnagar	426.07	422.01	4.06	
	Panihati	2,555.32	2,604.37	-49.05	
	Ramjibonpur	12.35	12.09	0.26	

(Source: data furnished by the ULBs)

Appendix-6
Interest collected by 17 ULBs, during FYs 2015-16 to 2020-21
(*Vide* Para: 4.5.2.1 (iii); Page: 54)

Sl. No.	ULB	Financial Year	Amount of interest collected (₹)	Total interest collected (₹)
1.	Bansberia	2015-16	2,85,037.17	24,52,134.00
		2016-17	4,07,976.13	
		2017-18	3,02,621.87	
		2018-19	4,71,256.35	
		2019-20	6,13,435.67	
		2020-21	3,71,806.81	
2.	Barasat	2015-16	3,46,708.00	42,85,608.00
		2016-17	5,50,279.00	
		2017-18	6,76,241.00	
		2018-19	7,62,754.00	
		2019-20	8,94,243.00	
		2020-21	10,55,383.00	
3.	Barrackpore	2015-16	2,15,800.00	22,20,300.00
		2016-17	2,81,200.00	
		2017-18	3,91,300.00	
		2018-19	4,58,300.00	
		2019-20	4,82,800.00	
		2020-21	3,90,900.00	
4.	Coochbehar	2015-16	9,69,520.00	38,70,284.00
		2016-17	7,79,256.00	
		2017-18	6,60,552.00	
		2018-19	5,66,625.00	
		2019-20	5,31,159.00	
		2020-21	3,63,172.00	
5.	Habra	2015-16	97,000.00	9,44,000.00
		2016-17	72,000.00	
		2017-18	98,000.00	
		2018-19	74,000.00	
		2019-20	2,51,000.00	
		2020-21	3,52,000.00	
6.	Jhalda	2015-16	34,000.00	2,07,000.00
		2016-17	38,000.00	
		2017-18	58,000.00	
		2018-19	43,000.00	
		2019-20	28,000.00	
		2020-21	6,000.00	
7.	Jiaganj- Azimganj	2015-16	87,999.00	14,45,717.00
		2016-17	74,350.00	
		2017-18	79,616.00	
		2018-19	1,43,418.00	
		2019-20	3,12,219.00	
		2020-21	7,48,115.00	

Sl. No.	ULB	Financial Year	Amount of interest collected (₹)	Total interest collected (₹)
8.	Kalna	2015-16	1,74,000.00	12,44,000.00
		2016-17	3,16,000.00	
		2017-18	1,64,000.00	
		2018-19	1,60,000.00	
		2019-20	1,35,000.00	
		2020-21	2,95,000.00	
9.	Katwa	2015-16	64,773.00	3,79,335.00
		2016-17	65,105.00	
		2017-18	48,154.00	
		2018-19	73,859.00	
		2019-20	62,474.00	
		2020-21	64,970.00	
10.	Kharagpur	2017-18	4,00,000.00	45,00,000.00
		2018-19	5,00,000.00	
		2019-20	13,00,000.00	
		2020-21	23,00,000.00	
11.	Konnagar	2015-16	1,19,000.00	25,07,000.00
		2016-17	3,79,000.00	
		2017-18	3,07,000.00	
		2018-19	6,95,000.00	
		2019-20	3,26,000.00	
		2020-21	6,81,000.00	
12.	Midnapore	2015-16	2,85,000.00	93,28,000.00
		2016-17	8,49,000.00	
		2017-18	16,32,000.00	
		2018-19	21,71,000.00	
		2019-20	25,11,000.00	
		2020-21	18,80,000.00	
13.	Panihati	2015-16	23,86,000.00	1,36,75,000.00
		2016-17	27,79,000.00	
		2017-18	24,34,000.00	
		2018-19	18,65,000.00	
		2019-20	17,49,000.00	
		2020-21	24,62,000.00	
14.	Raiganj	2015-16	22,362.00	2,33,994.00
		2016-17	27,004.00	
		2017-18	32,578.00	
		2018-19	34,353.00	
		2019-20	37,320.00	
		2020-21	80,377.00	
15.	Suri	2015-16	4,922.82	1,94,447.38
		2016-17	52,499.11	
		2017-18	54,434.26	
		2018-19	30,959.45	
		2019-20	26,363.92	
		2020-21	25,267.82	

