



# Report of the Comptroller and Auditor General of India

## Compliance Audit (Local Government) for the year ended March 2022



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest



**Government of Tamil Nadu**  
*Report No. 1 of the year 2024*

**Report of the  
Comptroller and Auditor General of India**

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(Local Government)  
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## PREFACE

This Report for the year ended March 2022 has been prepared for submission to the Governor of Tamil Nadu under Article 151 (2) of the Constitution of India.

The Report contains significant results of the Subject Specific Compliance Audits and Compliance Audit of the Panchayat Raj Institutions and Urban Local Bodies in the State including the departments concerned.

The instances mentioned in this Report are those, which came to notice in the course of test audit for the period 2021-22 as well as those which came to notice in earlier years but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 2021-22 have also been included, wherever necessary.

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

# OVERVIEW



## OVERVIEW

This Report contains four chapters. The first chapter contains an overview of the Functioning, Accountability Mechanism and Financial Reporting of Panchayat Raj Institutions (PRIs) and Urban Local Bodies (ULBs). The second chapter contains three Subject Specific Compliance Audits on (i) Chief Minister's Solar Powered Green House Scheme, (ii) Scheme Component of Pooled Assigned Revenue and (iii) Working of Micro Composting Centres established in peri-urban and bigger Village Panchayats in rural areas. The third chapter contains seven Compliance Audit paragraphs based on the audit of financial transactions of the PRIs. The fourth chapter contains six Compliance Audit paragraphs based on the audit of financial transactions of the ULBs. A synopsis of some of the findings contained in this Report is given below:

### **I An Overview of the Functioning, Accountability Mechanism and Financial Reporting of Panchayat Raj Institutions and Urban Local Bodies**

The Constitution of India through 73<sup>rd</sup> Constitutional Amendment Act empowers the State to devolve the 29 functions listed in its Eleventh Schedule to PRIs. Of these, the Government of Tamil Nadu has delegated certain powers to the three tiers of PRIs to supervise, assist and monitor the works falling under the 29 functions implemented by various departments. Similarly, through the 74<sup>th</sup> Constitutional Amendment Act, the Constitution of India empowers the State to devolve the 18 functions listed in its Twelfth Schedule to ULBs. All functions except the Fire Service has been fully devolved to the Corporations (except Greater Chennai Corporation (GCC)) and Municipalities. In respect of Town Panchayats, only 10 functions were fully devolved, two functions were partially devolved and six functions were yet to be devolved. In respect of GCC, 13 functions out of 18 functions were devolved. However, one of the 13 devolved functions, viz., water supply for domestic, industrial and commercial purposes, for the Chennai Metropolitan Area, is handled by the Chennai Metropolitan Water Supply and Sewerage Board, a statutory body established under an Act of Tamil Nadu.

Out of 74,722 and 863 pending paragraphs of Director of Local Fund Audit relating to Block Panchayats and District Panchayats, 43,664 paragraphs (58 *per cent*) and 448 paragraphs (52 *per cent*) respectively, related to period up to 2019-20. In respect of Municipal Corporations, Municipalities and Town Panchayats, the paragraphs issued by Director of Local Fund Audit and pending up to 2021-22 were 47,000, 52,194 and 75,271 respectively. Of these 28,488 (61 *per cent*) - Municipal Corporations, 25,044 (48 *per cent*) - Municipalities and 28,530 (38 *per cent*) - Town Panchayats related to the period up to 2017-18.

**(Paragraphs 1.3 and 1.5; Pages 2 and 3)**

**II Subject Specific Compliance Audits (Panchayat Raj Institutions)**

**Subject Specific Compliance Audit on Chief Minister's Solar Powered Green House Scheme**

Government of Tamil Nadu launched (2011) the 'Chief Minister's Solar Powered Green House Scheme', with an objective to provide *pucca* houses with basic amenities to all the rural poor along with solar photovoltaic home lighting system. The Scheme did not make any significant impact on housing for rural poor. Failure to revise the unit cost excluded significant number of eligible poor beneficiaries from the Scheme as the houses became unaffordable to them. The annual targets for construction of houses were set without linking it with the targeted beneficiaries in the 'Participatory Identification of Poor' list. The system followed for selection of beneficiaries was flawed and the field level officers did not adhere to the Scheme guidelines. Failure of Project Director, District Rural Development Authorities to ensure supply of cement and steel on time caused delay in completion of houses and burdened the poor beneficiaries. Belated finalisation of Model Tender Document delayed the installation of solar powered LED lights in green houses and multiple violations of tender procedures stained the award of contracts and impacted the quality of solar photovoltaic home lighting systems supplied to the green houses.

(Paragraph 2.1; Page 13)

**Subject Specific Compliance Audit on Scheme Component of Pooled Assigned Revenue**

Government of Tamil Nadu decided (2007) to pool the 'Assigned Revenue' of Rural Local Bodies at the State level and apportion 1/3<sup>rd</sup> to Rural Local Bodies in line with State Finance Commission norms and 2/3<sup>rd</sup> to a Fund for creating basic infrastructure in rural areas for quick and equitable transfer of funds. The Fund, which constitutes the Scheme Component of Pooled Assigned Revenue (SCPAR), is maintained by the Directorate of Rural Development and Panchayat Raj (DRDPR) on behalf of Rural Local Bodies and is used to finance projects at village level for creating basic infrastructure *viz.*, road works, buildings for local bodies in rural areas, water supply works, etc. There was, however, no mechanism to identify and propose priority works under the Scheme. Similarly, there was no mechanism for DRDPR to verify the proceeds of surcharge on stamp duty collected annually by Registration Department. Scheme related cash book maintained in DRDPR was not closed and reconciled with bank account every month. Department did not initiate action to levy penalty on the contractor or to cancel the agreement for delays in completing the work. Road works taken up under the scheme were not executed as per IRC Guidelines and Government instructions. Scheme works were not monitored for quality.

(Paragraph 2.2; Page 37)

## Subject Specific Compliance Audit on Working of Micro Composting Centres established in peri-urban and bigger Village Panchayats in rural areas

Government of Tamil Nadu formulated (2020) the scheme for establishing Micro Composting Centres (MCCs) for effective management of solid waste in peri-urban and bigger Village Panchayats as huge quantum of waste generated in these areas could not be managed effectively at local level and the waste dumped in the landfill areas caused environmental pollution and health hazard. The average bio-degradable waste per day certified in the proposals submitted by district authorities under the scheme for establishing MCCs were overstated to fulfil the eligibility norms. District authorities failed to ensure availability of suitable site away from water bodies for MCC work. There was delay in establishing/functioning of MCCs and some Village Panchayats failed to ensure transparency at site identification stage which contributed to public agitation and time over-run in establishing MCCs. Some of the test-checked MCCs in sampled districts had shortcomings in infrastructure facilities. Poor capacity utilisation of MCCs were noticed. There were deficiencies in monitoring by the implementing authorities and in conduct of training and social audit in the test-checked districts and blocks.

**(Paragraph 2.3; Page 54)**

### **III Compliance Audit (Panchayat Raj Institutions)**

Non-utilisation of power rollers for compaction of earth fill over bund resulted in excess payment of ₹2.25 crore. Non-verification of genuineness of bills presented by contractors to Block Development Officer/Block Panchayat resulted in fraudulent payment of ₹45.25 lakh to contractors.

**(Paragraph 3.1.1; Page 67)**

Failure of District Rural Development Agency, Tiruvannamalai to invoke the agreement condition against defaulting contractor resulted in additional expenditure of ₹1.66 crore to the Government due to non-recovery of differential cost on retendering the work.

**(Paragraph 3.1.2; Page 69)**

Failure on the part of Panchayat Unions to adopt open tender process in procurement of Chlorination Units for Over Head Tanks and Ground Level Reservoirs for disinfection purpose led to avoidable additional expenditure of ₹1.54 crore. Lapses in monitoring resulted in non-working of the installed Chlorination Units.

**(Paragraph 3.1.3; Page 71)**

Failure of tender processing authorities to adhere to provisions of Tamil Nadu Transparency in Tender Act, 1998 and bid conditions while finalising tenders for supply and installation of gym equipment in two districts resulted in excess expenditure of ₹69.18 lakh.

**(Paragraph 3.1.4; Page 76)**

Failure to avail electricity connection under appropriate tariff resulted in avoidable expenditure of ₹1.29 crore as electricity charges during August 2017 to March 2023.

**(Paragraph 3.2.1; Page 79)**

Non-adherence to the provisions of the Tamil Nadu Transparency in Tenders Act, 1998 resulted in an avoidable expenditure of ₹74.94 lakh in procurement of Reverse Osmosis Plants.

**(Paragraph 3.2.2; Page 81)**

Improper planning resulted in idle investment of ₹1.51 crore on construction of a rural bus stand, lying idle for more than six years at Pudur Village, Erode District.

**(Paragraph 3.3.1; Page 83)**

#### **IV Compliance Audit (Urban Local Bodies)**

Community Assets viz., Community Toilets (42), Community Halls (3) and Slaughterhouses (5), created at a cost of ₹6.33 crore by the Urban Local Bodies did not reach the public as these assets were not put to use and hence the intended objective of construction and utilisation of these assets by the respective Urban Local Bodies were not fulfilled.

**(Paragraph 4.1.1; Page 85)**

Construction of Resource Recovery Centre in water body by Dhaliyur Town Panchayat led to demolition of the same on a direction from Hon'ble High Court and subsequent redevelopment of the water body has resulted in wasteful expenditure of ₹1.05 crore.

**(Paragraph 4.1.2; Page 89)**

Tax on Profession though payable as per the provisions of the Act was not paid to the Urban Local Bodies by M/s. Tamil Nadu State Transport Corporation Limited, even though the same was collected by them from their employees. Further, the Urban Local Bodies also failed to take effective action to collect the same resulting in non-remittance of tax on profession of ₹7.04 crore.

**(Paragraph 4.2.1; Page 91)**

Vacant land tax amounting to ₹3.95 crore was not levied by two City Municipal Corporations between the period 2007-08 and 2021-22 in respect of land held by M/s. Electronics Corporation of Tamil Nadu Limited.

**(Paragraph 4.2.2; Page 92)**

Failure on the part of the Coimbatore City Municipal Corporation to assess the Super Speciality Hospital under Special Buildings as envisaged by the Government of Tamil Nadu guidelines resulted in loss of revenue on property tax amounting to ₹1.61 crore for six half years.

**(Paragraph 4.2.3; Page 95)**

Reduction in rate of Goods and Services Tax of seven *per cent* was not passed by the suppliers to ULBs, for 524 Battery Operated Vehicles, resulting in undue benefit of ₹57.76 lakh to the suppliers.

**(Paragraph 4.3.1(a); Page 96)**

Cost difference due to supply of Lead Acid Battery instead of Lithium Ion Battery in nine ULBs for 334 Battery Operated Vehicles purchased resulted in undue benefit of ₹51.56 lakh to the contractor.

**(Paragraph 4.3.1(b); Page 97)**

# CHAPTER I

**OVERVIEW OF THE FUNCTIONING,  
ACCOUNTABILITY MECHANISM AND  
FINANCIAL REPORTING OF PANCHAYAT RAJ  
INSTITUTIONS AND URBAN LOCAL BODIES**



## CHAPTER I

### OVERVIEW OF THE FUNCTIONING, ACCOUNTABILITY MECHANISM AND FINANCIAL REPORTING OF PANCHAYAT RAJ INSTITUTIONS AND URBAN LOCAL BODIES

#### Functioning of the Panchayat Raj Institutions and Urban Local Bodies in the State

##### 1.1 Introduction

The 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendments Act, 1992 accorded constitutional status to Panchayat Raj Institutions (PRIs) and Urban Local Bodies (ULBs) respectively, thereby establishing a system of uniform structure, regular election and flow of funds through the Finance Commission etc. As a follow-up to the Amendments, the State Governments were required to entrust the PRIs/ULBs with powers, functions and responsibilities to enable them to function as institutions of local self-government.

Accordingly, the State Legislature enacted the Tamil Nadu Panchayats Act, 1994. Under this Act, a three-tier system of PRIs *viz.*, District Panchayats (DPs) at the district level, Panchayat Unions or Block Panchayats (BPs) at the intermediary level and Village Panchayats (VPs) at the village level was established.

Similarly, the State Legislature amended the Tamil Nadu District Municipalities Act, 1920, for transferring the powers and responsibilities to ULBs in order to implement schemes for economic development and social justice including those in relation to the matters listed in the Twelfth Schedule of the Constitution of India.

Important statistics of the State and the PRIs/ULBs are given in **Table 1.1**.

Table 1.1: Important statistics of the State

Population		7.21 crore*
Population density		555 persons per square kilometre
Gender ratio		996 females per 1,000 males
Urban population		48.40 <i>per cent</i>
Rural population		51.60 <i>per cent</i>
Literacy rate	PRIs	73.54 <i>per cent</i>
	ULBs	87.04 <i>per cent</i>

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Abbreviations used in this report are listed in the Glossary at Page 179.

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Details of PRIs and ULBs	PRIs		ULBs	
	District Panchayats <sup>#</sup>	36	Municipal Corporations <sup>1</sup>	21
	Block Panchayats	388	Municipalities	138
	Village Panchayats	12,525	Town Panchayats	490
	<b>Total</b>	<b>12,949</b>	<b>Total</b>	<b>649</b>

\* As per 2011 Census, urban population of the State was 3.49 crore constituting 48.40 per cent of the total population.

# One District Panchayat yet to be formed in Mayiladuthurai District.

(Source: Census of India, 2011 and Policy Notes of Rural Development and Panchayat Raj Department and Municipal Administration and Water Supply Department for the year 2022-23).

## 1.2 Organisational structure of PRIs and ULBs

The organisational structures for administration of PRIs and ULBs in Tamil Nadu, as of March 2022 are given in **Appendices 1.1** and **1.2** respectively.

## 1.3 Devolution of functions to PRIs and ULBs

(i) The Constitution of India through 73<sup>rd</sup> Constitutional Amendment Act empowers the State to devolve the 29 functions listed in its Eleventh Schedule to PRIs (**Appendix 1.3**). Of these, the Government of Tamil Nadu (GoTN) has delegated certain powers to the three tiers of PRIs to supervise, assist and monitor the works falling under the 29 functions implemented by various departments.

(ii) Similarly, through the 74<sup>th</sup> Constitutional Amendment Act, the Constitution of India empowers the State to devolve the 18 functions (**Appendix 1.4**) listed in its Twelfth Schedule to the ULBs. All functions except the Fire Service has been fully devolved to the Corporations (except Greater Chennai Corporation (GCC)) and Municipalities. In respect of Town Panchayats, only 10 functions<sup>2</sup> were fully devolved, two functions<sup>3</sup> were partially devolved and six functions<sup>4</sup> were yet to be devolved. In respect of GCC, 13 functions<sup>5</sup> out of 18 functions were devolved (as of October 2022). However, one of the 13 devolved functions, viz., water supply for domestic, industrial and commercial purposes, for the Chennai Metropolitan Area, is handled by the Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB), a statutory body established under an Act of Tamil Nadu.

<sup>1</sup> Avadi, Chennai, Coimbatore, Cuddalore, Dindigul, Erode, Hosur, Kancheepuram, Karur, Kumbakonam, Madurai, Nagercoil, Salem, Sivakasi, Tambaram, Thanjavur, Thoothukudi, Tiruchirappalli, Tirunelveli, Tiruppur and Vellore.

<sup>2</sup> Serial numbers 1 to 10 of **Appendix 1.4**.

<sup>3</sup> Serial numbers 11 and 12 of **Appendix 1.4**.

<sup>4</sup> Serial numbers 13 to 18 of **Appendix 1.4**.

<sup>5</sup> Serial numbers 1 to 12 and 17 of **Appendix 1.4**.

## **1.4 Formation of various Committees**

### **1.4.1 District Planning Committee**

As per Section 241(1) of the Tamil Nadu Panchayats Act, 1994, a District Planning Committee (DPC) has to be constituted in every district in the State. The DPC consists of (i) the Chairman of the District Panchayat (Chairperson of the DPC), (ii) the Mayor of the City Municipal Corporation in the district, (iii) the District Collector (Vice Chairperson of the DPC) and (iv) members of the District Panchayats, Town Panchayats and Councillors of the Municipal Corporations and the Municipal Councils in the district as specified by the Government. Members of Parliament, Members of Legislative Assembly and representatives of Local Bodies are permanent special invitees of the DPC.

Functions of the DPC are collection, compilation and updation of information on the natural resources of the district to create a comprehensive database for decentralised planning. It consolidates the plans prepared by Rural Local Bodies and Urban Local Bodies, which facilitates the State Planning Commission in the preparation of the State Plan.

As of March 2023, the DPCs have been reconstituted in 31 districts, and constituted for the first time in five<sup>6</sup> districts.

### **1.4.2 Other Committees**

GCC stated (October 2022) that Appointment Committee and Standing Committees for Health, Town Planning, Works, Taxation and Finance, Education, Accounts and Audit were in place. GCC further stated that the Committees met once in a month and perused the respective department/subject schemes and projects; on approval of the schemes/projects, they were forwarded to the Council for approval.

Director of Municipal Administration (DMA) stated (October 2022) that Standing Committees for Public Health, Town Planning, Works, Taxation and Finance, Education, Accounts and Appointment were formed in Municipal Corporations and Standing Committees for Contracts, Town Planning, Taxation Appeal and Appointment were formed in Municipalities.

Commissioner of Town Panchayats (CTP) stated (October 2022) that Standing Committees for Taxation Appeal and Appointment were formed in Town Panchayats.

## **1.5 Audit arrangement**

### **1.5.1 Primary Auditor**

Director of Local Fund Audit (DLFA) is the statutory Auditor for Block Panchayats and District Panchayats. Audit of the accounts of Village Panchayats (VPs) is carried out by Deputy Block Development Officers (Audit). DLFA conducts only test audit of VPs' accounts. The DLFA takes up

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<sup>6</sup> Chengalpet, Kallakurichi, Ranipet, Tenkasi and Tirupathur.

audit of 20 *per cent* of VPs in addition to two *per cent* of the VPs selected by Commissioner of Rural Development and Panchayat Raj (CRDPR), every year.

The audit of ULBs was entrusted (August 1992) to the DLFA, who has to certify the correctness of accounts, assess internal control system and report cases of loss, theft and fraud to the audited entities and to GoTN.

#### ***Placing of Audit Report of DLFA***

As per Section 20 of the Tamil Nadu Local Fund Audit Act, 2014, DLFA should submit to the Government annually, a consolidated report of the audited accounts of local bodies and the Government should cause it to be laid, along with the Report of the Comptroller and Auditor General, before the Legislative Assembly. As per Rule 19 of the Tamil Nadu Local Fund Audit Rules, 2016, the DLFA should, not later than 30 September of every year, send to the Government, a consolidated report of the accounts of local authorities audited during the previous financial year, containing such particulars, which are to be brought to the notice of the Government as per Section 20 of the Act.

The consolidated Audit Report of PRIs and ULBs for the year 2019-20 was placed in the Legislative Assembly on 24 March 2022. DLFA stated (March 2023) that the Consolidated Audit Report of DLFA for the year 2020-21 has been sent to Government for placing it in the Legislative Assembly.

#### ***Arrears in submission of accounts***

Fifteenth Central Finance Commission (CFC) guidelines prescribes the entry level conditions for release of grants to local bodies for 2021-26. During the first two years i.e. 2021-22 and 2022-23, States need to ensure online availability of unaudited accounts for the previous year and audited accounts for the year before the previous year for 25 *per cent* of the PRIs and ULBs. From 2023-24 onwards 100 *per cent* of the PRIs and ULBs have to mandatorily prepare and make available online, the annual accounts of the previous year and audited accounts for the year before the previous year, to avail the full grants in that year.

PRIs should finalise their annual accounts within two months and ULBs within three months after the end of the financial year.

DLFA stated (November 2022) that the Village Panchayats selected for test audit and all Block Panchyats, District Panchayats have submitted their accounts for the year 2021-22.

In respect of ULBs, DLFA stated (April 2023) that all Municipal Corporations, Municipalities and Town Panchayats have submitted their accounts for the year 2021-22 to DLFA.

#### ***Arrears in audit by DLFA***

**Panchayati Raj Institutions:** As of March 2023, DLFA completed audit of all Block Panchayats, District Panchayats and 2,839 Village Panchayats planned for the year 2021-22.

The pendency details of paragraphs in the DLFA's Inspection Reports (IRs) in respect of Block Panchayats and District Panchayats as of March 2023, is given in **Table 1.2**.

**Table 1.2: Year-wise pendency of paragraphs in the IRs of DLFA**

Year of IR	Number of paragraphs pending in respect of	
	Block Panchayats	District Panchayats
Up to 2017-18	23,559	234
2018-19	8,172	81
2019-20	11,933	133
2020-21	14,752	218
2021-22	16,306	197
<b>Total</b>	<b>74,722</b>	<b>863</b>

(Source: Details furnished by DLFA)

Audit analysis revealed that in respect of Block Panchayats, 43,664 (58 *per cent*) out of 74,722 pending paragraphs and in respect of District Panchayats, 448 (52 *per cent*) out of 863 pending paragraphs related to period up to 2019-20. This indicated that adequate attention was not given to settle the long pending paragraphs.

The DLFA stated (March/November 2022) that 57 High Level Committee meetings were held during 2020-22 and 1,095 paragraphs pertaining to Block Panchayats were settled.

**Urban Local Bodies:** The position of audit of ULBs by DLFA, as of April 2023, is given in **Table 1.3**.

**Table 1.3: Position of audit of ULBs by DLFA**

(In numbers)

Year	Details	Corporations	Municipalities	Town Panchayats
2019-20	Number of ULBs	12	124	528
	Accounts submitted to DLFA	12	124	528
	Audit completed	12	124	528
	Audit pending	0	0	0
2020-21	Number of ULBs	15	121	528
	Accounts submitted to DLFA	15	121	528
	Audit completed	15	121	528
	Audit pending	0	0	0
2021-22	Number of ULBs	21	138	490
	Accounts submitted to DLFA	21	138	490
	Audit completed	21	138	490
	Audit pending	0	0	0

(Source: Details furnished by DLFA)

As of August 2022, 1,74,465 paragraphs relating to Municipal Corporations, Municipalities and Town Panchayats, included in the DLFA's IRs relating to period up to 2021-22, were pending settlement as given in **Table 1.4**.

**Table 1.4: Year-wise pendency of paragraphs of DLFA**

Year of IR	Number of paragraphs pending in respect of		
	Municipal Corporations	Municipalities	Town Panchayats
Up to 2017-18	28,488	25,044	28,530
2018-19	4,294	6,390	9,743
2019-20	6,939	8,839	14,622
2020-21	7,057	11,133	22,208
2021-22	222	788	168
<b>Total</b>	<b>47,000</b>	<b>52,194</b>	<b>75,271</b>

(Source: Details furnished by DLFA)

Audit analysis revealed that in respect of Municipal Corporations, Municipalities and Town Panchayats 28,488 (61 *per cent*) out of 47,000, 25,044 (48 *per cent*) out of 52,194 and 28,530 (38 *per cent*) out of 75,271 pending paragraphs respectively pertained to period up to 2017-18. This indicated that adequate attention was not given to settle the long pending paragraphs.

DLFA stated (November 2022) that for settling the pending paragraphs relating to Municipal Corporations, Municipalities and Town Panchayats, 23 meetings were held during 2020-22 as a result of which, 846 paragraphs were settled.

### **1.5.2 Audit by Comptroller and Auditor General of India (CAG)**

Audit of PRIs (in respect of financial assistance given) and ULBs are conducted under Sections 20 and 14 (2) respectively of the CAG's (Duties, Powers and Conditions of Service) Act, 1971. Technical Guidance and Support is also provided by the CAG to DLFA with respect to the content and quality of DLFA's Audit Reports on Town Panchayats.

#### ***Audit Reports of CAG***

The Committee on Public Accounts (PAC) of the Legislature prescribed a time limit of two months from the date of placement of the Audit Reports for furnishing Explanatory Notes by Government departments on the audit observations included in the Audit Report. The Explanatory Note should indicate the corrective action taken or proposed to be taken by them.

As of March 2023, 40 and 136 paragraphs relating to Rural Development and Panchayat Raj (RD&PR) Department and Municipal Administration and Water Supply (MAWS) Department respectively, included in the CAG's Audit Reports for the years from 2008-09 to 2019-20 were pending discussion and out of which, RD&PR Department and MAWS Department have not furnished Explanatory Notes in respect of 31 Paragraphs/Performance Audits and 67 paragraphs respectively.

Paragraphs included in the CAG's Audit Reports pertaining to RD&PR Department and MAWS department have been discussed up to the year 2008-09 and 2006-07 respectively and recommendations were made by the PAC. As of March 2023, 129 PAC recommendations on paragraphs of RD&PR Department for the period from 1989-2011 are pending settlement by PAC, out of which the Department has not furnished Action Taken Notes for 26 recommendations. Similarly, 171 PAC recommendations on paragraphs of MAWS Department for the period from 1987-2007 are pending settlement by PAC, out of which the Department has not furnished Action Taken Notes for 91 recommendations.

## **1.6 Response to audit observations of CAG**

**Panchayat Raj Institutions:** Irregularities detected by Audit during test check of records of District Panchayats and Block Panchayats are followed-up through IRs issued to the concerned District Panchayats and Block Panchayats and CRDPR. As of March 2023, 1,633 paragraphs contained in 366 IRs issued up to 31 March 2022 were unresolved for want of satisfactory replies.

**Urban Local Bodies:** Test check of records of ULBs by Audit is followed-up through IRs issued to the ULBs concerned and to the Commissioner of GCC, Commissioner of Municipal Administration, Director of Town Panchayat. As of September 2022, 4,745 paragraphs contained in 991 IRs issued up to 31 March 2022 were unresolved for want of satisfactory replies.

## **Accountability Mechanism in the PRIs and ULBs**

### **1.7 Ombudsman**

As per Paragraph 10.161(iii) of the recommendations of the Thirteenth CFC, the State Government must put in place a system of independent local body Ombudsman who will look into the complaints of corruption and maladministration against the functionaries of local bodies, both elected members and officials, and recommend suitable action against them. The Tamil Nadu Local Bodies Ombudsman Act, 2014 was enacted by the State Legislature in December 2014 and the Tamil Nadu Local Bodies Ombudsman was established in March 2015 for the Municipal Corporations, Municipalities, Town Panchayats and District Panchayats.

As the Tamil Nadu Local Bodies Ombudsman Act, 2014, did not cover BPs and VPs, 70 complaints in respect of BPs and VPs received by the Ombudsman during 2021-22 were forwarded to the concerned District Collectors for further necessary action.

In respect of ULBs, 225 complaints were received by the Tamil Nadu Local Bodies Ombudsman during 2021-22 against the ULBs and its public servants, out of which, 124 were disposed of and the remaining 101 complaints were in enquiry stage.

## **1.8 Social Audit in PRIs**

As per Section 15(5)(d) of the National Rural Employment Guarantee Act, 2005, Social Audit of all works executed in the jurisdiction of a VP is to be carried out by the *Grama Sabha* and prompt action has to be taken on the objections raised during Social Audit. GoTN established (January 2013) an independent organisation viz., Social Audit Society of Tamil Nadu (SASTA), which was registered as a Society under the Tamil Nadu Societies Registration Act, 1975. During 2021-22, Social Audit was conducted in 12,524 VPs.

## **1.9 Central Finance Commission grant and submission of Utilisation Certificates**

**Panchayat Raj Institutions:** The Fifteenth CFC had recommended that grants for Rural Local Bodies were to be in two parts viz., Basic-Untied and Tied grants in the ratio of 40:60. Accordingly, ₹2,666 crore was allocated by the Government of India (GoI) as Basic-Untied (₹1,066.40 crore) and Tied Grants (₹1,599.60 crore) for the year 2021-22. GoTN released the grants to the PRIs through CRDPR. Based on release of grants to PRIs, GoTN furnished Utilisation Certificates (UCs) to GoI in October 2021 (for the first instalment of CFC grant) and May 2022 (for the second instalment of CFC grant).

**Urban Local Bodies:** A sum of ₹1,886.26 crore was sanctioned by GoI as Fifteenth CFC grant to the ULBs in Tamil Nadu for the year 2021-22 and the same was released by GoTN to the ULBs. As regards ULBs, GoTN stated (October 2022) that the UCs regarding grants for scheme were being sent to GoI on the basis of the actual expenditure incurred during the financial year.

## **1.10 Internal Audit and Internal Control System**

**Panchayat Raj Institutions:** The internal control systems in PRIs included periodical reporting on expenditure, scrutiny by *Grama Sabha* and internal audit. VPs send monthly reports on their expenditure to the Block Development Officer (VP) which was monitored at Block and District level. A Deputy Block Development Officer (Audit) is in-charge of audit of VPs at the Block level which is reviewed by an Assistant Director of Audit at the District level. Moreover, all the expenditure made by VPs was placed before the *Grama Sabha*. DLFA staff in each Block Panchayat carried out the concurrent audit of Panchayat Union's accounts.

**Urban Local Bodies:** The Financial Advisor, GCC was the overall controller for verification of audit and accounts of Greater Chennai Corporation. The Chief Accounts Officers of GCC carries out internal audit in the respective zones of GCC. DLFA carries out the concurrent audit of GCC and of Municipal Corporations, Special Grade Municipalities as well as the annual statutory audit of Commissionerate of Town Panchayats through District Audit staff.

## **1.11 Other Accountability Mechanisms in ULBs**

### **1.11.1 Property Tax Board**

The State Legislature enacted (May 2013) the Tamil Nadu State Property Tax Board Act, 2013 and GoTN framed (October 2014) the Tamil Nadu State Property Tax Board Rules, 2014. The State Government has constituted (January 2018) the Tamil Nadu State Property Tax Board under the Chairmanship of the Principal Secretary to Government, MAWS Department with three ex-officio members. The Board conducted two meetings in April 2018 and February 2019.

### **1.11.2 Service Level Benchmark**

As per Paragraph 10.161(viii) of the Thirteenth CFC recommendations, State Governments must notify or cause all the Municipal Corporations and Municipalities to notify the service standards for four service sectors viz., water supply, sewerage, storm water drainage and solid waste management proposed to be achieved by them by the end of the succeeding fiscal year.

All ULBs have notified the service level benchmarks for the years 2016-17 to 2021-22. GCC stated (October 2022) that service level benchmarks for four services have been provided in GCC website.

### **1.11.3 Fire hazard response**

As per Paragraph 10.161(ix) of the Thirteenth CFC recommendations, all Municipal Corporations with a population of more than one million must put in place a fire hazard response and mitigation plan for their respective jurisdictions. Notification accepting this recommendation of Thirteenth CFC was issued by GoTN in November 2013.

Fire service, which falls under Home Department, was not devolved as a separate function to ULBs. Funds for this purpose have been released by ULBs to the Department.

Greater Chennai Corporation and Municipal Corporations of Coimbatore and Madurai released ₹2.68 crore, ₹0.51 crore and ₹0.49 crore respectively for the period 2011-15; of this, ₹2.55 crore, ₹0.51 crore and ₹0.49 crore was utilised by Fire and Rescue Services Department as of April 2023 for purchase of vehicles and equipment. The Director, Tamil Nadu Fire and Rescue Services stated (April 2023) that action is being taken to utilise the balance amount for purchase of balance items during 2023-24.

## **1.12 Financial Reporting in the PRIs and ULBs**

### **1.12.1 Source of funds**

**Panchayat Raj Institutions:** VPs are empowered to levy taxes like property tax, profession tax and advertisement tax. Other source of receipts for VPs and

sources of receipts for BPs are non-tax revenue, assigned revenue and grants from State Government, grants given by GoI for various purposes and grants from the State and Central Finance Commissions. The State Finance Commission (SFC) grants, CFC grants, grants given by State Government and GoI and assigned revenue were released by the CRDPR through District Collectors.

The details of receipts and expenditure of the PRIs for the period 2017-22 is shown in **Table 1.5**.

**Table 1.5: Details of receipts and expenditure of PRIs**

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Own revenue	797.00	731.93	470.24*	436.13*	1,627.14 <sup>#</sup>
Assigned revenue	510.88	407.71	1,053.45	618.42	850.37
Grants	6,631.73	7,655.73	7,211.95	8,930.43	8,815.23
<b>Total receipts</b>	<b>7,939.61</b>	<b>8,795.37</b>	<b>8,735.64</b>	<b>9,984.98</b>	<b>11,292.74</b>
Revenue expenditure	3,362.16	3,584.57	3,853.99	4,293.10	4,376.12
Capital expenditure	4,223.34	4,943.04	3,644.68	5,504.16	6,450.22
<b>Total expenditure</b>	<b>7,585.50</b>	<b>8,527.61</b>	<b>7,498.67</b>	<b>9,797.26</b>	<b>10,826.34</b>
Percentage of capital expenditure to total expenditure	56	58	49	56	60

\* Due to Covid-19 pandemic, the own revenue reduced drastically.

<sup>#</sup> Increase in own revenue during 2021-22 was due to collection of arrears and new initiatives viz., online mechanism for own revenue.

(Source: Details furnished by CRDPR)

**Urban Local Bodies:** The details of receipts and expenditure of the ULBs for the period from 2017-22 are given in **Table 1.6**.

**Table 1.6: Receipts and expenditure of ULBs**

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Own revenue	4,412.48	5,792.83	5,639.65	3,781.53	4,027.49
Assigned revenue	437.92	486.51	569.26	1,141.34	1,045.75
Grants	6,562.20	7,804.83	8,266.35	6,145.63	4,332.32
Loans	1,501.35	464.19	282.69	1,388.34	3,213.45
<b>Total receipts</b>	<b>12,913.95</b>	<b>14,548.36</b>	<b>14,757.95</b>	<b>12,456.84</b>	<b>12,619.02</b>
Revenue expenditure	7,132.44	8,166.93	8,290.13	8,947.95	7,541.50
Capital expenditure	3,515.67	4,026.92	4,711.74	6,705.77	6,194.09
<b>Total expenditure</b>	<b>10,648.11</b>	<b>12,193.85</b>	<b>13,001.87</b>	<b>15,653.72</b>	<b>13,735.58</b>
Percentage of capital expenditure to total expenditure	33	33	36	43	45

(Source: Details furnished by GCC, DMA and CTP)

The percentage of revenue/capital expenditure and savings/excess to the total receipts during 2017-22 is given in **Table 1.7**.

**Table 1.7: Percentage of revenue/capital expenditure and savings/excess to total receipts**

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue expenditure	55	56	56	72	60
Capital expenditure	27	28	32	54	49
Savings (-)/Excess (+)	(-) 18	(-) 16	(-) 12	(+) 26	(+) 9

While Capital expenditure during 2017-2022 ranged between 27 *per cent* and 54 *per cent* of the total receipts, Revenue expenditure ranged between 55 *per cent* and 72 *per cent* of the total receipts.

### **1.12.2 State Finance Commission Grant**

Fifth SFC, constituted in December 2014, recommended (December 2016) a vertical sharing ratio for SFC devolution funds at 56:44 between rural and urban local bodies. For PRIs, the vertical sharing ratio recommended was 55:37:8 among Village Panchayats, Block Panchayats and District Panchayats respectively. For ULBs, the horizontal sharing ratio of SFC devolution funds recommended was 40:29:31 amongst Municipal Corporations, Municipalities and Town Panchayats respectively. GoTN accepted the recommendations in March 2017. The amount of SFC grants released to the PRIs and ULBs during 2021-22 was ₹4,304.46 crore and ₹4,647.58 crore respectively.

### **1.12.3 Maintenance of accounts**

**Panchayat Raj Institutions:** A new simplified accounting framework, namely 'Model Accounting System for Panchayats' was developed in 2009 to bring about transparency and accountability in the maintenance of accounts of PRIs. Panchayat Raj Institutions Accounting Software (PRIASoft) was developed by National Informatics Centre in consultation with Ministry of Panchayati Raj, GoI to establish centralised accounting software for use by all the three tiers of PRIs. CRDPR stated (February 2023) that all PRIs had completed online entry of accounts using PRIASoft up to 2020-21 and using eGramSwaraj application for 2021-22 as PRIASoft online portal has been merged with eGramSwaraj portal.

**Urban Local Bodies:** The Government stated (October 2022) that principles laid down in National Municipal Accounting Manual (NMAM) is followed in preparation of annual accounts by ULBs. Accounts are maintained fund wise and annual trial balance, income and expenditure account and balance sheet are prepared on accrual basis. It was also stated that in respect of GCC, the chart of accounts was revised and accounts up to 2021-22 were finalised in conformity with the NMAM.

**CHAPTER II**  
**SUBJECT SPECIFIC**  
**COMPLIANCE AUDIT**  
**(PANCHAYAT RAJ INSTITUTIONS)**



## CHAPTER II

### SUBJECT SPECIFIC COMPLIANCE AUDIT

#### RURAL DEVELOPMENT AND PANCHAYAT RAJ DEPARTMENT

##### 2.1 Subject Specific Compliance Audit of Chief Minister's Solar Powered Green House Scheme

**The Chief Minister's Solar Powered Green House Scheme did not make any significant impact on housing for rural poor. Failure to revise the unit cost excluded significant number of eligible poor beneficiaries from the Scheme as the houses became unaffordable to them. The annual targets for construction of houses were set without linking it with the targeted beneficiaries in the 'Participatory Identification of Poor' list. The system followed for selection of beneficiaries was flawed and the field level officers did not adhere to the Scheme guidelines. Failure of Project Director, District Rural Development Authorities to ensure supply of cement and steel on time caused delay in completion of houses and burdened the poor beneficiaries. Belated finalisation of Model Tender Document delayed the installation of solar powered LED lights in Green Houses and multiple violations of tender procedures stained the award of contracts and impacted the quality of solar photovoltaic home lighting systems supplied to the Green Houses.**

##### 2.1.1 Introduction

Government of Tamil Nadu (GoTN) launched (2011) the 'Chief Minister's Solar Powered Green House Scheme' (Scheme), with an objective to provide *pucca* houses with basic amenities to all the rural poor along with Solar Photovoltaic Home Lighting System (SPVHLS). Under this free housing Scheme, three lakh Green Houses were constructed at an estimated cost of ₹5,940 crore during the five-year period 2011-16 at a unit cost<sup>1</sup> of ₹2.10 lakh<sup>2</sup> for each house. GoTN extended the Scheme for another five years (2016-21) with a target to construct 20,000 houses per year at an estimated total cost of ₹420 crore per year. For the year 2020-21, GoTN issued specific orders (August 2020) to construct 20,000 houses at an estimated cost of ₹500 crore including 8,803 houses for tribal families. GoTN changed the scope of the scheme for the year 2020-21 by withdrawing the provision for solar lights and increased the unit cost of construction to ₹2.10 lakh<sup>3</sup>. Further, beneficiaries of tribal families

<sup>1</sup> GoTN enhanced the unit cost from ₹1.80 lakh to ₹2.10 lakh from the year 2013-14.

<sup>2</sup> House construction: ₹1.80 lakh; Solar powered home lighting system: ₹0.30 lakh.

<sup>3</sup> The amount of ₹30,000, intended for installation of solar lights, was merged with the civil construction cost thereby raising the overall cost of construction to ₹2.10 lakh.

would be provided ₹3 lakh per house<sup>4</sup> for the same year. The construction was to be carried out by the beneficiaries themselves as per the approved type design (**Appendix 2.1**) and guidelines issued by GoTN. The Department of Rural Development and Panchayat Raj is responsible for installation of SPVHLS in the houses.

### **2.1.2 Organisational set up**

The Principal Secretary to GoTN, Rural Development and Panchayat Raj (RD&PR) Department is the overall head at the Government level. The Commissioner/Director of Rural Development and Panchayat Raj is the head of the field formation. At the district level, the District Collector and ex-officio Chairman of District Rural Development Agency (DRDA) and Project Director (PD) of the DRDA are responsible for implementation of the Scheme<sup>5</sup>. At the block level, the Block Development Officer, Block Panchayat (BDO (BP)) and President of Village Panchayat (VP) are the executive authorities for BP and VP respectively.

### **2.1.3 Audit objectives**

Audit objectives were to assess whether,

- the Department had proper procedure for identification of beneficiaries;
- the funds were provided and released on time;
- the houses were completed and installed with solar lights as per the time frame; and
- a suitable monitoring system was put in place to monitor the implementation of the Scheme.

### **2.1.4 Audit criteria**

- Scheme guidelines issued by GoTN
- Tamil Nadu Transparency in Tenders Act, 1998 and Rules, 2000
- Tamil Nadu Budget Manual, and
- Orders, circulars, and instructions issued by Government.

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<sup>4</sup> An additional ₹90,000 over and above the unit cost of ₹2.10 lakh.

<sup>5</sup> DRDPR allocates the number of houses to be constructed each year in every district. At the district level, the District Collector decides the allotment of houses to the Village Panchayats.

### 2.1.5 Scope and Methodology

The Subject Specific Compliance Audit (SSCA) was conducted from December 2020 to March 2021 covering the period from April 2017 to March 2021. The relevant Scheme records were verified at the State Secretariat, Directorate of Rural Development and Panchayat Raj (DRDPR), DRDA in eight sampled districts<sup>6</sup>, 16 Panchayat Union Offices (Blocks), and 57 VPs, wherein a total of 653 Green Houses were sanctioned during 2017-21. Samples were selected by random sampling method (**Appendix 2.2**). Audit teams along with officials of the Department at the field level undertook Joint Physical Inspection (JPI) of the houses constructed in various habitations of the sampled VPs. A survey questionnaire was issued to the beneficiaries and details obtained were used as corroborative evidence for the observations made in this Report. An Entry Conference was held on 14 December 2020 with the Additional Chief Secretary to GoTN, RD&PR Department wherein the audit methodology, scope, objectives and criteria were explained. An Exit Conference was held on 27 July 2021 with the Principal Secretary to Government, RD&PR Department to discuss the Audit findings, and the responses provided by the Department have been accounted for in drafting the Report.

### 2.1.6 Acknowledgement

Audit acknowledges the cooperation extended by GoTN, DRDPR, sampled DRDAs, Blocks and VPs in conducting the SSCA amidst Covid-19 pandemic period.

## Audit findings

### 2.1.7 Outcomes of the Scheme

The Scheme guidelines have not provided for any mid-term evaluation of the outcomes of the Scheme in terms of its impact on providing housing to the rural poor.

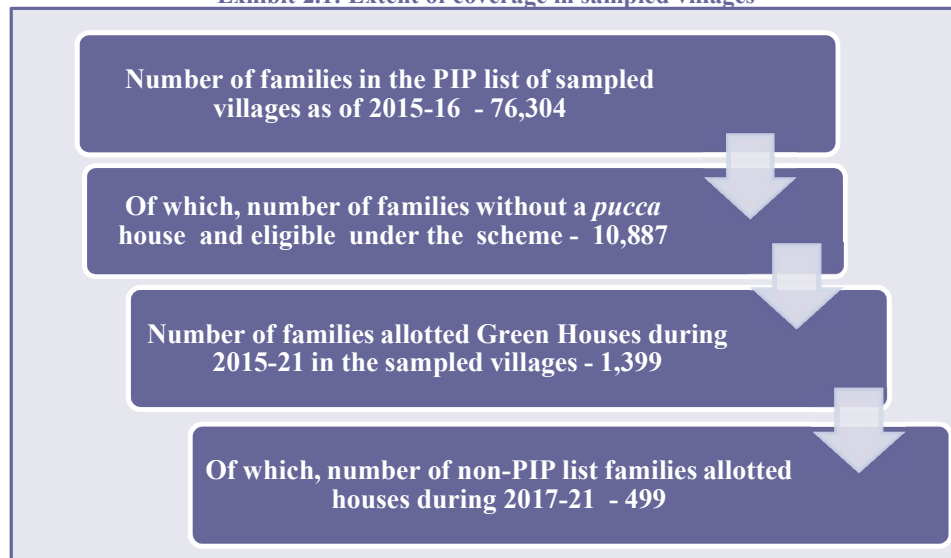
Based on the data collected from the 57 sampled VPs, an attempt was made by Audit to ascertain the outcomes of the Scheme. As seen from the 'Participatory Identification of Poor' (PIP) data, which is relied upon by GoTN for rural poverty alleviation programmes, as of 2015, the sampled VPs had a total of 10,887 families living in *kutch* houses/huts. During 2015-20, 808 houses were allotted to this Scheme and 1,740 more houses were sanctioned through other schemes<sup>7</sup>. As of March 2020, in the sampled villages, against the 808 houses sanctioned under the Scheme during 2015-20, only 694 were completed and 114 were in different stages of completion (**Exhibit 2.1**).

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<sup>6</sup> Coimbatore, Cuddalore, Dindigul, Kanyakumari, Perambalur, Salem, Tiruchirappalli and Tiruvannamalai.

<sup>7</sup> Indira Awaas Yojana, Indira Awaas Yojana (Special) Flood, Pradhan Mantri Awaas Yojana (Gramin) etc.

**Exhibit 2.1: Extent of coverage in sampled villages**



(Source: Data collected from Blocks/Villages)

Thus, during the five-year period, only 7.42 *per cent* of the eligible rural poor in the sampled villages were benefitted under this Scheme, besides 16 *per cent* under other Schemes. Thus, the Scheme has not made any substantial contribution towards providing a *pucca* home to the vulnerable rural poor and had not improved their living condition.

### **2.1.8 Planning and Selection of beneficiaries**

Families living below poverty line in rural areas are eligible for solar powered Green Houses. The eligibility conditions were as follows:

- Should be a resident of the Village Panchayat concerned.
- Should not own any other *pucca* concrete house in the village or elsewhere.
- Should not have been benefitted under any other housing scheme of the Government.
- Own a site of not less than 300 square feet (sq.ft.) area.
- Have a clear title for the site in the name of the head of the family or any other member of the household.