Sl. No.	ULB	Financial Year	Amount of interest collected (₹)	Total interest collected (₹)
16.	Tufanganj	2015-16	97,110.00	4,71,034.00
		2016-17	95,127.00	
		2017-18	82,406.00	
		2018-19	66,229.00	
		2019-20	69,032.00	
		2020-21	61,130.00	
17.	Uttarpara- Kotrung	2015-16	11,15,000.00	1,22,75,000.00
		2016-17	10,08,000.00	
		2017-18	10,31,000.00	
		2018-19	65,06,000.00	
		2019-20	10,20,000.00	
		2020-21	15,95,000.00	
Total				**6,02,32,853.38 *i.e.* ₹ 6.02 crore**

(Source: figures furnished by ULBs)

Appendix-7

Delay in General Valuation in 25 ULBs

(*Vide* Para: 4.5.2.3; Page: 57)

Sl. No	ULB	Due Date of General Valuation	Delay in General Valuation, as on 31 March 2021
No delay			
1	Jiaganj-Azimganj	1/4/2021	-
2	Raiganj	1/4/2024	-
3	Suri	1/4/2021	-
4	Tufanganj	1/4/2023	-
5	Uttarpara-Kotrung	1/4/2024	-
Delay less than one year			
1	Barrackpore	1/7/2020	9 months
2	Bongaon	1/1/2021	3 months
3	Mal	1/4/2020	1 year
4	Midnapore	1/4/2020	1 year
More than one year - upto five years			
1	Bansberia	1/7/2019	1 year 9 months
2	Coochbehar	1/4/2017	4 years
3	Kalna	1/4/2017	4 years
4	Kharagpur	1/7/2016	4 years 9 months
5	Konnagar	1/7/2019	1 year 9 months
6	Panihati	1/4/2019	2 years
7	Pujali	1/1/2020	1 year 3 months
8	Ramjibonpur	1/4/2018	3 years
9	Siliguri MC	1/4/2018	3 years
More than five years - upto ten years			
1	Habra	1/7/2011	9 years 9 months
2	Katwa	1/4/2013	8 years
More than ten years - upto fifteen years			
1	Gobardanga	1/7/2009	11 years 9 months
More than fifteen years - upto twenty years			
1	Asansol MC	1/1/2002	19 years 3 months
2	Barasat	1/10/2001	19 years 6 months
More than twenty years - upto twenty-five years			
1	Jhalda	1/1/1998	23 years 3 months
More than twenty-five years - upto thirty years			
1	Kaliyaganj	1/10/1995	25 years 6 months

(Source: data furnished by West Bengal Valuation Board)

Appendix-8

License fee for advertisement collected by 23 ULBs, during FYs 2015-16 to 2020-21

(*Vide* Para: 4.5.4.1; Page: 59)