While selecting the beneficiaries from the rural poor, priority is given for the people in the PIP list depending on their vulnerability and is subjected to the approval of *Grama Sabha*.

#### **2.1.8.1 Deficiencies in the system for selection of beneficiaries**

As per the Scheme guidelines, a Village Level Committee (VLC) was to be constituted with the BDO, Deputy BDO and the Panchayat President as members. The VLC was responsible for the selection of beneficiaries. The selected lists of beneficiaries were to be approved by the *Grama Sabha*.

It was, however, seen that in none of the sampled Blocks, VLCs were constituted, and meetings were held to discuss and decide the list of beneficiaries. This deficiency in the envisaged system for selection of beneficiary had contributed to the selection of ineligible beneficiaries as discussed in **Paragraph 2.1.8.3**.

#### **2.1.8.2 Non-conducting of survey and disproportionate allotment of houses to VPs**

The Scheme was launched to benefit the poor households in the rural areas. GoTN fixed the State level targets for the number of houses to be constructed and based on that, district level and village level targets were fixed.

Audit found that the initial decision of GoTN to construct three lakh houses during 2011-16 and subsequently one lakh houses during 2016-21, was not based on any actual survey done to ascertain the district-wise population of the rural poor in need of housing. DRDPR conceded (October 2020) that neither any survey was conducted in this regard nor any proposals were received from the districts regarding the specific number of houses to be allocated. DRDPR further informed (December 2022) that houses were allotted based on a survey conducted during 2009-11 throughout the State to identify the number of households living in huts. In the survey, 15.64 lakh households living in huts were identified out of which 7.9 lakh households availed houses under various Government Schemes viz. PMAY, IAY, KVVV, THANE etc<sup>8</sup>. Department gave contradictory reply and no survey report was produced to Audit.

Audit found that the number of houses allotted to each district and the subsequent allocation to VPs was not in proportion to the number of needy rural poor households at district/VP level as per the PIP list. Audit analysis of the allotment of houses in the sampled Blocks revealed that the allotments were neither in proportion to the entire population of the respective VP nor based on the population of poor households. The number of houses allotted to the 56 sampled VPs<sup>9</sup> varied between 0.01 *per cent* to 0.76 *per cent* of the total population of the VP and 0.12 *per cent* to 10.39 *per cent* of the population of poor households. (**Appendix 2.3**). This established that the allotment of houses to VPs were not prioritised among the needy, leading to disproportionate allocation of houses at district and village level.

It was further observed that the Scheme being limited only to those with atleast 300 sq.ft. of housing land, poor families without any land get excluded automatically. The Scheme guidelines and the implementation plans did not envisage provisioning of free house sites to such families, nor was any effort made to dovetail the 'Free House site scheme' implemented by the Revenue Department and Adi Dravidar Welfare Department with the housing schemes,

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<sup>8</sup> PMAY - Pradhan Mantri Awaas Yojana; IAY - Indira Awaas Yojana; KVVV - Kalaignar Veettu Vasathi Thittam; THANE - Special Housing programme to replace the damaged huts in the regions affected by THANE cyclone.

<sup>9</sup> Except V. Kalathur in Perambalur District as the population break-up for poor/very poor category was not furnished to Audit.

as reported in the CAG's Compliance Audit Report for the year ended March 2022 (Report No. 5 of 2023).

GoTN replied (October 2021) to Audit that the allotment of houses was done by a committee. The reply, however, did not explain why the Block-wise allotment was not in proportion to the population of poor households in the Blocks and why the existing Scheme for provision of Free House Sites to poor is not dovetailed with this Scheme.

**Recommendation 1:**

**Government should put in place a system to ensure allotment of houses to Village Panchayats in proportion to the number of families in the Participatory Identification of Poor list of the respective village.**

**2.1.8.3 Improper selection of beneficiaries**

As per the Scheme guidelines of 2017-18, the rural poor who own a site of not less than 300 sq. ft. and have clear *patta* for the site/house<sup>10</sup> are eligible to be a beneficiary of the Scheme. As per the Scheme guidelines, the Village Level Committee (VLC) selects the list of eligible beneficiaries. As per Paragraph six of the Scheme guidelines, while selecting the beneficiaries, priority is to be given to those who are listed as 'vulnerable' in the PIP list<sup>11</sup> and also to certain other categories<sup>12</sup> of people. The selected lists of beneficiaries are approved by the concerned *Grama Sabha* based on which the BDO (BP) allocates the houses to the selected beneficiaries.

Audit scrutiny revealed that during 2017-21, 653 beneficiaries were allotted the houses in the 57 sampled VPs. Out of them, Audit found that only 154 beneficiaries (24 per cent) were from the PIP list and the remaining 499 beneficiaries (76 per cent) did not figure in the PIP list, the block-wise details of which are given in **Appendix 2.4**. Audit found that the PIP lists had a total of 10,887 eligible persons for allotment of houses. But they were excluded from coverage. To an audit enquiry regarding the reasons for exclusion of such beneficiaries from coverage, the DRDAs and Blocks did not furnish any reply.

Based on the audited sample, Audit observed that the scheme fund was utilised to benefit significant number of people other than the homeless and vulnerable, for whom the scheme was envisaged.

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<sup>10</sup> The *patta* should be in the name of the head of the family or any other member of the household. Further, the potential beneficiary should not own any other *pucca* house in the village or elsewhere and should not have benefitted under any other housing scheme of the Government.

<sup>11</sup> Prepared by Tamil Nadu State Rural Livelihoods Mission and *Pudhu Vazhvu* Project.

<sup>12</sup> Differently abled, widows, destitute and deserted women, women headed families, Ex-servicemen and retired members of the Paramilitary forces, families having severely malnourished children, transgenders, HIV/AIDS/TB affected persons, victims of natural calamities and households having a mentally challenged person in the family.

#### **2.1.8.4 Sanction of houses to beneficiaries without valid *patta***

The Scheme guidelines contemplated that the Green Houses shall be constructed either *in-situ*<sup>13</sup> or on the land owned by the beneficiary elsewhere in the VP. The beneficiary should possess a clear *patta*, in the name of the head of the family or any other member of the household, for their house sites. Audit scrutiny of beneficiaries' land documents in the 16 sampled blocks revealed that BDOs issued work orders without ensuring *patta* in respect of 429 beneficiaries<sup>14</sup> (66 per cent) out of the total 653 beneficiaries in the sampled VPs during 2017-21. Documents such as joint *patta*, sale deed, partition deed, gift deed and even documents in the name of other persons other than the beneficiary and his/her spouse were accepted. Further, in respect of 20 beneficiaries, no document was available to establish the ownership of the land on which the house is constructed.

Thus, the BDOs (BP) failed to ensure that the house could be occupied by the beneficiary without any encumbrance in the future.

GoTN replied (October 2021) that in most cases, house site *pattas* were collected from the selected beneficiaries. However, in some instances, households with registered documents of ownership were given sanction. Government's reply was not acceptable as availability of *patta* is an essential condition under the Scheme.

#### **2.1.8.5 Allotment of houses to non-resident beneficiaries**

The primary eligibility for a beneficiary is that he/she should be a resident of the VP concerned. Audit scrutiny of the beneficiaries' documents collected as proof of their address such as, copy of voter identity card, Aadhaar Card and family card, etc., revealed that 20 beneficiaries<sup>15</sup> in two sampled blocks of Salem district were not residents of the VPs in which they were sanctioned the solar powered Green Houses during 2017-21. Despite this, work orders were issued to them. The formation of a Village Level Committee could have ensured that the beneficiaries were residents of the village, thus preventing this lapse.

GoTN replied (October 2021) that the non-resident beneficiaries, pointed out by Audit, had owned lands in the village, and had temporarily migrated out of their villages. Audit, however, found that these beneficiaries did not possess any document such as Aadhaar card, voter ID, family card etc., to establish that they were bonafide residents of the village. GoTN's reply that they owned land in the village, was not an acceptable criterion for sanction of houses to them.

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<sup>13</sup> By replacing his/her existing dwelling structure.

<sup>14</sup> Joint *patta*-62; Sale deed, partition deed, settlement/gift deed in the name of beneficiary/spouse-173 and Documents in the name of persons other than the immediate family-194.

<sup>15</sup> Ayothiyapattinam Block (Aachankuttapatti-4; M. Perumapalayam-2; Aladipatti-2; Anuppur-1; Kootathupatti-1 and Sukkampatti-1); Omalur Block (Kottamariyamankoil-2; Kottamettupatti-2, Naranampalayam-1; Thumbipadi-2; Mankuppai-1 and Vellalapatti-1).

#### **2.1.8.6 Non-ensuring allotment of houses to differently abled persons**

As per the Scheme guidelines, three *per cent* of the district-wise allocation should be reserved exclusively for differently abled persons, which was increased to four *per cent* from the year 2019-20. In the sampled eight districts, against the targeted allotment of 816 houses (from 2017-18 to 2020-21) to the differently abled, only 227 houses (28 *percent*) were allotted. The shortfall of allocations in the sampled districts ranged between 64 *per cent* and 95 *per cent*. Audit, however, found that the DRDAs did not have an updated list of eligible differently abled persons.

The DRDAs of sampled districts stated that no survey was conducted to assess the number of eligible differently abled persons under the Scheme in their districts. GoTN replied (October 2021) that some of the disabled beneficiaries were not willing to construct houses by themselves and hence the houses earmarked for them were diverted to others. The reply shows that the Block level officers, instead of ensuring the Scheme benefits to these disadvantaged sections of the society, diverted their houses to others. Such diversions were approved in routine manner without finding ways to use the Scheme to construct houses for the differently abled who are not able to carry out construction despite availability of Scheme funds.

#### **2.1.8.7 Allotment of houses to the persons not approved by Grama Sabha**

The Scheme guidelines provided that beneficiaries should be selected from the poor people living in a VP and final list of such beneficiaries should be approved by the *Grama Sabha*. It was, however, noticed that in 27 VPs out of 57 selected VPs, (47 *per cent*) allotment of houses to 135 persons (**Appendix 2.5**) was made by the BDOs without the approval of the *Grama Sabha* resolution of the respective VPs. This showed that BDOs had actual control and were able to override the *Grama Sabhas* in selection of beneficiaries despite the responsibility vested with them.

In their reply (October 2021), GoTN explained the procedure followed for allotment of houses, but did not explain the reasons for the allotment of houses to 135 persons in 27 VPs which was pointed by Audit.

#### **Recommendation 2:**

**The Government should order an enquiry into the issue of ineligible beneficiaries getting Scheme benefits and ensure that BDOs are made accountable for the lapses in the selection of beneficiaries. Government should ensure a transparent mechanism for selection of beneficiaries.**

#### **2.1.8.8 Adoption of impractical unit cost**

The unit cost of ₹1.80 lakh for construction (2013), based on Public Works Department (PWD) Schedule of Rates (SoR) was applicable for 2013-14. The unit cost was not revised till 2019-20 though the cost of construction materials was steadily increasing and the SoR for other building works of the Department were being revised from time to time. Further, in hilly areas, there is an

increased cost for conveyance of materials by road on hills. To alleviate this extra cost, PWD's SoRs allow extra percentage for various hilly areas in the State, ranging from 20 *per cent* to 50 *per cent*, over the prescribed rates of materials. Such admissible extra rates were also not contemplated in the Scheme guidelines for fixing the unit cost for construction of houses in the hilly areas.

Non-revision of the unit cost and non-inclusion of extra costs for hilly areas put undue financial burden on the beneficiaries. As seen from PWD's SoRs, the price of major construction materials like sand for the mortar, bricks, and cement, increased by 306 *per cent*, 49 *per cent* and 11 *per cent* respectively between 2012-13 and 2019-20. This shows the failure of the Government in not revising the unit cost, despite the intention of the Scheme to fully finance construction of these houses. The beneficiary survey conducted in the sampled VPs revealed that the beneficiaries could not complete the houses sanctioned to them within the unit cost for construction of house. They stated that they had to pledge their belongings, borrow from friends or relatives and money lenders at higher rates of interest, etc., to meet the rising cost of construction.

During scrutiny of files pertaining to the period of Audit coverage in sampled blocks, Audit noticed 112 beneficiaries (17 *per cent*) out of the 653 originally selected beneficiaries declined the offer after issuance of work orders citing family circumstances and other financial commitments. Hence, the Blocks, to fulfil the set target, substituted the selected beneficiaries with other persons not in the selected list. The selected beneficiaries expressing unwillingness to avail the Scheme benefits show that many beneficiaries were apprehensive of completing the house within the sanctioned unit cost.

It is pertinent to state that, for the houses to be built in the year 2020-21, GoTN issued (August 2020) orders raising the overall cost of construction from ₹1.80 lakh to ₹2.10 lakh per house<sup>16</sup>. Further, for the Tribal beneficiaries, a sum of ₹90,000 was to be provided in addition to the ₹2.10 lakh, thereby raising the unit cost of each house for Tribal beneficiary to ₹3 lakh. This corroborates the Audit contention that the unit cost should have been revised at regular intervals to ease the additional financial burden to the rural poor.

Thus, non-revision of unit cost, deprived the poor of having a dwelling of their own as they were reluctant to accept the Scheme and only those who could afford to incur additional expenditure through savings or borrowings had a realistic chance of completing the houses, as commented in **Paragraph 2.1.9.2.**

GoTN replied (October 2021) to Audit that the overall cost of construction has been raised from ₹1.80 lakh to ₹2.10 lakh per house. Audit, however, observed that there was no increase in the overall cost as the reported increase of cost of construction to ₹2.10 lakh per house was by subsuming ₹30,000 intended for installation of solar lights. Thus, the reply did not address the issue of periodical revision of the cost of construction.

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<sup>16</sup> By merging the amount of ₹30,000 intended for installation of solar lights.

**Recommendation 3:**

**The unit cost of the Green Houses should be revised periodically to ensure that aim of the Scheme to finance the construction fully could be achieved.**

**2.1.8.9 Deviation from Scheme objective**

The objective of the Scheme, *inter alia*, was to popularise and encourage the use of green energy by installing SPVHLS. The houses with solar lights are expected to lead the rural population in using green energy with the larger objective of attaining the Sustainable Development Goal of 'Ensuring Access to Affordable, Reliable, Sustainable and Modern Energy'.

It was, however, seen that while revising the Scheme guidelines in 2021, GoTN withdrew the financial component for solar light and therefore the houses could not be called Green Houses and one of the main objectives of the Scheme was lost.

**2.1.9 Finance**

The DRDPR draws the annual allocation for the Scheme in two half-yearly instalments and releases it to the DRDAs of the districts<sup>17</sup> for further release to the respective BDOs<sup>18</sup>. At the Block level, the amount is released to the beneficiaries' bank accounts after deducting the amount towards cement, steel etc., if supplied to the beneficiaries. The payment to installers of Solar home lighting system is made by the Collector/Chairman, DRDA at the district level.

**2.1.9.1 Belated and short release of funds by GoTN**

The budgetary support required for construction of 20,000 houses per annum at a unit cost of ₹2.10 lakh was ₹420 crore per year. An analysis of the fund sanctioned during 2017-22, the details of which are given in **Table 2.1**, revealed that there was significant delay in release of funds and non-release of funds in full for the sanctioned houses.

**Table 2.1: Release of funds during 2017-22**

Year of sanction	Sanction of Funds and purpose of utilisation	(₹ in crore)
		Amount sanctioned
2017-18	Construction of houses sanctioned in 2016-17	210.00
	Construction of houses sanctioned in 2015-16	124.58
	Payment to TEDA <sup>19</sup> for 2011-16	85.42
	<b>Sub Total</b>	<b>420.00</b>
2018-19	Construction of houses sanctioned in 2017-18	138.45
	Construction of houses sanctioned in 2018-19	210.00
	Payment to TEDA for 2011-16	71.55
	Construction of houses sanctioned in 2018-19	281.55
	<b>Sub Total</b>	<b>701.55</b>

<sup>17</sup> At the district level, two savings bank accounts are maintained for the Scheme - one for civil works and the other exclusively for solar lights.

<sup>18</sup> At the Block level, a separate savings bank account is maintained for payment towards cement, steel, etc., and the other for payment towards beneficiaries.

<sup>19</sup> Tamil Nadu Energy Development Agency.

Year of sanction	Sanction of Funds and purpose of utilisation	Amount sanctioned
2019-20	Construction of houses sanctioned in 2018-19	239.00
	Construction of houses sanctioned in 2019-20	181.00
	<b>Sub Total</b>	<b>420.00</b>
2020-21	Construction of houses sanctioned in 2019-20	180.00
	Construction of houses sanctioned in 2020-21	289.22
	Installation of solar lights - 2016-17	30.00
	<b>Sub Total</b>	<b>499.22</b>
2021-22	Construction of houses sanctioned in 2020-21	210.01
	Installation of solar lights - 2016-17	30.00
	Installation of solar lights - 2017-18	58.99
	<b>Sub Total</b>	<b>299.00</b>
	<b>Grand Total</b>	<b>2,339.77</b>

(Source: Records of DR&DPR)

As seen from **Table 2.1**, out of a total amount of ₹2,339.77 crore released during 2017-22, an amount of ₹551.55 crore<sup>20</sup> (24 *per cent*) was for houses sanctioned before 2017-18. Similarly, for the houses sanctioned during 2017-21, there was delay in sanction of funds amounting to ₹826.45 crore<sup>21</sup> wherein the funds were sanctioned during the years subsequent to the year of sanction of houses.

In November 2020, DRDPR reported to GoTN that all the houses sanctioned up to the year 2018-19 were completed, and in respect of the 20,000 houses sanctioned during the year 2019-20, 12,636 (63.18 *per cent*) were completed as of October 2020. Audit, however, calculated that the fund released up to October 2020 (₹140 crore) was sufficient to cover construction of only 6,666 houses out of the 20,000 houses sanctioned during 2019-20. Thus, it was observed that the physical progress was incorrectly presented to GoTN as discussed in **Paragraph 2.1.14.2**.

Thus, due to delayed release of funds, expenditure on houses sanctioned in a particular year were incurred over a five-year period, indicating sluggish financial progress.

#### **2.1.9.2 Delay in Stage-wise payments to the beneficiaries**

As per the Scheme guidelines, after deducting the cost of cement and steel supplied to the beneficiaries, the balance amount was released to the beneficiaries' bank account as commented in **Paragraph 2.1.9**, through ECS/cheque<sup>22</sup>. From 2020-21 onwards payments were made through PFMS. The payment to the beneficiaries is done in four stages *viz.*, (i) basement level, (ii) lintel level, (iii) roof laid stage and (iv) on completion. The Block level engineers are to inspect, measure and certify the works done at every level to enable timely payments to the beneficiaries and to ensure timely completion of works.

<sup>20</sup> 2017-18: ₹420 crore; 2018-19: ₹71.55 crore; 2020-21: ₹30 crore and 2021-22: ₹30 crore.

<sup>21</sup> 2018-19: ₹138.45 crore; 2019-20: ₹239 crore; 2020-21: ₹180 crore and 2021-22: ₹269 crore.

<sup>22</sup> Through ECS/PFMS with effect from 2019-20.

It was found that during the period 2017-21, out of 3,439 beneficiaries who had completed their houses in 16 sampled blocks, only 1,686 beneficiaries (49 *per cent*) received their first instalment at basement level and the remaining 1,753 beneficiaries (51 *per cent*) received the first instalment after much delay, as shown in **Table 2.2** and the Block-wise details are given in **Appendix 2.6**.

**Table 2.2: Delayed release of first instalment**

Period	Total number of beneficiaries received payment in sampled Blocks	Number of beneficiaries who received their first payments at different stages			
		Basement stage	Lintel stage	Roof stage	Fully completed
2017-21	3,439	1,686	936	722	95
Percentage		49	27	21	3

(Source: Data furnished by BDOs of sampled Blocks)

Based on beneficiary survey, Audit observed that non-release of eligible payments at the appropriate stage of construction resulted in delay in the completion of houses, as the beneficiary himself/herself had to find resources to continue with the construction.

Failure to carryout timely inspection and timely payment went against the Scheme guidelines and burdened the beneficiaries.

GoTN replied (October 2021) that there was no intentional delay and contended that there were no specific instructions on stage-wise payment. The reply is not acceptable as GoTN, through its order dated 10 July 2013 made it mandatory for valuation of the ongoing constructions at four stages before making payment to the beneficiaries. This was also reiterated in the fresh guidelines issued in August 2020 for the implementation of the scheme in 2020-21.

### **2.1.9.3 Irregular deduction of Labour Welfare Fund from beneficiaries**

As per GoTN's orders (September 2010), Labour Welfare Fund (LWF), building licence fees, etc., should not be deducted from the beneficiaries as the beneficiaries themselves were involved in the construction of houses.

Audit, however, noticed that in eight Blocks out of the 16 sampled Blocks in four districts<sup>23</sup>, ₹1,800, ₹2,100 and ₹3,000 (being one *per cent* of amount sanctioned) was deducted from each beneficiary as LWF<sup>24</sup> resulting in a short release of grants to the tune of ₹1.17 crore to beneficiaries, the details of which are given in **Table 2.3**.

<sup>23</sup> LWF deducted from the amount payable to the beneficiaries in Coimbatore, Dindigul, Perambalur and Tiruchirappalli. However, LWF was not deducted in Salem, Tiruvannamalai, Cuddalore and Kanyakumari Districts.

<sup>24</sup> Being one *per cent* of the total amount payable (₹1.8 lakh) towards civil construction.

**Table 2.3: Details of Labour Welfare Fund deductions for 2017-21**

District	Number of beneficiaries	Amount deducted towards LWF (₹in lakh)	Amount remitted into Labour Welfare Board (₹in lakh)	Amount retained by the Blocks (₹in lakh)
Coimbatore	1,996	39.93	26.90	13.03
Dindigul	1,988	35.74	9.19	26.54
Perambalur	783	14.52	13.62	0.90
Tiruchirappalli	1,562	26.33	11.29	15.04
<b>Total</b>	<b>6,329</b>	<b>116.52</b>	<b>61.00</b>	<b>55.51</b>

(Source: Details furnished by the DRDAs and Blocks)

In other districts, LWF was not deducted from the beneficiaries.

It is pertinent to mention that similar issue in respect of other housing schemes<sup>25</sup> of GoTN was pointed out in C&AG's Audit Report for the year ended 31 March 2015 (**Paragraph 3.1.7.1**), and GoTN had issued order to refund the amount to those beneficiaries.

GoTN replied (October 2021) to Audit that instructions were issued not to deduct money towards LWF and to refund the money already deducted towards the Labour Welfare Board.

**Recommendation 4:**

**The Government should ensure timely release of funds to beneficiaries and stop deductions towards Labour Welfare Fund from the beneficiaries. Money already recovered should be returned to the beneficiaries.**

## 2.1.10 Execution of works

### 2.1.10.1 Significant deviation of type design

The Scheme guidelines specified that the exclusive type design prescribed for the Scheme should be followed and the extent of construction should not exceed the permissible plinth area of 300 sq.ft.<sup>26</sup>. Besides, uniformity in the design was to be followed by the beneficiaries. However, minor changes in type design<sup>27</sup> are permitted without altering the total plinth area. Further, PDs of DRDAs, Executive Engineers (RD) and Assistant Executive Engineers (RD) should frequently inspect the progress in the construction of the houses and to ensure that there is no deviation from the approved type design.

Audit, however, found that 332 (63 *per cent*) of the completed houses in the sampled VPs were having a plinth area of 300 to 600 sq. ft. and 54 houses (10 *per cent*) had a plinth area of more than 600 sq.ft. (**Table 2.4**).

<sup>25</sup> Indira Awaas Yojana, Jawaharlal Nehru National Urban Renewal Mission schemes etc.

<sup>26</sup> Area details: (a) Living room-97 sq.ft.; (b) Bedroom-71 sq.ft.; (c) Kitchen-46 sq.ft.; (d) Toilet-18 sq.ft. and (e) Wall area-68 sq.ft.

<sup>27</sup> Such as shifting of kitchen room or bedroom to another direction, etc.

This indicated the sound economic conditions of the beneficiaries though the Scheme aimed at providing for the poor.

**Table 2.4: Plinth area wise details of sampled beneficiaries who constructed their houses**

Plinth Area	Within 300 sq. ft.	Between 301 to 600 sq. ft.	Between 601 to 1200 sq. ft.	Above 1201 sq.ft.	Total
Number of beneficiaries who constructed houses	142	332	51	3	528
Percentage	26.89	62.88	9.66	0.57	100

(Source: Joint physical inspection)

During JPI, Audit further noticed the following:

- Eighty-eight beneficiaries out of 653 (13 *per cent*) beneficiaries allotted houses during 2017-21 had expanded their houses into large dwelling units with additional rooms, floor and parking slot for four wheelers. An illustrative case is given in **Exhibit 2.2**.
- Besides the above, 25 houses in 19 VPs<sup>28</sup> were undergoing horizontal and/or vertical expansion.
- In 16 instances<sup>29</sup>, though the exterior appearance was similar to that of Green Houses and the houses were seen with Green House logo on them, the extent of construction was more than the permissible plinth area and were with additional rooms, halls, *pooja* rooms, etc.

These cases serve as a pointer to the fact that beneficiaries identified were not rural poor but wealthy people who misused this Scheme to amass property and wealth. This also established the audit findings in **Paragraphs 2.1.8.1 and 2.1.8.3** that there were lacuna in the system of selection of beneficiaries on account of non-formation of VLC and not prioritising the needy people from the PIP list. Ineffective monitoring by the district authorities also contributed to this violation, as commented in **Paragraph 2.1.14.1**.

<sup>28</sup> (i) Alundur-1, (ii) Chettikulam-1, (iii) Chikkadasampalayam-2, (iv) Devarayapuram-2, (v) Elanthalapatti-2, (vi) Kottaiyur-1, (vii) Kottamettupatti-1, (viii) M. Perumapalayam-1, (ix) N. Panjampatti-2, (x) Paganur-1, (xi) Pasumbalur-1, (xii) Sathanoor-1, (xiii) Sethurapatti-1, (xiv) Sukkampatti-1, (xv) Thathamangalam-1, (xvi) Theerampalayam-3, (xvii) Thiruvandipuram-1, (xviii) V. Kalathur-1 and (xix) Vellimalaipattinam-1.

<sup>29</sup> (i) A. Kalayamputhur - 3, (ii) Chikkadasampalayam - 2, (iii) Irungalur - 1, (iv) Kottamettupatti - 1, (v) N. Panjampatti - 5, (vi) Thathamangalam - 1, (vii) Theerampalayam - 1 and (viii) Tholampalayam -2.

Exhibit 2.2: Green House as per type design and an enlarged house



(Source: Photograph by Audit Team during JPI)

The Principal Secretary to Government, during the Exit Conference, assured (July 2021) that such cases would be viewed very seriously.

#### 2.1.10.2 Non-construction of toilets in Green Houses

In the approved type design, 18 sq.ft. was allocated for toilet. In addition to the unit cost, as a convergence measure, a sum of ₹12,000 is provided to every beneficiary for construction of Individual Household latrine<sup>30</sup> under MGNREGS and to eradicate open defecation. It was, however, noticed that during the period 2017-21, toilet was not constructed in the Green Houses constructed by 105 beneficiaries (20 per cent) in 31 out of the 57 sampled VPs comprised of 12 sampled Blocks (**Appendix 2.7**).

GoTN replied (October 2021) that instructions have been issued to complete toilets wherever left out. Audit, however, observed that in cases wherein payment had already been released, it would not be possible to compel the beneficiary to complete the toilets, which should have been completed along with the house. Failure to ensure construction of toilets defeated the objective of eradication of open defecation.

#### 2.1.10.3 Non-provision of rain water harvesting in Green Houses

As per Paragraph 3 of the Scheme guidelines, each house should have a provision for rainwater harvesting. All the 528 houses were visited during the JPI in all the 57 sampled VPs and noticed that none of the completed houses in the sampled VPs had made proper provision for rainwater harvesting with percolation pit thereby defeating one of the objectives of the Scheme.

GoTN replied (October 2021) that all the VPs are instructed to ensure the construction of rainwater harvesting by the beneficiaries.

#### 2.1.10.4 Non-occupation of the Green Houses by the beneficiaries

The main objective of the Scheme was to facilitate rural poor people living in *kutcha* houses or those having a 300 sq.ft. extent of land to construct their own concrete roofed houses which would improve their standard of life. During JPI,

<sup>30</sup> An important component of 'Swachh Bharat Mission (Gramin)'.

in four instances, the houses constructed by the beneficiaries were let out to others after construction. This proved that the houses were allotted to those who did not need them.

GoTN replied (October 2021) that those other than beneficiaries were removed from the houses. Notwithstanding the action taken on specific cases pointed out by Audit, the larger issue of allotment of houses to beneficiaries who are not in need remains to be addressed.

#### **2.1.11 Supply of materials**

The Scheme guidelines provided that PDs of DRDAs should procure and supply 114 bags of cement<sup>31</sup> and 300 kg of steel to each beneficiary. The cost price of these materials, initially met by DRDAs, is to be adjusted from the assistance to be released to the beneficiaries. The PD, DRDAs<sup>32</sup> placed supply orders for cement bags on Tamil Nadu Cements Corporation, a public sector undertaking of GoTN and called for quotations for procuring steel. The procured materials are supplied to the beneficiaries through the BDOs (BP).

Scrutiny of records connected with supply of cement and steel disclosed the following:

- During 2017-20, the short supply of cement bags in sampled districts ranged between 21.21 *per cent* (Salem) and 84.64 *per cent* (Kanyakumari). In case of steel, the short supply ranged between 47.74 *per cent* in Tiruchirappalli district and 100 *per cent* in Cuddalore district, where all the beneficiaries had to procure steel on their own. For the year 2020-21, all the beneficiaries in eight sampled districts were to procure steel on their own as Department did not supply to them. The PD, DRDAs did not furnish any specific reasons for short procurement of the vital construction material. Audit, however, found that lack of a well-defined system to assess periodical requirement and linking it with procurement schedule was attributable to the short supply of cement and steel.
- During JPI in the sampled VPs, beneficiaries informed Audit that they had not received the full assured quantity of cement bags and steel throughout the period of construction due to unavailability of sufficient stock in the Block office at the requisitioned time and hence they had to rely on open market supply, usually at a higher cost.
- Audit computed the approximate additional expenditure<sup>33</sup> borne by the beneficiaries on account of non-supply of cement departmentally in respect of the sampled blocks during 2017-20, which worked out to ₹84.86 lakh.

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<sup>31</sup> Arranged through Tamil Nadu Cements Corporation Limited, a wholly owned GoTN undertaking. In addition to that, as per GoTN's instructions (February 2014), the beneficiaries should also be supplied cement under Amma Cement Supply Scheme.

<sup>32</sup> Except in Coimbatore district, where the BDOs (BP) placed the orders.

<sup>33</sup> The approximate difference between the price of cement at market rate and Tamil Nadu Cements Corporation Limited.

Thus, the failure on the part of the PD, DRDAs to assess the quantum of cement and steel and schedule procurement and supply accordingly had resulted in hardship to beneficiaries as they had to incur extra expenditure on purchases from open market. Audit also observed that it was one of the reasons for delay in completion of houses, as discussed in **Paragraph 2.1.9.2.**

GoTN, in its reply (October 2021) argued that non-supply of cement and steel would not affect the pace of construction as the beneficiaries themselves purchased cement and steel from open market. The reply is untenable as the objective of departmental supply of cement and steel was to lessen the financial burden on the beneficiary, so that the pace of construction would not be affected due to financial constraints.

**Recommendation 5:**

**Government should ensure that Project Directors of DRDAs initiate proactive action in estimating periodical requirement of cement and steel and ensure supply of these vital building materials on time to all beneficiaries. BDOs should be made accountable for lapses in arranging building materials on time.**

#### **2.1.12 Installation of Solar PhotoVoltaic home lighting system**

With a view to promote green energy, GoTN contemplated to install Light Emitting Diode (LED) based Solar Photovoltaic Home Lighting System (SPVHLS) in every house<sup>34</sup> under the Scheme. During 2011-15, Tamil Nadu Energy Development Agency (TEDA) was implementing the SPVHLS component of the Scheme. From 2016-17 onwards, citing poor performance of TEDA, GoTN made PD, DRDAs responsible for execution of SPVHLS in their respective districts. PD, DRDAs call for tenders for procurement of LED based SPVHLS. A District level committee<sup>35</sup> approves the tender and oversees installation of SPVHLS in beneficiaries' houses. The District Collector/Chairman DRDA issues the work order and execute the agreement with the successful tenderer.

During scrutiny of records relating to procurement and installation of SPVHLS at Secretariat, DRDPR and sampled DRDAs and Blocks, Audit observed the following:

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<sup>34</sup> Components of SPVHLS: photo voltaic module, lamps, battery bank and other components. Every house was to be provided with five LED lamps, one each in bedroom, living room, kitchen, toilet and verandah. Each beneficiary is also given the option to have a metered electric connection.

<sup>35</sup> Comprising of (a) District Collector/Chairman DRDA - Chairman; (b) PD, DRDA - Vice Chairman; (c) Executive Engineer (Rural Development) - Member; (d) Executive Engineer (TANGEDCO) nominated by Superintending Engineer (TANGEDCO) - Member and (e) Assistant Project Officer (Housing and Sanitation) - Member Secretary.

#### **2.1.12.1 Delay in finalisation of model tender document**

In May 2018, DRDPR requested GoTN to constitute a Technical Committee to finalise the technical specifications of SPVHLS. GoTN constituted a Technical Committee in August 2018. The Technical Committee, headed by the Superintending Engineer (RD), DRDPR prepared a model tender document in October 2018. GoTN, after a delay of nine months approved the model tender document in August 2019. On approval of model tender document, DRDPR invited (August 2019) tenders centrally for installation of SPVHLS in all the completed houses sanctioned between the years 2016-19. Technical/Financial bids received at the districts were opened in October and November 2019 and work orders were issued by the respective PDs to the supplier firms.

Audit observed that the model tender document, which was a pre-requisite to call for tender should have been finalised in 2016-17 itself, as TEDA ceased to be associated with SPVHLS by March 2016. It was, however, seen that the Department, despite taking over the task citing poor performance of TEDA, did not act coherently leading to delay in finalising the model tender document. The unexplained delay of over three years in finalising model tender document had cascading effect in procuring and supplying SPVHLS to Green Houses and had ultimately impacted the outcome of the Scheme as discussed in the succeeding paragraphs.

GoTN stated (October 2021) that finalisation of model tender document got delayed due to additional time taken for identification of experts in the field of renewable energy, setting up of committee etc. Audit, however, observed that the delay of three years was unjustified.

#### **2.1.12.2 Deficiencies in installation of SPVHLS**

The tender eligibility criteria stipulated that the components of the SPVHLS should conform to the standards prescribed by Ministry of New and Renewable Energy (MoNRE) of the Government of India. The bids should indicate the specification and brand names of all major components, and at the time of tender opening, the bidder should produce the test reports for system as well as certificates from MoNRE approved test centres for individual components. Further, any modification in the brand of the components to be used could be allowed only with the written permission of the District Collector. Any such change of components should be allowed, provided those components had been certified by laboratories approved by MoNRE or National Accreditation Board for Testing and Calibration Laboratories for compliance to the stipulated technical specifications.

Further, before settlement of 90 *per cent* of bill amount, a certificate for receipt, installation, and commissioning of SPVHLS was to be issued jointly by the

BDO (BP) and Assistant Engineer/Block Engineer of the Block and TEDA Engineer of the District after due inspection. The balance 10 *per cent* of the value of bill retained towards comprehensive maintenance should be released on completion of five years.

Scrutiny of files relating to installation of SPVHLS in the sampled districts revealed the following:

*(a) Approval of bids without valid test reports*

The PD, DRDA of Coimbatore district, through tender (October 2019), finalised a bidder for supply of SPVHLS and issued purchase orders on 10 January 2020. On a scrutiny of tender files and test reports furnished by the successful bidder, it was noticed that the selected firm did not have valid test reports/certificates for the components of its system at the time of bid opening. The firm approached a MoNRE approved testing centre and got test certificate only on 28 August 2020.

Audit observed that according to the tender conditions, the technical bid of the selected bidder ought to have been rejected for not having the mandatory test reports/certificates. It was, however, seen that the tender evaluation was made by incorrectly certifying that the bidder had submitted the requisite test reports/certificates. Thus, an ineligible firm was accorded preferential treatment by incorrect certification of eligibility.

Similarly, the test report for photo voltaic module, submitted by the successful bidder for supply of SPVHLS to Cuddalore District was invalid at the time of tender evaluation. The PD, DRDA did not reject the bid.

Further, Audit found that test reports for four components of SPVHLS, produced by selected bidders in four<sup>36</sup> districts were more than three years old. As no time limit was fixed for validity of such test reports, the PD, DRDAs routinely accepted the bids. Audit observed that GoTN should have fixed a time limit for validity of such test reports to ensure quality of components.

GoTN replied (October 2021) that the successful bidder in Cuddalore District had submitted the test certificate and test reports for all components which are also updated in their website periodically and conform to the standard mentioned therein. Audit, however, reiterates that the certificates were not valid at the tender evaluation stage.

*(b) Improper acceptance of change of components*

As per tender conditions, the successful bidder should supply the same components, which were quoted in the bid documents and approved for supply. In case of any change in brand or specification, it should be based on suitable test report/certificate and approved by the District Collector.

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<sup>36</sup> Cuddalore, Dindigul, Kanyakumari and Salem.

Scrutiny of records in DRDAs of Dindigul and Tiruchirappalli districts disclosed change of approved components of SPVHLS by the supplier and improper acceptance by PD, DRDAs as discussed below:

- In Dindigul District, the supplier changed four components viz., Battery, Charge Control Unit, LED Luminaire and photo voltaic Module, which were offered in the bid documents along with the test reports. Test reports of the changed components, furnished by the supplier, were reportedly verified by the Assistant Engineer/TEDA and found to be of the required standards. It was, however, noticed that the test report furnished by the supplier for the Battery was not issued by a MoNRE approved testing centre and the report was also interim in nature. The final report involving the 'endurance test' was not furnished by the supplier firm. Thus, the action of PD, DRDA, Dindigul in permitting the supplier firm to change the component was in violation of the prescribed procedure.
- In Tiruchirappalli District, as seen from the Inspection Reports of the Assistant Engineer/TEDA, two of the components supplied by the supplier were different from the components offered at the bid stage and approved for supply<sup>37</sup>. The supplier had neither made any representation to the District Collector for change of components nor furnished valid test reports for the changed components. It was further noticed that the test report was invalid at the time of bid acceptance itself. As of March 2021, DRDA paid ₹2.23 crore to the supplier firm for installation based on the work completion reports furnished by the BDOs, Assistant Engineer of the respective Blocks and Assistant Engineer/TEDA, without any comment being made by them about the change of components. Further, it was noticed from the Inspection Reports of AE/TEDA that physical inspection was conducted only in 92 houses out of 864 houses for which payment was made.

GoTN replied (October 2021) that the District Collector had approved the change of components. But the records produced to Audit did not indicate any such approval.

**(c) Irregular payment of ₹54.73 lakh to suppliers**

As per the tender conditions, 90 *per cent* of the contract value was to be paid to the supplier within 15 days of installation and inspection of SPVHLS in the Green Houses. The balance 10 *per cent* was to be paid only after completion of the five-year mandatory maintenance period. Audit found that three out of the eight sampled districts did not follow this tender condition as discussed below:

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<sup>37</sup> Exide batteries in place of Luminous and Crompton Charge Control Unit, in place of Eleccsol.

- PD, DRDAs of Perambalur and Tiruvannamalai districts failed to adopt the standard model form of contract provided in the model tender document approved by Government. The clause relating to mandatory deduction of 10 *per cent* from the bill towards five-years comprehensive maintenance period was not included in the agreement. Consequently, both these officers paid 100 *per cent* of the contract value without withholding 10 *per cent* towards five-year maintenance to supplier. The reasons for non-inclusion of the said clause were not furnished to Audit. Thus, there was no withholding of ₹20.27 lakh (Perambalur) and ₹8.06 lakh (Tiruvannamalai) from the bills of suppliers towards five-years comprehensive maintenance period.
- The PD, DRDA, Dindigul, deducted only five *per cent* towards five-year maintenance despite having a clear contract agreement providing for withholding 10 *per cent* for five years. Specific reasons for such deviation was not on record. Short deduction by PD, DRDA, Dindigul was ₹26.40 lakh.

Thus, PDs of three DRDAs extended undue favor to the supplier for ₹54.73 lakh for supply of SPVHLSs. Further, irregular decision to release full payment/95 *per cent* payment would impact the quality of mandatory maintenance by the supplier as the PD, DRDAs would be unable to withhold payment on poor maintenance by the supplier.

GoTN replied (October 2021) that 10 *per cent* towards maintenance deposit would be recovered from future payments. The reply, however, was not clear on why 10 *per cent* towards deposits was not recovered.

*(d) Non-setting up of Block level service centre by supplier firms*

As per the Scheme guidelines, the supplier was to establish a service centre at Block level and impart trainings to the Panchayat Presidents, Panchayat Secretaries, selected Self-Help Group members and other local functionaries on maintenance of SPVHLS. It was, however, noticed that suppliers had not set up Block level Service Centre in any of the sampled Blocks, nor any training was conducted at village level, as stipulated in the guidelines. The agreement included a clause for maintenance of SPVHLSs for five years. The PD, DRDAs, however, also failed to insist the supplier firms to establish service centres at Block level.

While interacting with the beneficiaries in sampled villages, it was noticed that they were not aware of the details of persons to be contacted in case of faults/repair in the SPVHLS. Further, during JPI (March 2021) in two sampled blocks *viz.*, Mannachanallur and Manikandam, it was noticed that the supplier had not fixed all the five bulbs in six houses and bulbs were not functioning in two houses. Seven beneficiaries in Manikandam Block reported that system stopped functioning within a short span of time from the date of installation. The beneficiaries could not contact the installation agencies as the pamphlet handed over by the supplier at the time of installation did not carry any phone number to contact.

GoTN replied that Block Level Service Centres were set up by the suppliers in Tiruvannamalai District. The reply could not be verified by Audit in the absence of any supporting documents.

Thus, Audit observed that the field level implementing officers failed to ensure trouble free functioning of SPVHLSs in Green Houses.

**Recommendation 6:**

**Government should ensure that an enquiry is initiated on tender violations in the procurement of SPVHLSs and responsibility should be fixed for the lapses.**

### **2.1.13 Environmental impact of delay in installation of SPVHLS**

The Scheme aimed at fulfilling the housing requirement of the rural poor and promoting green energy through SPVHLS. The SPVHLS was designed to produce 0.4 units of electricity per day with 12 V battery and the monthly expected electricity production would be 12 units. Due to delay in finalisation of model tender document, procurement and installation of SPVHLSs got delayed and the houses sanctioned and completed during 2016-17 to 2018-19, got SPVHLSs only between January and May 2020.

Solar energy, being a renewable source of energy, benefits the society on the whole by reducing carbon dioxide emissions. Due to delay/non-installation of solar system in Green Houses, there was a loss of production of solar energy in the completed houses and to that extent the Green Houses would have consumed electricity from the grid.

Thus, the delay in supply of SPVHLSs had contributed to an estimated additional generation of environmentally dangerous greenhouse gases of 587.44 MT<sup>38</sup>.

GoTN replied (October 2021) that the calculation by Audit is based on ideal conditions. It is true that the calculation is based on ideal conditions and it is only an estimate. The fact, however, remained that one of the objectives of Green Houses to promote green energy, was not fully achieved and ideal conditions were expected to be achieved.

### **2.1.14 Monitoring and evaluation**

The Scheme guidelines had inbuilt monitoring system. The deficiencies in the monitoring mechanism prescribed by GoTN and adopted by the implementing authorities at the sampled districts and blocks are discussed below:

#### **2.1.14.1 Ineffective monitoring by the authorities concerned**

The Scheme guidelines required the District Collector to review the progress of the construction of houses as well as the installation of SPVHLS. The PD, DRDA and BDO (BP) were responsible for proper implementation and monitoring of the Scheme at district/block level respectively.

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<sup>38</sup> In four districts, viz., Cuddalore, Kanyakumari, Perambalur and Tiruvannamalai.

Instances of lapses in monitoring are discussed below:

- During JPI (March 2021) of under-construction houses, it was seen that a few beneficiaries<sup>39</sup> were constructing big units flouting the type design and the Block officials were unaware of the fact which indicated the slackness in monitoring the stages of construction as per type design by Overseers/Engineers.
- In Perakambi VP in Mannachanallur Block, Tiruchirappalli District, the BDO cancelled (January 2021) the work orders issued to six beneficiaries citing excess area of construction in deviation to the prescribed type design. During JPI, it was seen that one house was completed while four houses were constructed up to roof level. None of the five houses were as per the type design and the foundation itself was put up for areas ranging from 800 sq.ft. to 1,200 sq.ft. which could have been seen had the measurements been taken at the site before recommending for payment. In spite of this, first instalment of payment had been released to four houses and three instalments to one house, pointing to lack of monitoring.
- In one case<sup>40</sup>, Audit noticed that even though earth work was not done (March 2021), the house was shown as completed up to roof level in Tamil Nadu Rural Development website. On verification of Estimate and Allotment Register, it was seen that two instalments (up to lintel level) had been paid to the beneficiary with photo proof affixed in the valuation certificate of the beneficiary for the construction having reached up to lintel level whereas the work had not commenced. This fraudulent claim was admitted due to lacunae in monitoring.

Audit observed that the deficiencies in monitoring had resulted in release of instalments without any linkage with the actual stage of construction.

GoTN, while elaborating on the existing monitoring mechanism in its reply (October 2021), did not give any specific reply to the various instances of lapses pointed out by Audit.