Sl. No.	ULB	Pertinent Year of license fees collection for advertisement	License Fee Collection for Advertisement (₹ in lakh)	Total License Fee Collection for Advertisement during the Audit Period (₹ in lakh)
1	Asansol MC	2020-21	2.00	2.00
2	Bansberia	2015-16	1.27	4.64
		2016-17	1.27	
		2017-18	1.05	
		2018-19	1.05	
3	Barasat	2015-16	29.52	158.94
		2016-17	28.13	
		2017-18	40.88	
		2018-19	37.00	
		2019-20	7.51	
		2020-21	15.90	
4	Barrackpore	2015-16	18.99	103.07
		2016-17	19.66	
		2017-18	24.77	
		2018-19	25.42	
		2019-20	6.98	
		2020-21	7.25	
5	Bongaon	2015-16	2.70	25.64
		2016-17	2.55	
		2017-18	8.78	
		2018-19	7.03	
		2019-20	4.26	
		2020-21	0.32	
6	Contai	2015-16	7.47	43.19
		2016-17	8.34	
		2017-18	8.23	
		2018-19	11.39	
		2019-20	5.23	
		2020-21	2.53	
7	Coochbehar	2015-16	11.58	66.56
		2016-17	9.20	
		2017-18	9.96	
		2018-19	10.84	
		2019-20	16.66	
		2020-21	8.32	
8	Habra	2015-16	8.50	38.04
		2016-17	6.84	
		2017-18	6.75	
		2018-19	6.56	
		2019-20	6.56	
		2020-21	2.83	

Sl. No.	ULB	Pertinent Year of license fees collection for advertisement	License Fee Collection for Advertisement (₹ in lakh)	Total License Fee Collection for Advertisement during the Audit Period (₹ in lakh)
9	Kaliaganj	2015-16	0.73	1.29
		2016-17	0.34	
		2017-18	0.01	
		2018-19	0.08	
		2019-20	0.03	
		2020-21	0.10	
10	Kalna	2015-16	1.20	7.20
		2016-17	1.20	
		2017-18	1.20	
		2018-19	1.20	
		2019-20	1.20	
		2020-21	1.20	
11	Katwa	2015-16	0.93	9.34
		2016-17	1.23	
		2017-18	1.13	
		2018-19	0.88	
		2019-20	3.00	
		2020-21	2.17	
12	Kharagpur	2015-16	6.24	23.99
		2016-17	5.58	
		2017-18	5.34	
		2018-19	3.93	
		2019-20	1.10	
		2020-21	1.80	
13	Kolkata MC	2015-16	657.81	2397.74
		2016-17	657.84	
		2017-18	807.48	
		2018-19	221.92	
		2019-20	52.69	
14	Konnagar	2015-16	0.85	6.08
		2016-17	1.56	
		2017-18	1.36	
		2018-19	0.80	
		2019-20	1.51	
15	Mal	2015-16	1.01	26.09
		2016-17	0.62	
		2017-18	4.74	
		2018-19	11.22	
		2019-20	2.77	
		2020-21	5.73	
16	Midnapore	2015-16	11.66	99.81
		2016-17	19.52	
		2017-18	20.55	
		2018-19	17.60	
		2019-20	21.52	
		2020-21	8.96	

Sl. No.	ULB	Pertinent Year of license fees collection for advertisement	License Fee Collection for Advertisement (₹ in lakh)	Total License Fee Collection for Advertisement during the Audit Period (₹ in lakh)
17	Panihati	2015-16	17.81	75.65
		2016-17	17.21	
		2017-18	15.90	
		2018-19	13.55	
		2019-20	9.13	
		2020-21	2.05	
18	Raiganj	2015-16	7.19	61.10
		2016-17	11.55	
		2017-18	11.86	
		2018-19	6.79	
		2019-20	11.05	
		2020-21	12.66	
19	Ramjibonpur	2016-17	0.05	0.25
		2017-18	0.05	
		2018-19	0.05	
		2019-20	0.05	
		2020-21	0.05	
20	Siliguri MC	2015-16	67.79	479.97
		2016-17	75.99	
		2017-18	95.64	
		2018-19	119.32	
		2019-20	21.89	
		2020-21	99.34	
21	Suri	2015-16	1.29	10.49
		2016-17	1.29	
		2017-18	1.93	
		2018-19	5.62	
		2019-20	0.36	
22	Tufanganj	2015-16	0.69	4.61
		2016-17	0.29	
		2017-18	1.50	
		2018-19	1.12	
		2019-20	1.01	
23	Uttarpara-Kotrung	2015-16	1.61	14.61
		2016-17	2.06	
		2017-18	2.67	
		2018-19	5.30	
		2019-20	2.97	
Total collection of fees for advertisement				**3,660.30**

(Source: data furnished by ULBs)

Appendix-9

Other Revenue Sources of ULBs

(*Vide* Para: 4.5.7, Page: 61, 62)

License Fee for Private Markets			
ULBs which granted licenses to Private Markets	**ULBs which did not grant licenses to Private Markets**		**ULBs which did not furnish the requisite information**
1. Katwa	1. Bansberia	11. Konnagar	1. Jiaganj-Azimganj
2. Uttarpara-Kotrung	2. Barasat	12. Mal	2. Pujali
	3. Bongaon	13. Midnapore	
Barrackopre maintained records but did not issue license.	4. Coochbehar	14. Panihati	
	5. Habra	15. Raiganj	
	6. Jhalda	16. Ramjibonpur	
	7. Kaliyaganj	17. Suri	
	8. Kalna	18. Tufanganj	
	9. Kharagpur		
	10. Kolkata MC		
Levy of Surcharge in the form of Additional Stamp Duty			
ULBs which levied Surcharge in the form of Additional Stamp Duty	**ULBs which did not levy Surcharge in the form of Additional Stamp Duty**		**ULBs which did not furnish the requisite information**
1. Mal	1. Barasat	11. Pujali	1. Asansol MC
2. Midnapore	2. Bansberia	12. Raiganj	2. Barrackpore
	3. Bongaon	13. Ramjibonpur	3. Coochbehar
	4. Contai	14. Siliguri MC	4. Gobardanga
	5. Jiaganj-Azimganj	15. Suri	5. Habra
	6. Kaliyaganj	16. Uttarpara-Kotrung	6. Jhalda
	7. Kalna		7. Katwa
	8. Kharagpur		8. Panihati
	9. Kolkata MC		9. Tufanganj
	10. Konnagar		
Imposition of Stacking Fees			
ULBs which imposed Stacking Fees	**ULBs which did not impose Stacking Fees**		**ULBs which did not furnish the requisite information**
1. Kaliyaganj	1. Bansberia	11. Panihati	1. Asansol MC
2. Katwa	2. Barasat	12. Pujali	2. Barrackpore
3. Kolkata MC	3. Bongaon	13. Siliguri MC	3. Gobardanga
4. Mal	4. Contai	14. Suri	4. Jhalda
5. Midnapore	5. Coochbehar	15. Tufanganj	
6. Raiganj	6. Habra		
7. Ramjibonpur	7. Jiaganj-Azimganj		
8. Uttarpara-Kotrung	8. Kalna		
	9. Kharagpur		
	10. Konnagar		

(Source: data furnished by ULBs)

Appendix-10

Revision of fees and charges in ULBs as on 31st March 2023

(*Vide* Para: 4.5.7, Page: 62)

Sl. No.	ULB	Financial Year during which latest revision in fees/charges was given effect				
		License fees for Advertisement	Rent from Market	Surcharge on transfer of immovable properties (to be collected in the form of Additional Stamp Duty)	Stacking Fees	License Fees from Private Markets
1.	Barasat	2018-19	Information not furnished	Not implemented	Information not furnished	Not implemented
2.	Barrackpore	2017-18 (April 2017)	Information not furnished	Information not furnished	2022-23 (October 2022)	Not implemented
3.	Bongaon	2022-23 (15/7/2022)	2021-22 (10/12/2021)	Not implemented	Not implemented	Not implemented
4.	Coochbehar	Information not furnished	Last revised in FY 2004-05	Information not furnished	Not implemented	Not implemented
5.	Contai	Information not furnished	Information not furnished	Not implemented	Information not furnished	Information not furnished
6.	Kaliyaganj	2022-23	Last revised in FY 2023-24	Not implemented	Information not furnished	Not implemented
7.	Katwa	2021-22 (1/1/2022)	2016-17 (30/8/2016)	Information not furnished	2020-21 (1/1/2021)	No information furnished
8.	Kharagpur	Information not furnished	2022-23 (June 2022)	Not implemented	Not implemented	Not implemented
9.	Midnapore	2021-22	2022-23 (April 2022)	2013-14	2018-19 (July 2018)	Not implemented
10.	Panihati	2018-19 (31/12/2018)	2021-22 (1/8/2021)	Information not furnished	Information not furnished	Not implemented
11.	Pujali	Not implemented	No Municipal Market exists	Not implemented	Not implemented	Information not furnished
12.	Ramjibonpur	2022-23 (1/1/2023)	Specific reply not furnished	Not implemented	2022-23 (1/1/2023)	Not implemented
13.	Siliguri MC	2016-17	2022-23 (August 2022)	Not implemented	Not implemented	Information not furnished
14.	Suri	2015	Specific information not furnished	Not implemented	Not implemented	Not implemented
15.	Uttarpara-Kotrung	Information not furnished	2017-18	Not implemented	Last revised in 2010	Information not furnished