#### **2.1.14.2 Discrepancies between monitoring reports and actual progress**

The official website of RD&PR Department hosts information on the status of physical and financial progress of the Scheme. The data hosted in the website is password protected and used for the purpose of monitoring at the State level. During field audit, the audit teams obtained the data hosted in the official website pertaining to the sampled blocks and checked the accuracy with reference to actual progress of Green Houses through JPI. On verification at ground level, it was noticed that, in 13 out of the sampled 16 blocks, 101 houses

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<sup>39</sup> (i) Achankuttapatti (Ayothiyapattinam)-2, (ii) A. Kalaiyamputhur (Palani)-1, (iii) Perakambi-4 (cancelled by BDO), (iv) Thathamangalam (Mannachanallur)-1 and (v) Sethurapatti (Manikandam)-1.

<sup>40</sup> In Mannachanallur Block of Tiruchirappalli District.

sanctioned during 2017-18 to 2019-20, which were shown as completed in the online report, were actually in different stages of construction such as basement level, lintel level, roof laid level, plastering level, etc., and hence remained incomplete and unoccupied. The financial progress of the online report, however, stated that entire amount of ₹1.80 lakh had been paid to the beneficiaries of the houses shown as completed whereas payment corresponding to the stage of construction had only been made to the beneficiaries as per the entries made in the Estimate and Allotment Register.

The reasons behind uploading inconsistent information about completion of houses in the website were not furnished by the Blocks. Audit observed that this was an incorrect representation of ground level situation to the Government.

GoTN replied (October 2021) that PDs of DRDAs have been instructed to avoid such lapses.

**Recommendation 7:**

**Government should ensure that the system for monitoring at Block level is strengthened to ensure houses are constructed as per Scheme guidelines.**

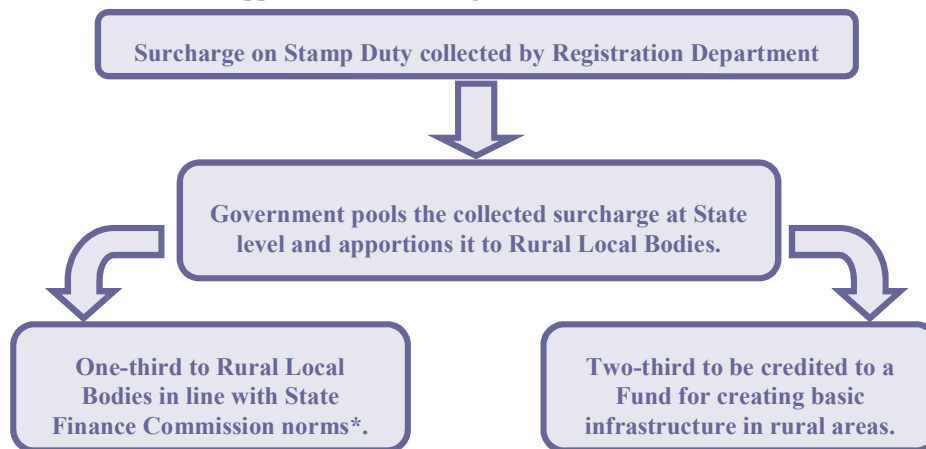
## 2.2 Subject Specific Compliance Audit of Scheme Component of Pooled Assigned Revenue

There was no mechanism to identify and propose priority works under Scheme Component of Pooled Assigned Revenue (SCPAR). Similarly, there was no mechanism for Directorate of Rural Development and Panchayat Raj (DRDPR) to verify the proceeds of surcharge on stamp duty collected annually by Registration Department. Scheme related cash book maintained in DRDPR was not closed and reconciled with bank account every month. Department did not initiate action to levy penalty on the contractor or to cancel the agreement for delays in completing the work. Road works taken up under the scheme were not executed as per IRC Guidelines and Government instructions. SCPAR works were not monitored for quality.

### 2.2.1 Introduction

Government of Tamil Nadu (GoTN) assigns the surcharge<sup>41</sup>, collected by Registration Department on transfer of property, to Rural Local Bodies as 'Assigned Revenue' through District Collectors who adjusted it directly to local bodies on a quarterly basis. GoTN decided (October 2007) to pool the 'Assigned Revenue' of Rural Local Bodies at the State level and apportion them as depicted in **Exhibit 2.3** for quick and equitable transfer of funds.

Exhibit 2.3: Apportionment of Assigned Revenue to Rural Local Bodies



\* 60 per cent based on population; 15 per cent on area; 15 per cent on SC/ST population and 10 per cent on per capita consumption expenditure distance

The Fund, which constitutes the SCPAR, maintained by the DRDPR on behalf of Rural Local Bodies, is used to finance projects at village level for creating basic infrastructure viz., road works, buildings for local bodies in rural areas, water supply works, etc.

<sup>41</sup> At the rate of two per cent along with stamp duty.

Details of collection and apportionment of 'Assigned Revenue' during 2018-22 is given in **Table 2.5**.

**Table 2.5: Assigned Revenue collected and apportioned during 2018-22**

(₹ in crore)

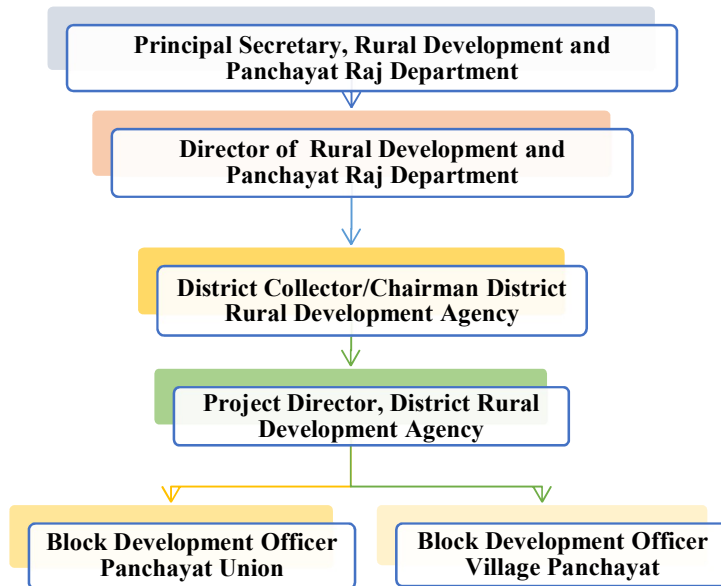
Year	Total Assigned Revenue (Surcharge on Stamp Duty collected)	One-third of Assigned Revenue apportioned to Rural Local Bodies	Two-third of Assigned Revenue apportioned to SCPAR (Fund)
2018-19	407.72	135.91	271.81
2019-20	1,053.45	351.15	702.30
2020-21	618.43	206.14	412.29
2021-22	850.37	283.46	566.91
<b>Total</b>	<b>2,929.97</b>	<b>976.66</b>	<b>1,953.31</b>

(Source: Government sanction orders of respective years)

### 2.2.2 Organisational set up

The Principal Secretary to GoTN, Rural Development and Panchayat Raj (RD&PR) Department is the overall head at the Government level. The Director, RD&PR implements the scheme at the State level. There are 12,525 Village Panchayats, 388 Panchayat Unions (Blocks) under the purview of the Department. The organisational structure for implementation of SCPAR scheme is given in **Exhibit 2.4**.

**Exhibit 2.4: Organisational structure for SCPAR Scheme**



### 2.2.3 Financial and physical performance

The financial and physical performance of SCPAR during 2018-22 (as of October 2022) is given in **Table 2.6**.

**Table 2.6: Financial and physical performance of SCPAR during 2018-22**

Year	Number of works			Amount (₹ in crore)		
	Sanctioned	Commenced/ Completed	Yet to commence	Sanctioned	Utilised	Balance
2018-19	1,056	1,052	4	321.57*	295.49	26.08
2019-20	2,914	2,901	13	640.09	529.92	110.17
2020-21	1,510	1,467	43	420.02*	211.51	208.51
2021-22	71**	71	0	268.66	7.09	261.57
<b>Total</b>	<b>5,551</b>	<b>5,491</b>	<b>60</b>	<b>1,650.34</b>	<b>1,044.01</b>	

\* Includes previous years unutilised balances.

\*\* Includes two works for centralised procurement of 83 vehicles by the Directorate, Chennai.

(Source: Compiled from information furnished by DRDPR)

### 2.2.4 Audit objectives

Audit objectives were to assess whether:

- works were selected and funds provided as per scheme guidelines;
- the works were executed economically, assets created were put to beneficial use and proper monitoring and supervision existed.

### 2.2.5 Audit criteria

The provisions of Tamil Nadu Transparency in Tenders Act, 1998 and Rules and Government Orders, instructions, circulars issued from time to time and the guidelines issued for implementation of the scheme together with Tamil Nadu Financial Code and Indian Road Congress (IRC) guidelines were taken as audit criteria to assess the performance under the scheme.

### 2.2.6 Sampling, Scope and Methodology

The Subject Specific Compliance Audit was conducted from April 2022 to September 2022 covering the period April 2018 to March 2022. The relevant scheme records were verified in Secretariat, Directorate of Rural Development and Panchayat Raj (DRDPR) and District Rural Development Agency (DRDA) in eight sampled districts<sup>42</sup> selected by random sampling method<sup>43</sup>. Audit verified records of 30 *per cent* of the sanctioned works in the sampled districts and test-checked assets created under the scheme through Joint Physical Inspection (JPI) with officials of the Department. An entry conference was held on 13 September 2022 with the Commissioner of RD&PR wherein the audit methodology, scope, objectives and criteria were explained.

<sup>42</sup> Namakkal, Pudukkottai, Salem, Thanjavur, Theni, Tiruvallur, Villupuram and Virudhunagar.

<sup>43</sup> State was divided into four geographical regions and two districts were selected from each region.

An Exit Conference was held on 8 February 2023 with the Principal Secretary to Government, RD&PR Department and the Commissioner to discuss the audit findings. The responses of the Department were considered while drafting this Report.

### **2.2.7 Acknowledgement**

Audit acknowledges the cooperation extended by Government, Rural Development and Panchayat Raj Department; Commissionerate of Rural Development and Panchayat Raj and Project Directors of DRDAs of sampled districts.

## **Audit Findings**

### **2.2.8 Planning**

Under SCPAR, DRDPR invites proposals from District Rural Development Agencies (DRDAs) for executing road works, buildings for local bodies, water supply works, etc. DRDAs prepare and submit the proposals based on the District Development Plans. The proposals received are scrutinised by a Committee comprising Additional Chief Secretary to Government, Rural Development and Panchayat Raj Department, DRDPR and Superintending Engineer (Rural Development). Based on Committee's approval for incurring expenditure from the fund, DRDPR sanctions the work.

The physical and financial performance of SCPAR scheme in the sampled districts during 2018-22 is given in **Table 2.7**:

**Table 2.7: Physical and Financial performance of sampled districts during 2018-22**

Year	Number of works			Amount (₹ in crore)		
	Sanctioned	Completed	Pending	Sanctioned	Amount released to DRDA	Expenditure incurred
2018-19	377	374	3	93.11	90.56	89.78
2019-20	866	821	45	178.01	170.32	160.57
2020-21	805	605	200	161.19	146.22	115.87
2021-22	17	0	17	61.30	13.56	0
<b>Total</b>	<b>2,065</b>	<b>1,800</b>	<b>265</b>	<b>493.61</b>	<b>420.66</b>	<b>366.22</b>

(Source: Compiled from information furnished by Directorate of Rural Development and Panchayat Raj)

During 2018-22, 2,065 works were sanctioned under SCPAR for a total cost of ₹493.61 crore of which ₹420.66 crore was released. As of October 2022, 1,800 works were completed and 265 works were pending completion with a total expenditure of ₹366.22 crore.

#### **2.2.8.1 Non-acceptance of Fifth Finance Commission recommendations**

The Fifth State Finance Commission (SFC) observed that the practice of pooling of Assigned Revenue amounted to a deviation, both in letter and spirit

from decentralisation and devolution, as apportioning of revenue was not on the basis of where the tax is collected, but on other criteria.

Since surcharge on stamp duty collection increases when more transactions are entered into in an area and greater sale activity is bound to see more construction and habitation, the need for provision of more services by the local body is felt. Hence, the Fifth SFC recommended that pooling of Assigned Revenues must be done away with and the Assigned Revenues should be distributed to the local bodies based on the place where they actually accrue, after deducting cost of collection, if any.

However, GoTN did not accept the recommendations of the Fifth SFC on the grounds that the purpose of pooling of 'Assigned Revenue' is to encourage taking up of some useful capital work to fulfil State Priority Works like roads etc.

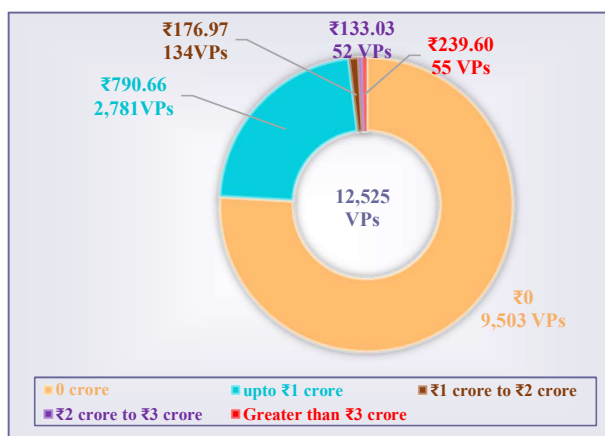
The fallout of Government's non-acceptance was that local bodies generating more revenue by way of greater sale activity and requiring provision of more services due to increased construction and habitation are deprived of their legitimate and fair share. Moreover, when Assigned Revenue is pooled and distributed it also gives rise to disproportionate distribution of funds as discussed in **Paragraph 2.2.8.2** below:

#### **2.2.8.2 Disproportionate distribution of SCPAR funds**

During 2018-22, ₹1,650.34 crore was approved by the Committee for taking up 5,551 number of works. Analysis of sanctions accorded by DRDPR during 2018-22 revealed the following:

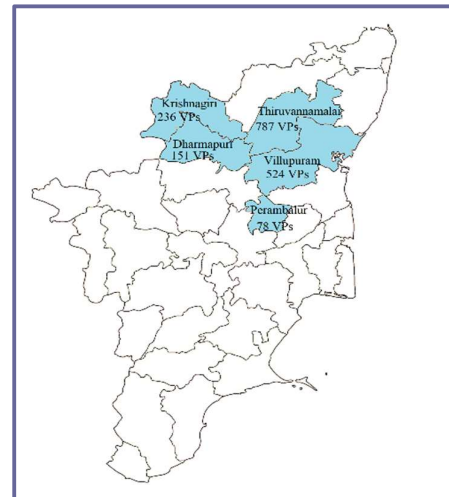
- Out of 12,525 Village Panchayats (VPs) in the State, 9,503 (76 per cent) VPs were not allocated works under SCPAR and the remaining 3,022 VPs were allocated works (for a total value of ₹1,340.26 crore) at least once (**Exhibit 2.5**). Out of the 3,022 VPs which were allocated works, 241 VPs (i.e. 7.97 per cent) were sanctioned nearly 41 per cent of the total value of works (₹549.60 crore) during 2018-22.

**Exhibit 2.5: Distribution of funds among VPs**  
(₹ in crore)



- Out of the 9,503 VPs which were not allocated works under SCPAR, 1,776 VPs belong to backward districts viz., Dharmapuri (151 VPs), Krishnagiri (236 VPs), Perambalur (78 VPs), Tiruvannamalai (787 VPs) and Villupuram (524 VPs) (**Exhibit 2.6**). Further, 54 VPs were located in hilly regions viz., Javadhu hills, Kalrayan hills, Kodaikanal, Kolli hills, Udhamandalam and Yercaud in other districts.

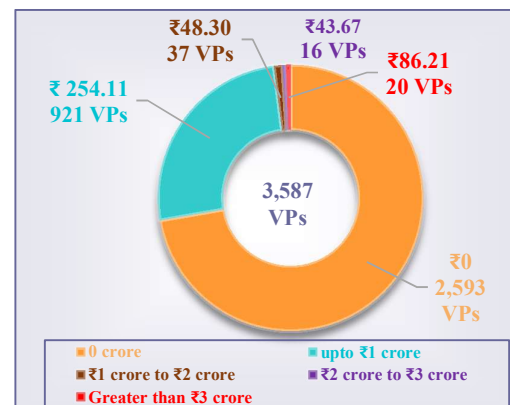
**Exhibit 2.6: Backward districts where 1,776 VPs did not receive funds**



- In the sampled districts 2,593 (72 per cent) out of 3,587 Village Panchayats were not allocated works under SCPAR and the remaining 994 VPs were allocated works at least once (**Exhibit 2.7**). Out of the 994 VPs which were allocated works (for a total value of ₹432.39 crore), 73 VPs (i.e. 7.35 per cent) cornered more than 41 per cent of the sanctioned funds during 2018-22.

**Exhibit 2.7: Distribution of funds among VPs in sampled districts**

(₹ in crore)



In this connection, Audit noticed the following:

- Scheme guidelines did not spell out modalities for identifying and proposing priority works to be taken up under the scheme and only indicated the expenditure items disallowed under the scheme.
- As per 73<sup>rd</sup> amendment of the Constitution, District Planning Committee (DPC) constituted under Section 241(1) of the Act, has to prepare consolidated District Development Plan which will detail important works to be done on priority. As the election to local bodies in the State was not conducted for five years (2016-2021), the elected representatives of the local bodies could not form part of the DPC and the DPC remained defunct all these years. The Rules formed by the Government did not provide for any alternative mechanism in case of non-existence of elected representatives in the Committee for a long period. Therefore, District Development Plans were not prepared in the sampled districts during 2018-21.

- In the sampled districts, Audit noticed that DRDAs did not have any records for identifying and proposing priority works under the scheme and it was ascertained that details of works to be taken up under the scheme were called for from the Panchayat Unions (Blocks) either through letters or during review meetings. This evidenced that DRDAs did not have a proper system to ensure that Village Panchayats in need of priority works were not left out in the proposals submitted by BDOs.

Thus, due to (i) lack of a mechanism for DRDAs to identify and propose priority works under SCPAR through need-based analysis and (ii) non-preparation of District Development Plans resulted in disproportionate allocation of SCPAR funds. This defeated Government's objective of pooling the Assigned Revenue viz., equitable transfer of funds.

Government replied (January 2023) that the scheme objective *per se* is not distribution of funds among the Village Panchayats on any specified formula and its purpose is for implementing specific development schemes in Rural Local Bodies. The reply is not acceptable as it is silent about the disproportionate distribution of SCPAR funds arising from (i) lack of modalities in the scheme guidelines for identifying priority works and (ii) lack of alternative mechanism in the absence of DPC.

#### **2.2.8.3 Non-execution of selected priority works**

From an analysis of data relating to progress of works under SCPAR furnished by DRDPR, Audit noticed non-execution of selected works as discussed below:

In Ariyalur District, 41 road works were proposed in 2020-21 citing their (i) worn out and damaged condition and (ii) importance in providing public access to hospitals, schools, burial ground and for facilitating transportation of agricultural produce etc. DRDPR sanctioned (January 2021) these road works at a total estimated cost of ₹12.01 crore. Tendering process for the 41 works was stopped mid-way, i.e. after opening the price bids, and all the works were cancelled citing administrative reasons.

But even after nearly two years, the above 41 works were neither revived under SCPAR nor were the roads upgraded/strengthened under other schemes. Due to cancellation of the above 41 works the purpose for which the works were proposed was defeated.

Government replied (January 2023) that the works were cancelled due to administrative reasons and that the works had not commenced and funds were not released. It further stated that instructions will be issued to the District Collectors to propose these works on priority through any other suitable Rural Development schemes after conducting proper survey.

**Recommendation 1:**

**Government should - in the absence of District Planning Committee - put in place an alternative mechanism so that District Development Plans are prepared every year to aid selection of priority works under SCPAR. Government should also ensure that priority works identified are executed without fail.**

**2.2.9 Financial management**

**2.2.9.1 Short allocation of pooled Assigned Revenue**

As per Scheme guidelines, DRDPR had to submit proposals to GoTN for tentative allocation of pooled Assigned Revenue for a year after determining the entitlement of Rural Local Bodies in consultation with Registration Department. The tentative allocation for a year shall be the actual collection of surcharge in the previous year after making necessary adjustments viz., addition/shortfall in collection of surcharge in the previous year.

DRDPR while submitting (June 2018) proposals for 2018-19 to GoTN for tentative allocation of pooled Assigned Revenue stated that the Registration Department had reported the proceeds of surcharge on stamp duty during 2017-18 as ₹507.16 crore. GoTN, accordingly sanctioned ₹407.72 crore as Assigned Revenue due to Rural Local Bodies for 2018-19 duly adjusting the shortfall in collection of surcharge in 2017-18<sup>44</sup>. However, Audit cross verified the surcharge collection details for 2017-18 obtained from Registration Department and found that it was actually ₹539.81 crore.

Failure of DRDPR to have a mechanism to verify the proceeds of surcharge on stamp duty reported by Registration Department resulted in short allocation of ₹32.65 crore (i.e. ₹539.81 crore (-) ₹507.16 crore) of pooled Assigned Revenue to Rural Local Bodies in 2018-19.

Government accepted (January 2023) the lapse and stated that necessary action will be taken to claim the amount of ₹32.65 crore, once the actual collection for the year 2017-18 called for from the Registration Department is received.

**2.2.9.2 Diversion of SCPAR fund to other schemes**

Scrutiny of cash books in sampled DRDAs revealed that ₹256.00 lakh, ₹439.42 lakh and ₹400.00 lakh was transferred (between December 2020 and March 2021) from SCPAR account to other scheme<sup>45</sup> account in Namakkal, Salem and Villupuram districts respectively.

To an audit enquiry, DRDAs of Salem, Namakkal and Villupuram districts replied that funds were diverted from SCPAR on temporary basis to settle long

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<sup>44</sup> ₹99.60 crore (includes Entertainment Tax of ₹0.16 crore for 2016-17 adjusted in 2017-18) i.e. Tentative allocation of pooled Assigned Revenue for 2017-18: ₹606.76 crore (-) proceeds of surcharge on stamp duty for 2017-18: ₹507.16 crore.

<sup>45</sup> Kudimaramathu scheme, Tamil Nadu Rural Roads Improvements scheme, Capital Grant, etc.

outstanding bills of other schemes and that it would be transferred back to SCPAR account on receipt of funds from DRDPR. The transferred fund was yet to be brought back into SCPAR account (September 2022).

Government replied (January 2023) that the entire funds diverted from SCPAR account was recouped between September and December 2022. Though the Department has recouped the diverted SCPAR funds at the instance of Audit, the fact remains that suitable provisions prohibiting diversion of scheme funds are yet to be incorporated in the scheme guidelines.

### **2.2.9.3 Improper maintenance of cash book**

As per Articles 2 to 5, Chapter-I of Tamil Nadu Financial Code Volume-I, proper accounts have to be maintained for all Government financial transactions. All monetary transactions should be entered in the cash book as soon as they occur. The cash book should be completely checked, closed regularly and reconciled with bank account by the Drawing and Disbursing Officer.

During 2018-22, SCPAR bank account received ₹1,953.31 crore as Assigned Revenue. However, neither the funds received nor the interest earned in the bank account was reflected in the cash book. The cash book maintained in DRDPR was also not closed and reconciled with bank account every month.

Due to improper maintenance of cash book, DRDPR could not identify the unspent funds of previous years in the closing balance of SCPAR account i.e. ₹850.23 crore as of March 2022.

Government replied (January 2023) that the receipts have been accounted and the same has been duly verified and updated and that in future, proper maintenance of cashbook and updation of accounts will be duly verified on a monthly basis through the Accounts Officer of the Directorate.

#### **Recommendation 2:**

**Government should ensure that suitable mechanism is put in place to verify the proceeds of surcharge on stamp duty collection and fix responsibility for improper maintenance of scheme related cash book. Government should incorporate suitable provisions in the scheme guidelines prohibiting diversion of scheme funds and utilisation of unspent balance.**

### **2.2.10 Contract Management**

#### **2.2.10.1 Delay in completion of works**

As per general conditions of contract, for works taken up under SCPAR, penalty has to be levied and collected from the contractor in case of delay of thirty days beyond the stipulated six-month period or further extended period. In case of delay beyond sixty days, in addition to the penalty, the work order should be cancelled, security deposit forfeited, and the contractor blacklisted. The work order also stipulated that the work should be completed as per terms of contract

and before the time schedule. Deficiencies noticed in this regard are discussed below:

- (i) In the eight sampled districts, out of 2,065 works, 1,800 works were completed, and the remaining 265 works were pending completion as of September 2022 (**Table 2.8**).

**Table 2.8: Details of SCPAR works pending completion**

Name of the district	2018-19			2019-20			2020-21			2021-22			Total pending completion
	Sanctioned	Completed	Pending completion	Sanctioned	Completed	Pending completion	Sanctioned	Completed	Pending completion	Sanctioned	Completed	Pending completion	
Namakkal	20	20	0	154	154	0	265	183	82	1	0	1	83
Pudukottai	30	30	0	74	71	3	80	74	6	2	0	2	11
Salem	32	32	0	195	172	23	81	44	37	3	0	3	63
Thanjavur	56	56	0	82	75	7	0	0	0	2	0	2	9
Theni	127	124	3	84	82	2	82	62	20	2	0	2	27
Tiruvallur	32	32	0	96	90	6	153	132	21	1	0	1	28
Villuppuram	19	19	0	95	95	0	95	81	14	5	0	5	19
Virudhunagar	61	61	0	86	82	4	49	29	20	1	0	1	25
<b>Total</b>	<b>377</b>	<b>374</b>	<b>3</b>	<b>866</b>	<b>821</b>	<b>45</b>	<b>805</b>	<b>605</b>	<b>200</b>	<b>17</b>	<b>0</b>	<b>17</b>	<b>265</b>

(Source: Compiled from information furnished by DRDPR)

Out of the 265 pending works, 22 works were in progress within the contract period. The delays beyond the due date for completion of work ranged from one to more than 30 months (**Table 2.9**).

**Table 2.9: Details of delays noticed in the works pending completion**

Delay range (in months)	Number of works
1 to 10 months	22
11 to 20 months	176
21-30 months	42
30 months and above	3
<b>Total</b>	<b>243</b>

(Source: Compiled from information furnished by DRDPR)

Government replied (January 2023) that the works were delayed due to Covid-19 Pandemic, Tamil Nadu Assembly Elections, Monsoon etc., and that the progress of works is being monitored through real time monitoring i.e. Tamil Nadu Rural Development website at Directorate level. It further stated that, all the works were completed except for 11 works<sup>46</sup> which are planned to be completed before 31-03-2023 except for one Panchayat Union office building in Theni district which will be completed by August 2023. The Department's contention that only 11 works were pending completion as on date, does not alter the fact that the 243 pending works pointed out in Audit were already delayed for one to more than 30 months. Besides, no documentary evidence in support of completion of 232 pending works was furnished to Audit.

<sup>46</sup> Three works (2019-20) and eight works (2020-21).

(ii) In one of the sampled districts, viz., Namakkal, during 2020-21, 192 works (i.e. construction of cement concrete road, construction of Over Head Tanks, etc.) were implemented (February 2021) by Pallipalayam Panchayat Union (Block). The agreement and work order for the 192 works were incomplete as they did not include clauses for period of completion, penalty, etc. As of September 2022, 59 works were pending completion with delays of more than one year.

Despite abnormal delays in completion of work, Department did not initiate action to levy penalty on the contractor or to cancel the agreement. In respect of agreements without the penalty clause, Department cannot impose penalty for the delays/non-completion of works in Pallipalayam Panchayat Union.

Government replied (January 2023) that the agreements executed by the Block Development Officer will be reviewed and necessary action will be taken to enter the completion period, penalty clause etc., to avoid procedural lapses in the future. However, as the defective agreements were noticed in respect of 192 works, the action to review the agreement can bear fruit only in respect of pending works and penalty cannot be levied and recovered in respect of the completed works.

#### **2.2.10.2 Discrepancies in tender evaluation**

As per Section 28 of Tamil Nadu Transparency in Tenders Rules, 2000:

- The Tender Inviting Authority shall cause an initial examination to be carried out in respect of the tenders submitted, in order to determine their substantial responsiveness; and
- The initial examination shall consider the following factors, viz.,  
(a) whether tenderer meets eligibility criteria laid down in tender documents and (b) whether crucial documents have been duly signed.

Based on DRDPR's approval (May 2020), Chairman/DRDA, Virudhunagar accorded administrative sanction (June 2020) for two road works<sup>47</sup> in Thiruchuli Panchayat Union (Block), under SCPAR in 2019-20 at an estimated cost of ₹5 lakh each. Two bidders viz., 'A' and 'B' participated in the tenders for the above two works. Both works - which were awarded to the successful bidder viz., 'A' - were completed at a total cost of ₹9.98 lakh.

Scrutiny of tender documents revealed that bidder 'A' had signed both the tender schedules (price bids) in one work. The second work was finalised without submission of tender schedule (price bid) by bidder 'B'. This pointed to stage-managing of tenders in respect of one work and finalising of tenders in violation of tender rules in the second work.

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<sup>47</sup> (i) Providing Cement Paver Block in front of Kalaiyarangam, Kethanaickanpatti Village and (ii) Providing Cement Paver Block in front of Kalaiyarangam Temple at Kethanaickanpatti Village.

Government replied (January 2023) that the price bid of unsuccessful bidder for the second work was inadvertently misplaced in other work files and there is no deviation in the tender procedure and that at present e-tendering is being followed for all Rural Department scheme works at Block level to ensure transparency in tenders. It further stated that a detailed circular was issued to District Administration to verify the tender and other related documents frequently to ensure that the tender procedure is being followed scrupulously as per Tender Transparency Act and Rules thereon. The reply that the price bid in respect of one work pointed out in Audit was inadvertently misplaced appears to be an afterthought, hence not acceptable.

**Recommendation 3:**

**Government should ensure that responsibility is fixed for delays in completion of works, non-levy of penalty for delays and for lapses in tender procedures.**

**2.2.11 Execution of works under the scheme**

**2.2.11.1 Road works**

**(a) Unwarranted expenditure due to adoption of higher specifications**

According to Indian Road Congress (IRC) guidelines, pavement design of roads should be based *inter alia* on traffic intensity. IRC guidelines also prescribe Premix Carpet with seal coat or mix seal surfacing for rural roads as they are expected to have very low traffic. For rural roads with higher traffic intensity Bituminous Macadam may be adopted for surfacing.

Out of the sampled eight districts, except for Tiruvallur District, in the remaining seven districts road works were executed under SCPAR without conducting any traffic census. Deficiencies noticed in execution of road works in two sampled districts *viz.*, Tiruvallur and Salem are discussed below:

**(i) Tiruvallur District:** Test check of 61 road work estimates in one sampled district *viz.*, Tiruvallur, revealed that details of traffic survey conducted *viz.*, the actual dates of traffic survey and agency that carried out the traffic survey were not on record. Instead, the date of traffic survey was mentioned as 'Day 1', 'Day 2' and 'Day 3'. Moreover, the number of vehicles per day was the same for different roads in a Block.

To an Audit enquiry, Project Director, Tiruvallur stated that traffic census was conducted departmentally and that date of census was not recorded as the prescribed format did not have a provision for indicating the date.

Audit carried out JPI of four road works with departmental officials in one Panchayat Union (Block) and ascertained that the traffic intensity ranged from 15 to 200 commercial vehicles per day. But, in the estimates the traffic intensity for these four roads ranged from 118 to 1,367 commercial vehicles per day. Based on the estimate all 56 road works were executed adopting higher specification of Bituminous Macadam (**Appendix 2.8**).

(ii) **Salem District:** Pavement was designed and executed in three road works without conducting traffic census but adopting higher specification of Bituminous Concrete for surface dressing without any justification on record.

Execution of road works by adopting higher specifications resulted in unwarranted expenditure of ₹6.36 crore (**Appendix 2.8**).

Government's response (January 2023) viz., possibility of diversion of traffic from ODR/MDR/SH to the proposed road and that traffic of the road in close vicinity to the proposed road was considered for pavement design indicates adoption of incorrect traffic intensity for pavement design of the proposed rural roads. Besides, Government's acknowledgement of the non-mention of dates in the traffic survey report and that it will be corrected in future raises a doubt on whether proper traffic survey was conducted for the proposed roads. Hence, reply is not acceptable.

*(b) Avoidable expenditure due to execution of Water Bound Macadam instead of Wet Mix Macadam*

As per IRC Guidelines, conventional Water Bound Macadam (WBM) construction (i) is manual and generally time consuming, (ii) requires copious use of water and (iii) results in non-uniformity in the finished surface. Wet Mix Macadam (WMM) construction is an improvement on WBM and is intended to be an alternative and more durable pavement layer. DRDPR also permitted (January 2015) the use of WMM instead of WBM.

Test check of records in sampled districts, revealed that in 313 road works executed under SCPAR, the roads were laid with WBM instead of WMM. This resulted in avoidable expenditure of ₹2.20 crore (**Appendix 2.9**).

Government replied (January 2023) that though WMM is economical, WBM and WMM base course provision was made in the estimate based on site suitability. The fact, however, remains that WMM has many advantages over WBM viz., it is an improvement over conventional WBM, is intended as an alternative and more durable pavement layer to WBM, requires less time and water, unlike WBM, and it yields uniform finished surface. To top it all, WMM involves less maintenance cost. In view of the advantages and economical aspects of WMM, the reply is not tenable and Department should have gone in for WMM which is the intended alternative to WBM.

*(c) Avoidable expenditure due to adoption of OGPC instead of CGPC for surfacing rural roads*

According to Highways Research Station<sup>48</sup>, Close Graded Pre-mix Carpet (CGPC) was advantageous over Open Graded Pre-mix Carpet (OGPC) in view of (i) better performance as graded aggregate was used and was non-porous, (ii) construction being done in one stage as against two stages in OGPC

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<sup>48</sup> Carries out research on techniques, testing of materials adopted in Highway construction and quality control for road and bridge works being executed in Highways Department.

i.e. laying of Pre-mix Carpet and laying of seat coat, (iii) use of lesser quantity of bitumen and aggregates and (iv) lesser duration of construction.

Test check of 466 works in sampled eight districts revealed that while strengthening and improving black topped roads, OGPC was used for surfacing.

To an Audit enquiry, DRDAs stated that only OGPC is adopted for surface dressing in RD&PR Department.

The reply is not acceptable as adoption of OGPC surfacing - disregarding the technically superior and economically advantageous CGPC surfacing - in the above road works led to avoidable expenditure of ₹5.55 crore (**Appendix 2.10**).

Government stated (January 2023) that both OGPC as well as CGPC are permitted for thin wearing coat in rural roads and has admitted that CGPC is economically advantageous. Further, Government's stance that CGPC requires mechanical paver which cannot be used in rural roads due to inadequate road width in the sanctioned roads is not correct because (i) both OGPC and CGPC require paver finisher for spreading the pre-mix and (ii) as per IS 3251-2 (1992) specification for Asphalt paver finisher, Type A (a type of mechanical paver) will have the capacity of paving width from 2.0 meter to 4.0 meter and can be used in rural roads which generally have a minimum width of three metres.

**(d) *Avoidable expenditure/Excess payment to contractor***

As per Government Guidelines (September 2018) pavement edges (Side Wall) for paver block road should be provided with kerb wall/core wall of 15 centimetres thickness and foundation depth of 30 centimetres using cement concrete mix in the ratio 1:3:6.

Chairman/DRDA, Tiruvallur accorded administrative sanction of ₹16.99 crore for 92 road works for providing paver block in Villivakkam Panchayat Union (Block) under SCPAR in 2020-21. Audit took up 50 road works for test check and scrutinised the estimates, vouchers and completion report. The following avoidable/excess expenditure was noticed:

- Core wall was constructed using 1:2:4 cement concrete mix instead of 1:3:6 cement concrete mix at an additional cost of ₹6.01 lakh (**Appendix 2.11**).
- During JPI with Block officials the test-checked 29 road works were measured and cross-checked by Audit with related work bills and it was seen that the length of kerb wall/core wall executed was measured incorrectly and higher quantity was recorded in the work bills. This led to excess payment of ₹17.52 lakh to contractor (**Appendix 2.12**).

Government replied (January 2023) that paver block roads were laid in peri-urban Panchayats in Tiruvallur District and the lanes are located in closely and densely populated developing area involving movement of heavy vehicles

used for construction and industrial activities. It further stated that the actual measurement will be verified and the excess payment to contractor, if any, will be recovered and action taken on the concerned official. The reply in respect of the additional cost incurred is not acceptable as nearly 80 to 90 *per cent* of the test-checked 50 paver block roadworks were executed within the Tamil Nadu Housing Board campus and does not involve movement of heavy traffic for construction and industrial activities as contended.

#### **2.2.11.2 Buildings**

##### **(i) *Non-adherence to instructions for construction of District Resource Centre for Panchayats***

GoTN approved (November 2019) the establishment of District Resource Centres for Panchayats (DRCPs) to focus exclusively on Panchayat Raj capacity building and training. Accordingly, DRDPR sanctioned (January 2021) 10 DRCPs at an estimated cost of ₹50 lakh each and instructed (January 2021) that in districts where Integrated Rural Development Complex (IRDC) was constructed or under construction, DRCPs may be constructed in the existing building as third floor<sup>49</sup> to save basement cost. In districts without IRDC, land for construction should be identified in consultation with Director of State Institute of Rural Development and Panchayat Raj through a joint field visit. Scrutiny of related records in one of the sampled districts *viz.*, Theni revealed that:

- though the district had an IRDC, construction of DRCP had commenced on a separate site and work is in progress; and
- concurrence of State Institute of Rural Development and Panchayat Raj for the selected site was not obtained.

The failure of DRDA to adhere to DRDPR instructions also meant that the intention to save expenditure on basement work could not be achieved.

Government replied (January 2023) that considering the future expansion of development units of these offices, the DRCP building was proposed to be constructed separately and designed for Ground + 1 floor for conducting various training programmes for Self Help Group members, elected representatives, Village Panchayat Presidents. It further stated that necessary concurrence would be obtained from the State Institute of Rural Development and Panchayat Raj for having selected site separately at the earliest. The reply is not acceptable as (i) other districts where DRCPs were constructed in the existing IRDC building also impart similar trainings and (ii) for the fact that Director's instructions were not followed.

##### **(ii) *Non-functioning Quality Control Lab***

As per the announcement made in the floor of the State Legislative Assembly (September 2015), it was decided to establish Quality Control Lab (QCL) in five Regional Institute of Rural Development (RIRD). The main objective of QCL is to impart quality control training to all field level technical staff of

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<sup>49</sup> IRDC are designed and constructed with two floors.

RD&PR Department. QCL will also act as a quality control laboratory in the region specifically for RD&PR Department and for others on request basis to ensure quality assurance in execution of works and material for creation of better and durable infrastructure under various schemes. The operational guidelines for QCL envisaged outsourcing of two personnel for (i) imparting hands-on quality control training to all field level technical officers; (ii) conducting various quality tests and issuing test result certificates.

DRDPR sanctioned (November 2015) ₹325.00 lakh for establishing QCLs in five RIRDs viz., Erode, Krishnagiri, Madurai, Thanjavur and Thiruvannamalai at a cost of ₹65.00 lakh each under SCPAR.

Scrutiny of records and JPI of QCL established in Thanjavur, one of the sampled districts, revealed the following:

District Collector, Thanjavur accorded (January 2016) Administrative Sanction for establishing QCL at RIRD, Pattukottai. The construction work was completed in June 2018 at a cost of ₹21.99 lakh. Lab equipment was installed (October 2018) at a cost of ₹25.22 lakh and the QCL building and lab equipment (**Exhibit 2.8**) was handed over to Principal, RIRD, Pattukottai (April 2019).



During JPI (August 2022) with DRDA and RIRD officials, Audit noticed that the QCL was not functioning since its inception as no personnel were engaged and no quality tests were conducted. Also, the QCL did not have envisaged facilities viz., computer, printer, fax, phone, furniture, etc.

Thus, QCL established at a cost of ₹47.21 lakh was idling for more than three years which defeated the intended objectives of setting up the QCL. To an Audit enquiry, Department stated that retired persons would be engaged, and QCL would be put to use.

Government replied (January 2023) that services of technical staff engaged for district Pradhan Mantri Gram Sadak Yojana (PMGSY) would be shared initially for three months on temporary basis for making the QCL at Pattukottai functional. It further stated that the required number of technical manpower would be engaged through outsourcing/retired engineers for the effective functioning of QCL.

#### **Recommendation 4:**

**Government should ensure that road works taken up under the scheme are executed as per IRC Guidelines. Government should also ensure that assets created under the scheme are provided with all envisaged infrastructure facilities for optimal functioning.**

### **2.2.12 Monitoring**

No separate monitoring mechanism was formulated under SCPAR scheme. However, Government instituted a mechanism whereby third party quality monitors (State Quality Monitors (SQM)) were appointed to monitor the quality of road and bridge works executed by the Department under various Central and State Government schemes.

While drawing up the monthly programme schedules of third party quality monitors, DRDPR included the works completed under SCPAR for inspection. Out of 31 SQM inspection programme schedules drawn up between January 2018 and September 2022 (57 months<sup>50</sup>), 11 SQM programme schedules did not include the works completed under SCPAR. Despite including the completed SCPAR works in the remaining programme schedules, SQM inspection was not carried out in the sampled districts except in Theni District.

To an Audit enquiry, Project Directors of seven out of eight sampled districts, replied that SQM did not carry out inspection of SCPAR scheme works.

Government replied (January 2023) that the audit objection is accepted for future compliance and that the frequency of SQM's inspection will be increased in coming months to ensure the quality and progress of works being implemented under this scheme.

#### **Recommendation 5:**

**Government should fix accountability for non-conduct of quality monitoring of SCPAR works.**

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<sup>50</sup> SQM inspection programme schedules were not prepared for 26 months i.e. February 2019 to September 2020; February and March 2018; November 2020; April, May and June 2021.

### **2.3 Subject Specific Compliance Audit of Working of Micro Composting Centres established in peri-urban and bigger Village Panchayats in rural areas**

**The average bio-degradable waste per day certified in the proposals submitted by district authorities for establishing Micro Composting Centres (MCCs) were overstated to fulfil the eligibility norms. District authorities failed to ensure availability of suitable site away from water bodies for MCC work. There was delay in establishing/functioning of MCCs and some Village Panchayats failed to ensure transparency at site identification stage which contributed to public agitation and time over-run in establishing MCCs. Some of the test-checked MCCs in sampled districts had shortcomings in infrastructure facilities. Poor capacity utilisation of MCCs were noticed. There were deficiencies in monitoring by implementing authorities and in conduct of training and social audit in the test-checked districts and blocks.**

#### **2.3.1 Introduction**

Government of Tamil Nadu (GoTN) formulated (January 2020) a scheme for establishing Micro Composting Centres (MCCs) for effective management of solid waste in peri-urban<sup>51</sup>/bigger Village Panchayats (VP) as huge quantum of waste generated in these areas could not be managed effectively at local level and the waste dumped in the landfill areas caused environmental pollution and health hazard. The Scheme contemplated establishment of 300 MCCs in the State to improve the solid waste management facilities in the above areas. Under this Scheme, 287 MCCs were to be constructed at an estimated cost of ₹59.18 crore during the three year period from 2019-22 at a unit cost<sup>52</sup> of ₹21.55 lakh to ₹24 lakh. The construction was to be carried out by District Rural Development Agency (DRDA) of District concerned as per approved type design and GoTN guidelines/instructions.

#### **2.3.2 Organisational set up**

The Principal Secretary to GoTN, Rural Development and Panchayat Raj (RD&PR) Department is the overall head at the Government level. The Commissioner of Rural Development and Panchayat Raj (CRD&PR) is the head of the field formation. At the district level, the District Collector who is the ex-officio Chairman of DRDA and Project Director (PD), DRDA are responsible for the proper implementation of the Scheme. At the Block level, the Block Development Officer, Block Panchayat (BDO (BP)), who is also the Commissioner of the Panchayat Union Council, and Block Development Officer, Village Panchayat (BDO (VP)) are the executive authorities. At VP level the Panchayat Secretary is the executive authority.

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<sup>51</sup> Adjacent to Corporation/Municipality/Town Panchayats.

<sup>52</sup> Capacities of MCCs established ranged between 0.7 Metric Ton (MT) and 1 MT.

### 2.3.3 Audit objectives

The audit objectives were to assess whether;

- the MCCs were established and infrastructure facilities and manpower resources were provided as per scheme guidelines; and
- assets created were effectively utilised, efficient supervision, monitoring and revenue generation and its accounting were in place.

### 2.3.4 Audit criteria

- Government of Tamil Nadu orders and guidelines on the topic;
- Tamil Nadu Transparency in Tenders Act, 1998 and Rules, 2000;
- Tamil Nadu Panchayats Act, 1994 and Panchayat Rules, 2007;
- Guidelines of Swachh Bharat Mission(Gramin); and
- Solid Waste Management Rules, 2016.

### 2.3.5 Scope and Methodology

The SSCA was conducted from April 2022 to August 2022 covering the period from April 2019 to March 2022. The relevant scheme records were verified in Secretariat, Commissionerate and DRDAs of eight sampled districts<sup>53</sup> selected by stratified random sampling method (**Appendix 2.13**). In the eight sampled districts one MCC per VP was sanctioned in 64 VPs and all were selected for test check. Audit teams undertook joint physical inspection of 44 MCCs<sup>54</sup> along with officials of the Department at the field level. An Entry Conference was held on 13 September 2022 with the CRD&PR wherein audit methodology, scope, objectives and criteria were explained. An Exit Conference was held on 8 February 2023 with the Principal Secretary to Government, RD&PR Department and the Commissioner to discuss the Audit findings. The responses of the Department were considered while drafting this Report.

### 2.3.6 Acknowledgement

Audit acknowledges the cooperation extended by GoTN, CRD&PR, DRDAs of sampled districts and VPs in conducting the SSCA.

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<sup>53</sup> Kanniyakumari, Krishnagiri, Salem, Theni, Tirunelveli, Tiruvarur, Vellore and Virudhunagar.

<sup>54</sup> Twenty four MCCs in six sampled districts (100 *per cent*) and 20 MCCs in two sampled districts (50 *per cent*) selected through IDEA software. This worked out to 15.33 *per cent* of 287 MCCs established in the State.

## **Audit findings**

### **2.3.7 Planning**

#### **2.3.7.1 Selection of Village Panchayats and site**

Each Micro Composting Centre shall handle a minimum of 0.5 MT to a maximum of 3 MT bio-degradable waste per day. Therefore, Village Panchayat (VP) which generates on an average a minimum of 0.5 MT of bio-degradable waste per day, earmarks 'Poramboke'<sup>55</sup> land vested with it away from water bodies and satisfies one or more of following criteria becomes eligible for establishment of MCC.

- (i) VP with more than 10,000 population.
- (ii) VP in peri-urban areas.
- (iii) VP of tourism and pilgrimage importance.
- (iv) VP with major bus stands, railway stations and markets handling floating population.
- (v) VP with larger industrial/commercial establishment/educational institutions.

The Director, RD&PR instructed (February 2020) all district officials that administrative sanction for establishing MCCs shall be accorded by District Collectors after ensuring - through 100 *per cent* field inspection - adherence to criteria stipulated in the scheme guidelines for selection of VP for establishing MCC.

Scrutiny of proposals sent by sampled districts revealed that all 64 test-checked VPs<sup>56</sup> were certified to the effect that they generate more than 0.5 MT bio-degradable waste per day. But analysis of records in 64 test-checked VPs in the sampled districts brought out following lacuna in selection of VPs under the scheme:

#### **(a) Over-statement of quantity of waste generated in MCC proposal**

While submitting proposals to DRDPR for establishment of MCCs in shortlisted VPs, District Collector certified that the VPs generated 0.5 MT of bio-degradable waste per day and fulfilled prescribed eligibility criteria.

To ascertain the quantity of bio-degradable waste certified in the proposals for establishing MCCs, Audit called for source records based on which district authorities submitted the proposals to DRDPR. However, Audit noticed that such records were not maintained.

In the above circumstances, Audit scrutinised the day-to-day collection records in 64 test-checked MCCs and found (**Appendix 2.14**) that 35 VPs collected less

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<sup>55</sup> Government wet lands/dry land/residential plot/waste land.

<sup>56</sup> Eight VPs were certified as generating more than 1 MT waste per day and one VP more than 2.5 MT per day.

than 0.05 MT waste per day on an average. In the remaining 29 VPs, average collection of 0.5 MT waste per day was noticed only in one VP<sup>57</sup> and in three VPs<sup>58</sup> it ranged from 0.4 MT to 0.5 MT per day.

A Waste Audit was conducted (February 2022) by the DRDAs in all the districts of the State under Solid Waste Management component of Swachh Bharat Mission wherein the per day waste collection of a VP was taken as the three day average of the generated waste collected (for 3 consecutive days) from households, shops, schools and other public places after its segregation into biodegradable and non-biodegradable waste. Even as per the ‘Waste Audit’ Report 35 out of 64 test-checked VPs (55 *per cent*) and 193 out of 287 VPs (67 *per cent*) overall where MCCs were proposed did not satisfy the main criteria i.e. generation of 0.5 MT of waste per day (**Appendix 2.15**).

Thus, the average bio-degradable waste per day certified in the proposals submitted by district authorities for establishing MCCs were overstated to fulfil the eligibility norms.

Government replied (December 2022) that the Detailed Project Reports for the MCCs were prepared by the districts based on the Time and Motion study conducted under Swachh Bharat Mission wherein the average waste generation by each household was estimated at 150 grams. It was further stated that collection of bio-degradable waste from rural households was less as the same was converted into compost by the households for their use and possibility to adopt a cluster based approach would be considered by grouping contiguous VPs for collection of bio-degradable waste to optimise the utilisation of asset created.

The reply reinforces the point that the basic criteria for the establishment of MCCs was not based on the prevailing needs of the selected VPs which had resulted in variation between the actual and projected waste generation.

**(b) Incorrect selection of site**

According to GoTN guidelines, for establishing MCC, District Collectors should submit proposals for sanction after ensuring that the selected VP identifies and earmarks required ‘*Poramboke*’ land away from water bodies. From scrutiny of records and in joint physical inspection, audit observed the following:

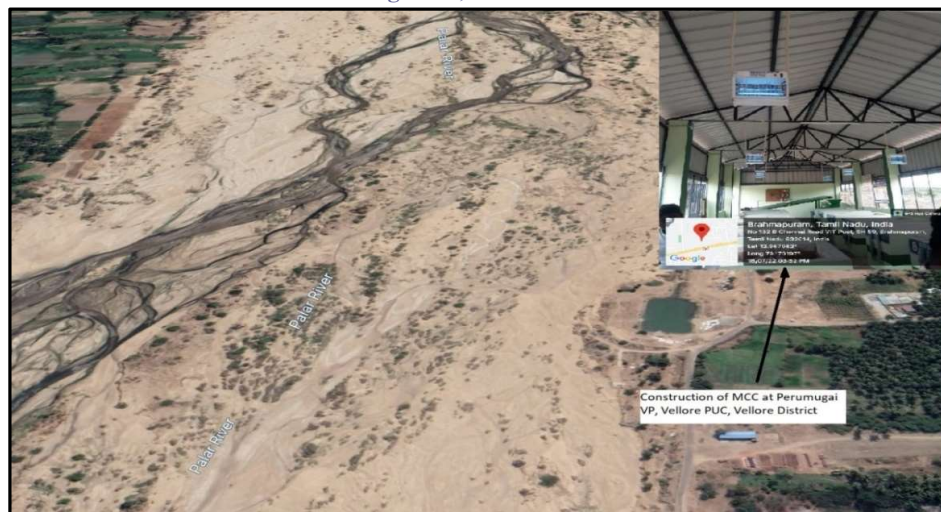
- in 13 test-checked VPs, MCCs (**Appendix 2.16**) were established on lands classified as water bodies. (**Exhibit 2.9**);
- in four test-checked VPs, MCCs (**Appendix 2.16**) were established adjacent to water bodies (**Exhibit 2.10**).

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<sup>57</sup> Bagaloor VP in Krishnagiri District.

<sup>58</sup> Begapalli, Onnalvadi and Shoolagiri VPs in Krishnagiri District.

**Exhibit 2.9: MCC established in the water spread area of River Palar in Perumugai VP, Vellore District**



(Source: Photograph taken during joint physical inspection)

**Exhibit 2.10: MCC established adjacent to water body in Elavangarkudi VP, Tiruvarur District**



(Source: Photograph taken during joint physical inspection)

Proposals for all 17 MCCs certified that all criteria were fulfilled. This goes to show that district authorities failed to ensure availability of suitable site away from water bodies through 100 *per cent* field inspection before issuing administrative sanction for MCC work.

Government while accepting (December 2022/February 2023) that MCCs were established in lands classified as water course *poramboke* due to non-availability of suitable lands contended that the flow of water was not affected and that there was no water pollution. It was further contested that the

survey numbers of two out of the 13 MCCs and the four MCCs established adjacent to water bodies were not classified as water bodies as per records.

Reply was not acceptable as the extant land records classified the survey numbers of the site where two MCCs were established as waterbodies and in respect of four MCCs established adjacent to water bodies, there was a risk of surface water contamination and aggravated water borne diseases in the long run. Besides, violation of guidelines in selection of site for establishing MCC poses the risk of possible eviction proceedings in future.

*(c) Lack of transparency in site selection for MCC*

Guidelines contemplates that the entire operations should be placed in all ‘Grama Sabha’<sup>59</sup> meetings to ensure transparency and for suggestions and improvements. However, from scrutiny of records and joint physical inspection Audit noticed that execution of three MCC works on identified lands were abandoned due to public agitation and alternate site was selected to execute the work. This resulted in delayed completion/non-completion of work (August 2022) as discussed below:

➤ MCC in Kattathurai VP, Tiruvattar Block, Kanyakumari District: Work order was issued (August 2020) and contractor completed the work up to fixing of steel rods. Due to public protest work came to a halt and administrative sanction was cancelled (October 2020) after incurring an expenditure of ₹3 lakh<sup>60</sup> for which contractor is yet to be paid.

The work was re-allotted (October 2020) to another VP viz., Ayacode VP within the same Block. But the site selected was located on hilly terrain (**Exhibit 2.11**) and lacked facilities like e-carts and proper road connectivity for transporting waste to MCC. To improve the road connectivity, road work was taken up at estimated cost of ₹33.48 lakh<sup>61</sup> which was yet to be completed (December 2022). The MCC work in the re-allotted VP was completed (September 2021) after a delay of six months at a cost of ₹21.68 lakh and started functioning from April 2022 without proper road facilities. Transportation of collected waste to MCC remains an arduous task for Thooimai Kavalars (TKs) in this VP.

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<sup>59</sup> A forum encompassing the registered voters of a Village Panchayat.

<sup>60</sup> Steel, M-sand and 20 mm gravel valuing about ₹3 lakh.

<sup>61</sup> ₹4.06 lakh was incurred for unskilled labour till date.

**Exhibit 2.11: Map showing the terrain in Ayacode VP, Kanyakumari District where MCC was established**



(Source: Photograph taken during joint physical inspection)

- MCC in Melarajakularaman VP, Rajapalayam Block, Virudhunagar District: Work order was issued in September 2020 and contractor executed works costing ₹9.38 lakh (February 2021). Subsequently, the original site (S. Thirukothaipuram) selected for the work was replaced with another site (Dharmapuram) within the VP itself due to public protests. However, work in the new site was not completed (August 2022) even after 24 months from issue of initial work order.
- MCC at Katchipalli VP, Konganapuram Block, Salem District: Work order was issued in July 2020 and contractor executed works till basement level for which payment was not made. Subsequently, the original site selected for the work was replaced with another site within the VP due to natural conditions and local issues. The work in the new site was completed (July 2022) after a delay of nearly two years after issue of initial work order.

In the above three works, the site proposal was cleared unilaterally without involving the *Grama Sabhas*. Later these proved to be wrong sites which led to public agitation and consequent time over-run in the above works.

Government replied (December 2022/February 2023) that alternate sites had to be selected due to public agitation/administrative reasons in respect of the above three MCCs and that all the MCCs have been completed within the estimated amount and have started functioning now. It was further stated that the entire operations of MCCs have been placed before '*Grama Sabha*' meeting held on 26 January 2023 for suggestions and improvements. The reply reiterates the fact that the Panchayat Secretary of the VPs concerned had failed to place the details of land identified for setting up the MCC in the *Grama Sabha* meeting.

**Recommendation 1:**

**Government should ensure that accountability is fixed for improper selection of VPs and for identifying sites on water bodies for establishing MCCs.**

### 2.3.8 Financial management

GoTN accorded sanction (January 2020) for establishing 300 MCCs in peri-urban/bigger village panchayats. Funding for establishing MCCs was to be met from the World Bank Performance Based Incentive Fund received under Swachh Bharat Mission (Gramin). Only 287 MCCs were taken up due to administrative reasons and public objections.

The physical and financial performance during 2019-22 are as under:

**Table 2.10: Physical and Financial Progress**

Year	Taken up	Completed	Fund released to Districts	Contribution from VP	Total Funds	Expenditure incurred
	(Numbers)		(₹ in crore)			
2019-20	214	287	57.40	6.48	63.88	63.40*
2020-21	73					
2021-22	- No new work taken up -					
Total	287	287	57.40	6.48	63.88	63.40

\* Includes pending bills of ₹2.20 crore

(Source: Data furnished by DRDPR, Chennai)

It is seen from **Table 2.10** that nearly 99 *per cent* of the fund allocation (₹63.40 crore out of ₹63.88 crore) was spent during 2019-22 for establishing 287 MCCs.

#### *Non-collection of contribution from VPs*

Since the maximum permissible limit per VP for setting up was ₹20 lakh, expenditure in excess of ₹20 lakh should be met by Village Panchayats from their State Finance Commission Grants or under convergence of other Schemes which permit solid waste management activities.

Scrutiny of records in test-checked VPs in the sampled districts revealed that contribution totalling ₹94.16 lakh from 33 VPs (**Appendix 2.17**) was not collected from the respective VPs as of August 2022.

Government replied (December 2022) that ₹55.61 lakh was collected and the remaining would be collected after submission of bills.

### **2.3.9 Execution of works**

#### **2.3.9.1 Delay in establishing/functioning of MCCs**

The average contract period for executing the work of establishing MCCs ranged from three to nine months. Out of 64 test-checked MCCs in the sampled districts, it was seen that:

- 40 MCCs were completed with delays ranging from 3 to 19 months beyond the agreed contract period (**Appendix 2.18**). As per agreement conditions, penalty was to be levied for delay beyond contract period. Despite this, implementing authorities did not levy penalty on contractors who delayed the work.
- 34 MCCs - where work was completed - commenced functioning only after a delay of 2 to 12 months (**Appendix 2.19**). Thus, assets created after incurring an expenditure of ₹7.31 crore were idling during the period of delay.

Government replied (December 2022/February 2023) that completion of MCCs were delayed due to Covid-19 pandemic situation up to May 2021 and restrictions announced on account of Legislative Assembly elections (April 2021). Reply is not tenable as the details furnished (January 2023) in respect of functioning of 287 MCCs indicates that 57 *per cent* of MCCs started functioning only between January 2022 to January 2023 and the reasons cited in the reply could not be attributed to these delays. Further, two MCCs at Kathirampatti VP in Erode District and Devipattinam VP in Ramanathapuram District were yet to be operationalised due to a pending court case and electricity issues respectively. Besides, the contractors responsible for the delays were also not penalised.

#### **2.3.9.2 Non-compliance to tender procedure - avoidable payments to contractors**

According to guidelines, MCC works shall be executed by adopting Tamil Nadu Transparency in Tenders Act, 1998 (TNTTA) and Rules 2000. Section 10 of TNTTA specifies that ‘the tender accepting authority has to compare the rates quoted in the tender along with the prevailing market value of the procurement items’.

In MCC work estimates, the combined cost of ‘Shredder’ and ‘Conveyor belt’ was fixed as ₹5.50 lakh.

In one sampled district *viz.*, Vellore, the MCC work in Kondasamuthiram and Sevoor VPs of Gudiyatham Block was executed by a single contractor. The contractor was paid ₹5.50 lakh (excluding GST) for ‘Shredder’ and ‘Conveyor belt’ items based on tax invoice furnished separately for each work.

Audit came across another set of tax invoices for ₹3.47 lakh (without GST) furnished by the same contractor for supplying ‘Shredder’ and ‘Conveyor belt’ for the same work. However, these invoices were not considered for payment. But, this shows that these items were available in the market for lesser rates.

Thus, failure of DRDA, Vellore to assess prevailing market rates for ‘Shredder’ and ‘Conveyor belt’ and obtain competitive rates resulted in avoidable expenditure of ₹2.03 lakh.

Government replied (December 2022) that there was no excess payment made to the contractor as payment was made against bills raised by the contractor. Reply was not acceptable as it was silent about the invoices for the same work for a lesser value by the same contractor as noticed in Audit.

#### **2.3.9.3 Undue benefit to contractor**

Construction of MCC (0.70 MT capacity) in Vadakkankulam VP, Tirunelveli District was completed in August 2021. Scrutiny of Measurement Books, completion report and payment vouchers for the work revealed that one item of work viz., ‘supply and fixing of weld mesh’ was incorrectly measured as 295.15 sq.m. instead of actual quantity executed i.e. 45.55 sq.m. The contractor was paid for the incorrect quantity measured and excess payment at the rate of ₹290 per sq.m. for 249.60 sq. m worked out to ₹0.81 lakh.

Government accepted (December 2022) the error in calculation and stated that the excess amount was recovered from the contractor.

#### **Recommendation 2:**

**Government should ensure that responsibility is fixed for delay in completing MCCs, non-levy of penalty for delays and for lapses in adhering to tender procedures in all the districts where MCCs were established.**

#### **2.3.10 Infrastructure in MCCs**

As per guidelines, each MCC should handle a minimum of 0.5 MT to a maximum of 3 MT bio-degradable waste per day. MCCs should be provided with infrastructure facilities along with implements to handle bio-degradable waste for converting into mature compost.

During joint physical inspection in 44 test-checked MCCs in sampled districts, the following shortcomings (**Appendix 2.20**) in infrastructure facilities was noticed:

- In nine test-checked MCCs (six sampled districts) flying insect killer UV tube catcher machine was either not installed, in damaged condition, or were stolen.
- In six test-checked MCCs (four sampled districts) Sanitary Napkin burning machine was not installed or was under repair.
- In five test-checked MCCs (two sampled districts) Air Vents in Compost Tubs with cowl arrangement was not provided.
- In six test-checked MCCs (two sampled districts) Turbo Air Vent was not provided.

- In 10 test-checked MCCs (four sampled districts) Leachate provision installed was not as per type design.
- In one test-checked MCC (Theni District) borewell was not provided and toilet work was not completed.
- In seven test-checked MCCs (two sampled districts) shredding machine not cutting in proper size.

The defects pointed out by Audit were rectified subsequently (October 2022) in six MCCs as detailed below:

- The non-provision of air vents and cowl arrangements noticed in three MCCs in Melasankarankuzhi, Kaniyakulam and Ayacode VPs in Kanyakumari District was provided.
- Similarly, in Theni District, the non-provision of leachate in two MCCs at Vadapudupatti and T.Rajagopalanpatti VPs and non-preparation of EM solution and leachate provision in Rayappanpatti VP was rectified.

Government replied (December 2022/February 2023) that the defects pointed out by Audit in sampled districts have been rectified. The status of infrastructure facilities provided in all the MCCs has to be reviewed for their effective functioning.

#### **Recommendation 3:**

**Government should ensure that MCCs are provided with all envisaged infrastructure facilities for their optimal functioning.**

### **2.3.11 Utilisation of MCC**

#### **2.3.11.1 Capacity utilisation**

Each MCC was envisaged to handle a minimum of 0.5 MT to a maximum of 3 MT bio-degradable waste per day. The capacity utilisation of the 287 MCCs as of January 2023 however indicated that 225 MCCs i.e. 78 *per cent* of MCCs were functioning below 20 *per cent* of their in-built capacity. In respect of the sampled 64 MCCs, though 62 MCCs<sup>62</sup> were in operation for periods ranging from 3 to 24 months, the capacity utilisation in 39 MCCs was below 20 *per cent*, and ranged between 20 *per cent* and 50 *per cent* in 20 MCCs and three MCCs had reached the half-way mark i.e. 50 *per cent*. The poor capacity utilisation further strengthens the Audit observation discussed in **Paragraph 2.3.7.1(a)** that MCCs were proposed without satisfying the main criteria i.e. generation of 0.5 MT of waste per day.

#### **2.3.11.2 Poor revenue generation**

As per the scheme guidelines the five Thooimai Kavalars (TKs) engaged exclusively in MCCs were to be paid from the VP's General Fund Account.

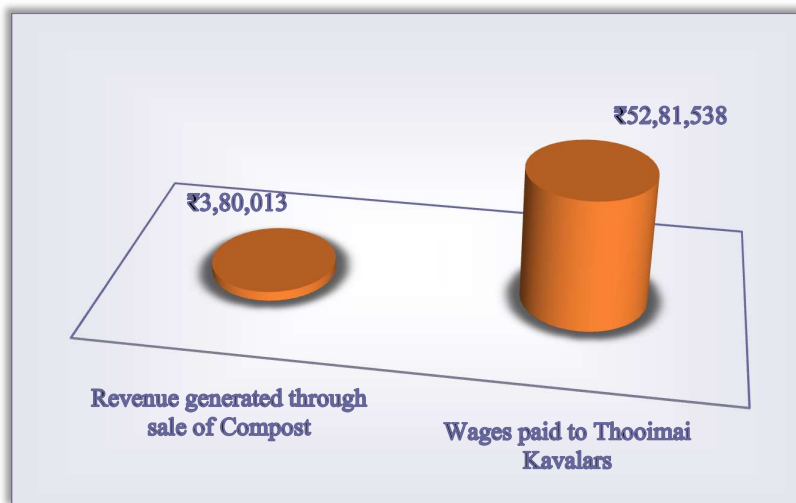
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<sup>62</sup> Two MCCs became functional only in December 2022.

Each VP incurs recurring monthly expenditure of ₹18,000 as wages<sup>63</sup> for TKs and ₹2,000 on an average as electricity charges for the MCC.

While total revenue generated through compost sale (up to August 2022) was ₹3,80,013 (**Appendix 2.21**) the total wages paid to TKs in 61 test-checked MCCs which were functioning was ₹52,81,538 (**Appendix 2.21**). Thus revenue generated in MCC could meet only 7.20 *per cent* of wages paid to TKs (**Exhibit 2.12**).

**Exhibit 2.12: Revenue generated in MCC vs Expenditure on wages to TKs**



From the above comparison it is seen that sustaining the operation of MCCs in the long run by relying solely on Village Panchayat funds would be challenging.

Government stated (December 2022/February 2023) that MCCs were envisaged as community-based model for creating awareness among rural communities and operational cost was the responsibility of the VPs. It was, however, further stated that a proposal to introduce sanitation tax with differential tariffs to households and commercial establishments during the revision of property tax in the rural areas is being considered.

**Recommendation 4:**

**Government, as stated, should consider adopting the cluster-based approach by including contiguous VPs, to improve and achieve optimal utilisation of the asset created for composting bio-degradable waste.**

**2.3.12 Monitoring, evaluation and training**

The scheme guidelines stipulates monitoring and training programme. It also prescribes social audit of MCC by ‘Grama Sabha’. The deficiencies in monitoring by implementing authorities and in conducting of training and social audit in the test-checked districts and blocks are discussed below:

<sup>63</sup> ₹3,600 per Thooimai Kavalars.

#### **2.3.12.1 Absence of supervision by authorities**

MCC is an asset of the Village Panchayat and its day-to-day maintenance shall be looked after by the Village Panchayat Secretary. Assistant Executive Engineer, Rural Development shall be the technical authority responsible for effective functioning of MCCs in their respective jurisdiction. The Union Overseer and Panchayat Union Assistant/Junior Engineer shall monitor the operational aspects and ensure its uninterrupted functioning under the overall supervision of Assistant Executive Engineer, Rural Development.

However, no such supervision has so far been conducted (December 2022) in all MCCs in sampled districts.

Government attributed (December 2022/February 2023) shortage in inspections to vacancies in the Engineering cadre and also stated that instructions have been issued to ensure inspection of MCCs by Block Development Officers (VP) and Zonal BDOs during their visit to VPs.

#### **2.3.12.2 Absence of Social Audit/Transparency**

The scheme guidelines mandated social audit of MCC by ‘Grama Sabha’ and placing of entire operations in all ‘Grama Sabha’ meetings to ensure transparency and for suggestions. Though ‘Grama Sabha’ meeting were held regularly from October 2021, this was not adhered to as no efforts were taken in this regard in all test-checked VPs.

Government stated (December 2022) that the entire operations of MCCs have been placed before ‘Grama Sabha’ meeting held on 26 January 2023 for suggestions and improvements and assured that the social audit of MCC would be placed before ‘Grama Sabha’ conducted on 26 January every year in future.

#### **2.3.12.3 Training for officials and stakeholders**

To implement the scheme effectively, suitable training and awareness programmes at District and Block level for officials and stakeholders were to be conducted as per GoTN guidelines. Though training was stated to be conducted in sampled districts no documents/minutes in support of training conducted were produced to Audit. There were also no records to show that follow-up or impact assessment was done for participants.

Government stated (December 2022) that regular training programmes will be conducted for all stakeholders in coordination with State/Rural Institutes of Rural Development at State and District level respectively.

#### **Recommendation 5:**

**Government should ensure supervision of MCCs at Village Panchayat and Block levels and take steps to conduct training for officials and stakeholders. Government should fix accountability for non-conducting of Social Audit of MCC operations.**

**CHAPTER III**  
**COMPLIANCE AUDIT**  
**(PANCHAYAT RAJ INSTITUTIONS)**



## CHAPTER III

### COMPLIANCE AUDIT

#### RURAL DEVELOPMENT AND PANCHAYAT RAJ DEPARTMENT

##### 3.1 Excess expenditure

##### 3.1.1 Excess payment made for earth work in Kudimaramathu scheme

**Non-utilisation of power rollers for compaction of earth fill over bund has resulted in excess payment of ₹2.25 crore. Further, non-verification of genuineness of bills presented by contractors to Block Development Officer, Block Panchayat resulted in fraudulent payment of ₹45.25 lakh to contractors.**

Government of Tamil Nadu (GoTN) accorded (July 2019) administrative sanction and issued guidelines for implementation of Kudimaramathu Scheme (Scheme) - a participatory programme of the local public, for rejuvenation of 5,000 Minor Irrigation (MI) tanks vested with Panchayat Unions (PU) and 25,000 Ponds and *Ooranies*<sup>1</sup> vested with Village Panchayats (VP) at a total cost of ₹1,250 crore<sup>2</sup>. The Scheme included desilting and deepening of MI tanks, Ponds and *Ooranies* using machinery. The implementing agency for the Scheme was the PU concerned for MI tanks and the VP concerned for Ponds and *Ooranies*.

The detailed estimates of the works, which included desilting/deepening of tanks and inlet/outlet channels, restoration of bund to its original cross section etc., were to be prepared<sup>3</sup> by adopting Public Works Department's (PWD) Standard Schedule of Rates (SSoR). The proposals were to be sent<sup>4</sup> to District Collector for administrative sanction. After completion of work, the payments were to be made - based on detailed measurement by departmental engineers - by the Block Development Officer, Block Panchayat (BDO (BP)) for desilting of MI tanks and by the BDO (VP) for desilting of Ponds and *Ooranies*.

Scrutiny of documents pertaining to the Scheme, the implementation of which was taken up for detailed study during audit of 13 test-checked PUs in eight districts conducted between July 2021 and December 2021, revealed the following:

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<sup>1</sup> A public drinking water tank in a village or town.

<sup>2</sup> State fund: ₹500 crore for desilting and deepening and Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) fund: ₹750 crore for construction of other works like surplus weirs and sluices.

<sup>3</sup> By Block Engineer/Assistant Engineer (Rural Development) for MI tanks and by the Overseer (VP) for Ponds and *Ooranies*.

<sup>4</sup> By Block Development Officer (BP) for MI tanks and BDO (VP) for Ponds and *Ooranies*.

- As per PWD's SSoR for 2019-20 and 2020-21, the approved basic rate for 'Earth work deploying machinery', by deploying earth moving machinery and tippers is ₹45.55 per cubic metre (cum.). The test-checked PUs, however, adopted a rate of ₹71.05 per cum.<sup>5</sup> as they envisaged utilising power rollers for compaction of earth fill, in layers, over the bund. Audit scrutiny of log books of machineries deployed for earth work revealed that none of the test-checked PUs used power rollers and only JCBs/tractors/tippers were deployed, for which the PWD's SSoR rate is ₹45.55 per cum. Even though power rollers were not actually deployed for compaction of bund, BDO (BP) of the test-checked PUs paid for the earth work - executed for rejuvenation of MI tanks - at the rate of ₹71.05 per cum., resulting in excess payment of ₹2.25 crore to contractors (**Appendix 3.1**).
- Further, scrutiny of vouchers and invoices relating to payments made for utilisation of machinery in four<sup>6</sup> of the 13 test-checked PUs revealed that the registration numbers and the categories of machinery (vehicles) purported to have been engaged by the PUs for earth work did not match with the category of vehicles shown for the registration numbers in '*m-parivahan*' portal of Ministry of Road Transport & Highways, Government of India. The registration numbers of the vehicles indicated in the bills as JCBs/Tractors, when fed into '*m-parivahan*' portal either displayed the vehicle category as 'two wheeler'/'goods carrier' or the message 'vehicle number not found'. This shows that there is a likelihood of fraudulent payments in the four sampled PUs as the BDOs settled the fake claims presented by the contractors. The fake bills were noticed in 38 rejuvenation works involving 110 vehicles for a payment of ₹45.25 lakh (**Appendix 3.2**).

GoTN replied (February 2023) that power rollers were used for compaction and consolidation of earth filling. However, extracts of log books, in support of usage of power rollers, were not attached as supporting documents for verification by Audit. Reply is not acceptable as scrutiny of entries in the log books in the test-checked PUs did not reveal usage of any power rollers<sup>7</sup>.

GoTN's reply was also silent on the issue of vehicle type indicated in the contractors' bills not matching with the details available in the '*m-parivahan*' portal, thereby substantiating the Audit observations.

Thus, non-utilisation of power rollers for compaction of earth fill over bund resulted in excess payment of ₹2.25 crore and non-verification of genuineness of bills presented by contractors resulted in fraudulent payment of ₹45.25 lakh based on fake bills.

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<sup>5</sup> ₹45.55 per cum. + ₹25.50 per cum. (for tank bund consolidation using power rollers including hire charges).

<sup>6</sup> Batlagundu, Cheranmahadevi, Kadayanallur and Kalrayan Hills.

<sup>7</sup> Only the PD, DRDA Tiruchirapalli had categorically stated (November 2022) that no log book was maintained for power rollers.

**Audit recommends that the Government should carry out an enquiry into the above cases of excess/fraudulent payment and recover the excess amount paid to the contractors. As the Audit findings are based only on some test-checked Blocks, similar exercise may be carried out in other Blocks to rule out excess/fraudulent payments.**

### **3.1.2 Non-recovery of differential cost due to retender**

**Failure of Chairman, District Rural Development Agency, Tiruvannamalai to invoke the agreement condition against defaulting contractor resulted in additional expenditure of ₹1.66 crore to the Government due to non-recovery of differential cost on retendering the work.**

Government of Tamil Nadu (GoTN) issued (March 2014) detailed guidelines for undertaking various infrastructure works under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) including construction of 21,000 shelters for cattle, goat and poultry (Scheme) in the State through Rural Development and Panchayat Raj Department. As per the guidelines, the District Collector (DC) accords administrative sanction and the Scheme is implemented by the Village Panchayat concerned.

Scrutiny of Scheme documents during audit (January 2021) of the Office of the Project Director (PD), District Rural Development Agency (DRDA), Tiruvannamalai revealed the following:

As per GoTN's orders (March 2014), the target for Tiruvannamalai district was construction of 1,013 shelters<sup>8</sup> for eligible beneficiaries. In October 2015, the Collector and Chairman, DRDA, Tiruvannamalai District (DC, Tiruvannamalai) invited e-tenders for fixing rate contract for 'Supply at site, assembling and installation of steel shelters for cattle, goat and poultry' (Work) for the year 2014-15 under MGNREGS. After finalisation of tender proceedings, the Work was awarded (December 2015) to M/s AMK Engineering & Construction, Chennai (C1) for a value of ₹5.61 crore.

As per Agreement conditions, the contractor had to install 50 *per cent* of the total shelters within three months and 100 *per cent* within six months from the date of issue of work order. As per Clause 37b of the Agreement, the DC shall impose penalty<sup>9</sup> and even cancel the contract if any of the milestones are not achieved. Further, as per Clause 39, if the contract is cancelled due to contractor's default, the excess amount if required for the successful completion of the Work shall be recovered from the contractor.

As the contractor failed to complete the Work despite issuance of show-cause notices repeatedly<sup>10</sup>, the DC, Tiruvannamalai terminated the contract in

<sup>8</sup> Cattle shelters: 453; Goat shelters: 510 and Poultry shelters: 50.

<sup>9</sup> For delays beyond 60 days, the work order would be cancelled, Security Deposit forfeited and successful bidder black listed.

<sup>10</sup> Seven show-cause notices between August 2016 and October 2018.

October 2018. At the time of termination of contract, the contractor had completed only 88 shelters (nine *per cent*) and was paid an amount of ₹37.14 lakh.

To complete the remaining 925 shelters, DC, Tiruvannamalai issued notice inviting e-tenders in January 2019. After completion of tender proceedings, the contract was awarded (July 2019) to two contractors<sup>11</sup> (C2 and C3) for a combined total value of ₹6.89 crore. The work was completed in June 2020 and an amount of ₹6.89 crore was released to the contractors.

In this regard, Audit observed that:

- DC, Tiruvannamalai failed to recover the differential cost due to retender i.e. ₹1.66 crore (**Table 3.1**) from the defaulting contractor as per Clause 39 (i) of the Agreement, on cancellation of the original contract.

**Table 3.1: Details of excess amount to be recovered from defaulting contractor**

Sl. No.	Particulars	Number of shelters	Value of contract (₹ in lakh)
1	Contract awarded to C1	1,013	560.67
2	Work completed by C1 at the time of termination of contract and amount paid	88	37.14
3	Value of contract pending after termination of contract (Sl. No. 1 (-) Sl. No. 2)	925	523.53
4	Total value of retendered contract to C2 and C3	925	689.29
5	Excess amount required for successful completion of contract (Sl. No. 4 (-) Sl. No. 3)	925	165.76

(Source: Details furnished by DRDA, Tiruvannamalai)

- Only after issuance (May 2022) of Factual Note by Audit, the DC, Tiruvannamalai issued (June 2022) a Notice directing C1 to remit ₹1.66 crore, failing which further action would be taken under the provisions of The Tamil Nadu Revenue Recovery Act, 1864 (RR Act).
- DC, Tiruvannamalai had served (February 2023) a final notice on the defaulting contractor (C1) and had taken simultaneous action to prepare an inventory of movable and immovable properties of the said firm. The defaulting contractor was yet (January 2023) to remit the excess amount of ₹1.66 crore.

GoTN replied (February 2023) that as observed by the Accountant General, necessary action has been initiated for recovery of ₹1.66 crore under RR Act and the details of recoveries will be intimated to Audit in due course.

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<sup>11</sup> Packages 1 and 2: M/s Valampuri Industries, Coimbatore (C2); Packages 3 and 4: M/s Rajendran Steel Industrial Works, Vellore (C3).

Audit, however, observed that the effectiveness of enforcement of RR Act and the recovery rate in the State is abysmally low. It was ascertained from the Commissioner of Revenue Administration that, as of January 2023, out of a total collectable demand of ₹16.04 crore under the RR Act, only ₹0.67 crore (four *per cent*) was collected and recovery of the remaining amount of ₹15.37 crore (96 *per cent*) is pending.

Thus, the failure of Chairman, DRDA, Tiruvannamalai to invoke Clause 39 of the agreement condition against the defaulting contractor at the time of termination of contract and delayed issue of Notice to the defaulting contractor for recovering the differential cost caused additional expenditure of ₹1.66 crore to the Government.

**Audit recommends that the action initiated against the defaulting contractor should be pursued vigorously to ensure that the differential cost of ₹1.66 crore is recovered.**

### **3.1.3 Purchase of Chlorination Units at higher rates**

**Failure on the part of Panchayat Unions to adopt open tender process in procurement of Chlorination Units for Over Head Tanks and Ground Level Reservoirs for disinfection purpose led to avoidable additional expenditure of ₹1.54 crore. Further, lapses in monitoring resulted in non-working of the installed Chlorination Units.**

During Audits in Dindigul and Thanjavur Districts, it was seen that the District Collector accorded (November 2019) administrative sanction for the purchase and installation of Chlorination Units (CU) for all the Over Head Tanks (OHTs) maintained by the Village Panchayats (VP) in the districts. The objective was to ease the difficulties faced by the workers in climbing up the OHTs to dose the stored water with dissolved bleaching powder for disinfection and also to facilitate complete solubility of chlorine by preventing lumps and sedimentation problems which were faced in the manual method. The expenditure was met from Panchayat Union (PU) or VP's General Funds.



**Exhibit 3.1: Chlorination Unit**



**Exhibit 3.2: Chlorination unit installed in an OHT**

Audit of procurement, installation and utilisation of CUs disclosed the following:

**(a) Non-preparation of technical estimates**

Rule 4 of Tamil Nadu Panchayats (Preparation of plans and estimates for works and mode and conditions of contracts) Rules 2007, stipulate that Technical Sanction of the Executive Engineer must be obtained for works of value more than ₹5 lakh and less than ₹30 lakh. However, the VPs/PUs of both the districts did not prepare technical estimate for the works. As a result neither the technical specifications of the CU nor the estimated price was indicated in the notice inviting bid/quotations.

Government replied (April 2023) that technical estimates were not prepared as specification for Chlorination Units was not available in Standard Schedule of Rates (SSoR). Reply is not acceptable as availability of rates in SSoR was not mandatory for preparation of estimates in this instance case.

**(b) Non-adoption of open-tender for procurement**

As per Rule 8 of Tamil Nadu Transparency in Tender Rules, 2000 (Tender Rules), 'Notices Inviting Tenders and decisions on tenders in all cases where the value of the procurement exceeds ₹10 lakh and is below ₹25 lakh shall be published in the District Tender Bulletin'.

Scrutiny of files/records in PUs and the office of the Assistant Director, Panchayat in both the districts between December 2021 and March 2022 revealed following discrepancies in tendering process:

- Open tender system was not adopted by 22 PUs<sup>12</sup> though the value of procurement by these PUs exceeded ₹10 lakh.
- The Block Development Officer (BDO), Vendasandur in Dindigul District did not even call for quotation but merely placed orders on the supplier based on a quotation which did not contain any date.

Government replied (April 2023) that the Chlorination Units were approved based on the lowest quotations received. Reply is not acceptable as the lapse pointed out violates the Tender Rules.

**(c) Bid Rigging**

Scrutiny of quotations obtained by the PUs indicated that in Dindigul District, all the VPs in 14 PUs except PU, Batlagundu had obtained quotations from same three agencies, viz., Sai Solar Systems, AMA Agency and AMA Agencies. In Thanjavur district, the Assistant Director Panchayats obtained quotations for all PUs in the district from the same three agencies, viz., Kuruni Enterprises, M.M. Enterprises and Sri Venkateswara Agencies only. Further scrutiny revealed:

- Email id and mobile number of the suppliers, Sai Solar Systems and AMA Agency were one and the same.
- The logos of AMA Agency and AMA Agencies were identical.

Following discrepancies were noticed in GST number provided in the quotations.

- GST number was not furnished by AMA Agencies.
- GST numbers of AMA Agency and Venkateswara Agencies were invalid as per GST Portal.
- GST number of MM Enterprises, Thanjavur pertained to another agency.
- GST number quoted by the supplier M/s Sai Solar systems, Dindigul in the quotation was different from the one in invoice.
- Only the successful bidders in both the districts quoted their own specifications of the product. The quotations submitted by other bidders merely mentioned 'Chlorination installation' etc., without any specification.

In its reply (April 2023), Government accepted that quotations were obtained from sister concerns. The reply established the fact that the procurement process was not fair and transparent.

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<sup>12</sup> Athoor, Gujilamparai, Natham, Nilakottai, Oddanchathram, Reddiarchathiram, Sanarpatti and Vendasandur of Dindigul District; Ammapet, Budalur, Kumbakonam, Madukkur, Orathanadu, Papanasam, Pattukottai, Peravurani, Sethubavachatram, Thanjavur, Thiruppanandal, Thiruvaiyaru, Thiruvudaimarudhur and Thiruvonam of Thanjavur District.

**(d) Irregular work orders and payment to suppliers**

- BDO, Sanarpatti and BDO, Palani sought quotations (17/11/2019 and 20/11/2019) even before the date of administrative sanction (21/11/2019).
- BDO, Thoppampatti issued work order on the date of administrative sanction.
- Nine VPs of Dindigul PU placed work order directly with the same supplier at different rates ranging from ₹5,500 to ₹6,450.
- Date of issue of work orders and date of installation were the same in respect of 23 VPs of Nilakottai PU of Dindigul District.
- In five<sup>13</sup> PUs of Dindigul District, approval of PU/VP for incurring expenditure was obtained only after the date of payment.
- No work orders were issued by the PUs in Thanjavur district but the CUs were supplied to all PUs.
- Payments of ₹3.22 lakh<sup>14</sup> were released to the suppliers without ensuring installation.

Government replied (April 2023) that the work order and installation were on same dates as the works were executed on urgent basis. It was also stated that the defective units in Dindigul District were removed and the units that were not installed were installed now and in respect of Thanjavur District, the supplier has been directed to refund the amount for which the supply was not made. Government accepted the instances where payments were made before approval by PUs/VPs and stated that this was done in the interest of the public.

**(e) Procurement at higher cost**

As per the conditions stated in administrative sanction, the procuring agency must ensure that the rate adopted do not exceed the prevailing market rate. However, the PUs did not negotiate with the bidders based on the prevailing market rates. Audit found that the market rate as per TWAD Board's Standard Schedule of Rates (SSoR) worked out to ₹4,400 per CU only. Whereas, the 7,780 CUs were procured at higher rates ranging from ₹5,500 to ₹6,850 per unit. Thus, the PUs/VPs incurred an avoidable excess expenditure of ₹1.54 crore (**Appendix 3.3**) on account of procurement at higher rates than the market price.

Thus, the PUs/VPs facilitated bid rigging by violating the due process, leading to procurement of poor quality CUs at a higher price which ultimately resulted in an estimated excess expenditure of ₹1.54 crore and an unfruitful expenditure of ₹51 lakh in the sampled VPs alone. Further, the objective of the project was not achieved.

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<sup>13</sup> Batlagundu, Gujiliamparai, Kodaikanal, Reddiarchatram and Vadamadurai.

<sup>14</sup> ₹1.58 lakh (₹5,652 per CU) in respect of 28 CUs of Dindigul District and ₹1.64 lakh (₹6,850 per CU) in respect of 24 CUs of Thanjavur District.

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Government replied (April 2023) that in both the districts, expenditure was incurred based on lowest approved quotation rates. The reply is not acceptable as it violates the condition stated in administrative sanction.

**(f) Poor quality of the product**

The CUs installed in the OHTs were similar to the ‘Hypo Chlorination Units’, referred in the Government of India’s Ministry of Drinking water and sanitation manual ‘Operation and Maintenance Manual for Rural Water supplies’. However, the scour valve meant for removing the waste precipitates accumulating at the bottom of the tanks which formed part of the ‘Hypo Chlorination Unit’, as per the manual, was not provided in the CUs. This led to accumulation of sedimentation of chlorine residue in the CUs installed in the OHTs which eventually led to non-functioning of the units.

Joint Physical verification (JPV) was carried out in all the PUs of both the districts wherein 370 out of 681 CUs (54 *per cent*) in Dindigul District and 567 out of 754 CUs (75 *per cent*) in Thanjavur District were test-checked. JPV revealed that 61 *per cent* and 99 *per cent* of CUs were not in working condition in Dindigul and Thanjavur respectively. Due to non-functioning of the CUs’, the Village Secretaries and Operators of OHTs claimed to continue the disinfection by chlorination process manually as done earlier, thereby defeating the purpose of installation of CUs. This has resulted in an unfruitful expenditure of ₹51 lakh in respect of these non-functioning CUs in the sampled VPs alone (**Appendix 3.3**). The status of test-checked CUs in the two districts is given in **Table 3.2**.

**Table 3.2: Status of sampled CUs**

Sl. No.	Status of test-checked CUs	Dindigul District		Thanjavur District	
		Number of CUs	Per cent	Number of CUs	Per cent
1	Working condition	146	39	3	1
2	CUs missing	15	4	7	1
3	CUs not installed	28	8	32	6
4	CUs not working/not used	168	45	505	89
5	CUs damaged	8	2	8	1
6	CUs dismantled and kept separately	5	1	15	3
Total		370		567	

(Source: Joint Physical Verification of sampled CUs)

Further, as per the TWAD Board’s Manual, the above system required periodic replacement of piping arrangements every six months. However, no such replacements were made by the VPs in both the districts even after a lapse of more than two years (December 2021) from their installation.

Government replied (April 2023) that necessary instructions have been issued to the BDOs in Thanjavur District to identify and fix the CUs which are not in working condition and that the supplier has been directed to replace the damaged ones and refund the amount for which supply was not made.

Government also replied that the defective units in Dindigul District were removed and the units that were not installed were installed now.

**Audit recommends that the above lapses in the procurement of chlorination units should be enquired into and responsibility fixed on the officials concerned. As the Audit findings are based only on two districts similar exercise should be carried out in respect of the other districts.**

### **3.1.4 Excess expenditure on purchase of gym equipment**

**Failure of tender processing authorities to adhere to provisions of Tamil Nadu Transparency in Tender Act, 1998 and bid conditions while finalising tenders for supply and installation of gym equipment in two districts resulted in excess expenditure of ₹69.18 lakh.**

Rule 14(7) of the Tamil Nadu Transparency in Tender Rules (TNTTR), 2000 requires that the financial bid quoted should *inter alia* be inclusive of duties and taxes leviable. Further, as per Rule 23 of TNTTR, 2000 read with Section 10(3) of the Tamil Nadu Transparency in Tender Act (TNTTA), 1998, no changes, amendments which materially alter the tendered prices shall be permitted after the opening of tender except for reduction of tendered price on written acceptance by the lowest bidder during negotiation.

Government of Tamil Nadu (GoTN) accorded (November 2016) administrative sanction for establishment of 500 ‘Amma parks’ (parks) at ₹20 lakh per park and 500 ‘Amma gyms’ (gyms) at a cost of ₹10 lakh each<sup>15</sup> in Village Panchayats with the objective of extending recreational and sporting infrastructural facilities in rural areas on par with urban areas. The gyms were to be established within the parks with outdoor and indoor sections and requisite gym equipment<sup>16</sup>. The procurement of gym equipment was to be carried out through open tendering by District Rural Development Agencies (DRDAs) and the District Collector-*cum*-Chairman, DRDA was the tender accepting authority. Directorate of Rural Development and Panchayat Raj (DRDPR) circulated a model tender document to be adopted by DRDAs, wherein it was specified that, the price bid evaluation should only consider the rate inclusive of taxes.