Not Implemented means collection of fees/charges had not been started by the ULBs.

(Source: data furnished by ULBs)

Note:

Latest revision of rates with respect to Fees for renewal of certificate of trade, profession and callings was done in FY 2015-16, as per separate guidelines issued with respect to the Municipalities and Municipal Corporations by the erstwhile Department of Municipal Affairs, Government of West Bengal in August 2015. No further revision of rates took place till 31/3/2022.

Appendix-11

Departments of a Municipal establishment

(*Vide* Para: 5.1, Page: 65)

Sl. No.	Department	Basic Functions performed by the Department	Category of staff under the Department
1.	**General Administration Department**	1. Recruitment, control and management of officers belonging to the cadre of common Municipal Service and relations with Directorate of Local Bodies and Municipal Service Commission 2. Training of all services. 3. Vigilance and anti-corruption. 4. Grievance redressal and staff welfare. 5. Conduct of activities involving relations with the Central and State Governments and local bodies. 6. Computer and data processing. 7. Municipal press. 8. Legal matters. 9. Information and public relations. 10. Establishment and administration of commercial projects and enterprises like municipal market and shopping complex. 11. Establishment and staff matter. 12. Auction. 13. Discharge of functions not specifically allotted to any other department.	1. Law Officer 2. Personal Assistant 3. Secretary 4. Office Superintendent 5. Head Clerk 6. Work Assistant 7. Clerk-cum-Typist 8. Upper Division Clerk 9. Clerk 10. *Darwan* 11. Peon/ Helper/*Mazdoor*/ Attendant/Ambulance Attendant/Messenger
2.	**Accounts and Cash Department**	1. Municipal fund including cash. 2. Annual, interim and revised budget estimates. 3. Grants and loans. 4. Maintenance of accounts. 5. Audit including internal audit. 6. Treasury and bank. 7. Provident Fund of officers and employees. 8. Pension and retirement benefits of officers and employees. 9. Group Insurance and Salary Savings Insurance.	1. Accountant 2. Deputy Accountant 3. Cashier 4. Assistant Cashier
3.	**Revenue Department**	1. Assessment including assessment of Central and State Government properties and railway properties. 2. Liaison with Central Valuation Board. 3. Assessment Tribunal/Review Committee. 4. Collection of property tax and service charges including those in relation to Central Government. 5. Government and railway properties. 6. Collection of advertisement tax and other taxes. 7. Granting of licenses. 8. Collection of fees and service charges. 9. Collection of rents from municipal properties and tolls from municipal ferries and bridges.	1. Assessment-in-Charge 2. Assessment Inspector 3. Tax Collector 4. Assistant Tax Collector/ Assistant Tax *Daroga*/ License Inspector 5. Market Supervisor/ Market Inspector 6. Tax Collection *Sarkar*