Scrutiny of records (March/November 2021) relating to supply and installation of gym equipment in Kancheepuram and Tiruvallur DRDAs revealed the following (**Table 3.3**):

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<sup>15</sup> Civil works: ₹5.79 lakh and Gym equipment: ₹4.21 lakh.

<sup>16</sup> Outdoor gym equipment included Leg Press, Air walker, Hip Twister, etc., and the indoor gym equipment included Exercise Cycle, Multi Gym, Weight lifting rod with plates, Dumb bell with stand, abdominal conditioner, etc.

**Table 3.3: Details of supply and installation of gym equipment**

Sl. No.	Particulars	Kancheepuram District	Tiruvallur District
1	Number of gyms allotted	51 <sup>17</sup>	50 <sup>18</sup>
2	Date of invitation for bids	19-08-2017	21-09-2017
3	Last date for submission of bids	14-09-2017	28-09-2017
4	Date of opening of financial bid	08-12-2017	01-02-2018
5	Accepted rate per gym as quoted by lowest bidder (L1) <sup>19</sup>	₹3.49 lakh	₹3.51 lakh
6	Revised and agreed rate per gym based on L1's representation	₹3.90 lakh	₹3.92 lakh
7	Increase in rate per gym (Sl.no.6 (-) Sl.no. 5)	₹0.41 lakh	₹0.41 lakh
8	Supply and installation of gym equipment	Between November 2018 and April 2021	Between July 2018 and October 2020
9	Total expenditure (Sl.no. 1 (x) Sl.no. 6)	₹1.99 crore	₹1.96 crore

(Source: Details furnished by the respective DRDAs)

During negotiation with L1, the tender processing and accepting authorities<sup>20</sup> of the two districts accepted (Kancheepuram District: December 2017 and Tiruvallur District: February 2018) the L1's representation seeking addition of 12.5 *per cent*<sup>21</sup> to the accepted rate, and revised the rates as in Sl.No.6 in **Table 3.3** above and executed agreements with the contractor.

In this regard, Audit observed the following lapses in finalising the tenders for supply and installation of gym equipment in the two districts:

- While a period of two weeks was given for submission of bids for the tenders in both districts, in Tiruvallur District the tender was cancelled and retendered with only one week for submission of bids. DRDA, Tiruvallur did not furnish any specific reason for fixing only one week for the submission of bids in the retender.
- In Tiruvallur District, though technical bids were opened on 28/09/2017, it was finalised only on 31/01/2018 i.e. after four months. DRDA, Tiruvallur attributed (January 2023) the reasons for the delay to participation of high number of bidders in the tender (seven bids were received) and time taken to verify tender documents and to check the samples exhibited by the bidders for shortlisting the technically qualified bidders. Reasons put forth for the delay was not acceptable as there was inordinate delay in finalising the tender.

<sup>17</sup> Initial allotment: 48 numbers *plus* additional quantity: three numbers.

<sup>18</sup> Initial allotment: 49 numbers *plus* additional quantity: one number.

<sup>19</sup> M/s Excel Sports, Bangalore for both the districts.

<sup>20</sup> Joint Director/Project Director, DRDA and District Collector-*cum*-Chairman, DRDA

<sup>21</sup> The difference between the prevailing Goods and Services Tax (GST) i.e. 18 *per cent* from November 2017 and the Value Added Tax (VAT) i.e. 5.5 *per cent* which L1 claimed was included in the quoted rates.

In line with provisions of TNTTR, 2000, the bid condition specified that 'the rates submitted by the bidder should include all duties, taxes and other levies payable by the successful tenderer under the contract and the bidder was required to indicate the registration number under the GST Act 2017 in the tender form'. As the price quoted by L1 did not indicate the details of tax component separately, it should be treated as inclusive of GST prevailing at time of submission of bids i.e. 28 *per cent* in September 2017.

However, after shortlisting of bidders, the tendering authorities accepted L1's claim that the rate quoted (**Sl.No. 5 in Table 3.3**) by him was inclusive of 5.5 *per cent* VAT and revised the accepted rate upward (**Sl.No. 6 in Table 3.3**). As the GST rate was reduced (November 2017) to 18 *per cent*, the rate for gym equipment should have been reduced by taking recourse to TNTTA provisions.

The revision of rates was justified by the tendering and accepting authorities of the two districts quoting a Government order issued in October 2017. This was not correct as the said order was applicable only to tenders for which the last date of submission of bids was prior to 01 July 2017 which was not the case in the above tenders (**Sl.No. 3 in Table 3.3**).

The above lapses resulted in an excess expenditure of ₹69.18 lakh (**Appendix 3.4**) for the Government.

When Audit analysed the related eProcurement data, it noticed that out of 74 tenders published between August 2017 and May 2018 i.e. after introduction of GST, while the Bill of Quantities (BoQ) of five tenders had a provision for GST the remaining 69 tenders (**Appendix 3.5**) did not have such a provision indicating that the tender publishers i.e. respective DRDAs did not design the BoQ correctly.

Government justified (February 2023) the revision of rates on the grounds that the percentage of GST for gym equipment was not clear at the time of tendering and the rates quoted by the bidders was treated as inclusive of VAT. As the bid conditions mandated quoting of rates inclusive of all duties and taxes and submission of GST registration number, the justification put forth by the Government for upward revision of rates was not acceptable.

Thus, failure of the tender processing authorities in Tiruvallur and Kancheepuram districts to adhere to TNTTA provisions and bid conditions while finalising tenders for supply and installation of gym equipment, tantamount to extending undue favour to the contractor and the consequent excess expenditure of ₹69.18 lakh for the Government.

**Audit recommends that Government should fix responsibility on the officials concerned and verify similar occurrences, if any, and take necessary action in respect of other districts where eTendering took place without provision for GST as pointed out by Audit in Appendix 3.5.**

## 3.2 Avoidable expenditure

### 3.2.1 Avoidable payment towards electricity charges

**Failure to avail electricity connection under appropriate tariff resulted in avoidable expenditure of ₹1.29 crore as electricity charges during August 2017 to March 2023.**

According to Regulation 5(13)(1) of Tamil Nadu Electricity Supply Code (TNESC), 2004, in addition to current consumption charges, High Tension (HT) power consumers are required to pay Demand Charges at the rates prescribed from time to time, on the maximum Kilovolt-Ampere (KVA) demand<sup>22</sup> recorded in a month or 90 *per cent* of the Contracted Maximum Demand, whichever was higher.

The Public Works Department (PWD) prepared (December 2014) an estimate at a total cost of ₹1.85 crore for provision of HT electricity connection to State Institute of Rural Development and Panchayat Raj (SIRD) in place of the existing Low Tension service connection. After due approval, the electrical works were carried out by PWD and TANGEDCO<sup>23</sup> provided a HT service connection in August 2017.

Audit scrutiny (April 2021 and May 2023) of records pertaining to HT electricity bills and related documents at SIRD for the period August 2017 to March 2023 revealed the following:

(i) The actual maximum demand reached by SIRD after the installation of the HT service connection in August 2017 was in the range of only 41.44 KVA (April 2020) to 243.2 KVA (July 2018), as against the sanctioned maximum demand of 800 KVA. The demand charges at ₹350 per KVA is payable on the actual maximum demand reached or 90 *per cent* the sanctioned demand of 800 KVA, whichever is higher. Therefore, TANGEDCO levied a fixed amount of ₹2.52 lakh per month (720 KVA × ₹350) as demand charges. Audit noticed that the average maximum demand reached by SIRD was only 13 *per cent* of the sanctioned maximum demand. This established that the sanctioned demand obtained by SIRD, on the calculation of PWD, was fixed much higher than the actual requirement of SIRD, leading to avoidable excess payment of demand charges on 720 KVA every month. Audit calculated that on account of this, SIRD incurred an avoidable additional expenditure of ₹92.44 lakh<sup>24</sup> for the period August 2017 to March 2023.

GoTN replied (August 2021) that the sanctioned maximum demand was not reduced in view of the ongoing expansion of SIRD. The reply of GoTN that the

<sup>22</sup> Highest KVA demand recorded at any point of time during the billing period.

<sup>23</sup> Tamil Nadu Generation and Distribution Corporation Limited.

<sup>24</sup> Excess demand charges for 470 KVA - calculated by adopting a reasonable maximum demand of 250 KVA consumed by SIRD in July 2018 instead of 720 KVA being 90 *per cent* of 800 KVA which works out to 470 KVA (720 KVA minus 250 KVA). From March 2022 onwards, the contracted demand was reduced to 300 KVA and hence the excess was calculated for 50 KVA per month.

sanctioned maximum demand was not reduced in view of the ongoing expansion of the building is unacceptable as SIRD had every right to reduce or increase the sanctioned demand as and when required on payment of prescribed charges.

Subsequently, SIRD accepted the audit observation and replied (April 2022) that the demand was reduced to 300 KVA from the month of March 2022.

(ii) SIRD obtained (August 2017) the service connection under HT tariff category III (energy charge at ₹8 per unit) applicable to commercial establishments instead of category II-A (energy charge at ₹6.35 per unit), which is applicable to institutions like SIRD. SIRD noticed the wrong application of tariff only in March 2020 and on a representation to TANGEDCO, the tariff was changed to II-A with effect from August 2020. Failure of SIRD to promptly notice and act upon the incorrect categorisation of tariff in their electricity bills led to an excess payment of ₹10.40 lakh during the period August 2017 to July 2020 (**Appendix 3.6**).

GoTN replied (August 2021) that immediate action was taken upon noticing the wrong application of tariff from category III to category II-A.

(iii) The Power Factor (PF) is a ratio (a number from 0 to 1) of real power and apparent power. Low PF indicates inefficient usage due to issues with appliances at consumer side. As per TNESC, TANGEDCO levies compensation charges for low PF. SIRD did not ensure that the average PF of the connected loads of its installations was maintained at 0.90 lag resulting in payment of ₹25.77 lakh to TANGEDCO towards compensation for low PF (**Appendix 3.6**) during August 2017 to March 2023.

GoTN replied (August 2021) that the issue of low PF was being addressed.

As per the thumb rule calculation prescribed by the Central Public Works Department, in its 'Guidelines for substation and power distribution system of buildings, 2019', Audit found that PWD's calculations of load requirement was on the higher side. In the case of wrong application of tariff from category III to category II-A., the fact remained that the service connection was billed under a wrong tariff for more than three years and the avoidable excess payment of ₹10.40 lakh is irrecoverable. Regarding the issue of low PF, Audit observed that this issue continued to prevail (March 2023).

Thus, failure to calculate the maximum demand based on actual requirement and reduce the maximum demand immediately on understanding the factual position, delay of three years in rectifying the incorrect application of tariff from category III to category II-A and improper maintenance of electrical installations had resulted in SIRD incurring an avoidable expenditure of ₹1.29 crore.

**Audit recommends that responsibility may be fixed on the Engineers of PWD who miscalculated the maximum demand requirement. Suitable action may also be initiated to correct the Low Power factor.**

### 3.2.2 Violation of tender procedures in purchase of Reverse Osmosis Plants

**Non-adherence to the provisions of the Tamil Nadu Transparency in Tenders Act, 1998 resulted in an avoidable expenditure of ₹74.94 lakh in procurement of Reverse Osmosis Plants.**

As per Rule 3 of ‘The Tamil Nadu Panchayats (Preparation of plans and estimates for works and mode and conditions of contracts) Rules, 2007’ (TNPEMCR), the District Collector (DC) is the competent authority to accord administrative sanction for Central and State Government funded scheme works. The DC, Erode and DC, Vellore issued 13 administrative sanctions between June 2018 and August 2020 for procurement of 35 Reverse Osmosis (RO) plants in the five sampled Panchayat Unions (PU), the details of which are given in **Appendices 3.7 and 3.8**. With effect from June 2018, Public Works Department (PWD) included the rates for ‘Supply and installation of Industrial Model RO Water-cum-Purifiers of various capacities with accessories’ in its Standard Schedule of Rates<sup>25</sup> (SSoR), which were also sent to all DCs. However, the DCs, while according administrative sanction, did not refer to and adopt the SSoR.

Audit of five PUs<sup>26</sup> in these two districts, during December 2020 to March 2021, revealed that these PUs procured 35 RO plants of various capacities for installation in 27 Government/PU schools, six Government hospitals/Primary Health Centres, and a Government aided college<sup>27</sup> by utilising funds from various sources<sup>28</sup>. The administrative sanctions were issued based on estimates received from the implementing agencies, without comparing the quoted rates with the current SSoR. Audit noted that the rates of RO plants procured as per estimates were higher than the SSoR rates by 24 to 262 per cent.

As per Rule 4 of TNPEMCR, technical sanction is to be accorded for the works carried out by PUs. The Block Development Officers (BDO), however, failed to obtain technical sanction from the Executive Engineer. This resulted in the details of technical specifications being incomplete and PWD’s SSoR not being adopted, while calling for quotations from vendors.

As per Section 16 (d) of Tamil Nadu Transparency in Tenders Act, 1998 (TNTTA) read with Rule 13 of the Tamil Nadu Transparency in Tenders Rules, 2000 (TNTTR), except for procurement for a value of less than ₹10 lakh<sup>29</sup>, no procurement shall be made by a procuring entity except by tender.

<sup>25</sup> The PWD’s SSoRs issued on 22 May 2018 with effect from 01 June 2018.

<sup>26</sup> Ammapettai, Erode and Kodumudi Blocks in Erode District; Katpadi and Vellore Blocks in Vellore District.

<sup>27</sup> Two RO plants installed.

<sup>28</sup> (a) 17 units through Member of Legislative Assembly Constituency Development Scheme funds, (b) 10 units through Members of Parliament Local Area Development Scheme funds and (c) Eight units through Panchayat Union’s General Funds.

<sup>29</sup> Procurement of any category, excluding construction or vehicles.

Out of the 13 administrative sanctions accorded by the DCs, five were for a value of more than ₹10 lakh. Audit, however, observed that the BDOs of four Blocks<sup>30</sup>, in violation of Rule 11 (2) of TNTTR, did not publish the Notice Inviting Tenders in the newspapers, thereby executing the procurements without adequate transparency.

Out of the remaining eight administrative sanctions, Audit found that DC, Vellore accorded three administrative sanctions on the same day for Vellore Block (**Table 3.4**). Had a single consolidated administrative sanction been issued, the provisions of TNTTA and TNTTR relating to tender process would have applied to these procurements. Similarly, two administrative sanctions were issued for Katpadi Block on the same day, viz., for ₹14 lakh and ₹8 lakh (**Table 3.4**). Had the administrative sanction for ₹8 lakh been clubbed with that of ₹14 lakh, the entire procurement would have attracted the provisions of TNTTA and TNTTR, instead of only on administrative sanction for ₹14 lakh, as was the case currently.

**Table 3.4: Details of multiple administrative sanction issued by the DC, Vellore on the same day for the same block**

Sl No.	Name of Block	Administrative sanction accorded		Value of administrative sanction that were accorded on the same day (₹ in lakh)
		Date	Amount (₹ in lakh)	
1	Vellore	29/10/2019	3.50	10.50
2		29/10/2019	3.50	
3		29/10/2019	3.50	
4	Katpadi	28/08/2020	14.00	22.00
5		28/08/2020	8.00	

(Source: Block Development Office and Block Panchayat records)

In all these cases requiring open tenders, the BDOs called for quotations from three firms and placed the purchase orders on the supplier quoting the lowest rates, which were exorbitantly higher than the SSoR rates. The GoTN contended (May 2022) that in respect of procurement in three PUs funded under MPLADS, it was not mandatory to follow tender procedures. Further, it also stated that the RO plants are installed with advanced technology while comparing with the specifications given in PWD's SSoRs. Audit, however, observed that as per Paragraph 2.6 of the MPLADS guidelines, the District Authority will get the eligible sanctioned works executed as per the established practice of the State Government in the matter of technical sanction, tender/non-tender, schedule of rates etc. Also, the DCs, while according administrative sanction, did not refer to the PWD's SSoRs or justify the need for installation of RO plants with advanced technology by specifying the exact technical specifications that were needed to be adopted in the RO plants.

Thus, deficiencies in administrative sanction, non-obtaining technical sanction and non-adherence to the provisions of TNTTA, resulted in an avoidable expenditure of ₹74.94 lakh, the details of which are given in **Appendix 3.9**.

<sup>30</sup> Erode, Katpadi, Kodumudi and Vellore.

**Audit recommends that Government should enquire into the lapses in compliance to TNTTA on the part of District Collectors and BDOs and fix responsibility.**

### **3.3 Idle investment**

#### **3.3.1 Idling of bus stand**

**Improper planning resulted in idle investment of ₹1.51 crore on construction of a rural bus stand, lying idle for more than six years at Pudur Village, Erode District.**

The Directorate of Rural Development and Panchayat Raj (DRDPR) accorded financial sanction (September 2013) for the construction of a rural bus stand at Pudur Village, Erode District during 2013-14 under Scheme Component of Pooled Assigned Revenue. Based on the above sanction, the District Collector (DC)-cum-Chairman, District Rural Development Agency (DRDA), Erode accorded administrative sanction (October 2013) to the Block Development Officer (BDO), Modakkurichi Panchayat Union (PU) for the construction of the bus stand at a total cost of ₹1.53 crore<sup>31</sup>.

The DC, Erode, while forwarding (September 2013) the proposal to the DRDPR, justified construction of the bus stand due to anticipated increase of traffic on completion of the ring road. The bus stand was proposed abutting the under-construction ring road in the periphery of Erode city on a piece of Government land falling under Pudur Village Panchayat (VP). The DC-cum-Chairman, DRDA issued the work order in January 2014 for the construction of the bus stand. The bus stand, with five bus bays, 12 shops and other amenities, was completed (December 2015) at a cost of ₹1.51 crore and handed over to the VP in June 2016 for operation. However, it is lying idle for more than six years.

Audit scrutiny (December 2020) of records revealed the following:

- (i) No feasibility study for the construction of the bus stand was conducted. The proposal was based on a site visit by the DC and the local Member of Legislative Assembly in July 2013.
- (ii) Rule 245 of Tamil Nadu Motor Vehicles Rules, 1989 requires the mandatory approval of the Regional Transport Authority (RTA) for construction of a public bus stand. In contravention to the extant Rule, the construction of bus stand was taken up by the BDO, Modakkurichi and DC, Erode, without seeking approval from RTA. A post-facto approval was sought by BDO (June 2019), three years after completion of construction, but the RTA is yet (March 2023) to notify the bus stand.

<sup>31</sup> (i) Construction of new bus stand – ₹1,40,28,886, (ii) Solar lights - ₹3,69,000, (iii) Reverse Osmosis Plant and distribution line - ₹1,50,000, (iv) Water pollution control equipment to recycle waste water - ₹3,80,000 and (v) Other works (Chairs and fittings, Lab test expenses, Compound Wall/Fencing and other works - ₹3,81,114.

GoTN replied (May 2022) that the proposal was prepared based on the relevant study report of Highways Department and further stated that action is being taken to get clearance from RTA and Tamil Nadu State Transport Corporation (TNSTC) for commissioning of the bus stand. Audit, however, found that the study report mentioned by Government was for laying the outer ring road, not for construction of the rural bus stand. The reply also confirmed that RTA approval had not been received.

Since the project was without feasibility study based on traffic volume and the mandatory RTA clearance, the public asset constructed during 2014-15 at a cost of ₹1.51 crore remained idle for over six years (March 2023).

**Audit recommends that a feasibility study to be conducted before starting the construction activities in future. Commissioning of the Rural Bus Stand to be followed up with RTA and TNSTC to benefit the population in the outskirts of Erode city.**

**CHAPTER IV**  
**COMPLIANCE AUDIT**  
**(URBAN LOCAL BODIES)**



## CHAPTER IV

### COMPLIANCE AUDIT

#### MUNICIPAL ADMINISTRATION AND WATER SUPPLY DEPARTMENT

#### 4.1 Wasteful expenditure

##### 4.1.1 Wasteful expenditure due to non-utilisation of community assets created for public use at a cost of ₹6.33 crore

**Community Assets viz., Community Toilets (42), Community Halls (3) and Slaughterhouses (5), created at a cost of ₹6.33 crore by Urban Local Bodies did not reach the public as these assets were not put to use and hence the intended objective of construction and utilisation of these assets by the respective Urban Local Bodies were not fulfilled.**

As per 74<sup>th</sup> Constitutional Amendment<sup>1</sup> Act, 1992, creation and maintenance of Public Toilets and Community Halls under the function ‘Public amenities’ and creation, operation and maintenance of slaughterhouses under the function ‘Regulation of slaughterhouses and tanneries’ are some of the functions out of 18 functions listed for devolution to the Urban Local Bodies (ULBs).

A detailed study on utilisation of the Community assets, viz. Community Toilets, Community Halls and Slaughterhouses was conducted by Audit in 50 ULBs<sup>2</sup>, during the period between December 2022 and February 2023 (**Appendix 4.1**). Joint inspections along with department officials of the respective ULBs were also conducted to ascertain the extent of utilisation of the community assets. The details of the above community assets in the test-checked ULBs are as follows:

Audit observations in utilisation of community assets are given in **Table 4.1**.

**Table 2.1: Status of utilisation of community assets in ULBs**

Sl. No.	Name of the community asset	Number of ULBs	Total number of assets	Assets in working condition	Assets not in working condition
1	Community Toilet	14	95	53	42
2	Community Hall	3	3	--	3
3	Slaughterhouse	5	6	1	5

(Source: Joint physical inspection)

<sup>1</sup> Recognised ULBs as the third tier of Government by assigning them specific civic functions to empower ULBs ‘to enable them to function as institutions of self-governance.

<sup>2</sup> Ten City Municipal Corporations, 23 Municipalities and 17 Town Panchayats.

**(i) Community Toilets**

Audit scrutiny revealed that 42 out of 95 Community Toilets in 14 ULBs constructed at a cost for ₹3.99 crore during the period from 2007-08 to 2018-19 were not put to use, as detailed in **Appendices 4.2 and 4.3**. Audit observed that 11 Community Toilets constructed for ₹2.24 crore in four ULBs were not put into use since construction, whereas 31 Community Toilets constructed for ₹1.75 crore in 10 ULBs that were put into use for the initial periods, were eventually not in use, as on date of physical inspection for the following reasons:

- (a) Non-availability of water,
- (b) Existence of the Community Toilets in remote areas from inhabitations and
- (c) Availability of Individual Household Latrine in the vicinity.

An illustrative case is detailed below:



**Exhibit 4.1: Community Toilets in Thisayanvilai Town Panchayat**

In Thisayanvilai Town Panchayat, all nine community toilets constructed at a cost of ₹75.10 lakh during 2016-17 were not provided with facilities, viz. wash basin, change room and ramp for differently abled people.

During joint inspection conducted on 16 February 2023, the toilet constructed at a cost of ₹9.75 lakh at Kurugapuram was not put to use since completion in March 2019.

Audit observed that water tank and doors were not available to the toilet. Audit also observed that the location of the toilet was far away from habitation area.

**(ii) Community Halls**

Community Hall is a building, structure, hall or room which are leased to general public either on charging of fees or free of cost.

Audit scrutiny revealed that three Community Halls in three ULBs<sup>3</sup> constructed at a cost of ₹60 lakh during the period from 2007-08 to 2011-12 were not put to use, as detailed in **Appendix 4.4**. Audit observed that one Community Hall constructed for ₹15 lakh in Thiruninravur Municipality was not put to use since constructed in 2009, whereas two Community Halls constructed for ₹45 lakh in the other ULBs that were put into use for some time and eventually not put to use for the reasons, viz., non-provision of water and toilet facilities,

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<sup>3</sup> Thiruniravur Municipality, Valavanur and Vilampakkam Town Panchayats.

non-availability of dining hall, non-availability of bridegroom/bride room and unwillingness of the general public to take lease of Community halls, etc.

An illustrative case is detailed below:



**Exhibit 4.2: Community Hall in Valavanur Town Panchayat**

In Valavanur Town Panchayat, a Community Hall constructed at a cost of ₹30 lakh, was not put to use since April 2016. During joint inspection conducted on 19 January 2023, Audit observed that the Community Hall was not auctioned since 2019 and now, the Council proposed to renovate and auction thereon. Audit also observed that the Executive Officer, Valavanur Town

Panchayat had requested<sup>4</sup> (January 2016) the Executive Engineer, PWD (Construction and Maintenance), Villupuram Division to fix the fair rent for the Community Hall. Pending fixation of fair rent, the Community Hall was not leased out which resulted in loss of revenue to the Town Panchayat (TP) for more than six years.

### **(iii) Slaughterhouses**

Government of India had framed 'Prevention of Cruelty to Animals (Slaughterhouse) Rules, 2001' and laid down regulations to be adopted in the functioning of slaughterhouses<sup>5</sup>. Further, as per the orders of Hon'ble Supreme Court during the year 2000, all the local bodies should maintain Slaughterhouse so as to avoid the slaughtering of animals in public places and improve the infrastructure of the existing slaughterhouses for ethical treatment of animals as insisted by Tamil Nadu Pollution Control Board (TNPCB).

While extracting edible offal<sup>6</sup> in the slaughtering of animals, wastes consisting of non-edible offal, viz., dung, sludge from wastewater treatment, bones, etc., generated are to be disposed of, as regulated by law to ensure good standards of hygiene, the prevention of the spread of disease and the minimisation of needless animal cruelty.

<sup>4</sup> Letter number A1/70/2013 dated 06-01-2016.

<sup>5</sup> A place wherein the killing or destruction of any animal for the purpose of food and includes all the processes and operations performed on all such animals, as regulated by the local bodies.

<sup>6</sup> Lungs, large intestines, various glands, animal tissues, organs and various body parts of the animals slaughtered.

Audit scrutiny revealed that five out of six Slaughterhouses in five<sup>7</sup> ULBs constructed at a cost for ₹1.74 crore during the period from 2007-08 to 2018-19 (as detailed in **Appendix 4.5**) were not put to use for the reasons, viz., non-provision of modern infrastructure facilities and non-obtaining of consent from TNPCB respectively.

An illustrative case is detailed below:



**Exhibit 4.3: Construction of slaughterhouse in Erode City Municipal Corporation**

In Erode City Municipal Corporation, the Slaughterhouse constructed during 2016-17 by incurring an expenditure of ₹52.86 lakh was not put to use since completion in October 2019. Audit observed that permission from TNPCB to ‘operate the slaughterhouse’ was not initially sought and consent applied (June 2019) thereon was awaited.

During joint inspection conducted in the Slaughterhouse on 26 December 2022, the Slaughterhouse was not put to use and machinery/equipment for slaughtering the animals was not provided.

## **Conclusion**

The benefits of the 50 community assets viz., 42 Community Toilets, three Community Halls and five Slaughterhouses, created at a cost of ₹6.33 crore did not reach the public as these assets were not put to use. The intended objective of construction of these assets were not fulfilled, leading to wasteful expenditure of ₹6.33 crore.

The matter was reported to the Government in March 2023 and reminded during May 2023/September 2023.

The Department<sup>8</sup> replied (November 2023), that out of 50 community assets, they have started utilising 37 assets after being pointed out in Audit and gave reasons<sup>9</sup> for non-utilisation of the remaining assets, till date. Audit did a test check/verification of the assets put to use in 15 cases<sup>10</sup> (12 Toilets, two Community Halls and one Slaughterhouse) during November 2023. On joint physical verification, Audit noticed that (a) out of 12, three toilets were not functional; (b) both the community halls rented out were being used as godowns

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<sup>7</sup> Thanjavur and Thoothukudi Corporations; Erode, Tiruttani and Tiruvallur Municipalities.

<sup>8</sup> Director of Municipal Administration and Director of Town Panchayats.

<sup>9</sup> Damaged conditions accessibility issues for the public, Construction/implementation of IHHL, Non-availability of water, TNPCB consent awaited, Public agitation etc.

<sup>10</sup> (a) Community Toilets - Arakkonam, Tenkasi and Vandhavasi Municipalities, (b) Community Hall - Valavanur and Vilampakkam Town Panchayats and (c) Slaughter House - Tiruttani Municipality.

and (c) the slaughterhouse is yet to be put to use. Thus, after being pointed out by Audit, efforts are underway to put the idling assets to use. Further report regarding the utilisation of the remaining 13 community assets is awaited.

**The ULBs should conduct a detailed study before creating the assets for their necessity and utility and should also ensure basic facilities such as providing adequate water supply, proper room/door etc., are provided for and duly maintained periodically.**

**The ULBs concerned should obtain necessary permission from TNPCB for use of the slaughterhouse.**

**As regards the management of Community Halls and Slaughterhouses in the ULBs, leasing of the assets to third party for better maintenance and realisation of remunerative income thereon to the ULBs should be explored.**

#### 4.1.2 Wasteful expenditure of ₹1.05 crore

**Construction of Resource Recovery Centre in water body by Dhaliyur Town Panchayat led to demolition of the same on a direction from Hon'ble High Court and subsequent redevelopment of the water body has resulted in wasteful expenditure of ₹1.05 crore.**

The Municipal Solid Waste (Management and Handling) Rules, 2000 (SWM Rules) stipulates that the Municipal Authority should organise house-to-house collection of solid waste and segregate it as biodegradable and non-biodegradable. As per Schedule II of the Rules *ibid*, the wastes should be collected and processed by composting, vermin-composting, anaerobic digestion or any other appropriate biological processing for stabilisation. Schedule III of the Rules *ibid* envisages that the landfill site shall be away from habitation clusters, forest areas, water bodies, monuments, national parks, wetlands and places of important cultural, historical or religious interest.

Government of Tamil Nadu (GoTN) issued (February 2011) orders about availability of lands for creation of compost yard to local bodies at free of cost.

Audit scrutiny at Kalinganaickenpalayam Village of Dhaliyur Town Panchayat (TP) revealed (December 2021) that a site<sup>11</sup> was identified by the TP itself for Solid Waste Management Resource Recovery Centre (RRC) and it was constructed at a cost of ₹56.09 lakh. The details of expenditure being ₹20.07 lakh for construction of Windrow Platform (2014-15) and ₹36.02 lakh towards construction of Vermi-composting centre, compound wall, watchman room, road work and lighting facility in 2018-19. After construction, the RRC was being utilised for segregation of waste and production of vermin-compost since 2019 by the TP.

<sup>11</sup> Survey Nos.862/A2, 862/3, 863/IA, 863/7A2 and 863/IA3.

However, it was observed that the RRC was constructed on a water body (*Kuttai*) as per the land revenue records. The Hon'ble High Court of Madras, based on a Writ Petition, ordered (April 2021) the TP to remove the RRC and redevelop the water body. Based on the Hon'ble Court order, the RRC was demolished on 16 July 2021. The redevelopment of the water body has been undertaken at an estimated cost of ₹49 lakh and the work is in progress (March 2023).

**Exhibit 4.4: Demolition of Constructed Resource Recovery Centre**



In this connection, Audit observed the following:

- (i) The Dhaliyur TP while identifying the site for RRC violated the Rules *ibid* envisaging that the landfill site shall be away from habitation clusters, forest areas, water bodies, monuments, national parks, wetlands and places of important cultural, historical or religious interest.
- (ii) The local bodies shall maintain a register containing the details of grazing grounds, threshing floors, burning and burial-grounds, cattle-stands, cart-stands and water bodies like tanks/ponds. Though the TP maintained the Register of *Poramboke*<sup>12</sup>, it was outdated without any updation after 2001-02.
- (iii) These failures led to TP constructing the RRC in a water body without adhering to the norms as per SWM Rules which led to wasteful expenditure of ₹56.09 lakh and avoidable expenditure of ₹49 lakh for redevelopment of the water body after demolition. In addition, the TP would also incur an additional expenditure on creation of a new RRC on identification of the site.

The matter was reported to the TP (March/April 2022) and to the Government (November 2022). The Government while accepting (April 2023) the audit observation stated that restoration of water body has commenced and an expenditure of ₹11.53 lakh was incurred up to October 2022. Further it also stated that the TP is taking follow-up action in obtaining the land from

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<sup>12</sup> Government land.

Animal Husbandry Department for construction of RRC. Further reply is awaited (June 2023).

**The Government should fix responsibility for the wrong selection of land and ensure restoration of water body, strict adherence to the Rule provision with regard to identification of land for such projects. The Government should also ensure that alternative site for RRC be identified at the earliest to avoid dumping of waste in unscientific manner.**

## 4.2 Loss of revenue

### 4.2.1 Non-collection of profession tax by ULBs to the tune of ₹7.04 crore

**Tax on profession though payable as per the provisions of the Act was not paid to the ULBs by M/s. Tamil Nadu State Transport Corporation Limited even though the same was collected by them from their employees. Further, the ULBs also failed to take effective action to collect the same resulting in non-remittance of tax on profession of ₹7.04 crore**

The District Municipalities Act, 1920 and the concerned City Municipal Corporation Act, provides for levy of tax on profession, trade and employment. The tax on profession shall be paid on half-yearly basis at the rates specified by the Council of the local bodies concerned.

Government ordered<sup>13</sup> (January 1999) that the Drawing and Disbursing officer of Central or State Government Departments, undertakings and private companies, etc., shall recover the half-yearly tax as fixed by the municipality in the pay bill of the employee for the months of August and January of every year. Drawing and Disbursing officer shall make arrangements to remit the tax amount in full to the municipality before the 15<sup>th</sup> September and 15<sup>th</sup> February of every year along with the details as in Form 1, including those of self-drawing.

Any amount remaining unpaid after the dates specified for its payment, the employer shall pay, in addition to the amount due, interest at one *per cent per mensem* of such amount for the entire period of default.

Scrutiny of records in five test-checked Urban Local Bodies<sup>14</sup> (ULB) revealed that M/s. Tamil Nadu State Transport Corporation Limited (TNSTC), a State Public Sector Undertaking, had not remitted the tax on profession for a period

<sup>13</sup> G.O. Ms. No.11, Municipal Administration and Water Supply (Elect) Department, dated 12-1-1999.

<sup>14</sup> Coimbatore City Municipal Corporation, Hosur Corporation, Pallipalayam Municipality, Pollachi Municipality and Salem City Municipal Corporation.

between 2005-06 and 2021-22. Further, scrutiny of the TNSTC Auditor's Report revealed that the TNSTC had indeed recovered/collected the tax on profession from the respective employees. However, it failed to remit the same to the ULBs concerned.

Thus, failure on the part of ULBs to ensure timely collection of tax on profession from TNSTC and also by the TNSTC to remit the tax so collected promptly had resulted in non-collection of tax on profession to the tune of ₹7.04 crore. **(Appendix 4.6).** It is pertinent to mention that interest at 12 *per cent* is also leviable for the period of default.

After this was pointed out to the Government (March 2023), the Government accepted (April 2023) the Audit observation and stated that instructions were issued to the Drawing and Disbursing Officers to recover the profession tax from the salary and remit it to the concerned ULBs before 15<sup>th</sup> of September or 15<sup>th</sup> February of each of the half-year. It further stated that in case of non-remittance, it should be recovered with interest, up to date assessment should be done and ensure settlement of previous arrears of profession tax if any in a week's time. Further report is awaited (May 2023).

**The Department should take up the issue of non-payment of profession tax to the Transport Department and to the concerned TNSTCs to recover the amount due from the Transport Corporations.**

**The Department should institute a mechanism for ascertaining collection of tax on profession by the employers and ensure timely remittance to the concerned ULBs and periodically assess the accounts of PSUs for status of collection of tax on profession.**

#### **4.2.2 Non-levy of vacant land tax amounting to ₹3.95 crore**

**Vacant land tax amounting to ₹3.95 crore was not levied by two City Municipal Corporations between the period 2007-08 and 2021-22 in respect of land held by M/s. Electronics Corporation of Tamil Nadu Limited.**

As per Section 121 (4) (a) of the Salem City Municipal Corporation Act, 1994, the Council shall, in the case of lands which are not used for agricultural purposes and are not occupied, levy the property tax on such lands at such rates as it may fix, having regard to its location and subject to the minimum and maximum rates per square feet as may be prescribed by the Government.

The Commissioner of Municipal Administration (CMA) instructed (July 1998) vide Circular<sup>15</sup> that all vacant lands other than agricultural lands within

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<sup>15</sup> CMA circular Roc.No.69517/97/R1 dated 1 July 1998.

Urban area have to be assessed to property tax and ₹0.10 per sq.ft was fixed as the basic tax for vacant land. Government issued orders<sup>16</sup> (August 2009) for levy of property tax on vacant lands with reference to its location.

As per Section 168 of the Act (as amended in 1997), if any person liable to pay any tax or fees has escaped assessment, the Commissioner may, at any time within six years from the date on which such person should have been assessed, serve a notice for assessing him to tax or fee. The CMA issued circular<sup>17</sup> (April 2009) clarifying that in case of escapement of any assessment, tax should be levied for 13 previous half-years.

(a) Salem Municipal Corporation, had issued resolution<sup>18</sup> (October 2009) to adopt the August 2009 G.O thereby fixing the vacant land tax rates at ₹0.40 per sq.ft (Zone C), ₹0.30 per sq.ft (Zone B) and ₹0.20 per sq.ft (Zone A).

Audit scrutiny of Salem Municipal Corporation revealed that the Government of Tamil Nadu had alienated<sup>19</sup> (March 2007) land measuring 164.26 acres<sup>20</sup> in Salem in favour of M/s. Electronic Corporation of Tamil Nadu (ELCOT) for formation of Information Technology Park. ELCOT was permitted (March 2018)<sup>21</sup> to retain 53.33 acres (23,23,055 sq.ft) of land and surrender 110.93 acres out of 164.26 acres back to the Government. Out of the total extent of 23,23,055 sq.ft, an extent of 1,08,867 sq.ft lies in Zone B and the rest in Zone C.

Audit observed that vacant land tax was not/short levied from ELCOT for the 23,23,055 sq.ft from April 2007 to 2022 as detailed in **Appendix 4.7**. The non-levy/short collection of vacant land tax amounted to ₹2.33 crore.

After this was pointed out (March 2020), the Department levied ₹68.33 lakh and collected ₹19.80 lakh from ELCOT (January 2021).

The Government, in its reply (July 2022) accepted the audit observation for levy of vacant land tax from the period 2015 to till date. In respect of the period from April 2007 to 2014, it stated that as per records, the land was converted to other purpose only after approval of Directorate of Town and Country Planning. Hence vacant land tax during this period was not levied by Salem Municipal Corporation.

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<sup>16</sup> G.O (Ms.) No.151 Municipal Administration and Water Supply (Election) Department dated 20 August 2009.

<sup>17</sup> CMA circular Roc.No.38714/2009/R1 dated 2 April 2009.

<sup>18</sup> Salem City Municipal Corporation resolution No. 223 dated 30 October 2009 (A1/16079/2009).

<sup>19</sup> G.O. Ms. No. 114 Revenue Department LD (7) dated 07 March 2007.

<sup>20</sup> In S.F.No.1/1, 2/1 and 163/1 of Jagirammalayam Village, Omalur Main Road (Zone C and B).

<sup>21</sup> G.O.Ms. No. 102 Revenue and Disaster Management Department, Land Disposal Wing LD (7) (1) section dated 12 March 2018.

The Government reply is not acceptable since as per the G.O<sup>22</sup> dated March 2007, the land was transferred to ELCOT from April 2007 and as such vacant land tax is leviable from that year onwards.

The Government should assess, vacant land tax in respect of cases pointed out by Audit and also in respect of similar cases that are yet to be assessed and evolve a system to avoid omission in future.

(b) Vilankurichi Village Panchayat was added (August 2011) to Coimbatore City Municipal Corporation (CCMC) and there was no system to levy vacant land tax in the village prior to 2011. CCMC resolved<sup>23</sup> (October 2017) to levy uniform rate<sup>24</sup> of ₹0.60 vacant land tax in respect of all wards of CCMC citing the reasons to meet out the expenditure incurred in respect of road works, street lighting, water supply and drainage.

Audit scrutiny of CCMC revealed that the Government of Tamil Nadu had alienated<sup>25</sup> (June 2005 and May 2007) land measuring 61.59 acres<sup>26</sup> (26,82,860 sq.ft) in Vilankurichi Village, Coimbatore North in favour of ELCOT for setting up Information Technology Park. ELCOT leased (February and March 2008) an extent of 9.5 acres each (8,27,640 sq.ft) to two firms and transferred (May 2015) 17.77 acres (7,74,061 sq.ft) through a gift deed to CCMC.

The remaining parcel of land measuring 24.82 acres (10,81,159 sq.ft) of vacant land is in possession of ELCOT Ltd. However, this extent was not assessed to vacant land tax by passing a resolution to the effect. It is pertinent to mention that in a similar situation, the Thoothukudi City Municipal Corporation resolved (April 2012) to levy vacant land tax in respect of vacant lands situated in added areas immediately on merger of new areas (January 2011). Instead the CCMC merely addressed the Government<sup>27</sup> for clarification in regard to levy of vacant land tax.

However, the CCMC did not levy vacant land tax even after passing of resolution during October 2017 which resulted in non-realisation of revenue amounting to ₹58.38 lakh from 2017-18 to 2021-22 (nine half-years). Further failure to pass timely resolution had resulted in loss of revenue of ₹1.04 crore for the period from 2009-10 to 2016-17 (16 half-years).

The matter was referred to Government in November 2022. The Government accepted (April 2023) the audit observation and stated that demand notice for

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<sup>22</sup> G.O.Ms.No.114 Revenue Department dated 7 March 2007.

<sup>23</sup> Coimbatore City Municipal Corporation resolution No. 237 dated 16 October 2017.

<sup>24</sup> Earlier CCMC resolved (Resolution No.208 dated 29 December 2011) to continue the existing rate of vacant land tax viz., between Nil rate to ₹0.40 per square foot per half-year for the added areas with CCMC.

<sup>25</sup> G.O. Ms. No. 353 Revenue Department LD 5(2) dated 07 June 2005 and G.O.Ms.No.230 Revenue LD(5) Department dated 02 May 2007.

<sup>26</sup> 29.08 acres in S.F.No.426 and 32.51 acres in S.F.Nos. 458, 459 and part of 461, 462, 463, 465 and 466 of Vilankurichi Village, Coimbatore North.

<sup>27</sup> Coimbatore City Municipal Corporation resolution No. 208 dated 29 December 2011.

vacant land tax of ₹1.88 crore has since been issued up to 2022-23 (II half-year). The Government further stated that the matter is being pursued with ELCOT for collecting the amount. Further reply is awaited (May 2023).

**The Government should ensure collection of the amount of demand raised and to assess, vacant land tax in respect of similar cases that are yet to be assessed and evolve a system to avoid omission in future.**

#### 4.2.3 Loss of revenue on property tax- ₹1.61 crore

**Failure on the part of the Coimbatore City Municipal Corporation to assess the Super Speciality Hospital under Special Buildings as envisaged by the Government of Tamil Nadu guidelines resulted in loss of revenue on property tax amounting to ₹1.61 crore for six half-years.**

Under Section 121 of Coimbatore City Municipal Corporation Act, 1981 (Act), property tax should be levied on all buildings and lands within the city. Government of Tamil Nadu (GoTN) ordered (November 2007) revision of property tax in all the Municipal Corporations, Municipalities and Town Panchayats with effect from 01 April 2008. Instructions issued (February 2008) by GoTN *inter alia* provided for fixation of separate basic value by the concerned local body in respect of buildings coming under Specialised Category such as star hotels, theme parks, multiplexes, shopping malls, air conditioned wedding halls, super speciality hospitals etc.

Accordingly, Coimbatore City Municipal Corporation (CCMC) resolved (May 2008) to revise the property tax with effect from 01 April 2008 and fixed the basic value for various categories. However, it failed to include Super Speciality Hospitals along with the 'Specialised category' as envisaged by the GoTN guidelines of February 2008.

It is pertinent to mention that Salem City Municipal Corporation has resolved (March 2008) to adopt the specific guidelines issued (February 2008) by GoTN and fixed the basic value for 'Specialised Category' (including Super Speciality Hospitals) of buildings at four times of the basic value applicable to the area in which the property lies for arriving at the annual value for 'Specialised Category' for assessing property tax.

Scrutiny of records (March 2022) relating to CCMC revealed that in respect of one assessment *viz.*, a Super Speciality Hospital, property tax from 1 April 2019 was to be levied at the rates applicable to 'Specialised Category' for arriving at annual value. Instead it was assessed under Commercial Category. This was due to the failure on the part of the CCMC to categorise the Super Speciality Hospital under 'Specialised Category' as envisaged by the GoTN guidelines of February 2008. This had resulted in loss of revenue on property tax amounting

to ₹1.61 crore for the period from the first half-year of 2019-20 to the second half-year of 2021-22. **(Appendix 4.8).**

The matter was referred to Government in October 2022; The Government replied (April 2023) that the Council in their discretion resolved (May 2008) on the subject to fix the property tax for hospitals, marriage halls and shops at ₹10 per sq.ft, and the Commissioner is under obligation to give effect to the resolutions passed by the Council.

The reply is not acceptable as CCMC had failed to categorise the Super Speciality Hospital under 'Specialised Category' as envisaged in the Government guidelines. Had the categorisation been enforced, appropriate rates applicable to the special category building could have been levied. Further reply is awaited (May 2023).

**The Government should issue suitable instructions to all the ULBs to take into consideration, the recommendations/guidelines issued periodically and to evolve a system wherein such cases pertaining to generation of revenue are referred to the appropriate Board/Committee before implementation of the same.**

### **4.3 Undue favour to contractor**

#### **4.3.1 Procurement of Battery Operated Vehicles**

The State High Powered Committee (SHPC), under Swachh Bharat Mission, approves projects including procurement of Battery Operated Vehicles (BOVs) for Solid Waste Management by the Urban Local Bodies. The estimated cost per BOV was ₹1.80 lakh. SHPC through its meetings sanctioned purchase of 5,492 BOVs to 647 ULBs at a cost of ₹98.79 crore.

Section 171 of the Central Goods and Services Tax Act, 2017 provides that any reduction in rate of tax on any supply of goods or services or the benefit of tax credit shall be passed on to the recipient by way of reduction in prices. The Goods and Services Tax (GST) rate on electrically operated vehicles was reduced from 12 to 5 *per cent* with effect from 01 August 2019.

##### **(a) Undue benefit to the suppliers - ₹57.76 lakh**

**Reduction in rate of Goods and Services Tax of seven *per cent* was not passed by the suppliers to ULBs, for 524 Battery Operated Vehicles, resulting in undue benefit of ₹57.76 lakh to the suppliers.**

Audit of 59 ULBs was conducted from February 2020 to October 2021. It was observed that in 36 ULBs, work orders for purchase of 524 BOVs were issued

between October 2018 and July 2019, when the GST rate was 12 *per cent*. The supplies were effected between August 2019 and January 2020, when the GST rate was reduced to five *per cent*. However, the suppliers did not pass on the benefit of reduced GST of seven *per cent* to the ULBs, but instead increased the base price of the BOVs and showed the reduced rate of five *per cent*. This resulted in undue enrichment to suppliers by ₹57.76 lakh (**Appendix 4.9**) at the cost of Government exchequer.

The Government replied (June 2022) that notice has been issued (March 2022) to the suppliers of 18 Town Panchayats of Madurai Zone to repay the excess payment. Further replies in respect of other zones are still awaited (May 2023).

**Government should include a suitable provision in all the tenders for passing on the benefits of reduction of the statutory levies to the procurement agencies of the Government. Recovery from other zones should also be effected under intimation to Audit.**

**(b) Cost difference due to supply of different batteries as against order - Undue benefit ₹51.56 lakh**

**Cost difference due to supply of Lead Acid Battery instead of Lithium Ion Battery in nine ULBs for 334 BOVs purchased resulted in undue benefit of ₹51.56 lakh to the contractor.**

As per the purchase orders of ULBs, specification for the supply of BOVs indicated that the BOVs should be fitted with 60V 40AH<sup>28</sup> Lithium-ion battery (LIB)<sup>29</sup>.

Audit test-checked 59 ULBs<sup>30</sup> involving 1,350 BOVs and noticed in one Corporation and eight Municipalities that 334 BOVs supplied to ULBs were fitted with four or five 12V 80AH Lead Acid Battery (LAB) as against the specified one 60V 40AH Lithium-ion battery. The difference in cost per BOV on account of supply of different type of batteries are detailed below:

<sup>28</sup> V-Volt, AH- Amp hours.

<sup>29</sup> Lithium-ion battery is preferred over Lead Acid Batteries (LABs) for the reason that it has longer life, gets charged quickly.

<sup>30</sup> Dindigul Corporation, Regional Director of Municipal Administration, Tirunelveli (19 Municipalities), Regional Director of Municipal Administration, Chengalpet (18 Municipalities), Dharapuram, Tiruvarur, Vandavasi Municipality, ADTP Madurai (18 TPs).

- In Dindigul Corporation, even though the battery type included in the bid was LIB, 100 BOVs were supplied with four 12V 80AH LABs instead of one LIB in each BOV. The difference in battery cost works out to ₹19,500<sup>31</sup> per BOV. This led to supply of batteries of lower standard and life as against the specified higher type of battery and also undue benefit to the contractors of ₹19.50 lakh (**Appendix 4.10**).
- Similarly, in five<sup>32</sup> Municipalities, even though the bid included only LIBs, 149 BOVs were supplied with five LABs in each BOV. The difference in battery cost worked out to ₹13,700 per BOV and consequently resulted in undue benefit to the contractors of ₹20.41 lakh (**Appendix 4.10**).
- Further, in violation of the specifications for battery in BOV mentioned in the proceedings, three more ULBs<sup>33</sup> procured 85 BOVs with LABs only instead of LIBs. Due to this, there was similar undue benefit to the contractors to the tune of ₹11.65 lakh (**Appendix 4.10**).

It is pertinent to mention that Joint Physical Verification (JPV) was conducted in respect of 54 BOVs in three ULBs<sup>34</sup> (Tirunelveli region). The JPV revealed that while it was certified that the BOVs received by the ULBs were fitted with LIBs whereas the BOVs were actually fitted with LABs. Thus the certificate issued by the ULBs were factually incorrect.

Thus, the contractors supplied BOVs fitted with LABs instead of LIBs in nine ULBs for 334 BOVs which resulted in undue benefit of ₹51.56 lakh to the contractors.

The matter was reported to the Government in January 2022. The Government replied (June/September 2022) that entire amount of ₹51.56 lakh was recovered from the contractors in all the nine ULBs. In this regard, it was further noted that the State High Power Committee sanctioned purchase of 5,492 BOVs for 647 ULBs. Out of these, Audit test check revealed that 59 ULBs had procured 1,350 BOVs. Considering the fact that 334 BOVs (25 per cent) procured by nine ULBs had LAB instead of LIBs, the Government may examine these issues in the remaining 4,142 BOVs procured in all ULBs.

Further, no responsibility was fixed on the concerned officials and contractors for purchase of BOVs with LABs instead of LIBs even though the recovery was made.

Further report from Government is awaited (May 2023).

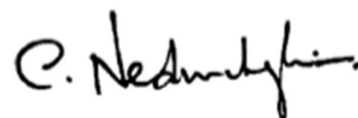
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<sup>31</sup> Difference in cost is worked out based on the actual cost paid for one Lithium-ion battery (₹42,712) and the market price @ ₹5,800 for one LAB.

<sup>32</sup> Ambasamudram, Kayalpattinam, Rajapalayam, Tiruvarur and Vickramasingapuram. Chengalpattu, Cuddalore and Nellikuppam.

<sup>34</sup> Ambasamudram, Kayalpattinam and Vickramasingapuram.

**The Government should evolve a suitable monitoring mechanism to ensure that the ULBs purchase only those models/specification of components that are approved and tendered. Responsibility should be fixed against the concerned officials and the contractors who received/supplied lower standard items other than specification prescribed in tenders.**



**(C. NEDUNCHEZHIAN)**

Principal Accountant General (Audit-I),  
Tamil Nadu

Chennai  
The 17 April 2024

Countersigned



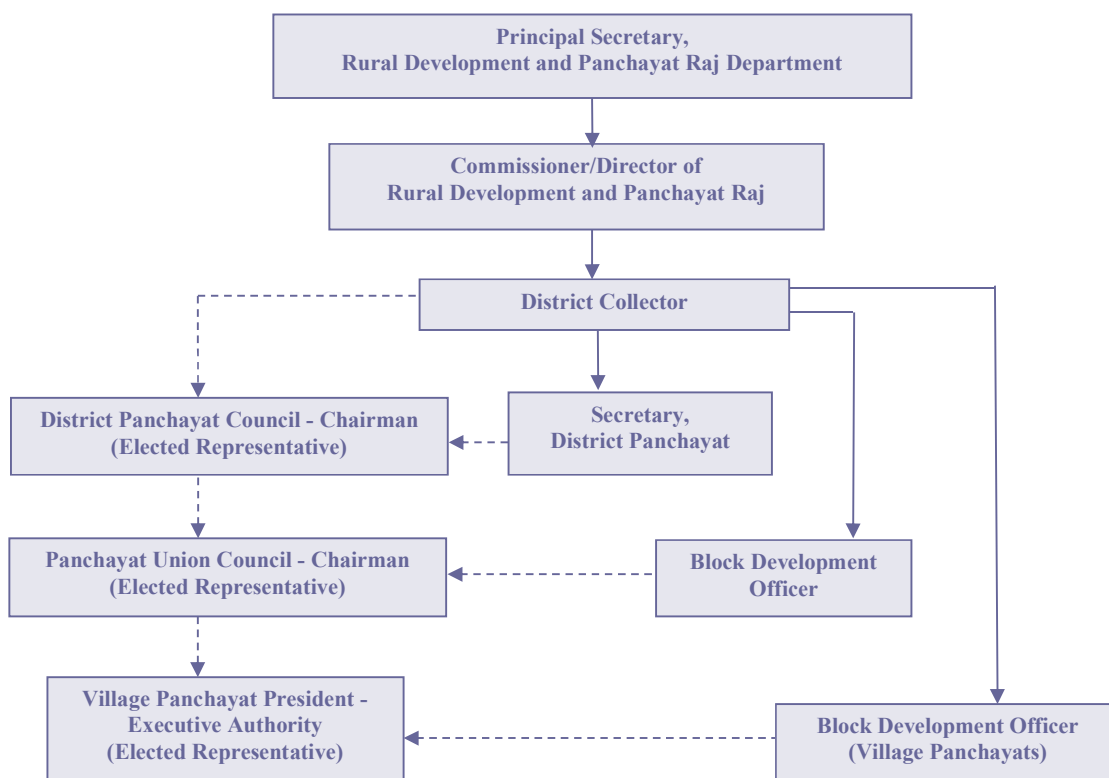
**(GIRISH CHANDRA MURMU)**  
Comptroller and Auditor General of India

New Delhi  
The 26 April 2024

# APPENDICES



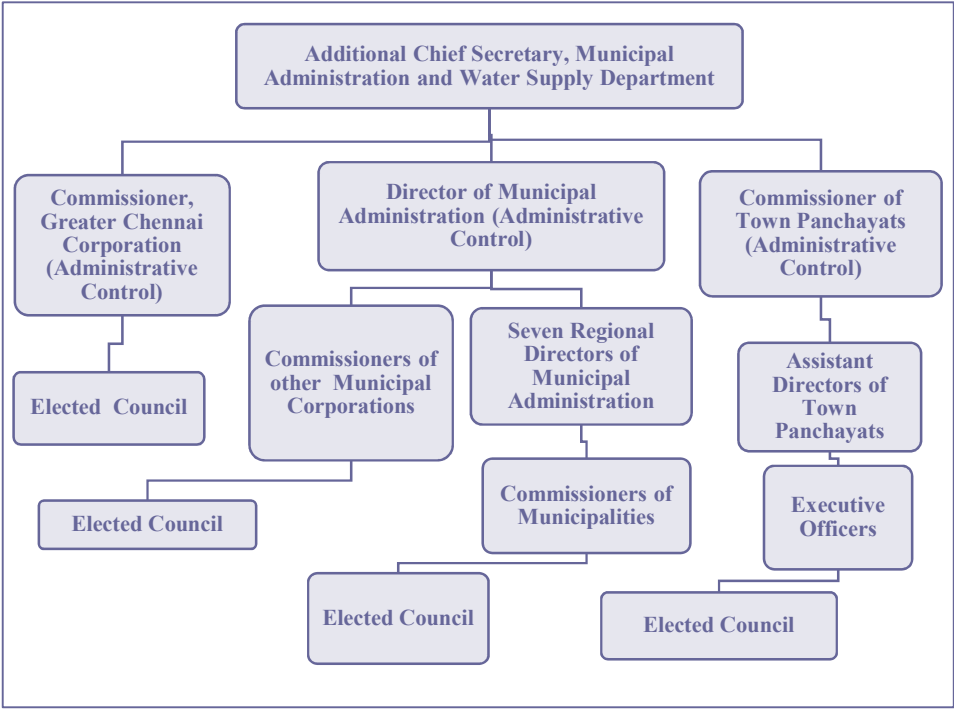
**Appendix 1.1**  
**(Reference: Paragraph 1.2; Page 2)**  
**Organisational structure of Panchayat Raj Institutions**



Appendix 1.2

(Reference: Paragraph 1.2; Page 2)

Organisational structure of Urban Local Bodies



### Appendix 1.3

(Reference: Paragraph 1.3; Page 2)

#### Devolution of functions to Panchayat Raj Institutions

Sl. No.	Functions
1	Agriculture including agricultural extension
2	Land improvement, implementation of land reforms, land consolidation and soil conservation
3	Minor irrigation, water management and watershed development
4	Animal husbandry, dairying and poultry
5	Fisheries
6	Social forestry and farm forestry
7	Minor forest produce
8	Small scale industries, including food processing industries
9	Khadi, Village and Cottage industries
10	Rural Housing
11	Drinking water
12	Fuel and fodder
13	Roads, Culverts, Bridges, Water ways and other means of communication
14	Rural electrification, including distribution of electricity
15	Non-conventional energy sources
16	Poverty alleviation programme
17	Education, including primary and secondary schools
18	Technical training and vocational education
19	Adult and non-formal education
20	Libraries
21	Cultural activities
22	Market and fairs
23	Health and sanitation, including hospitals, primary health centres and dispensaries
24	Family Welfare
25	Women and Child development
26	Social Welfare including welfare of the handicapped and mentally retarded
27	Welfare of the weaker sections, and in particular the Scheduled Caste and Schedule Tribes
28	Public Distribution System
29	Maintenance of community assets

**Appendix 1.4**

**(Reference: Paragraph 1.3; Page 2)**

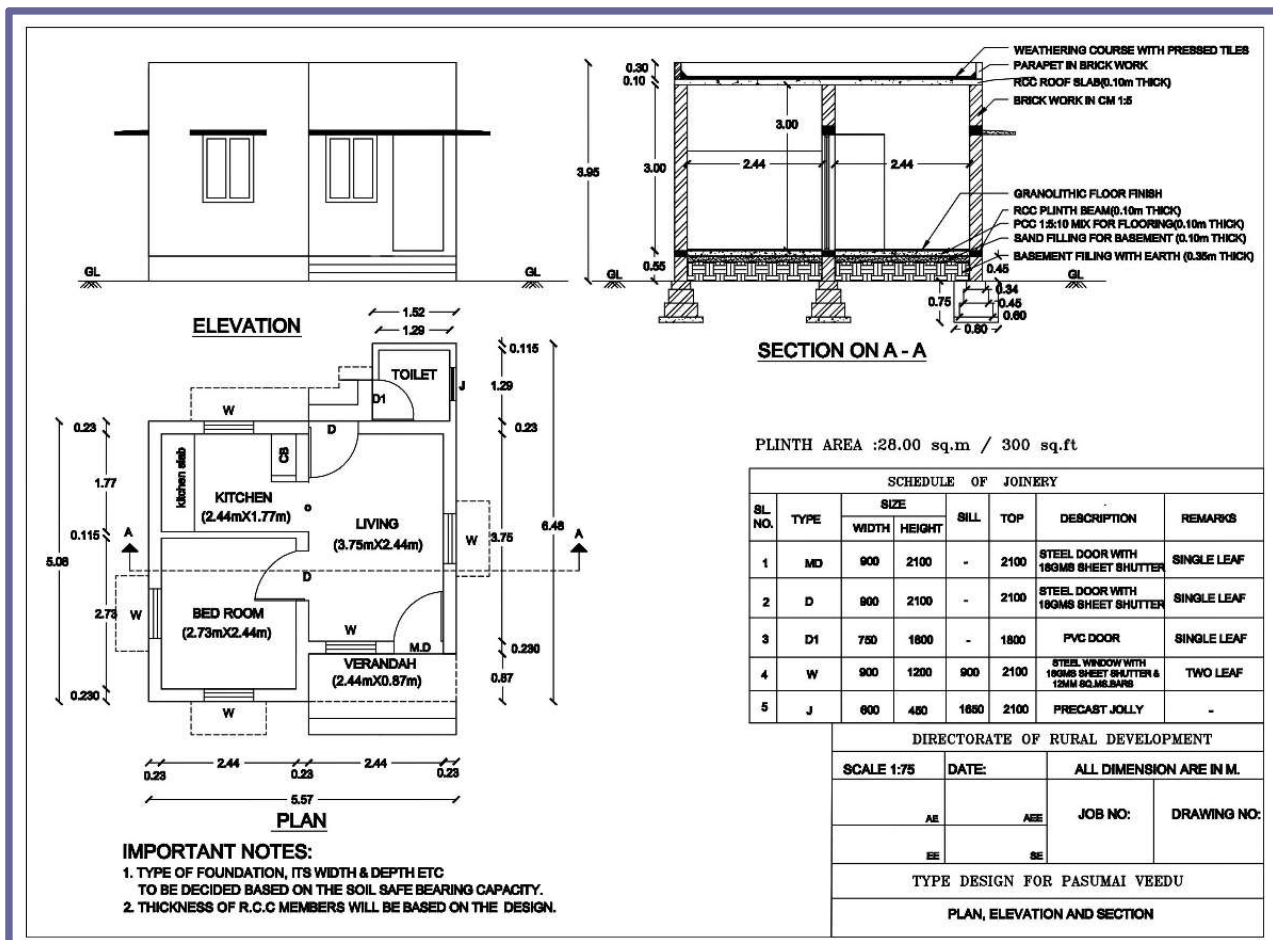
**Devolution of functions to Urban Local Bodies**

Sl. No.	Functions
1	Roads and bridges
2	Water supply for domestic, industrial and commercial purposes
3	Public health, sanitation conservancy and solid waste management
4	Urban poverty alleviation
5	Provision of urban amenities and facilities such as parks, gardens, playgrounds
6	Burials and burial grounds; cremations, cremation grounds
7	Cattle pounds; prevention of cruelty to animals
8	Vital statistics including registration of births and deaths
9	Public amenities including street lighting, parking lots, bus stops and public conveniences
10	Regulation of slaughterhouses and tanneries
11	Urban planning including town planning
12	Regulation of land-use and construction of buildings
13	Planning for economic and social development
14	Urban forestry, protection of the environment and promotion of ecological aspects
15	Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded
16	Slum improvement and upgradation
17	Promotion of cultural, educational and aesthetic aspects
18	Fire services

## Appendix 2.1

(Reference: Paragraph 2.1.1; Page 14)

### Approved type design



## Appendix 2.2

(Reference: Paragraph 2.1.5; Page 15)

### Sampled Districts/Blocks/Village Panchayats

Name of the District	Name of the Block	Village Panchayat	Number of beneficiaries
1 Coimbatore	1 Karamadai	1 Chikkadasampalayam	16
		2 Tholampalayam	47
	2 Thondamuthur	3 Devarayapuram	23
		4 Vellimalaipatinam	11
2 Cuddalore	3 Cuddalore	5 CN Palayam	2
		6 Gunduupalavadi	5
		7 Karaimedu	5
		8 Pillali	6
		9 Thiruvandipuram	6
		10 Vellakarai	5
	4 Kumaratchi	11 Chidambaram NM	2
		12 Koothankoil	1
		13 Kuduvelichavadi	5
		14 Ma. Kolakudi	5
		15 Ma. Puliiyangudi	3
		16 Vallampadugai	4
3 Dindigul	5 Athoor	17 Gandhigramam	10
		18 N. Panjampatti	18
		19 Vakkampatti	5
	6 Palani	20 A. Kalayamputhur	17
		21 Melakottai	2
4 Kanniyakumari	7 Rajakkamangalam	22 Kaniyakulam	21
		23 Manakudi	4
	8 Thovalai	24 Kadukkarai	6
		25 Thidal	11
5 Perambalur	9 Alathur	26 Chettikulam	14
		27 Elanthalapatti	11
		28 Melamathur	11
		29 T. Kalathur	19
	10 Veppanthattai	30 Agaram	4
		31 Pasumbalur	10
		32 V. Kalathur	17

Name of the District	Name of the Block	Village Panchayat		Number of beneficiaries
6 Salem	11 Ayothiyapattinam	33	Aachakuttanpatti	18
		34	Aladipatti	50
		35	M. Perumapalayam	15
		36	Sukkampatti	4
	12 Omalur	37	Kottamariyammankovil	12
		38	Kottamettupatti	15
		39	Thathiyampatti	7
		40	Vellalapatti	9
7 Thiruchirapalli	13 Manikandam	41	Alundur	14
		42	Paganur	9
		43	Sethurapatti	11
	14 Mannachanallur	44	Irungalur	2
		45	Perakambi	22
		46	Thathamangalam	21
		47	Theerampalayam	20
8 Thiruvannamalai	15 Thandarampet	48	Kottaiyur	5
		49	Melamanjanur	2
		50	Melkarippur	12
		51	Sathanoor	21
		52	Thandrapattu	28
	16 Thurinjapuram	53	Periyakilambadi	7
		54	Salaiyanur	7
		55	Vadakarumbalore	5
		56	Vedandavadi	8
		57	Veluganandal	3
Total				653

## Appendix 2.3

(Reference: Paragraph 2.1.8.2; Page 17)

### Details of total population, poor population and houses allotted in the sampled VPs

Village panchayat	Total population	Poor	VeryPoor	Total poor population (Col. 3 + Col. 4)	Total houses allocated during 2017-18 to 2019-20	Percentage to total population (Col. 6 ÷ Col. 2) × 100	Percentage to rural poor population (Col. 6 ÷ Col. 5) × 100
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1 A. Kalayamputhur	8,871	573	366	939	13	0.15	1.38
2 Aachankuttapatti	3,615	191	162	353	18	0.50	5.10
3 Agaram	1,433	123	0	123	4	0.28	3.25
4 Aladipatti	4,175	235	119	354	15	0.36	4.24
5 Alundur	4,641	221	72	293	14	0.30	4.78
6 Chettikulam	7,140	150	10	160	10	0.14	6.25
7 Chickadasampalayam	19,049	236	68	304	15	0.08	4.93
8 Chidambaram NM	6,039	205	271	476	2	0.03	0.42
9 C N Palayam	7,862	427	376	803	1	0.01	0.12
10 Devarayapuram	6,417	307	126	433	21	0.33	4.85
11 Elanthalappatti	4,524	196	137	333	10	0.22	3.00
12 Gandhigramam	4,831	244	13	257	10	0.21	3.89
13 Guduupallavadi	7,281	182	112	294	5	0.07	1.70
14 Irungalur	9,367	265	166	431	2	0.02	0.46
15 Kadukkarai	3,200	118	127	245	5	0.16	2.04
16 Kaniyakulam	10,278	308	178	486	19	0.18	3.91
17 Karaivedu	1,235	80	70	150	5	0.40	3.33
18 Kuduvelichavadi	1,483	263	117	380	1	0.07	0.26
19 Koothankoil	1,404	217	113	330	1	0.07	0.30
20 Kottaiyur	5,435	216	156	372	4	0.07	1.08
21 Kottamaraiyammamkovil	7,756	410	193	603	9	0.12	1.49
22 Kottamettupatti	11,822	6,932	167	7,099	12	0.10	0.17
23 M. Perumapalayam	5,232	253	195	448	13	0.25	2.90
24 Ma. Kollagudi	6,487	1,947	191	2,138	5	0.08	0.23
25 Ma. Puliyangudi	1,460	29	6	35	2	0.14	5.71
26 Manakudi	7,333	534	1,004	1,538	2	0.03	0.13
27 Melakottai	2,049	266	96	362	1	0.05	0.28
28 Melamathur	3,661	241	20	261	11	0.30	4.21
29 Melkaripoor	2,865	131	104	235	12	0.42	5.11
30 Melamanjanoor	3,099	126	132	258	2	0.06	0.78

Village panchayat	Total population	Poor	VeryPoor	Total poor population (Col. 3 + Col. 4)	Total houses allocated during 2017-18 to 2019-20	Percentage to total population (Col. 6 ÷ Col. 2) × 100	Percentage to rural poor population (Col. 6 ÷ Col. 5) × 100
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
31 N. Panjampatti	7,476	422	159	581	18	0.24	3.10
32 Paganur	2,209	52	25	77	8	0.36	10.39
33 Pasumbalur	7,367	402	0	402	10	0.14	2.49
34 Perakambi	2,879	256	59	315	22	0.76	6.98
35 Periyakilambadi	1,655	88	35	123	6	0.36	4.88
36 Pillai	3,247	120	133	253	6	0.18	2.37
37 Salaiyanoor	2,793	86	32	118	5	0.18	4.24
38 Sathanoor	9,069	380	381	761	10	0.11	1.31
39 Sethurapatti	2,850	92	85	177	10	0.35	5.65
40 Sukkampatti	5,288	252	202	454	3	0.06	0.66
41 T. Kalathur	4,301	450	110	560	19	0.44	3.39
42 Thandrapattu	9,298	400	315	715	10	0.11	1.40
43 Thathamangalam	2,834	224	114	338	21	0.74	6.21
44 Thathiyampatti	2,859	760	98	858	7	0.24	0.82
45 Theerampalayam	3,786	148	148	296	17	0.45	5.74
46 Thidal	2,021	106	113	219	10	0.49	4.57
47 Tholampalayam	6,649	680	1,213	1,893	36	0.54	1.90
48 Thiruvandipuram	9,702	453	248	701	6	0.06	0.86
49 V. Kalathur*	9,230	0	0	0	15	0.16	0.
50 Vadakarumbalur	2,731	250	125	375	5	0.18	1.33
51 Vakkampatti	2,807	128	84	212	5	0.18	2.36
52 Vallampadugai	5,931	715	417	1,132	4	0.07	0.35
53 Vedandavadi	5,107	0	85	85	5	0.10	5.88
54 Vellakarai	4,780	248	231	479	5	0.10	1.04
55 Vellalapatti	8,212	526	306	832	8	0.10	0.96
56 Vellimalaipattinam	4,066	169	67	236	10	0.25	4.24
57 Veluganandal	2,053	74	13	87	3	0.15	3.45

\* Since V. Kalathur (Sl. No. 49) did not furnish break-up for poor/very poor category, the V P was not considered for arriving at the percentage calculation

## Appendix 2.4

(Reference: Paragraph 2.1.8.3; Page 18)

### Block-wise number of beneficiaries not selected from PIP list

Name of the Block	Number of beneficiaries	Number of beneficiaries not selected from PIP list
Alathur	55	55
Athoor	33	22
Ayothiyapattinam	87	59
Cuddalore	29	29
Karamadai	63	41
Kumaratchi	20	20
Manikandam	34	29
Mannachanallur	65	58
Omalur	43	36
Palani	19	14
Rajakkamangalam	25	22
Thandrampet	70	46
Thondamuthur	34	21
Thovalai	17	17
Thurinjapuram	28	0
Veppanthattai	31	30
<b>Total</b>	<b>653</b>	<b>499</b>

## Appendix 2.5

(Reference: Paragraph 2.1.8.7; Page 20)

**Block-wise/VP-wise number of beneficiaries allotted green house without  
Grama Sabha approval during the period 2017-20**

Name of the Sampled unit			Number of beneficiaries allotted green house though their names were not included in Grama Sabha resolution				
District	Block	Village Panchayat	2017-18	2018-19	2019-20	2020-21	Total
Coimbatore	Karamadai	Chikkadasampalayam	0	0	0	0	0
		Tholampalayam	0	0	0	0	0
	Thondamuthur	Devarayapuram	0	0	0	2	2
		Vellimalaipattinam	0	0	0	1	1
Cuddalore	Cuddalore	CN Palayam	1	0	0	1	2
		Gunduuppalavadi	3	1	1	0	5
		Karaimedu	2	1	2	0	5
		Pillali	3	1	2	0	6
		Thiruvandipuram	4	2	0	0	6
		Vellakarai	2	1	2	0	5
	Kumaratchi	Koothankoil	0	1	0	0	1
		Ma Kollakudi	1	2	2	0	5
		Vallampadugai	2	2	0	0	4
Kanya-kumari	Thovalai	Kadukkarai	2	2	1	0	5
		Thidal	2	7	1	0	10
Perambalur	Alathur	Chettikulam	2	4	4	0	10
		Elantalapatti	4	3	3	0	10
		Melamathur	4	5	1	0	10
		T Kalathur	8	2	0	0	10
	Veppanthattai	Agaram	2	1	1	0	4
		V Kalathur	7	2	0	1*	10
Salem	Ayothiya-pattinam	M Perumapalayam	0	0	1	7*	8
	Omalar	Kottamettupatti	0	1	0	4*	5
Tiruvanna-malai	Thandrampet	Sathanoor	0	0	2	0	2
	Thurinja-puram	Salaiyanur	1	1	2	0	4
		Periyakilambadi	2	0	2	0	4
		Vadakarumbalure	0	0	1	0	1
Total			52	39	28	16	135

\* Grama sabha resolution copy was not furnished to Audit.

## Appendix 2.6

(Reference: Paragraph 2.1.9.2; Page 24)

### Stage-wise payment not made to the beneficiaries

Name of the Block	Number of beneficiaries to whom payment was made during 2017-21	Number of beneficiaries to whom the first payment was made to that stage/level of construction of house			
		Basement Level	Lintel Level	Roof laid stage	Completion Stage
Alathur	193	43	82	67	1
Athoor	107	18	39	37	13
Ayothiyapattinam	301	53	91	95	62
Cuddalore	160	104	40	16	0
Karamadai	416	308	75	32	1
Kumaratchi	132	124	7	1	0
Manikandam	172	12	127	32	1
Mannachanallur	292	255	28	9	0
Omalur	282	24	9	235	14
Palani	134	60	49	24	1
Rajakkamangalam	186	115	45	25	1
Thandrapet	205	74	76	55	0
Thondamuthur	354	312	35	7	0
Thovalai	122	29	80	13	0
Thurinjapuram	160	86	71	3	0
Veppanthattai	223	69	82	71	1
<b>Total</b>	<b>3,439</b>	<b>1,686</b>	<b>936</b>	<b>722</b>	<b>95</b>

## Appendix 2.7

(Reference: Paragraph 2.1.10.2; Page 27)

### Block-wise/VP-wise number of beneficiaries who have not constructed toilet in their Green House

Name of the Block	Name of the village panchayat	Number of beneficiaries
Alathur	Melamathur	7
	Elanthalapatti	2
Ayothiyapattinam	Aladipatti	7
	M. Perumapalayam	1
Cuddalore	Pillali	4
	C N Palayam	1
	Gunduupalavadi	3
	Vellakarai	2
	Karaimedu	4
	Thiruvandipuram	1
Karamadai	Chikkadasampalayam	2
	Tholampalayam	18
Kumaratchi	Koothankoil	1
	Kuduvelichavadi	1
	Ma. Kolakudi	2
	Ma. Puliiyangudi	2
	Vallampadugai	4
Manikandam	Paganur	2
Mannachanallur	Thathamangalam	6
	Theerampalayam	3
	Perakambi	3
Omalaar	Kottamettupatti	3
	Kottamariyammankovil	1
	Vellalapatti	1
Rajakkamangalam	Kaniyakulam	4
Thandrapet	Sathanoor	2
	Melkarippoor	4
Thurinjapuram	Periyakilambadi	3
Veppanthattai	Agaram	1
	Pasumbalur	2
	V. Kalathur	8
Total		105

## Appendix 2.8

(Reference: Paragraphs 2.2.11.1 (a) (i) and 2.2.11.1 (a) (ii); Pages 48 and 49)

Details of unwarranted expenditure due to adoption of higher specifications  
in road works

Sl. No.	Block	Name of the Work	50 mm BM Quantity (in cum.)	Rate per cum.	Amount (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)
<b>Tiruvallur District:</b>					
1	Ellapuram	Strengthening of Guruvoyal to Vepampattu road 0/0 - 1/0 km	187.50	6,104.59	11,44,611
2	Minjur	Providing BT road to Avoor to Vidathandalam 0/0 to 1/600	240.00	5,962.90	14,31,096
3	Minjur	Providing T.P.P Road to Nalur Kammarpalayam Road 0/600 -1/400	150.00	5,962.94	8,94,441
4	Minjur	Providing BT Road to T.P.P. Road to Singlimesdu 0/0 to 1/200km	173.25	2,019.60	10,42,896
5	Minjur	Providing BT road to Amour Village to Singlimesdu 0/0 to 1/500 km	281.25	5,962.94	16,77,077
6	Poonamallee	Strengthening of Ayilchery Kamarajar Nagar Road 0/0 - 0/863	120.77	5,812.00	7,01,915
7	Poonamallee	Strengthening of Poonamallee mount salai to sendurpuram sri nagar salai 0/0 - 1/084	256.75	5,812.00	14,92,231
8	Poonamallee	Strengthening of Kattupakkam to Goparasanallur road 0/0 to 1/015	207.75	5,811.90	12,07,422
9	Poonamallee	Strengthening Noombal NH road to devi nagar via moorthy street 0/0-0/430	95.27	5,812.00	5,53,709
10	Poonamallee	Strengthening of Kattupakkam sendurpuram salai to anna nagar salai 0/0 to 1/035 km	210.43	5,811.90	12,22,998
11	Poonamallee	Strengthening of Kattupakkam to Sendurpuram Road 0/0 to 1/285 km	318.85	5,811.90	18,53,124
12	Sholavaram	Strengthening of Virundhavan Nagar Main Streets in Alinjivakkam 0/0 to 1/0km	112.50	6,019.60	6,77,205
13	Sholavaram	Providing BT road to Kandan Nagar and Bala Subramani Nagar Streets in Andarkuppam Panchayat	192.45	6,019.60	11,58,472
14	Sholavaram	Strengthening of Madras - Pulicut Road to Perunjeri 0/0 to 1/0 km	161.20	6,019.60	9,70,360
15	Tiruvallur	Strengthening of CTH Road to Bojankandigai Road (Via) Rajeswari Nagar in 25.Veppampattu Panchayat 0/0 to 1/100 km	203.28	5,811.90	11,81,443
16	Tiruvallur	Upgradation of Kakkalur - Putlur RS Road to Sivankulam Road in Kakkalur Panchayat., 0/0 - 0/650 km	119.81	5,811.90	6,96,324
17	Tiruvallur	Upgradation of Kanadapalaiyam road(PH Road) to Nadukuthu panchayat 0/0 to 0/500 km	92.78	5,811.90	5,39,228
18	Tiruvallur	Strengthening of Perumalpattu to Kottamedu Road EB Office Road to Ramana Nagar in Perumalpattu Panchayat., 0/0 to 0/800 km	150.00	5,811.90	8,71,785

(1)	(2)	(3)	(4)	(5)	(6)
<b>Tiruvallur District:</b>					
19	Tiruvallur	Upgradation of Velliyur Pudiya Colony to Palaiya Colony Road in Velliyur Panchayat 0/0 to 0/900 km	165.09	5,811.90	9,59,487
20	Kadambathur	Strengthening of TTK Road to Adigathur 0/0 - 1/700 km	262.5	5,609.25	14,72,428
21	Kadambathur	Strengthening of TP Road to Andeari Road 0/0 - 1/700 km	239.06	5,608.25	13,40,947
22	Kadambathur	Strengthening of Karani to Attupakkam via BG Road 0/0 to 1/600km	300.94	5,609.25	16,88,048
23	Kadambathur	Strengthening of Madathukuppam to Vidaiyur 0/0 to 2/00 km	283.12	5,609.25	15,88,091
24	Sholavaram	Attanthangal Erikarai To B.G. Road (Via. Maruthupandi nagar III Road)in Nallur panchayat	121.88	7,042.90	8,58,389
25	Tiruvalangadu	Strengthening of VT Road to Koormavilasapuram 0/0 - 1/500 km	247.5	5,598.30	13,85,579
26	Villivakkam	Strengthening of Ezhil nagar main road in ayapakkam panchayat	140.63	6,822.50	9,59,448
27	Minjur	Strengthening Of Ganesh Nagar To Kandhan Palayam Road 0/0 - 0/560 Km	105.00	6,281.34	6,59,540
28	Minjur	Strengthening of C.A.A Road to Andavoyal 0/0 - 1/500 km	225.00	6,281.34	14,13,302
29	Minjur	Strengthening Cheppakkam to Atthipattu Road 0/0 -0/877 km	241.18	7,080.38	17,07,647
30	Minjur	Strengthening of Perumbedu to Perumbedu kuppam 0/0 to 1/620 km	303.75	7,080.30	21,50,641
31	Minjur	Strengthening of Thadaperumpakkam Pallavan nagar Road 0/0 - 0/300	243.75	6,281.34	15,31,077
32	Minjur	Strengthening Murichambedu Village Main Road (Via) Irular Colony Erikarai to T.PP road 0/0-1/200 km	225.00	6,281.30	14,13,293
33	Sholavaram	Strengthening of Budhur village Road at Budhur Panchayat 0/0 to 0/400 km	75.00	6,266.30	4,69,973
34	Sholavaram	Strengthening of Kornodai Shanmuga nagar at Kornodai panchayat 0/0 to 0/6 km	112.50	6,266.80	7,05,015
35	Sholavaram	Strengthening of M.G.R nagar Pillayar kovil street at nallur panchayat 0/0 to 0/7 km	131.25	6,266.80	8,22,518
36	Sholavaram	Strengthening SSTR Road to MGR Nagar VP SINGH Nagar Road in Nallur panchayat 0/0 to 0/4 km	75.00	6,266.80	4,70,010
37	Sholavaram	Strengthening of V.P singh nager road at nallur panchayat 0/0 to 0/500 km	93.75	6,266.80	5,87,513
38	Sholavaram	Strengthening DEVANERI TO ERULAR COLONY ROAD 0/0 to 0/7 km	124.69	6,266.80	7,81,407
39	Sholavaram	Strengthening of Samathamman koil to Grithalapuram village BG road at Orakkadu Panchayat 0/0 to 0/450 km	84.38	6,266.80	5,28,793
40	Sholavaram	Strengthening Of Orakkadu - Arumandhai Road To Kokkumedu 0/0 To 0/800 Km	150.00	6,266.80	9,40,020

(1)	(2)	(3)	(4)	(5)	(6)
<b>Tiruvallur District:</b>					
41	Sholavaram	Strengthening of Budhur redhills road to Kumaran nager in Padiayanallur panchayat 0/0 to 0/950 km	178.13	6,266.80	11,16,305
42	Sholavaram	Strengthening of Ammanthangal village road at Vichoor panchayat 0/0 to 0/700 km	131.25	6,266.80	8,22,518
43	Tiruvalangadu	Strengthening of Kanchipadi Irular Colony Road (Via Burial Ground) 0/0 - 1/144 km	214.50	6,404.20	13,73,701
44	Tiruvalangadu	ALV Puram to Orathur Road	225.00	6,404.20	14,40,945
45	Tiruvalangadu	Strengthening of Nallatoor - NN Kandigai Road to Nallatoor - AP Limit Link Road via Mitta Kandigai colony 1/350 to 2/350 km	150.00	6,404.20	9,60,630
46	Tiruvalangadu	Strengthening of Nemili - Valluvar Colony to Kothandaramapuram village via Rajanga Nagar 0/0 to 1/220 km	152.40	6,404.20	9,76,000
47	Tiruvalangadu	Strengthening of TK Road to Chinnakalakatoor Mettu Colony Road in Periyakalakatoor Road 0/0 - 0/650 km	82.30	6,404.00	9,27,049
48	Tiruvalangadu	Strengthening of Periyakalakatur to Orathur Road km 0/0 to 1/550 km	232.50	6,404.00	14,88,930
49	Tiruvalangadu	Strengthening of Thozhuthavoor to Orathur Road 0/0 to 1/600km	234.00	6,404.00	14,98,536
50	Tiruvalangadu	Strengthening of Kalapmakkam Narashingapuram Road To Perampakkam Road 0/0 - 0/418 km	115.85	6,404.00	7,41,903
51	Villivakkam	Formation of new BT road in millenium town phase III - 0/0 - 0/478 km	89.63	6,420.00	5,75,424
52	Villivakkam	Strengthening of Jayalakshmi Nagar Road at Pothur Panchayat 0/0 -0/258 km	48.38	6,420.00	3,10,591
53	Villivakkam	Strengthening of Kannadapalayam to pothur link at Pothur Panchayat 0/0 - 0/410 km	76.88	6,420.00	4,93,570
54	Villivakkam	Formation of Pothur Buriel Ground Road at Pothur in Pothur Panchayat 0/0 - 0/490	56.25	6,420.00	3,61,125
55	Villivakkam	Strengthening of Vellanoor sriramsamaji nagar in vellanoor 0/0 - 0/550	103.13	6,042.00	6,23,111
56	Villivakkam	Strengthening of Vellanoor Barathi nagar in vellanoor 0/0 - 0/636 km	119.25	6,042.20	7,20,532
<b>Salem District:</b>					
57	Veerapandy	Kalparapatti to Vembadithalam road 0/0-2/300	68.65 51.48	6,932.40 9,184.80	9,47,743
58	Veerapandy	Vempadithalam to Anaikuttapatti road 0/0-1/017	181.57 136.17	6,932.40 9,184.80	25,09,410
59	Yercaud	Tmb Road To Sevalanur - Malikundam Road Via Vaiyapuriyan Kattu Valavu	161.89 121.42	6,327.39 8,042.83	20,00,901
<b>Total</b>					<b>6,36,38,423</b>

## Appendix 2.9

(Reference: Paragraph 2.2.11.1(b); Page 49)

## Details of avoidable expenditure due to execution of Water Bound Macadam instead of Wet Mix Macadam in road works

Sl. No.	District	Year	Number of works executed	Total expenditure incurred towards WBM (in ₹)	Cost calculation at WMM rates (in ₹)	Excess avoidable expenditure (in ₹)
1	Namakkal	2018-19	3	23,43,974	22,33,826	1,10,148
		2019-20	21	1,38,75,766	1,28,96,120	9,98,964
2	Pudukottai	2018-19	11	1,39,99,391	1,32,80,022	7,19,368
		2019-20	22	2,09,31,938	1,96,85,313	12,46,624
		2020-21	31	3,99,51,049	3,69,33,805	30,17,244
3	Salem	2018-19	10	75,25,983	72,83,292	2,34,733
		2019-20	50	4,39,18,792	4,13,29,414	25,89,378
		2020-21	14	1,26,62,009	1,14,26,633	12,35,376
4	Thanjavur	2018-19	20	2,42,91,123	2,26,09,241	16,81,882
		2019-20	24	1,91,61,683	1,78,63,045	12,98,638
5	Theni	2018-19	11	2,37,52,366	2,20,88,395	16,63,971
		2019-20	18	1,89,50,394	1,70,23,221	19,27,172
		2020-21	7	54,86,592	49,05,179	5,81,413
6	Thiruvallur	2018-19	4	35,41,599	33,50,303	1,91,296
		2019-20	14	89,28,440	83,36,849	5,91,592
		2020-21	2	18,98,400	16,66,051	2,32,350
7	Villupuram	2018-19	3	21,72,042	20,70,947	1,01,095
		2019-20	28	2,79,31,288	2,56,33,309	22,97,979
		2020-21	20	1,69,33,069	1,56,36,352	12,96,716
Total			313	30,82,55,898	28,62,51,318	2,20,15,940

**Appendix 2.10**

**(Reference: Paragraph 2.2.11.1(c); Page 50)**

**Details of avoidable expenditure due to execution of OGPC instead of CGPC for surfacing in road works**

District	Year	Number of works	Avoidable expenditure (in ₹)
Namakkal	2018-19	5	5,30,480
	2019-20	46	49,27,441
	2020-21	7	7,81,778
Pudukottai	2018-19	11	15,91,744
	2019-20	22	23,47,315
	2020-21	31	49,34,077
Salem	2018-19	10	9,43,529
	2019-20	59	70,99,569
	2020-21	24	22,81,068
Thanjavur	2018-19	21	27,68,647
	2019-20	24	21,91,393
Theni	2018-19	11	33,55,799
	2019-20	19	24,46,396
	2020-21	7	7,60,738
Thiruvallur	2018-19	12	13,34,706
	2019-20	33	29,25,023
	2020-21	15	20,20,354
Villupuram	2018-19	6	4,36,709
	2019-20	30	28,96,695
	2020-21	30	27,75,192
Virudunagar	2018-19	20	29,14,958
	2019-20	21	31,46,970
	2020-21	2	1,26,151
<b>Total</b>		<b>466</b>	<b>5,55,36,734</b>

## Appendix 2.11

(Reference: Paragraph 2.2.11.1(d); Page 50)

### Details of avoidable expenditure due to execution of paver block roadworks with higher specifications

Sl. No.	Name of the Work	Core Wall executed (in cum.)	1:2:4 rate per cum.	1:3:6 rate per cum.	Difference per cum.	Avoidable expenditure (col. 3 (x) col. 6)
			(in ₹)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Providing paver block road to TNHB plot no 3015 to 3604	21.27	5,232.50	4,671.40	561.10	11,935
2	Providing paver block road to TNHB plot no 2960 to 3008	20.84	5,232.50	4,671.40	561.10	11,693
3	Providing paver block road to TNHB plot no 3395 to 3444	20.42	5,232.50	4,671.40	561.10	11,458
4	Providing Paver Block to TNHB plot no 3829 -3862	14.81	5,232.50	4,671.40	561.10	8,310
5	Providing Paver Block to TNHB plot no 4509- 4458	22.22	5,232.50	4,671.40	561.10	12,468
6	Providing paver block road to TNHB plot no 4556 to 4605	21.90	5,232.50	4,671.40	561.10	12,288
7	Providing paver block road to TNHB plot no 6443 to 6498	23.06	5,232.54	4,671.40	561.14	12,940
8	Providing paver block road to TNHB plot no 1081 to 1129	20.95	5,232.50	4,671.40	561.10	11,755
9	Providing paver block road to TNHB plot no 4380 to 4436	20.74	5,232.50	4,671.40	561.10	11,637
10	Providing paver block road to TNHB Plot no 5413 to 5461	20.72	5,232.50	4,671.40	561.10	11,626
11	Providing paver block road to TNHB plot no 7646 to 7599	21.26	5,232.50	4,671.40	561.10	11,929
12	Providing Paver Block road to TNHB plot no1366 to 1385	16.38	5,232.50	4,671.40	561.10	9,191
13	Providing Paver block to TNHB plot no 1277 -1346	16.93	5,232.50	4,671.40	561.10	9,499
14	Providing paver block road to TNHB plot no 6579 to 6649	20.15	5,232.54	4,671.40	561.14	11,307
15	Providing paver block to TNHB plot no 3592 to 3631	17.88	5,232.50	4,671.40	561.10	10,032
16	Providing Paver block to TNHB plot No 1216 - 1189	12.11	5,232.50	4,671.40	561.10	6,795
17	Providing paver block road to TNHB plot no 3137 to 3186	21.69	5,232.50	4,671.40	561.10	12,170
18	Providing paver block road to TNHB plot no 2556 to 2603	21.90	5,232.50	4,671.40	561.10	12,288