Sl. No.	Department	Basic Functions performed by the Department	Category of staff under the Department
4.	**Public Works Department**	1. Construction and maintenance of all buildings, roads, pathways, drains and sewerages. 2. Executions and maintenance of general development works. 3. Road-rolling service. 4. Plan sanctioning. 5. Unauthorised buildings and unsecured buildings. 6. Appeals against Orders relating to buildings. 7. Survey. 8. Preparation and maintenance of municipal map. 9. Maintenance of records of municipal properties including land. 10. Town planning. 11. Land and land use control. 12. Regulation of building uses. 13. Urban renewal, area development, spot development and commercial housing. *14. Bustee* development. 15. Development of fringe areas. 16. House drainage and sewerage connection. 17. Beautification of the municipal area including municipal properties.	1. Executive Engineer 2. Structural Engineer 3. Assistant Engineer 4. Sub-Assistant Engineer (Technical Supervisor) 5. Work *Sarkar* (Field Supervisor) 6. Surveyor 7. Draftsman
5.	**Water Supply Department**	1. Production of filtered water including filtration, chlorination and silt clearing, storage and distribution. 2. Management of unfiltered water including laying of pipelines and maintenance thereof. 3. Operation of pumping and boosting stations. 4. Laying of primary and secondary grids of filtered water and maintenance thereof. 5. Water connection—domestic, non-domestic and community. 6. Sinking and maintenance of tubewells. 7. Water supply to the neighbouring area. 8. Supply of extra drinking water on special occasions.	1. Sub-Assistant Engineer 2. Pump Supervisor 3. Pipeline Inspector 4. Pump Operator 5. *Mistry* (Hand Tubewells)/*Mistry* (Pipeline) 6. Assistant *Mistry* (Hand Tubewells)/Assistant *Mistry* (Pipeline)
6.	**Public Health and Convenience**	1. Medical service (hospital, dispensary, maternity and child health). 2. Health services— (a) Health establishment. (b) Conservancy and solid waste management. (c) Drainage and sewerage. (d) Vaccination. (e) Registration of births and deaths. (f) Burning ghat, burial ground and dumping ground. (g) Other sanitary requirements. 3. Health immunisation and nutrition programme. 4. Family welfare and planning. 5. Food adulteration.	1. Health Officer 2. Sanitary Inspector 3. Sanitary Assistant 4. Mate 5. Recorder (for Burning Ghat) 6. *Dom* (for Burning Ghat) 7. Motor Vehicle-in-Charge 8. Driver

Sl. No.	Department	Basic Functions performed by the Department	Category of staff under the Department
		6. Slaughterhouse. 7. Motor vehicles and ambulance. 8. Control of environmental pollution.	
7.	**Lighting and Electricity Department**	1. Street lighting. 2. Area lighting. 3. Maintenance of all types of pumps and motors (in relation to clean water and turbid water). 4. Lighting of municipal parks, buildings and other installations. 5. Electrical plants and machineries including photo electric and non-conventional energy sources. 6. Maintenance of electric crematoriums.	1. Electric *Mistry* 2. Lighting Supervisor
8.	**Education Department**	1. Primary and Secondary Education. 2. Technical Education. 3. Adult and Non-Formal Education. 4. National Literacy Programme. 5. Cultural Development including Music and Art Education. 6. Sports and Physical Culture. 7. Library. 8. Creche. 9. In-service Teachers' Training Programme.	1. Teacher
9.	**Stores Department**	1. Purchase and maintenance of stores. 2. Supply of stores to various departments. 3. Disposal of un-serviceable stores.	1. Store Keeper
10.	**Information Technology Department**	1. Information technology related works.	1. System Analyst

[Source: West Bengal Municipalities (Procedure and Conduct of Business) Rules, 1995 and West Bengal Municipal Employees' (Recruitment) Rules, 2005]

Appendix-12

Details of Sanctioned Strength *vis-à-vis* Persons-in-Position, of Regular/Part-time Medical Officers, Staff Nurses, ANMs, Laboratory Technicians and Pharmacists, in UPHCs

(*Vide* Para: 6.3.2.2, Page: 98)

Sl. No.	Name of the ULBs	Population	Sanctioned Strength of Medical Officer (MO)		Actual No. of MO		Shortfall		Sanctioned strength of Staff Nurse	Actual No. of Staff Nurse	Shortfall	Sanctioned strength of ANM	Actual No of ANM	Shortfall	Sanctioned strength of Pharmacist	Actual No. of Pharmacist	Shortfall	Sanctioned strength of Lab technician	Actual No. of Lab technician	Shortfall
			Regular	Part-time	Regular	Part-time	Regular	Part-time												
1	Asansol MC	11,52,443	23	23	18	4	5	19	50	0	50	61	15	46	23	13	10	23	14	9
2	Bansberia	1,03,920	2	2	1	-	1	2	4	0	4	10	3	7	2	2	0	2	2	0
3	Barasat	2,78,435	6	6	6	6	0	0	12	0	12	28	0	28	6	6	0	6	6	0
4	Barrackpore	1,52,783	3	3	3	0	0	3	6	0	6	15	3	12	3	3	0	3	3	0
5	Bongaon	1,08,864	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF	DNF
6	Contai	92,226	2	2	2	2	0	0	4	0	4	9	2	7	2	2	0	2	1	1
7	Coochbehar	77,935	2	2	2	0	0	2	4	2	2	8	1	7	2	2	0	2	2	0
8	Habra	1,47,221	3	3	2	3	1	0	6	2	4	15	0	15	3	1	2	3	3	0
9	Jiaganj-Azimganj	51,790	2	2	2	2	0	0	4	5	-1	5	1	4	2	1	1	2	2	0
10	Kaliyaganj	53,530	1	1	0	1	1	0	2	0	2	5	0	5	1	1	0	1	1	0
11	Kalna	56,722	1	1	0	0	1	1	2	0	2	6	0	6	1	0	1	1	0	1
12	Katwa	81,615	2	2	2	2	0	0	4	1	3	8	1	7	2	2	0	2	2	0
13	Kharagpur	2,07,604	6	6	6	6	0	0	12	2	10	21	5	16	6	5	1	6	5	1
14	Kolkata MC	44,96,694	144	144	70	74	74	70	288	83	205	450	103	347	144	110	34	144	87	57
15	Konnagar	76,172	2	2	2	2	0	0	4	0	4	8	3	5	2	2	0	2	2	0
16	Midnapore	1,69,264	3	3	3	3	0	0	9	0	9	3	2	1	3	3	0	3	2	1
17	Panihati	3,77,347	8	8	1	1	7	7	16	2	14	38	1	37	8	1	7	8	1	7
18	Raiganj	1,83,612	8	4	1	1	7	3	8	0	8	18	6	12	4	1	3	4	2	2
19	Siliguri MC	5,13,264	20	10	5	8	15	2	20	2	18	51	9	42	10	7	3	10	10	0
20	Suri	67,864	2	1	1	1	1	0	2	2	0	7	2	5	1	1	0	1	1	0
21	Uttarpara-Kotrung	1,59,147	6	3	3	2	3	1	6	0	6	16	3	13	3	3	0	3	3	0

(Source: data furnished by ULBs)

DNF– Data Not Furnished.