(1)	(2)	(3)	(4)	(5)	(6)	(7)
19	Providing paver block road to TNHB plot no 7193 to 7241	21.16	5,232.50	4,671.40	561.10	11,873
20	Providing paver block road to Plot no 5532 to 5581	21.58	5,232.50	4,671.40	561.10	12,109
21	Providing paver block road to TNHB plot no 4060 to 4109	20.84	5,232.50	4,671.40	561.10	11,693
22	Providing Paver block road to TNHB plot no 9523 - 9572	20.54	5,232.50	4,671.40	561.10	11,525
23	providing paver block road to TNHB plot no 3206 to 3254	21.90	5,232.50	4,671.40	561.10	12,288
24	Providing Paver Block to TNHB plot no 1148	21.90	5,232.50	4,671.40	561.10	12,288
25	Providing paver block road to TNHB plot no 3589 to 3570	13.75	5,232.50	4,671.40	561.10	7,715
26	Providing paver block road to TNHB plot No 4240 -4288	21.58	5,232.50	4,671.40	561.10	12,109
27	Providing paver block road to TNHB plot no 7787 to 7836	21.53	5,232.54	4,671.40	561.14	12,081
28	Providing paver block road to acchudam nayakar road	22.08	5,269.40	4,691.48	577.92	12,760
29	Providing paver block to Jagathamman street road	28.84	5,269.40	4,691.48	577.92	16,667
30	Providing paver block road at odama nagar vinayagar kovil 2nd street	22.91	5,269.40	4,691.48	577.92	13,240
31	Providing paver block to AVM garden	30.36	5,269.40	4,691.48	577.92	17,546
32	Providing paver block to rajarajan nagar 1 st cross	22.36	5,269.40	4,691.48	577.92	12,922
33	Providing paver block road to Rajarajan cross street	20.42	5,269.40	4,691.48	577.92	11,801
34	Providing paver block to vetenary hospita road	29.26	5,269.40	4,691.48	577.92	16,910
35	Providing paver block road at thomas 7th street	15.32	5,269.40	4,691.48	577.92	8,854
36	Providing paver block road to TNHB plot no 7907 to 7956	21.37	5,232.54	4,691.48	541.06	11,562
37	Providing Paver block road to TNHB plot no 4317 to 4355	21.37	5,232.50	4,671.40	561.10	11,991
38	Providing paver block road to TNHB plot no 831 to 869	21.16	5,232.50	4,671.40	561.10	11,873
39	Providing paver block road to TNHB plot no 514 to 563	21.15	5,232.50	4,671.40	561.10	11,867
40	Providing paver block road to TNHB plot no 4628 to 4678	21.12	5,232.50	4,671.40	561.10	11,850

(1)	(2)	(3)	(4)	(5)	(6)	(7)
41	Providing paver block road to TNHB plot no 5201 to 5250	21.28	5,232.50	4,671.40	561.10	11,940
42	Providing paver block road to TNHB plot no 3324 to 3373	21.42	5,232.50	4,671.40	561.10	12,019
43	Providing paver block road to TNHB plot 4794 -4888	35.04	5,232.50	4,671.40	561.10	19,661
44	Providing paver block road to TNHB plot No 7441 to 7492	22.00	5,232.50	4,671.40	561.10	12,344
45	Providing paver block road to TNHB plot no 7331 to 7381	21.90	5,232.50	4,671.40	561.10	12,288
46	Providing paver block road to TNHB plot no 4217 to 4169	21.48	5,232.50	4,671.40	561.10	12,052
47	Providing paver block road to TNHB plot no 8183 to 8222	21.77	5,232.50	4,671.40	561.10	12,215
48	Providing paver block to TNHB plot no 5603 -5652	21.29	5,232.50	4,671.40	561.10	11,946
49	Providing paver block road to TNHB plot No 6965 to 7012	21.41	5,232.50	4,671.40	561.10	12,013
50	Providing paver block at Shekmaniyam Periyar Salai	20.83	5,269.40	4,691.48	577.92	12,038
	<b>Total</b>					<b>6,01,363</b>

## Appendix 2.12

(Reference: Paragraph 2.2.11.1(d); Page 50)

### Details of excess payment to contractor due to incorrect measurement of work executed

Sl. No.	Name of the work	Core wall constructed as per JPV				As per Measurement Book/Bill	Difference between JPV and Bill measurement (col. 7 (-) col 6)	Rate	Excess amount paid (in ₹) (col. 8 (-) col 9)
		Length	Breadth	Depth	Quantity (col. 3 (x) 4 (x) 5)				
						(in metres)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Providing paver block road in TNHB plot nos 9523 to 9572	106.85	0.23	0.23	5.65	20.54	14.89	5,232.50	77,912
2	Providing paver block road in TNHB plot nos 7193 to 7241	162.50	0.23	0.23	8.60	21.16	12.56	5,232.50	65,720
3	Providing paver block road in TNHB plot nos 7599 to 7647	148.00	0.23	0.23	7.83	21.26	13.43	5,232.50	70,272
4	Providing paver block road in TNHB plot nos 5532 to 5581	191.30	0.23	0.23	10.12	21.58	11.46	5,232.50	59,964
5	Providing paver block road in TNHB plot nos 4240 to 4288	240.10	0.23	0.23	12.70	21.58	8.88	5,232.50	46,465
6	Providing paver block road in TNHB plot nos 4556 to 4605	207.75	0.23	0.23	10.99	21.9	10.91	5,232.50	57,087
7	Providing paver block road in TNHB plot nos 4458 to 4509	203.85	0.23	0.23	10.78	22.22	11.44	5,232.50	59,860
8	Providing paver block road in TNHB plot nos 3137 to 3186	155.50	0.23	0.23	8.23	21.69	13.46	5,232.50	70,429
9	Providing paver block road in TNHB plot nos 3206 to 3254	201.50	0.23	0.23	10.66	21.9	11.24	5,232.50	58,813
10	Providing paver block road in TNHB plot nos 3570 to 3589	88.50	0.23	0.23	4.68	13.75	9.07	5,232.50	47,459
11	Providing paver block road in TNHB plot nos 3592 to 3631	86.00	0.23	0.23	4.55	17.88	13.33	5,232.50	69,749
12	Providing paver block road in TNHB plot nos 3395 to 3444	208.00	0.23	0.23	11.00	20.42	9.42	5,232.50	49,290
13	Providing paver block road in TNHB plot nos 1148 to 1189	204.00	0.23	0.23	10.79	21.90	11.11	5,232.50	58,133
14	Providing paver block road in TNHB plot nos 1277 to 1363	91.00	0.23	0.23	4.81	16.93	12.12	5,232.50	63,418
15	Providing paver block road in TNHB plot nos 1216 to 1189	131.00	0.23	0.23	6.93	12.11	5.18	5,232.50	27,104
16	Providing paver block road in TNHB plot nos 4060 to 4109	164.10	0.23	0.23	8.68	20.84	12.16	5,232.50	63,627
17	Providing paver block road in TNHB plot nos 1081 to 1129	200.00	0.23	0.23	10.58	20.95	10.37	5,232.50	54,261

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
18	Providing paver block road in TNHB plot nos 4380 to 4436	178.00	0.23	0.23	9.42	20.74	11.32	5,232.50	59,232
19	Providing paver block road in TNHB plot nos 5413 to 5461	167.40	0.23	0.23	8.86	20.72	11.86	5,232.50	62,057
20	Providing paver block road in TNHB plot nos 2556 to 2603	176.50	0.23	0.23	9.34	21.90	12.56	5,232.50	65,720
21	Providing paver block road in TNHB plot nos 1366 to 1385	135.00	0.23	0.23	7.14	16.38	9.24	5,232.50	48,348
22	Providing paver block road in TNHB plot nos 3829 to 3862	20.00	0.23	0.23	1.06	14.89	13.83	5,232.50	72,365
23	Providing paver block road in TNHB plot nos 3015 to 3064	174.40	0.23	0.23	9.23	21.27	12.04	5,232.50	62,999
24	Providing paver block road in TNHB plot nos 7787 to 7836	206.40	0.23	0.23	10.92	21.53	10.61	5,232.54	55,517
25	Providing paver block road in TNHB plot nos 6579 to 6649	139.00	0.23	0.23	7.35	20.15	12.80	5,232.54	66,977
26	Providing paver block road in TNHB plot nos 6443 to 6493	171.00	0.23	0.23	9.05	23.06	14.01	5,232.54	73,308
27	Providing paver block road in TNHB plot nos 2960 to 3008	152.80	0.23	0.23	8.08	20.84	12.76	5,232.50	66,767
28	Providing paver block road in TNHB plot nos 4380 to 4436	178.00	0.23	0.23	9.42	20.74	11.32	5,232.50	59,232
29	Providing paver block road in TNHB plot nos 8253 to 8292	169.00	0.23	0.23	8.94	20.32	11.38	5,232.54	59,546
	Total								17,51,634

### Appendix 2.13

(Reference: Paragraph 2.3.5; Page 55)

#### Details of 64 MCCs test-checked in eight sampled districts

Sl. No.	Name of the District	Name of the Block	Name of the VP
1	Kanniyakumari	Rajakkamangalam	Kaniyakulam
2		Rajakkamangalam	Melasankarankuzhi
3		Thiruvattar	Ayacode
4	Krishnagiri	Bargur	Pochampalli
5		Hosur	Nallur
6		Hosur	Onnalvadi
7		Hosur	Bagalur
8		Hosur	Begepalli
9		Hosur	Belathur
10		Kaveripattinam	Errahalli
11		Kaveripattinam	Santhapuram
12		Kelamangalam	Royakottai
13		Kelamangalam	Bairamangalam
14		Krishnagiri	Kattiganapalli
15		Shoolagiri	Berigai
16		Shoolagiri	Shoolagiri
17		Shoolagiri	Athimugam
18		Shoolagiri	Perandapalli
19		Shoolagiri	Uthanapalli
20		Uthangarai	Katteri
21		Uthangarai	Singarapettai
22		Thally	Anchetty
23		Thally	Belagondapalli

Sl. No.	Name of the District	Name of the Block	Name of the VP
24	Salem	Ayothiyapattinam	Minnampalli
25		Ayothiyapattinam	Veeranam
26		Idappady	Vellarivalli
27		Idappady	Chittoor
28		Kadayampatti	Kanjanaickenpatty
29		Konganapuram	Katchipalli
30		Konganapuram	Vellalapuram
31		Nangavalli	Gonur
32		Nangavalli	Soorappalli
33		Omalur	U.Maramangalam
34		Panamarathupatty	Neikkarapatty
35		Panamarathupatty	Amanikondalampatty
36		Pethanaickenpalayam	C.K.Hills, Vadakkunadu
37		Salem	Mallamooppampatty
38		Thalaiwasal	Kattukottai
39		Veerapandi	Perumagoundanpatty
40		Veerapandi	Vembadithalam
41		Veerapandi	Chennagiri
42		Ayothiappattinam	Valasaiyur
43		Thalaiwasal	Manivizhunthan
44	Theni	Andipatti	T.Rajakopalanpatti
45		K.Myladumparai	Kadamalaikundu
46		Periyakulam	Vadapudupatti
47		Uthamapalayam	Royappanpatti
48	Tirunelveli	Palayamkottai	Munnerpallam
49		Radhapuram	Radhapuram
50		Ambasamudram	Sivanthipuram
51		Valliyoar	Vadakkankulam
52	Tiruvarur	Valangaiman	Alangudi
53		Mannargudi	Ashesam
54		Koradachery	Elavankargudi

Sl. No.	Name of the District	Name of the Block	Name of the VP
55	Vellore	Gudiyatham	Kondasamuthiram
56		Gudiyatham	Seevoor
57		Vellore	Vengadapuram
58		Vellore	Perumugai
59	Virudhunagar	Rajapalayam	Melarajagularaman
60		Rajapalayam	South Venganallur
61		Sivakasi	Anaiyur
62		Sivakasi	Sithurajapuram
63		Sivakasi	Viswanatham
64		Virudhunagar	Kooraikundu

## Appendix 2.14

(Reference: Paragraph 2.3.7.1(a); Page 56)

## Bio-degradable waste quantity certified in proposal versus actual quantity collected in 64 test-checked MCCs

Sl. No.	District	Name of the Block	Name of the VP	Date from which stated functioning	Average Bio-degradable waste per day certified (in Kg)	Total collection (in Kg)	Average per day (in Kg)
1	Kanniyakumari	Rajakkamangalam	Kaniyakulam	10-12-2021	800	1,223 (7/22&8/22)	20
2		Rajakkamangalam	Melasankarankuzhi	01-12-2021	700	2,867 (7/22 &8/22)	46
3		Thiruvattar	Ayacode	01-04-2022	700	3,090 (from 4/22 to 8/22)	20
4	Krishnagiri	Bargur	Pochampalli	01-03-2022	550	13,041 (from 1/3/22 to 8/22)	71
5		Hosur	Nallur	01-02-2022	901	79,150 (from 1/2/22 to 8/22)	373
6		Hosur	Onnalvadi	16-05-2022	1,200	45,893 (from 16/05/22 to 08/22)	425
7		Hosur	Bagalur	16-04-2022	1,240	77,013 (from 16/4/22 to 8/22)	558
8		Hosur	Begepalli	02-05-2022	1,255	53,043 (from 02/05/22 to 8/22)	435
9		Hosur	Belathur	02-05-2022	1,300	4,224 (from 02/05/22 to 8/22)	35
10		Kaveripattinam	Errahalli	06-12-2021	1,015	29,693 (from 6/12/21 to 8/22)	110
11		Kaveripattinam	Santhapuram	29-12-2021	623	25,188 (from 29/12/21 to 8/22)	102
12		Kelamangalam	Royakottai	14-03-2022	1,400	13,963 (from 14/3/22 to 8/22)	82
13		Kelamangalam	Bairamangalam	01-05-2022	800	10,034 (from 5/22 to 8/22)	82
14		Krishnagiri	Kattiganapalli	29-07-2021	750	10,404 (From 2/8/21 to 8/22)	26
15		Shoolagiri	Berigai	12-05-2022	589	10,241 (from 12/05/22 to 8/22)	91
16		Shoolagiri	Shoolagiri	01-02-2022	578	86,485 (from 1/2/22 go 8/22)	408
17		Shoolagiri	Athimugam	02-05-2022	548	11,157 (from 02/05/22 to 8/22)	91
18		Shoolagiri	Perandapalli	01-05-2022	602	27,816 (from 5/22 to 8/22)	226
19		Shoolagiri	Uthanapalli	01-05-2022	500	10,791 (from 5/22 to 8/22)	88
20		Uthangarai	Katteri	24-03-2022	600	3,352 (from 4/22 to 8/22)	22
21		Uthangarai	Singarapettai	01-02-2022	650	1,422 (from 2/22 to 8/22)	7
22		Thally	Anchetty	Not started	2,500	0	0
23		Thally	Belagondapalli	Not started	1,500	0	0
24	Salem	Ayothiyapattinam	Minnampalli	09-02-2022	510	17,457 (from 09/02/22 to 8/22)	86
25		Ayothiyapattinam	Veeranam	01-08-2022	520	2,939 (8/2022)	95
26		Idappady	Vellarivalli	17-08-2022	512	2,278 (from 17/08/2022 to 8/2022)	152
27		Idappady	Chittoor	13-12-2021	512	19,539 (from 13/12/21 to 8/22)	75
28		Kadayampatti	Kanjanaickenpatty	03-01-2022	805	3,795 (from 03/01/22 to 8/22)	16
29		Konganapuram	Katchipalli	28-07-2022	686	380 (from 28/07/22 to 08/22)	11
30		Konganapuram	Vellalapuram	18-12-2021	630	17,411 (from 18/12/21 to 8/22)	68
31		Nangavalli	Gonur	01-08-2022	910	433 (08/2022)	14
32		Nangavalli	Soorappalli	01-08-2022	840	411 (08/2022)	13
33		Omalur	U.Maramangalam	24-12-2021	740	6,302 (from 24-12-2021 to 5/22&8/22)	33
34		Panamarathupatty	Neikkarapatty	11-05-2022	500	1,031 (from 11/05/2022 to 8/2022)	9

Sl. No.	District	Name of the Block	Name of the VP	Date from which stated functioning	Average Bio-degradable waste per day certified (in Kg)	Total collection (in Kg)	Average per day (in Kg)
35	Salem	Panamarathupatty	Amanikondalampatty	01-01-2022	995	19,103 (from 01/01/2022 to 8/22)	79
36		Pethanaickenpalayam	C.K.Hills, Vadakkunadu	02-01-2022	600	10,996 (from 02/01/22 to 8/22)	45
37		Salem	Mallamooppampatty	13-12-2021	513	8,730 (from 13/12/21 to 8/22)	33
38		Thalaivasal	Kattukottai	13-12-2021	550	22,409 (from 13/12/2021 to 8/22)	86
39		Veerapandi	Perumagoundanpatty	11-05-2022	518	4,291 (from 11/05/2022 to 8/2022)	38
40		Veerapandi	Vembadithalam	02-05-2022	531	9,226 (from 02/05/22 to 8/22)	76
41		Veerapandi	Chennagiri	11-05-2022	500	3,575 (from 11/05/22 to 8/22)	32
42		Ayothiapattinam	Valasaiyur	13-12-2021	520	42,710 (from 13/12/2021 to 8/22)	163
43	Theni	Thalaivasal	Manivizhunthan	13-12-2021	500	27,257 (from 13/12/2021 to 7/22)	118
44		Andipatti	T.Rajakopalanpatti	21-04-2022	846	1,280 (from 21/04/22 to 8/22)	10
45		K.Myladumparai	Kadamalaikundu	01-08-2022	940	720 (8/22)	31
46		Periyakulam	Vadapudupatti	01-04-2022	500	6,853 (from 4/22 to 8/22)	45
47	Tirunelveli	Uthamapalayam	Royappanpatti	31-01-2022	500	7,488 (from 2/22 to 8/22)	35
48		Palayamkottai	Munnerpallam	14-02-2022	510	9,531 (from 14/02/22 to 8/220)	48
49		Radhapuram	Radhapuram	05-02-2022	1,000	11,061 (from 05/02/22 to 8/22)	53
50		Ambasamudram	Sivanthipuram	14-03-2022	1,500	7,952 (from 14/03/22 to 8/22)	47
51	Tiruvarur	Valliyoor	Vadakkankulam	05-02-2022	1,000	14,125 (from 05/02/22 to 8/22)	68
52		Valangaiman	Alangudi	21-02-2022	515	819 (from 21/2/22 to 8/22)	4
53		Mannargudi	Ashesam	25-07-2022	560	657 (from 27/07/22 to 8/22)	18
54		Koradachery	Elavankargudi	20-01-2022	680	692 (from 20/1/22 to 8/22)	3
55	Vellore	Gudiyatham	Kondasamuthiram	01-04-2022	750	963 (4/22 to 8/22)	6
56		Gudiyatham	Seevoor	09-02-2022	650	2,259 (from 09/02/22 to 8/22)	11
57		Vellore	Vengadapuram	31-12-2021	526	1,894 (from 1/22 to 8/22)	8
58		Vellore	Perumugai	01-12-2021	540	2,167 (from 12/21 to 8/22)	8
59	Virudhunagar	Rajapalayam	Melarajagularaman	Not completed	500	0	0
60		Rajapalayam	South Venganallur	01-06-2022	500	783 (from 1/6/22 to 8/22)	9
61		Sivakasi	Anaiyur	16-02-2022	500	10,843 (from 16/2/22 to 8/22)	55
62		Sivakasi	Sithurajapuram	01-04-2022	500	6,650 (from 1/4/22 to 8/22)	43
63		Sivakasi	Viswanatham	04-05-2022	500	7,677 (from 4/5/22 to 8/22)	65
64		Virudhunagar	Kooraikundu	01-12-2021	500	38,105 (from 1/12/21 to 8/220)	139

## Appendix 2.15

(Reference: Paragraph 2.3.7.1(a); Page 57)

## Outcomes of 'Waste Audit' conducted by DRDAs

Sl. No.	Name of the District	Name of the Block	Name of the Village Panchayat	Total number of Habitation in the Village Panchayat	Total number of Household in the Village Panchayat	Total Population of the Village Panchayat	Total number of Thooimai Kavalars working	Quantity of Waste collected and weighed (in kg)	Bio-Degradable Waste weighed (in kg)
1	Ariyalur	Jayankondam	Thathanur	5	1,445	6,390	9	252.00	246.00
2		Sendurai	Sendurai	4	3,528	9,643	13	410.00	337.00
3	Coimbatore	Anaimalai	Angalakurichi	2	3,251	8,816	16	561.60	535.60
4		Anaimalai	Divansapudur	9	2,474	8,990	12	421.20	413.20
5		Annur	MGC Palayam	7	4,103	9,616	12	154.00	133.00
6		Annur	Kattampatti	8	1,679	5,859	9	145.00	132.00
7		Karamadai	Thekkampatti	26	4,296	18,743	19	562.00	544.00
8		Kinathukadavu	Vadapudur	1	1,091	5,176	6	234.00	230.00
9		Periyaniyakanpalayam	Kurudampalayam	9	10,383	45,536	27	2,276.80	1,982.80
10		Periyaniyakanpalayam	Somayampalayam	5	6,512	24,150	20	1,207.50	993.50
11		Pollachi North	Aachipatti	4	3,410	9,849	14	655.20	627.20
12		Pollachi South	Chinnampalayam	2	2,993	8,695	14	530.00	482.00
13		Pollachi South	Makinampatti	1	3,105	8,134	15	842.00	769.00
14		SS Kulam	Keeranatham	5	5,164	28,470	10	1,423.50	1,402.50
15		Sulur	Chinniyampalayam	2	2,993	8,695	14	530.00	482.00
16		Sulur	Kaniyur	14	6,209	17,750	12	514.00	502.00
17		Sulur	Muthugoundenpudur	5	4,192	13,665	14	754.00	732.00
18		Thondamuthur	Madvarayapuram	10	2,330	8,451	10	422.55	413.55
19		Thondamuthur	Perurchettipalayam	4	884	17,809	18	890.45	857.45
20		Thondamuthur	Theethipalayam	3	5,744	12,650	16	632.50	626.50
21	Cuddalore	Keerapalayam	Keerapalayam	5	864	4,073	8	320.00	278.00
22		Kumaratchi	CDM - Non Municipal	6	1,619	8,010	4	182.00	146.00
23		Kurinjipadi	Vadakuthu	5	3,938	16,164	29	1,118.00	1,078.00
24		Mangalore	Ramanatham	3	952	5,446	6	264.00	203.70
25		Nallur	Veppur	6	1,154	4,695	7	328.00	221.00
26		Parangipettai	C. Kothankudi	10	1,645	9,858	9	270.00	243.00
27	Dharmapuri	Virudhachalam	Karuveppilankurichi	6	1,196	3,816	5	165.00	136.00
28		Dharmapuri	Lakkiyampatty	27	15,088	65,376	39	4,514.00	1,948.00
29		Nallampalli	Adhiyamankottai	21	2,276	9,610	12	435.47	365.71
30		Pennagaram	Koothapadi	11	2,200	8,800	14	560.00	490.00

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Sl. No.	Name of the District	Name of the Block	Name of the Village Panchayat	Total number of Habitation in the Village Panchayat	Total number of Household in the Village Panchayat	Total Population of the Village Panchayat	Total number of Thooimai Kavalars working	Quantity of Waste collected and weighed (in kg)	Bio-Degradable Waste weighed (in kg)
31	Dindigul	Dindigul	Adiyanuthu	26	5,017	25,085	28	924.00	510.00
32		Dindigul	Balakrishnapuram	39	9,699	49,081	24	771.00	351.00
33		Dindigul	Chettinayakan-patty	28	5,913	29,565	27	876.00	402.00
34		Dindigul	Pallapatty	19	3,529	17,645	19	599.00	211.00
35		Dindigul	Seelapadi	71	6,333	37,998	27	905.00	287.00
36		Dindigul	Thottanuthu	20	3,498	17,490	12	386.00	98.00
37		Dindigul	A.Vellodu	25	3,984	19,920	19	617.00	392.00
38		Guziliamparai	D.Gudalore	31	2,460	12,300	15	255.00	255.00
39		Natham	Sirukudi	13	2,865	12,892	16	428.00	365.00
40		Natham	Velampatty	11	2,946	14,820	14	462.00	330.00
41		Nilakottai	Patchamalayan-kottai	19	3,027	16,649	17	561.00	350.00
42		Oddanchatram	Virupatchi	11	1,646	9,053	10	410.00	340.00
43		Palani	A.Kalaiampudur	9	3,063	13,784	11	450.00	287.00
44		Palani	Sivagiripatty	18	4,100	22,550	10	407.00	182.00
45		Shanarpatty	Vembarpatty	6	3,063	13,784	20	341.00	129.00
46		Vedasandur	Kovilur	52	3,505	15,321	21	415.00	415.00
47	Erode	Ammapettai	Guruvareddiur	15	3,027	10,377	15	402.00	264.00
48		Bhavani	Kavundapadi	37	14,001	28,590	65	2,650.00	602.00
49		Chennimalai	Mugasipidariyur	10	7,272	14,143	26	845.00	503.00
50		Chennimalai	Ottapara	30	5,953	9,493	26	1,029.90	681.00
51		Erode	Kathirampatti	6	1,311	3,827	8	510.00	210.00
52		Erode	Mettunasuvam-palayam	19	5,020	17,240	26	1,250.00	685.00
53		Erode	Pichandam-palayam	11	2,403	4,553	6	480.00	247.00
54		Gobi	Kullampalayam	4	1,352	3,089	7	550.00	250.00
55		Nambiyur	Kosanam	28	2,614	7,752	14	237.50	221.00
56		Perundurai	Thundupathy	20	2,376	7,380	11	93.00	20.00
57	Kancheepuram	Kancheepuram	Konerikuppam	13	3,064	11,406	12	262.80	79.00
58		Walajabad	Ayyampettai	5	1,434	7,044	9	326.00	312.00
59		Walajabad	Enadur	9	1,238	6,858	7	271.00	263.00
60		Walajabad	Govindavadi	3	1,030	4,276	7	264.00	258.00
61		Walajabad	Muthyalpettai	7	1,464	5,124	7	262.00	257.00
62		Walajabad	Uthukkadu	3	910	2,953	5	271.00	263.00
63		Walajabad	Varanavasi	9	791	2,810	4	155.00	148.00
64		uthiramerur	Manamathy	3	1,421	4,166	8	324.00	292.00
65		uthiramerur	Perunagar	11	1,586	6,256	11	392.00	353.00
66		uthiramerur	Salavakkam	10	1,302	4,775	7	305.00	275.00

Sl. No.	Name of the District	Name of the Block	Name of the Village Panchayat	Total number of Habitation in the Village Panchayat	Total number of Household in the Village Panchayat	Total Population of the Village Panchayat	Total number of Thooimai Kavalars working	Quantity of Waste collected and weighed (in kg)	Bio-Degradable Waste weighed (in kg)
67	Kancheepuram	Uthiramerur	Thirupulivanam	2	474	1,821	4	178.00	160.00
68		Sriperumbudur	Irungattukottai	4	410	4,927	3	360.00	220.00
69		Sriperumbudur	Katrampakkam	2	435	4,661	2	380.00	232.00
70		Sriperumbudur	Molachur	9	1,801	8,168	7	370.00	226.00
71		Sriperumbudur	Pondur	2	339	2,144	3	180.00	110.00
72		Sriperumbudur	Thirumangalam	3	531	2,448	2	365.00	223.00
73		Kundrathur	Ayyappanthangal	17	9,508	46,150	28	1,260.00	378.00
74		Kundrathur	Gerugambakkam	9	5,811	20,112	18	810.00	243.00
75		Kundrathur	Kovur	13	3,550	13,705	16	720.00	216.00
76		Kundrathur	Kolapakkam	5	3,348	14,750	10	450.00	135.00
77		Kundrathur	Padappai	5	4,178	28,754	23	1,035.00	311.00
78		Kundrathur	Sikkarayapuram	2	3,335	13,128	16	720.00	216.00
79		Kundrathur	Thirumudivakkam	3	1,085	4,338	6	270.00	81.00
80		Kundrathur	Varadharajapuram	21	3,441	14,024	7	321.00	96.00
81	Chengalpet	Chithamur	Melmaruvathur	4	548	3,901	2	561.00	354.00
82		Thomas Mount	Medavakkam	52	14,019	68,333	12	2,100.00	1,426.00
83		Thomas Mount	Perumbakkam	26	24,320	35,656	14	3,505.00	1,122.00
84		Thomas Mount	Vengaivasal	26	8,662	33,782	18	2,700.00	1,215.00
85		Kattankolathur	Urapakkam	14	7,562	3,908	3	870.00	842.00
86		Kattankolathur	Mannivakkam	4	4,912	15,303	15	5,818.00	2,184.00
87		Thiruporur	Pudhupakkam	2	4,178	6,004	5	2,450.00	2,432.00
88		Thiruporur	Thaivur	11	3,445	10,715	17	6,000.00	5,968.00
89	Kanniyakumari	Rajakkamangalam	Kaniyakulam	12	2,611	6,852	11	441.00	240.00
90		Rajakkamangalam	Melasankaran-kuzhi	26	4,248	14,091	17	696.00	492.00
91		Thiruvattar	Ayacode	20	2,780	8,874	14	234.00	215.00
92	Karur	K.Paramathi	Chinnatharapuram	10	2,770	9,462	16	520.00	505.00
93		K.Paramathi	K.paramathi	13	1,283	4,096	8	318.00	309.00
94		Karur	Vangal Kuppuchipalayam	17	3,054	9,272	15	377.00	372.00
95		Thanthoni	Andankovil East	19	7,340	25,680	38	1,448.00	1,285.00
96		Thogaimalai	Thogaimalai	18	2,697	10,104	13	520.00	484.00
97		Bargur	Pochampalli	21	2,263	8,999	14	400.00	390.00
98	Krishnagiri	Hosur	Bagaloor	6	3,395	15,760	19	910.00	835.00
99		Hosur	Begapalli	7	2,743	10,310	13	460.00	345.00
100		Hosur	Belathur	15	3,335	15,210	16	720.00	662.00
101		Hosur	Nallur	8	3,644	20,180	10	1,025.00	901.00
102		Hosur	Onnalvadi	10	3,610	6,656	11	725.00	682.00
103		Kaveripattinam	Errahalli	29	3,024	10,749	14	563.00	556.00

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104	Krishnagiri	Kaveripattinam	Santhapuram	19	1,939	8,078	11	440.00	428.00
105		Kelamangalam	Bairamangalam	4	937	5,524	6	145.00	142.00
106		Kelamangalam	Rayakottai	12	3,529	15,779	18	1,560.00	1,530.00
107		Krishnagiri	Kattiganapalli	28	8,402	22,714	40	1,640.00	1,394.00
108		Shoolagiri	Athimugam	12	1,756	5,827	8	280.00	241.00
109		Shoolagiri	Berigai	1	2,171	7,179	9	378.00	321.00
110		Shoolagiri	Perandapalli	9	2,024	9,160	11	473.00	402.00
111		Shoolagiri	Shoolagiri	11	2,490	9,530	12	456.00	388.00
112		Shoolagiri	Uddanapalli	13	1,365	5,910	7	196.00	167.00
113		Uthangarai	Katteri	12	1,657	6,434	7	281.00	252.00
114	Madurai	Uthangarai	Singarapettai	20	2,523	12,770	17	692.00	649.00
115		Thally	Anchetty	37	4,725	16,578	21	890.00	866.00
116		Thally	Belagondapalli	2	1,167	4,092	10	410.00	387.00
117		Kottampatti	Karungalakudi	8	2,253	6,842	10	350.00	310.00
118	Madurai	Kottampatti	Kottampatti	6	1,950	5,406	6	295.00	260.00
119		Madurai West	Kovilpappakudi	3	4,625	7,419	14	462.00	462.00
120		Madurai East	Karuppayurani	8	3,081	6,739	11	743.00	715.00
121		Madurai East	Othakadai	13	5,137	15,152	20	1,443.00	1,387.00
122		Thirumangalam	Kappalur	2	1,810	4,235	6	325.00	317.00
123		Tirupparan Kundram	Valayangulam	1	3,065	5,705	11	310.00	293.00
124	Mayiladuthurai	Kollidam	A.K.Chathiram	14	2,621	13,378	18	616.00	601.00
125		Mayiladuthurai	Pattamangalam	5	1,937	5,875	12	435.00	423.00
126		Sembanarkoil	Sembanarkoil	2	1,250	4,200	7	310.50	284.00
127		Sirkali	Thiruvengadu	6	2,273	8,252	12	365.00	352.00
128	Namakkal	Erumapatty	Muthugapatti	5	1,044	3,161	6	224.00	215.00
129		Erumapatty	Pottireddipatti	3	3,134	10,980	13	545.00	528.00
130		Erumapatty	Reddipatti	10	5,202	18,989	17	835.00	811.00
131		Kolli hills	Valapurnadu	18	1,083	5,998	8	242.00	168.00
132		Mallasamudram	Marapparai	13	1,295	4,741	6	185.00	177.00
133		Namagiripet	Karkoodalpatty	12	4,999	12,554	20	1,850.30	1,564.00
134		Pallipalayam	Elanthakkuttai	33	4,855	18,683	15	448.00	369.00
135		Pallipalayam	Kadachanallur	18	3,244	15,030	11	562.00	496.00
136		Pallipalayam	Kalianur	7	2,555	10,619	11	132.24	76.00
137		Pallipalayam	Kokkarayanpettai	11	1,837	6,829	7	420.54	405.00
138		Pallipalayam	Thattankuttai	36	9,651	28,717	24	792.33	689.00
139		Puduchatram	Minnampalli	8	2,437	5,538	3	13.00	5.00
140		Puduchatram	Pachal	5	1,636	6,967	15	308.00	52.00
141		Puduchatram	Sellappampatti	11	1,846	5,916	5	280.00	210.00

Sl. No.	Name of the District	Name of the Block	Name of the Village Panchayat	Total number of Habitation in the Village Panchayat	Total number of Household in the Village Panchayat	Total Population of the Village Panchayat	Total number of Thooimai Kavalars working	Quantity of Waste collected and weighed (in kg)	Bio-Degradable Waste weighed (in kg)
142	Perambalur	Perambalur	Alambadi	3	1,660	11,757	6	241.00	77.00
143	Pudukottai	Avudaiyarkovil	Thirupperundurai	9	498	1,992	9	35.00	20.00
144		Avudaiyarkovil	Mimisal	10	1,371	5,482	6	30.00	21.00
145		Thirumayam	Thirumayam	28	2,257	5,685	8	102.00	92.00
146		Viralimalai	Viralimalai	6	4,944	20,125	4	105.00	80.00
147	Ramanathapuram	Mandapam	Pamban	15	3,904	18,844	20	560.00	364.00
148		Ramanathapuram	Devipattinam	1	3,698	11,599	18	628.00	376.00
149		Ramanathapuram	Sakkarakottai	22	7,556	15,355	31	1,139.00	705.00
150	Salem	Ayothiyapattinam	Valasaiyur	10	1,795	5,363	10	196.00	184.00
151		Ayothiyapattinam	Minnampalli	10	3,305	9,327	17	54.00	46.00
152		Ayothiyapattinam	Veeranam	22	3,912	12,673	18	182.00	156.00
153		Idappady	Vellarivelli	44	4,200	13,555	23	516.00	513.00
154		Idappady	Chittoor	78	5,489	16,729	28	558.00	554.00
155		Kadayampatti	Kanjanaickenpatty	49	4,323	16,580	23	510.00	456.00
156		Konganapuram	Vellalapuram	28	4,737	16,600	24	820.00	720.00
157		Konganapuram	Katchupalli	26	4,918	13,503	24	670.00	610.00
158		Nangavalli	Gonur	79	7,088	22,068	28	918.00	910.00
159		Nangavalli	Soorappalli	60	5,603	25,346	27	866.00	859.00
160		Omalur	U.Maramangalam	22	3,621	14,303	17	560.00	560.00
161		Panamarathupatti	Amanikondalam-patty	24	6,574	20,457	29	814.50	741.00
162		Panamarathupatti	Neikarapatti	15	3,890	13,406	14	570.00	546.00
163		Pethanaickenpalayam	C.K.Hills Vadakkunadu	35	4,110	11,734	21	75.00	30.00
164		Salem	Mallamooppam-patti	11	2,922	11,921	16	560.00	524.00
165		Thalaivasal	Kattukottai	17	3,550	10,568	18	73.00	60.00
166		Thalaivasal	Manivizhunthan	19	3,711	12,115	21	85.00	67.00
167		Veerapandi	Perumagoundam-patti	9	1,860	7,636	13	220.00	217.00
168		Veerapandi	Vembadithalam	4	2,820	11,280	13	445.00	434.00
169		Veerapandi	Chennagiri	12	1,836	6,698	10	354.00	347.00
170	Sivagangai	Kalaiyarkovil	Kalaiyarkovil	5	8,438	29,850	21	840.00	428.00
171		Sakkottai	Sangarapuram	17	16,302	32,149	35	994.00	556.00
172		Sivagangai	Vaniyankudi	19	5,585	20,342	16	690.00	650.00
173		Thiruppathur	Keelasevalpatti	1	1,250	2,453	5	287.00	251.00
174	Thanjavur	Kumbakonam	Palavanthan-kattalai	3	940	3,127	6	178.00	154.00
175		Orathanadu	Avidanallavijayapuram	7	1,128	4,217	8	304.00	270.00
176		Papanasam	Rajagiri	6	2,236	7,277	9	126.00	92.00

**Compliance Audit Report (Local Government), Tamil Nadu for the year ended March 2022**

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177	Thanjavur	Peravurani	Thiruchitampalam	6	1,478	6,371	12	204.00	153.00
178		Budalur	Sengipatti	6	955	4,271	5	175.00	167.00
179		Thanjavur	Neelagiri	6	5,135	16,197	22	424.00	212.00
180		Thanjavur	Pillaiyarpatti	7	2,936	7,966	12	304.00	152.00
181		Thiruvudaimaruthur	Nachiyarkovil	4	2,820	8,631	10	223.00	203.00
182		Thiruvudaimaruthur	Narasinganpettai	5	613	6,143	4	90.00	82.00
183	The Nilgiris	Coonoor	Hubathalai	34	4,693	11,087	26	48.00	22.00
184		Gudalur	Cherangode	10	2,965	8,783	22	841.00	349.00
185		Gudalur	Masinagudi	159	13,284	49,201	48	6,550.00	5,089.00
186		Kotagiri	Nedugula	47	3,155	14,812	23	28.00	12.00
187		Udhagai	Balacola	45	7,588	13,622	31	413.00	87.00
188	Theni	Andipatti	T.Rajakopalanpatti	19	1,947	8,720	13	540.00	517.00
189		K.Myladumparai	Kadamalaikundu	5	3,101	15,673	20	800.00	720.00
190		Periyakulam	Vadapudupatti	14	2,581	10,808	18	720.00	467.00
191		Uthamapalayam	Royappanpatti	1	2,280	11,814	12	223.00	178.00
192	Thoothukudi	Alwarthirunagari	Punnakayal	2	2,140	7,684	11	444.00	419.00
193		Kayathar	Vanaramutti	4	2,000	5,118	8	312.00	312.00
194		Kovilpatti	Pandavar-mangalam	4	5,367	14,954	24	811.00	811.00
195		Ottapidaram	Ottapidaram	10	2,000	7,963	8	505.00	475.00
196		Sathankulam	Arasoor	22	2,880	9,178	15	938.00	938.00
197	Thoothukudi	Sathankulam	Muthalur	9	1,639	5,417	5	567.00	567.00
198		Thoothukudi	Mappilaiyoorani	58	14,448	40,035	69	3,587.00	3,043.00
199		Tiruchendur	Veerapandian pattinam	8	1,822	6,015	9	315.00	310.00
200		Udangudi	Paramankurichi	25	3,474	9,181	19	500.00	496.00
201	Tiruchirappalli	Manapparai	Kannudaiyanpatti	24	4,498	17,868	19	561.00	496.00
202		Manapparai	Puthanatham	6	843	3,493	15	489.00	412.00
203		Manikandam	Allithurai	13	1,821	5,216	9	353.00	343.00
204		Manikandam	Inam Kulathur	11	3,865	13,293	13	546.00	510.00
205		Manikandam	Nachikuruchi	3	1,087	2,863	4	174.00	151.00
206		Manikandam	Somarasampettai	6	3,109	12,534	13	520.00	480.00
207		Mannachanallur	Thiruppanjeeli	10	1,978	12,956	13	384.00	370.00
208		Mannachanallur	Pitchandarkovil	5	3,850	17,868	0	0.00	0.00
209		Marungapuri	Valanadu	9	610	2,082	3	632.00	615.00
210		Musiri	Pulivalam	6	1,149	936	4	149.00	114.00
211		Pullambadi	Kovandakurichi	4	2,175	6,172	10	420.00	382.00
212		Thiruverumbur	Gundur	5	3,114	18,684	13	320.00	299.00
213		Thiruverumbur	Navalpattu	7	2,377	14,262	10	475.00	454.00

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214	Tiruchirappalli	Thiruverumbur	Palanganangudi	6	2,167	13,002	9	430.00	411.00
215		Thottiyam	Tholurpatti	12	1,782	6,205	11	375.00	364.00
216		Thuraiyur	Madurapuri	4	2,640	6,350	13	592.00	546.00
217		Vaiyampatti	Vaiyampatti	17	2,343	8,850	10	240.00	204.00
218	Tirunelveli	Ambasamudram	Sivanthipuram	9	5,993	20,154	36	1,371.00	1,321.00
219		Palayamkottai	Munnerpallam	23	4,210	7,977	16	489.00	435.00
220		Radhapuram	Radhapuram	12	3,860	8,472	16	565.00	511.00
221		Valliyoore	Vadakkankulam	2	1,126	3,976	7	204.00	181.00
222	Tenkasi	Alankulam	Nallur	11	2,905	8,670	11	342.00	331.00
223		Kadayam	Pottalpudhur	14	2,096	7,419	11	437.00	430.00
224		Kadayanallur	Nainaragaram	8	2,420	10,705	16	375.00	320.00
225		Keezhapavur	Gunaramanallur	16	8,624	18,639	25	1,000.00	919.00
226		Keezhapavur	Kallurani	17	6,245	14,059	12	480.00	432.00
227		Keezhapavur	Kulasekarapatti	12	5,250	19,542	19	760.00	720.00
228		Sankarankoil	Veerasigamani	2	2,856	8,140	15	615.00	580.00
229		Tenkasi	Kuthukalvalasai	10	5,343	9,917	21	518.00	375.00
230	Tiruppur	Avinasi	Cheyur	14	2,713	7,250	12	240.00	216.00
231		Avinasi	Palangari	11	4,677	3,358	22	346.00	299.00
232		Tiruppur	Ettiveeram-palayam	10	3,972	8,814	17	3,974.00	3,238.00
233		Tiruppur	Mangalam	9	6,140	17,699	26	5,149.00	4,197.00
234	Tiruvallur	Ellapuram	Kannigaipair	8	1,386	6,620	9	191.00	184.00
235		Gummidipoondi	Keelmudalambedu	9	1,508	12,276	7	67.90	56.00
236		Gummidipoondi	Pudugummidipoondi	12	2,863	15,051	10	81.60	67.00
237		Kadambathur	Kadambathur	10	3,416	22,996	8	942.00	848.00
238		Kadambathur	Mappedu	15	1,433	5,652	6	740.00	666.00
239		Kadambathur	Perambakkam	6	1,832	7,097	6	962.00	866.00
240		Kadambathur	Vengathur	3	332	1,056	1	101.00	91.00
241		Minjur	Thdaperumbakkam	21	1,862	8,853	7	96.11	93.00
242		Pallipattu	Kodaivalasa	12	1,978	9,911	11	410.00	381.00
243		Poonamallee	Chembarambakkam	9	4,627	25,413	14	745.00	697.00
244	Tiruvallur	Poonamallee	Kattupakkam	16	9,544	43,374	0	845.00	726.00
245		R.K.Pet	Ammayarkuppam	16	2,473	10,750	13	642.00	632.00
246		R.K.Pet	R.K.Pet	9	2,227	9,628	12	543.30	528.00
247		Sholavaram	Alamathi	20	3,533	25,594	25	624.00	563.00
248		Sholavaram	Nallur	30	7,294	33,370	35	1,424.00	1,084.00
249		Sholavaram	Padiyanallur	25	5,447	49,550	31	2,450.00	2,081.00