Glossary of Abbreviations

Glossary of Abbreviations

Sl. No.	Abbreviation	Full form
1.	ADDA	Asansol Durgapur Development Authority
2.	ADP	Annual Development Plan
3.	AMRUT	Atal Mission for Rejuvenation and Urban Transformation
4.	BoC	Board of Councillors
5.	BRGF	Backward Regions Grant Fund
6.	BSUP	Basic Services for Urban Poor
7.	C&AG	Comptroller and Auditor General
8.	CAA	Constitutional Amendment Act
9.	CBPHCS	Community Based Primary Health Care Services
10.	CIC	Chairman-in-Council
11.	CLFA	Committee on Local Fund Accounts
12.	CMA	Chief Municipal Auditor
13.	CMDA	Calcutta Metropolitan Development Authority
14.	CMFA	Controller of Municipal Finances and Accounts
15.	CMOH	Chief Medical Officer of Health
16.	CMU	Change Management Unit
17.	CPCB	Central Pollution Control Board
18.	DDP	Draft Development Plan
19.	DFID	Department for International Development
20.	DH&FW	Department of Health and Family Welfare
21.	DLB	Directorate of Local Bodies
22.	DPC	District Planning Committee
23.	DPR	Detailed Project Report
24.	ELA	Examiner of Local Accounts
25.	EoI	Expression of Interest
26.	FC	Finance Commission
27.	FSTP	Faecal Sludge Treatment Plant
28.	FY	Financial Year
29.	GTA	Gorkhaland Territorial Administration
30.	HFA	Housing for All
31.	HIT	Howrah Improvement Trust
32.	HMC	Howrah Municipal Corporation
33.	ILG&US	Institute of Local Government and Urban Studies
34.	JICA	Japan International Cooperation Agency
35.	JNNURM	Jawaharlal Nehru National Urban Renewal Mission
36.	KMA	Kolkata Metropolitan Area
37.	KMC	Kolkata Municipal Corporation
38.	KMDA	Kolkata Metropolitan Development Authority
39.	KSWMIP	Kolkata Solid Waste Management Improvement Project
40.	KUSP	Kolkata Urban Services for the Poor
41.	LUDCP	Land Use and Development Control Plan
42.	MC	Municipal Corporation
43.	MED	Municipal Engineering Directorate

Sl. No.	Abbreviation	Full form
44.	MIC	Mayor-in-Council
45.	MLD	Million litres per day
46.	MoEFC	Ministry of Environment, Forest and Climate Change
47.	MoU	Memorandum of Understanding
48.	MoUD	Ministry of Urban Development
49.	MPC	Metropolitan Planning Committee
50.	MSW	Municipal Solid Waste
51.	NAA	Notified Area Authority
52.	NDITA	Nabadiganta Industrial Township Authority
53.	NGT	National Green Tribunal
54.	NMCG	National Mission for Clean Ganga
55.	NSAP	National Social Assistance Programme
56.	NUHM	National Urban Health Mission
57.	NULM	National Urban Livelihood Mission
58.	NVBDCP	National Vector Borne Disease Control Programme
59.	OPD	Out Patient Department
60.	PA	Performance Audit
61.	PHED	Public Health Engineering Department
62.	PMAY	Pradhan Mantri Awas Yojana
63.	PPP	Public Private Partnership
64.	PWD	Public Works Department
65.	SBM	Swachh Bharat Mission
66.	SC	Scheduled Caste
67.	SFC	State Finance Commission
68.	SHPC	State High Power Committee
69.	SJDA	Siliguri Jalpaiguri Development Authority
70.	SLRDC	Salt Lake Reclamation and Development Circle
71.	SLTF	State Level Task Force
72.	SMC	Siliguri Municipal Corporation
73.	ST	Scheduled Tribe
74.	STP	Sewage Treatment Plant
75.	SUDA	State Urban Development Agency
76.	SWM	Solid Waste Management
77.	TPD	Tonnes per day
78.	UD&MAD	Urban Development and Municipal Affairs Department
79.	ULB	Urban Local Bodies
80.	UPHC	Urban Primary Health Centre
81.	UPHCS	Urban Primary Health Care Services
82.	Urban RCH	Urban Reproductive and Child Health
83.	URIF	Urban Reforms Incentive Fund
84.	WBM	West Bengal Municipal
85.	WBMC	West Bengal Municipal Corporation
86.	WBMSC	West Bengal Municipal Service Commission
87.	WBSEC	West Bengal State Election Commission
88.	WBVB	West Bengal Valuation Board

https://cag.gov.in/ag1/west-bengal/en