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250	Tiruvallur	Sholavaram	Sholavaram	21	2,389	10,210	13	737.00	627.00
251		Tiruvallur	Ikkadu	17	1,560	8,435	13	494.00	309.00
252		Tiruvallur	Kakkalur	21	4,700	14,528	19	722.00	448.00
253		Tiruvallur	Pakkam	19	1,655	6,526	11	418.00	262.00
254		Villivakkam	Adayalampattu	1	2,457	9,828	0	414.00	401.00
255		Villivakkam	Moorai	12	5,850	23,460	16	436.50	412.00
256	Tiruvannamalai	Arni	Irumbedu	18	2,184	7,859	10	428.80	427.00
257		Arni	S.V.Nagaram	4	2,000	6,600	9	496.70	494.00
258		Cheyar	Kilpudupakkam	7	1,866	6,912	10	393.99	236.00
259		Kilpennathur	Somasipadi	16	1,153	5,593	7	209.35	208.00
260		Polur	Padavedu	28	3,944	15,163	21	3,234.08	2,564.00
261		Thandarampet	Thandrapattu	7	2,230	9,785	13	254.27	137.00
262		Thandarampet	Thanipadi	6	2,261	10,416	15	269.97	146.00
263		Tiruvannamalai	Adiannamalai	5	859	4,824	4	142.70	94.00
264	Tiruvarur	Koradachery	Elavankargudi	3	1,845	5,360	6	61.00	12.00
265		Mannargudi	Ashesam	2	505	2,022	3	15.00	4.00
266		Valangaiman	Alangudi	1	960	2,541	4	50.00	40.00
267	Vellore	Gudiyatham	Kondasamuthiram	30	6,656	20,497	16	652.20	320.00
268		Gudiyatham	Seevur	31	2,473	13,064	15	461.10	310.00
269		Vellore	Perumugai	4	1,384	3,648	7	218.00	183.00
270		Vellore	Vengadapuram	7	840	3,407	4	238.00	201.00
271	Ranipet	Arcot	Nandiyalan	12	2,313	10,134	10	241.00	192.00
272		Walajah	Nowlack	18	5,598	20,171	22	680.00	520.00
273	Tirupathur	Alangayam	Valayampattu	15	1,996	10,076	10	262.00	22.00
274		Natrampalli	Patchur	16	1,832	7,274	11	657.00	560.00
275		Madhanur	Chinnavarigam	7	1,272	5,027	4	227.00	172.00
276		Madhanur	Solur	10	1,382	5,072	5	810.00	420.00
277	Villupuram	Melmalayanur	Melmalayanur	2	1,718	6,369	9	315.00	312.00
278		Merkanam	Manur	14	1,405	7,233	8	340.00	285.00
279		Vanur	Thiruchitrambalam	13	3,721	14,362	18	853.00	676.00
280	Kalakurichi	Thirunavalur	Sengurichi	4	1,886	7,799	11	121.00	121.00
281		Ulundurpet	Eraiyr	3	2,842	13,700	12	250.00	160.00
282	Virudhunagar	Rajapalayam	Melarakulam	14	6,889	12,978	24	1,420.00	1,400.00
283		Rajapalayam	South Venganallur	22	5,327	14,650	25	1,178.00	1,156.00
284		Sivakasi	Anaiyur	30	9,771	24,436	36	2,546.00	2,190.00
285		Sivakasi	Sithurajapuram	23	7,731	16,860	27	2,010.00	1,728.00
286		Sivakasi	Viswanatham	18	10,221	25,555	33	2,657.00	2,285.00
287		Virudhunagar	Kooraikundu	7	10,361	22,361	22	2,305.00	2,250.00

## Appendix 2.16

(Reference: Paragraph 2.3.7.1(b); Page 57)

## Details of land identified in water courses for establishing test-checked MCCs

Sl. No.	Name of the District	Name of the Block	Name of the VP	Survey Number	Classification in the Revenue records	Cost incurred in the establishment of MCC (₹ in lakh)
	MCCs established on water bodies					
1	Kanniyakumari	Rajakkamangalam	Melasankarankuzhi	275/3	Lake	21.88
2	Salem	Idappady	Vellarivalli	535	Lake (Eri)	17.52
3		Idappady	Chittoor	636/1	Lake (Eri)	19.73
4		Panamarathupatti	Neikkarapaty	177/1	Lake (Eri)	18.44
5		Panamarathupatti	Amanikondalampatti	50	Lake (Eri)	19.06
6		Salem	Mallamooppamapatti	47	Lake (Eri)	20.00
7		Konganapuram	Vellalapuram	87/1	Odai	19.92
8	Theni	Myladumparai	Kadamalaikundu	729	Cart track & Odai	5.62
9	Tirunelveli	Palayamkottai	Munneerpallam	248/2	Odai Purampokku	21.29
10	Tiruvarur	Valangaiman	Alangudi	201/1	Water course (Channel) Porampokku	20.46
11	Vellore	Vellore	Venkadapuram	262	Palar River Porampokku	20.00
12		Vellore	Perumugai	1	Palar River Porampokku	20.00
13	Virudhunagar	Sivakasi	Sithurajapuram	1149	Lake	8.61
	MCCs established adjacent to water bodies					
14	Virudhunagar	Sivakasi	Viswanatham	312/3	Government <i>Poromboke</i>	7.72
15		Rajapalayam	South Venganallur	87/3	Mayanam <i>Poromboke</i>	10.95
16	Tiruvarur	Mannargudi	Ashesam	150/1	Government <i>Poromboke</i>	18.48
17		Koradacheri	Elavangarkudi	3/4A	Panchayat Land	21.20
	Total					290.88

Appendix 2.17

(Reference: Paragraph 2.3.8; Page 61)

Details of pending contribution from Village Panchayats

(₹ in lakh)

Sl. No.	Name of the District	Name of the Block	Name of the VP	Total Estimate	Fund released from DRDPR	Fund to be received from VP	Work bills to be paid
1	Krishnagiri	Shoolagiri	Athimugam	24.00	20	3.88	29.29
2		Shoolagiri	Berigai	24.00	20	3.71	
3	Salem	Ayothiyapattinam	Minnampalli	21.55	20	1.55	11.17
4		Ayothiyapattinam	Veeranam	21.55	20	1.55	
5		Idappady	Vellarivalli	21.55	20	1.55	
6		Idappady	Chittoor	24.00	20	4.00	
7		Konganapuram	Katchipalli	21.55	20	1.55	
8		Konganapuram	Vellalapuram	24.00	20	4.00	
9		Nangavalli	Gonur	21.55	20	1.55	
10		Nangavalli	Soorappalli	21.55	20	1.55	
11		Omalur	U.Maramangalam	24.00	20	4.00	
12		Panamarathupatty	Neikkarapatty	21.55	20	1.55	
13		Panamarathupatty	Amanikondalampatty	24.00	20	4.00	
14		Salem	Mallamooppampatty	24.00	20	4.00	
15		Thalaiwasal	Kattukottai	21.55	20	1.55	
16		Veerapandi	Perumagoundanpatty	21.55	20	1.55	
17		Veerapandi	Vembadithalam	21.55	20	1.55	
18		Veerapandi	Chennagiri	24.00	20	4.00	
19		Ayothiapattinam	Valasaiyur	21.55	20	1.55	
20		Thalaiwasal	Manivizhunthan	21.55	20	1.55	
21	Theni	K.Myladumparai	Kadamalaikundu	34.50	20	14.50	Nil
22		Periyakulam	Vadapudupatti	23.00	20	1.41	
23	Tiruvarur	Valangaiman	Alangudi	21.55	20	1.20	3.05
24		Mannargudi	Ashesam	21.55	20	0.46	
25		Koradachery	Elavankargudi	21.55	20	1.53	
26	Vellore	Vellore	Vengadapuram	21.55	20	1.54	Nil
27		Vellore	Perumugai	21.55	20	1.50	
28	Virudhunagar	Rajapalayam	Melarajagularaman	24.00	20	4.00	Nil
29		Rajapalayam	South Venganallur	24.00	20	4.00	
30		Sivakasi	Anaiyur	24.00	20	2.31	
31		Sivakasi	Sithurajapuram	24.00	20	4.00	
32		Sivakasi	Viswanatham	24.00	20	4.00	
33		Virudhunagar	Kooraikundu	24.00	20	3.52	
		Total				94.16	43.51

## Appendix 2.18

(Reference: Paragraph 2.3.9.1; Page 62)

## Details of delays in establishing test-checked MCCs

Sl. No.	Name of the District	Name of the Block	Name of the VP	Work order date	Contract period	Date of completion of work	Delay (in months)
1	Kanniyakumari	Rajakkamangalam	Kaniyakulam	25-12-2020	3 months	27-09-2021	6
2		Rajakkamangalam	Melasankarankuzhi	13-08-2020		30-03-2021	4
3		Thiruvattar	Ayacode	14-12-2020		14-09-2021	6
4	Salem	Ayothiyapattinam	Minnampalli	17-07-2020	6 months	01-02-2022	12
5		Ayothiyapattinam	Veeranam	17-07-2020		01-08-2022	19
6		Idappady	Vellarivalli	17-07-2020		01-02-2022	12
7		Idappady	Chittoor	17-07-2020		20-12-2021	11
8		Kadayampatti	Kanjanaickenpatty	17-07-2020		27-12-2021	11
9		Konganapuram	Katchipalli	17-07-2020		28-07-2022	19
10		Konganapuram	Vellalapuram	17-07-2020		20-12-2021	11
11		Nangavalli	Gonur	17-07-2020		01-08-2022	19
12		Nangavalli	Soorappalli	17-07-2020		01-08-2022	19
13		Omalur	U.Maramangalam	17-07-2020		20-12-2021	11
14		Panamarathupatty	Neikkarapatty	17-07-2020		25-04-2022	15
15		Panamarathupatty	Amanikondalampatty	17-07-2020		27-12-2021	11
16		Pethanaickenpalayam	C.K.Hills, Vadakkunadu	17-07-2020		13-12-2021	10
17		Salem	Mallamooppampatty	17-07-2020		13-12-2021	10
18		Thalaivasal	Kattukottai	17-07-2020		13-12-2021	10
19		Veerapandi	Perumagoundanpatty	17-07-2020		27-12-2021	11
20		Veerapandi	Vembadithalam	17-07-2020		27-12-2021	11
21		Veerapandi	Chennagiri	17-07-2020		10-05-2022	16
22		Ayothiapattinam	Valasaiyur	17-07-2020		13-12-2021	10
23		Thalaivasal	Manivizhunthan	17-07-2020		13-12-2021	10
24	Theni	Andipatti	T.Rajakopalanpatti	02-06-2020	9 months	21-04-2022	14
25		K.Myladumparai	Kadamalaikundu	02-06-2020		31-07-2022	17
26		Periyakulam	Vadapudupatti	02-06-2020		14-07-2022	16
27		Uthamapalayam	Royappanpatti	02-06-2020		29-11-2021	9
28	Tiruvarur	Valangaiman	Alangudi	22-07-2020	4 months	03-08-2021	8
29		Mannargudi	Ashesam	22-07-2020		15-11-2021	11
30		Koradachery	Elavankargudi	22-07-2020		31-08-2021	9
31	Vellore	Gudiyatham	Kondasamuthiram	18-06-2020	6 months	25-09-2021	9
32		Gudiyatham	Seevoor	18-06-2020		25-08-2021	8
33		Vellore	Vengadapuram	18-06-2020		29-03-2021	3
34		Vellore	Perumugai	18-06-2020		29-03-2021	3
35	Virudhunagar	Rajapalayam	Melarajagularaman	09-09-2020	6 months	Not completed	16
36		Rajapalayam	South Venganallur	09-09-2020		15-05-2022	13
37		Sivakasi	Anaiyur	09-09-2020		30-12-2021	9
38		Sivakasi	Sithurajapuram	09-09-2020		28-02-2022	11
39		Sivakasi	Viswanatham	09-09-2020		05-04-2022	12
40		Virudhunagar	Kooraikundu	09-09-2020		01-11-2021	7

Appendix 2.19

(Reference: Paragraph 2.3.9.1; Page 62)

Details of delay in commencement of functioning of test-checked MCCs

Sl. No.	Name of the District	Name of the Block	Name of the VP	Date of completion of work	Date from which MCC started functioning	Delay (in months)	Cost incurred in establishing MCC (₹in lakh)
1	Kanniyakumari	Rajakkamangalam	Kaniyakulam	27-09-2021	10-12-2021	2	20.46
2		Rajakkamangalam	Melasankarankuzhi	30-03-2021	01-12-2021	8	21.64
3		Thiruvattar	Ayacode	14-09-2021	01-04-2022	6	20.92
4	Krishnagiri	Bargur	Pochampalli	23-08-2021	01-03-2022	6	21.79
5		Hosur	Nallur	16-09-2021	01-02-2022	4	22.89
6		Hosur	Onnalvadi	16-09-2021	16-05-2022	8	22.83
7		Hosur	Bagalur	16-09-2021	16-04-2022	7	22.74
8		Hosur	Begepalli	16-09-2021	02-05-2022	7	22.96
9		Hosur	Belathur	16-09-2021	02-05-2022	7	22.62
10		Kaveripattinam	Errahalli	24-08-2021	06-12-2021	3	21.80
11		Kaveripattinam	Santhapuram	16-09-2021	29-12-2021	3	21.86
12		Kelamangalam	Royakottai	15-09-2021	14-03-2022	6	21.92
13		Kelamangalam	Bairamangalam	15-09-2021	01-05-2022	7	22.72
14		Shoolagiri	Shoolagiri	16-09-2021	01-02-2022	4	23.59
15		Shoolagiri	Perandapalli	28-07-2021	01-05-2022	9	24.00
16		Shoolagiri	Uthanapalli	16-09-2021	01-05-2022	7	23.91
17		Thali	Anchetty	16-09-2021	01-10-2022	12	22.25
18		Thali	Belagondapalli	16-09-2021	01-10-2022	12	22.19
19		Uthangarai	Katteri	24-08-2021	24-03-2022	7	22.60
20		Uthangarai	Singarapettai	24-08-2021	01-02-2022	5	22.45
21	Salem	Idappady	Vellarivalli	01-02-2022	09-05-2022	4	17.54
22		Veerapandi	Perumagoundanpatty	27-12-2021	11-05-2022	4	18.50
23		Veerapandi	Vembadithalam	27-12-2021	11-04-2022	3	18.30
24	Tirunelveli	Palayamkottai	Munnerpallam	15-09-2021	14-02-2022	5	21.29
25		Radhapuram	Radhapuram	06-10-2021	05-02-2022	4	21.44
26		Ambasamudram	Sivanthipuram	15-09-2021	14-03-2022	6	21.29
27		Valliyoar	Vadakkankulam	25-10-2021	05-02-2022	3	21.52
28	Tiruvarur	Valangaiman	Alangudi	03-08-2021	21-02-2022	6	20.46
29		Mannargudi	Ashesam	15-11-2021	25-07-2022	8	18.48
30		Koradachery	Elavankargudi	31-08-2021	20-01-2022	4	21.20
31	Vellore	Gudiyatham	Kondasamuthiram	25-09-2021	01-04-2022	6	21.45
32		Gudiyatham	Seevoor	25-08-2021	09-02-2022	5	21.45
33		Vellore	Vengadapuram	29-03-2021	03-01-2022	9	20.00
34		Vellore	Perumugai	29-03-2021	03-01-2022	9	20.00
			Total				731.06

## Appendix 2.20

(Reference: Paragraph 2.3.10; Page 63)

### Shortcomings noticed in infrastructure facilities in test-checked MCCs

Name of the District	Name of the Block	Name of the VP	Defects noticed
Kanniyakumari	Rajakkamangalam	Kaniyakulam	1. The provision for Leachate collection has not been made as per type design approved by the DRD & PR
			2. The air vents in the compost tubs were not provided with cowl arrangement. This disturbs the water percolation in the shredded waste dumped at the bottom
	Rajakkamangalam	Melasankarankuzhi	1. The provision for Leachate collection has not been properly done.
			2. The air vents in the compost tubs were not provided with cowl arrangement. This disturbs the water percolation in the shredded waste dumped at the bottom
	Thiruvattar	Ayacode	1. The provision for Leachate collection has not been made as per type design approved by the DRD & PR
			2. The air vents in the compost tubs were not provided with cowl arrangement. This disturbs the water percolation in the shredded waste dumped at the bottom
Krishnagiri	Kaveripattinam	Errahalli	Shredding machine not cutting in proper size
		Santhapuram	
	Kelamangalam	Royakottai	
	Kelamangalam	Bairamangalam	
	Soolagiri	Perandapalli	
Salem	Panamarathupatti	Amanikondalampatti	1 Shredding machine not cutting in proper size
			2 Flying insect killer UV Tube Catcher Machine three numbers not working from February 2022
	Nangavalli	Soorapalli	Napkin burning machine was not installed despite payment to the contractor
	Omalur	U.Maramangalam	Shredding machine not cutting in proper size
Theni	Uthamapalayam	Royappanpatti	1. The provision for Leachate collection has not been made as per type design approved by the DRD & PR.
			2. Turbo Air went which was specified in approved type design was not provided despite payment made to the contractor.
			3. Flying insect killer UV Tube Catcher Machine (10nos.) were not installed despite payment made to the contractor.
	Periyakulam	Vadapudupatti	1. The provision for Leachate collection has not been properly done as per type design approved by the DRD & PR.
			2. The air vents in the compost tubs were not provided with cowl arrangement. This disturbs the water percolation in the shredded waste dumped at the bottom
			3. Turbo Air went which was specified in approved type design was not provided despite payment made to the contractor.
			4. EM solution and inoculums were not prepared.

Appendix 2.21

(Reference: Paragraph 2.3.11.2; Page 65)

Particulars of revenue from sale of compost and wages paid to Thooimai Kavalars in test-checked MCCs

Sl. No.	Name of the District	Name of the Block	Name of the VP	Date from which started functioning	Compost sold (in kgs)	Revenue realized (₹)	Wages paid to Thooimai Kavalars (₹)
1	Kanniyakumari	Rajakkamangalam	Kaniyakulam	10-12-2021	1,329	2,000	72,000
2		Rajakkamangalam	Melasanrankuzhi	01-12-2021	4,690	10,340	1,62,000
3		Thiruvattar	Ayacode	01-04-2022	350	1,750	90,000
4	Krishnagiri	Bargur	Pochampalli	01-03-2022	360	3,600	90,000
5		Hosur	Nallur	01-02-2022	7,533	1,12,995	1,98,000
6		Hosur	Onnalvadi	16-05-2022	0	0	72,000
7		Hosur	Bagalur	16-04-2022	487	7,305	84,600
8		Hosur	Begepalli	02-05-2022	728	3,640	72,000
9		Hosur	Belathur	02-05-2022	350	5,250	72,000
10		Kaveripattinam	Errahalli	06-12-2021	1,200	12,000	1,54,284
11		Kaveripattinam	Santhapuram	29-12-2021	200	2,000	1,23,792
12		Kelamangalam	Royakottai	14-03-2022	256	1,864	99,000
13		Kelamangalam	Bairamangalam	01-05-2022	0	0	72,000
14		Krishnagiri	Kattiganapalli	02-08-2021	100	1,000	2,05,200
15		Shoolagiri	Berigai	12-05-2022	0	0	72,000
16		Shoolagiri	Shoolagiri	01-02-2022	6,230	31,150	1,26,000
17		Shoolagiri	Athimugam	02-05-2022	0	0	72,000
18		Shoolagiri	Perandapalli	01-05-2022	0	0	72,000
19		Shoolagiri	Uthanapalli	01-05-2022	0	0	72,000
20		Uthangarai	Katteri	24-03-2022	833	2,500	54,000
21		Uthangarai	Singarapettai	01-02-2022	700	2,100	1,04,400
22		Thally	Anchetty	02-05-2022	0	0	0
23		Thally	Belagondapalli	01-05-2022	0	0	0
24	Salem	Ayothiyapattinam	Minnampalli	09-02-2022	368	3,676	1,08,000
25		Ayothiyapattinam	Veeranam	01-08-2022	319	4,785	18,000
26		Idappady	Vellarivalli	17-08-2022	0	0	
27		Idappady	Chittoor	13-12-2021	620	4,200	1,44,000
28		Kadayampatti	Kanjanaickenpatty	03-01-2022	709	3,545	1,44,000
29		Konganapuram	Katchipalli	28-07-2022	0	0	18,000
30		Konganapuram	Vellalapuram	18-12-2021	2,287	34,305	1,44,000
31		Nangavalli	Gonur	01-08-2022	29	435	18,000
32		Nangavalli	Soorappalli	01-08-2022	27	405	18,000
33		Omalur	U.Maramangalam	24-12-2021	540	5,400	1,05,652
34		Panamarathupatty	Neikkarapatty	11-05-2022	62	310	72,000
35		Panamarathupatty	Amanikondalampatty	01-01-2022	260	1,300	1,33,200
36		Pethanaickenpalayam	C.K.Hills, Vadakkunadu	02-01-2022	435	3,350	1,26,000

Sl. No.	Name of the District	Name of the Block	Name of the VP	Date from which started functioning	Compost sold (in kgs)	Revenue realized (₹)	Wages paid to Thooimai Kavalars (₹)
37	Salem	Salem	Mallamooppampatty	13-12-2021	1,125	16,885	88,200
38		Thalaivasal	Kattukottai	13-12-2021	1,336	20,040	1,32,000
39		Veerapandi	Perumagoundanpatty	11-05-2022	0	0	72,000
40		Veerapandi	Vembadithalam	02-05-2022	0	0	72,000
41		Veerapandi	Chennagiri	11-05-2022	0	0	72,000
42		Ayothiappattinam	Valasaiyur	13-12-2021	2,163	23,700	1,37,030
43		Thalaivasal	Manivizhunthan	13-12-2021	549	8,235	1,60,800
44	Theni	Andipatti	T.Rajakopalanpatti	21-04-2022	330	3,012	78,000
45		K.Myladumparai	Kadamalaikundu	01-08-2022	0	0	18,000
46		Periyakulam	Vadapudupatti	01-04-2022	452	3,616	36,000
47	Turunelveli	Palayamkottai	Munnerpallam	14-02-2022	615	6,150	1,17,000
48		Radhapuram	Radhapuram	05-02-2022	100	1,500	1,26,000
49		Ambasamudram	Sivanthipuram	14-03-2022	240	2,400	99,280
50		Valliyoor	Vadakkankulam	05-02-2022	682	3,590	1,26,000
51	Tiruvarur	Valangaiman	Alangudi	21-02-2022	120	960	0
52		Mannargudi	Ashesam	25-07-2022	35	140	25,200
53		Koradachery	Elavankargudi	20-01-2022	160	740	84,200
54		Uthamapalayam	Royappanpatti	31-01-2022	145	1,260	18,000
55	Vellore	Gudiyatham	Kondasamuthiram	01-04-2022	0	0	0
56		Gudiyatham	Seevoor	09-02-2022	94	940	1,44,000
57		Vellore	Vengadapuram	31-12-2021	178	1,780	1,26,000
58		Vellore	Perumugai	01-12-2021	91	910	1,15,200
59	Virudhunagar	Rajapalayam	Melarajagularaman	Not completed	0	0	0
60		Rajapalayam	South Venganallur	01-06-2022	0	0	43,200
61		Sivakasi	Anaiyur	16-02-2022	14	700	50,400
62		Sivakasi	Sithurajapuram	01-04-2022	0	0	67,340
63		Sivakasi	Viswanatham	04-05-2022	0	0	0
64		Virudhunagar	Kooraikundu	01-12-2021	2,425	22,250	85,560
	Total					3,80,013	52,81,538

\* Rate of ₹15 per kg adopted by audit in case of supply of compost to own use.

### Appendix 3.1

(Reference: Paragraph 3.1.1; Page 68)

#### Details of excess payment made to contractor in the work of rejuvenation of MI tanks

Name of the Scheme : Kudimaramathu 2019-20  
 Name of the Work : Improvement of MI tanks  
 Rate to be adopted as per PWD's SSoR 2019-20 : ₹45.55 per cum

Sl. No.	Name of		Num ber of MI tanks	Quantity of earth work executed (in cum.)	Adoption of rate (in ₹ per cum.)		Excess payment (₹ in lakh) ((5) x (7))
	District	Panchayat Union			by PU	Diffe- rence	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Chengalpattu	Maduranthakam	11	80,909.12	71.05	25.50	20.63
2	Dindigul	Batlagundu	3	13,839.00	71.05	25.50	3.53
3	Krishnagiri	Keelamangalam	9	20,918.65	71.05	25.50	5.33
4		Mathur	8	17,639.95	71.05	25.50	4.50
5	Tenkasi	Kadayanallur	8	46,526.89	71.05	25.50	11.86
6		Melaneelithanallur	20	1,21,815.33	71.05	25.50	31.06
7	Tiruchirapalli	Manachanallur	11	53,749.78	71.05	25.50	13.71
8		Manikandam	17	1,03,112.25	71.05	25.50	26.29
			6	32,570.20	74.85	29.30	9.54
9		Musiri	10	78,002.97	71.05	25.50	19.89
10		Thuraiyur	27	1,80,364.40	71.05	25.50	45.99
11	Tirunelveli	Cheranmahadevi	5	7,830.57	71.05	25.50	2.00
12	Tiruvallur	Poondi	21	1,18,689.30	71.05	25.50	30.27
Total			156				224.60

### Appendix 3.2

(Reference: Paragraph 3.1.1; Page 68)

**Details of payment made to contractors based on fraudulent vouchers in the work of rejuvenation of MI tanks/Ponds and Ooranies**

Sl. No.	Name of		Details of works and vehicles for which fraudulent bills/vouchers were furnished		Payment made (₹in lakh)
	District	Panchayat Union Council (Block)	Number of MI tanks/Ponds and Ooranies	Number of vehicles	
(1)	(2)	(3)	(4)	(5)	(6)
1	Dindigul	Batlagundu	3	16	6.64
2	Kallakuruchi	Kalrayan Hills	24	37	14.25
3	Tenkasi	Kadayanallur	8	53	23.22
4	Tirunelveli	Cheranmahadevi	3	4	1.14
Total			38	110	45.25

### Appendix 3.3

(Reference: Paragraphs 3.1.3(e) and 3.1.3(f); Pages 74 and 75)

**Details of avoidable excess expenditure incurred in purchase of CU's and unfruitful expenditure incurred on procurement of CU's that are not in working condition**

District	Sl. No	Name of the PU	Total OHTs/ GLRs	Number of CUs installed	Total CUs in sampled VPs	CUs test checked	CUs in working condition	CUs not in working condition	Amount quoted per CU (In ₹)	Actual Expenditure (in ₹)	Cost as per SSoR (in ₹)	Avoidable excess expenditure (in ₹)	Unfruitful expenditure on non-working CUs (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) = (7)-(8)	(10)	(11) = (5)*(10)	(12) = (5)*4400	(13) = (11)-(12)	(14) = (9)*(10)
Dindigul	1	Kodaikanal	229	149	47	30	14	16	5,652	8,42,148	6,55,600	1,86,548	90,432
	2	Athoor	279	236	47	7	5	2	5,652	13,33,872	10,38,400	2,95,472	11,304
	3	Thoppampatti	191	165	33	12	7	5	5,652	9,32,580	7,26,000	2,06,580	28,260
	4	Vadamadurai	228	173	73	28	6	22	5,652	9,77,796	7,61,200	2,16,596	1,24,344
	5	Gujiliamparai	329	312	67	31	7	24	5,652	17,63,424	13,72,800	3,90,624	1,35,648
	6	Sanarpatti	366	366	65	21	7	14	5,652	20,68,632	16,10,400	4,58,232	79,128
	7	Palani	166	130	19	12	9	3	5,652	7,34,760	5,72,000	1,62,760	16,956
	8	Reddiarchatram	262	231	42	22	7	15	5,652	13,05,612	10,16,400	2,89,212	84,780
	9	Batlagundu	203	79	37	34	20	14	5,652	4,46,508	3,47,600	98,908	79,128
	10	Natham	313	259	53	31	5	26	5,652	14,63,868	11,39,600	3,24,268	1,46,952
	11	Vedasandur	325	308	65	46	21	25	5,652	17,40,816	13,55,200	3,85,616	1,41,300
	12	Oddanchatram	328	279	29	29	14	15	5,652	15,76,908	12,27,600	3,49,308	84,780
	13	Nilakottai	299	234	74	59	22	37	5,652	13,22,568	10,29,600	2,92,968	2,09,124
	14	Dindigul	304	126	30	8	2	6	5,652	7,12,152	5,54,400	1,57,752	33,912
				3					5,500	16,500	13,200	3,300	0
				12					6,450	77,400	52,800	24,600	0
	<b>Sub total</b>			<b>3,062</b>	<b>681</b>	<b>370</b>	<b>146</b>	<b>224</b>		<b>1,73,15,544</b>	<b>1,34,72,800</b>	<b>38,42,744</b>	<b>12,66,048</b>

District	S. No	Name of the PU	Total OHTs/ GLRs	No of CUs installed	Total CUs in sampled VPs	CUs test checked	CUs in working condition	CUs not in working condition	Amount quoted per CU	Actual Expenditure (in ₹)	Cost as per SSoR (in ₹)	Avoidable excess expenditure (in ₹)	Unfruitful expenditure on non-working CUs (in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) = (7)-(8)	(10)	(11)= (5)*(10)	(12)= (5)*4400	(13)=(11)-(12)	(14)= (9)*(10)
Thanjavur	1	Ammapet	775	365	45	34	0	34	6,850	25,00,250	16,06,000	8,94,250	2,32,900
	2	Budalur	203	184	31	25	1	24	6,850	12,60,400	8,09,600	4,50,800	1,64,400
	3	Kumbakonam	327	301	51	41	0	41	6,850	20,61,850	13,24,400	7,37,450	2,80,850
	4	Madukkur	278	278	72	24	0	24	6,850	19,04,300	12,23,200	6,81,100	1,64,400
	5	Orathanadu	312	612	56	56	0	56	6,850	41,92,200	26,92,800	14,99,400	3,83,600
	6	Papanasam	193	193	31	31	0	31	6,850	13,22,050	8,49,200	4,72,850	2,12,350
	7	Pattukottai	397	397	45	45	0	45	6,850	27,19,450	17,46,800	9,72,650	3,08,250
	8	Peravurani	334	321	75	60	0	60	6,850	21,98,850	14,12,400	7,86,450	4,11,000
	9	Sethubavachatram	317	317	36	36	0	36	6,850	21,71,450	13,94,800	7,76,650	2,46,600
	10	Thanjavur	579	579	143	47	1	46	6,850	39,66,150	25,47,600	14,18,550	3,15,100
	11	Thiruppanandal	262	261	35	34	0	34	6,850	17,87,850	11,48,400	6,39,450	2,32,900
	12	Thiruvaiyaru	225	200	34	34	0	34	6,850	13,70,000	8,80,000	4,90,000	2,32,900
	13	Thiruvidaimaruthur	300	282	50	50	0	50	6,850	19,31,700	12,40,800	6,90,900	3,42,500
	14	Thiruvonam	428	428	50	50	1	49	6,850	29,31,800	18,83,200	10,48,600	3,35,650
	Sub total		4930	4,718	754	567	3	564		3,23,18,300	2,07,59,200	1,15,59,100	38,63,400
Total				7,780	1,435	937	149	788		4,96,33,844	3,42,32,000	1,54,01,844	51,29,448
Total (₹ in crore)										4.96	3.42	1.54	0.51

### Appendix 3.4

(Reference: Paragraph 3.1.4; Page 78)

#### Details of excess expenditure on purchase of gym equipment

(₹ in lakh)

Sl. No.	District	Rate per gym revised as per L1's claim				Rate per gym to be adopted as per revised GST				Excess expenditure		
		Quoted rate	Net value after deduction of VAT@ 5.5 per cent	Add GST @18 per cent	Total rate	Quoted rate	Net value after deduction of GST @ 28 per cent	Add GST @18 per cent	Total rate	Difference in rate [Col.6 (-) Col.10]	Number of units	Total [Col.11 (x) Col.12]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1.	Kancheepuram	3.49	3.31	0.59	3.90	3.49	2.73	0.49	3.22	0.68	51	34.68
2.	Thiruvallur	3.51	3.33	0.59	3.92	3.51	2.74	0.49	3.23	0.69	50	34.50
	Total											69.18

## Appendix 3.5

(Reference: Paragraph 3.1.4; Page 78)

## Details of tenders without provision for GST

Sl. No.	District	Number of tenders	Tender details
1	Ariyalur	1	2017_RDTN_76506_1
2	Coimbatore	1	2017_RDTN_76401_1
3	Cuddalore	1	2017_RDTN_76427_1
4	Dharmapuri	8	2017_RDTN_75771_1 2017_RDTN_75774_1 2017_RDTN_75777_1 2017_RDTN_75779_1 2017_RDTN_75784_1 2017_RDTN_75787_1 2017_RDTN_75789_1 2017_RDTN_75791_1
5	Dindigul	1	2017_RDTN_76405_1
6	Erode	1	2017_RDTN_75574_1
7	Kancheepuram	5	2017_RDTN_75946_1 2017_RDTN_75952_1 2017_RDTN_75953_1 2017_RDTN_75972_1 2017_RDTN_75975_1
8	Kanyakumari	1	2017_RDTN_76104_1
9	Karur	2	2017_RDTN_76192_1 2017_RDTN_79499_1
10	Krishnagiri	2	2017_RDTN_76093_1 2017_RDTN_76101_1
11	Madurai	1	2017_RDTN_76181_1
12	Nagapattinam	1	2017_RDTN_75800_1
13	Namakkal	3	2017_RDTN_75642_4 2017_RDTN_75642_6 2018_RDTN_87413_1
14	Perambalur	2	2017_RDTN_76201_1 2017_RDTN_80819_1
15	Pudukottai	3	2017_RDTN_76185_1 2017_RDTN_78204_1 2017_RDTN_81648_1

Sl. No.	District	Number of tenders	Tender details
16	Ramanathapuram	4	2017_RDTN_76359_1 2017_RDTN_76362_1 2017_RDTN_81004_1 2017_RDTN_81008_1
17	Salem	2	2017_RDTN_76914_1 2017_RDTN_79851_1
18	Sivagangai	1	2017_RDTN_76778_1
19	Thanjavur	1	2017_RDTN_76187_1
20	The Nilgiris	1	2017_RDTN_77348_1
21	Theni	2	2017_RDTN_75869_1 2017_RDTN_80944_1
22	Tirunelveli	2	2017_RDTN_75632_1 2017_RDTN_82835_1
23	Thiruvallur	6	2017_RDTN_75728_1 2017_RDTN_75731_1 2017_RDTN_75741_1 2017_RDTN_77506_1 2017_RDTN_77510_1 2017_RDTN_77511_1
24	Thiruvarur	1	2017_RDTN_76023_1
25	Tiruppur	1	2017_RDTN_76112_1
26	Tiruvannamalai	1	2017_RDTN_75861_1
27	Tiruchirappalli	2	2017_RDTN_75765_1 2017_RDTN_79610_1
28	Tuticorin	2	2017_RDTN_76180_1 2018_RDTN_85074_1
29	Vellore	6	2017_RDTN_75843_1 2017_RDTN_75854_1 2017_RDTN_82215_1 2017_RDTN_82221_1 2018_RDTN_85585_1 2018_RDTN_85592_1
30	Villuppuram	1	2017_RDTN_75831_1
31	Virudhunagar	3	2017_RDTN_75711_1 2017_RDTN_81772_1 2018_RDTN_93693_1
Grand Total		69	

### Appendix 3.6

(Reference: Paragraphs 3.2.1 (ii) and (iii); Page 80)

**Avoidable expenditure incurred by SIRD towards incorrect classification of tariff, Demand charges, Compensation for low PF and BPSC during August 2017 to March 2023**

(₹ in lakh)

Year	Month	Units consumed	Energy charges			Demand charges		Compensation for Low PF	Total avoidable expenditure (6)+(8)+(9)
			Paid	Actually due*	Excess (4)-(5)	Paid	Excess paid**		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2017	August	11,680	0.93	0.74	0.19	2.52	1.65	1.24	3.08
	September	23,200	1.86	1.47	0.39	2.52	1.65	1.67	3.71
	October	14,720	1.18	0.93	0.25	2.52	1.65	1.32	3.22
	November	14,160	1.13	0.90	0.23	2.52	1.65	1.24	3.12
	December	15,520	1.24	0.99	0.25	2.52	1.65	0.74	2.64
2018	January	9,440	0.76	0.60	0.16	2.52	1.65	0.59	2.40
	February	19,040	1.52	1.21	0.31	2.52	1.65	0	1.96
	March	19,040	1.52	1.21	0.31	2.52	1.65	0	1.96
	April	24,080	1.93	1.53	0.40	2.52	1.65	0	2.05
	May	20,880	1.67	1.33	0.34	2.52	1.65	0	1.99
	June	20,400	1.63	1.30	0.33	2.52	1.65	0	1.98
	July	19,280	1.54	1.22	0.32	2.52	1.65	0	1.97
	August	12,560	1.00	0.80	0.2	2.52	1.65	0.04	1.89
	September	14,440	1.15	0.91	0.24	2.52	1.65	0.23	2.12
	October	12,560	1.00	0.80	0.20	2.52	1.65	0	1.85
	November	12,240	0.98	0.78	0.20	2.52	1.65	0	1.85
	December	18,480	1.48	1.17	0.31	2.52	1.65	0	1.96
2019	January	11,840	0.95	0.75	0.2	2.52	1.65	0	1.85
	February	18,480	1.48	1.17	0.31	2.52	1.65	0	1.96
	March	12,160	0.97	0.77	0.20	2.52	1.65	0	1.85
	April	15,040	1.20	0.96	0.24	2.52	1.65	0	1.89
	May	18,560	1.48	1.18	0.30	2.52	1.65	0	1.95
	June	35,360	2.83	2.25	0.58	2.52	1.65	0	2.23
	July	25,320	2.03	1.61	0.42	2.52	1.65	0.10	2.17
	August	15,984	1.28	1.01	0.27	2.52	1.65	0.60	2.52
	September	25,360	2.03	1.61	0.42	2.52	1.65	0.11	2.18
	October	17,344	1.39	1.10	0.29	2.52	1.65	0.24	2.18
	November	28,592	2.29	1.82	0.47	2.52	1.65	0.56	2.68
	December	14,904	1.19	0.95	0.24	2.52	1.65	0.71	2.60

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Year	Month	Units consumed	Energy charges			Demand charges		Compensation for Low PF	Total avoidable expenditure (6)+(8)+(9)
			Paid	Actually due*	Excess (4)-(5)	Paid	Excess paid**		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2020	January	19,480	1.56	1.24	0.32	2.52	1.65	0.17	2.14
	February	22,192	1.78	1.41	0.37	2.52	1.65	0	2.02
	March	22,192	1.78	1.41	0.37	2.52	1.65	0.30	2.32
	April	8,072	0.65	0.51	0.14	2.52	1.65	0.51	2.30
	May	11,664	0.93	0.74	0.19	2.52	1.65	0.23	2.07
	June	12,256	0.98	0.78	0.20	2.52	1.65	0.48	2.33
	July	14,512	1.16	0.92	0.24	2.52	1.65	0.98	2.87
	August	13,296	0.84	0.84	0	2.52	1.65	0.76	2.41
	September	12,800	0.82	0.82	0	2.52	1.65	0.72	2.37
	October	16,824	1.07	1.07	0	2.52	1.65	0.56	2.21
	November	13,056	0.83	0.83	0	2.52	1.65	0.41	2.06
	December	16,208	1.03	1.03	0	2.52	1.65	0.26	1.91
2021	January	19,920	1.26	1.26	0	2.52	1.65	0.32	1.97
	February	16,872	1.07	1.07	0	2.52	1.65	0.16	1.81
	March	22,440	1.42	1.42	0	2.52	1.65	0.17	1.82
	April	19,112	1.21	1.21	0	2.52	1.65	0.64	2.29
	May	15,640	0.99	0.99	0	2.52	1.65	0.79	2.44
	June	16,016	1.02	1.02	0	2.52	1.65	0.71	2.36
	July	23,696	1.50	1.50	0	2.52	1.65	0.97	2.62
	August	19,936	1.27	1.27	0	2.52	1.65	0.76	2.41
	September	22,728	1.44	1.44	0	2.52	1.65	0.78	2.43
	October	23,592	1.50	1.50	0	2.52	1.65	0.84	2.49
	November	13,176	0.84	0.84	0	2.52	1.65	1.41	3.06
	December	18,280	1.16	1.16	0	2.52	1.65	0.62	2.27
2022	January	8,560	0.54	0.54	0	2.52	1.65	0.44	2.09
	February	12,696	0.81	0.81	0	2.52	1.65	0.09	1.74
	March	24,780	1.57	1.57	0	1.45	0.58	0	0.58
	April	26,820	1.70	1.70	0	0.95	0.07	0	0.07
	May	27,208	1.73	1.73	0	0.95	0.07	0.05	0.12
	June	25,936	1.65	1.65	0	0.95	0.07	0.02	0.09
	July	23,160	1.47	1.47	0	0.95	0.07	0.10	0.17
	August	27,048	1.72	1.72	0	0.95	0.07	0.07	0.14
	September	27,844	1.92	1.92	0	1.32	0.10	0.08	0.18
	October	21,974	1.54	1.54	0	1.49	0.11	0.40	0.51
	November	18,996	1.33	1.33	0	1.49	0.11	0.61	0.72
	December	16,008	1.12	1.12	0	1.49	0.11	0.31	0.42
2023	January	17,352	1.21	1.21	0	1.49	0.11	0.54	0.65
	February	23,808	1.67	1.67	0	1.49	0.11	0.07	0.18
	March	25,012	1.75	1.75	0	1.49	0.11	0.05	0.16
			91.48	81.08	10.40	155.06	92.44	25.77	128.61

\* If billed as per applicable tariff II-A @ ₹6.35 per unit.

\*\* Excess demand charges for 470 KVA - calculated by adopting a much reasonable sanctioned maximum demand of 250 KVA instead of 90 per cent of 800 KVA for the period from June 2021 to March 2022. From March 2022 onwards, the contracted demand was reduced to 300 KVA and hence the excess was calculated for 50 KVA per month.

## Appendix 3.7

(Reference Paragraph 3.2.2; Page 81)

## Details of administrative sanctions for procurement of Reverse Osmosis plants for a value of above ₹10 lakh

Sl No.	Details of Administrative sanction accorded		RO plants sanctioned		Name of the Government School/Aided College/Hospital		Cost of the RO plant (₹ in lakh)		Avoid-able expenditure (₹ in lakh) (9) – (8)
	Date of AS	Amount sanctioned (₹ in lakh) & Source of funds	Capa-city (in LPH)	No.	Sl No.	Name	As per PWD's SSoR	Amount paid to the supplier	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
District: Erode									
Block: Erode									
1.	05/06/2018	22.80/ MPLADS	500	3	1.	GHQH, Erode (CSSD Building)	2.10	7.60	5.50
					2.	GHQH, Erode (Main Building)	2.10	7.60	5.50
					3.	PHC, Chithode	2.10	7.60	5.50
2.	30/11/2018	26.00/ PUGF	300*	8	4.	GGHSS, Chithode	2.10	3.10	1.00
					5.	GHS, Chithode	2.10	3.10	1.00
					6.	PUMS, Attayampalayam	2.10	3.10	1.00
					7.	PUMS, Manakaator	2.10	3.10	1.00
					8.	PUMS, Mettunasuvanpalayam	2.10	3.10	1.00
					9.	PUPS, Chithode	2.10	3.10	1.00
					10.	PUPS, Pachapalli Sanarpalayam	2.10	3.10	1.00
					11.	PUPS, Perode	2.10	3.10	1.00
Total							23.10	47.60	24.50
Block: Kodumudi									
3.	05/06/2018	22.80/ MPLADS	500	3	12.	GHSS, Salaipudur	2.10	7.26	5.16
					13.	GHSS, Thandampalayam	2.10	7.26	5.16
					14.	GHSS, Unjalur	2.10	7.26	5.16
Total							6.30	21.78	15.48

\* Since the basic rate for 300 LPH was not available in PWD SSoR 2018-19, the approved basic rate of ₹2.10 lakh for 500 LPH was adopted.

Sl No.	Details of Administrative sanction accorded		RO plants sanctioned		Name of the Government School/Aided College/Hospital		Cost of the RO plant (₹ in lakh)		Avoidable expenditure (₹ in lakh) (9) – (8)
	Date of AS	Amount sanctioned (₹ in lakh) & Source of funds	Capacity (in LPH)	No.	Sl No.	Name	As per PWD's SSoR	Amount paid to the supplier	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
District: Vellore									
Block: Katpadi									
4.	28-08-2020	14.00/MLACDS	200 <sup>1</sup>	7	15.	GBHSS, Ponnai	1.06	2.00	0.94
					16.	GHSS, Brahmapuram	1.06	2.00	0.94
					17.	GHSS, Kamambut	1.06	2.00	0.94
					18.	GHSS, Senur	1.06	2.00	0.94
					19.	GHSS, Serkadu	1.06	2.00	0.94
					20.	GHSS, Vallimalai	1.06	2.00	0.94
					21.	GHSS, Vinnampalli	1.06	2.00	0.94
Total							7.42	14.00	6.58
Block: Vellore									
5.	24-09-2018	16.00/MPLADS	1500 <sup>2</sup>	2	22.	GA DKM College for Women, Sainthapuram ('B' Block)	4.80	7.99	3.19
					23.	GADWHS, Perumugai	4.80	8.00	3.20
Total							9.60	15.99	6.39

GA: Government Aided

GADWHS: Government Adi Dravidar Welfare Higher Secondary School

GHSS: Government Higher Secondary School

GBHSS: Government Boys Higher Secondary School

PUPS: Panchayat Union Primary School

PUMS: Panchayat Union Middle School

GHS: Government High School

PHC: Primary Health Centre

GHQH: Government Headquarters Hospital

<sup>1</sup> Since the basic rate for 200 LPH was not available in PWD SSoR 2019-20, the approved basic rate of ₹1,06,000 for 250 LPH was adopted.

<sup>2</sup> Since the basic rate for 1500 LPH was not available in PWD SSoR 2018-19, the approved basic rate of ₹4,80,000 for 2000 LPH was adopted.

## Appendix 3.8

(Reference: Paragraph 3.2.2; Page 81)

**Details of administrative sanctions  
for procurement of Reverse Osmosis plants for a value of below ₹10 lakh**

Sl No.	Details of Administrative sanction accorded		RO plants sanctioned		Name of the Government School/Aided College/Hospital		Cost of the RO plant (₹ in lakh)		Avoid-able expendi- ture (₹ in lakh) (9) – (8)
	Date of AS	Amount sanctioned (₹ in lakh) & Source of funds	Capaci-ty (in LPH)	No.	Sl No.	Name	As per PWD's SSoR	Amount paid to the supplier	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
District: Erode									
Block: Ammapettai									
1.	31-07-2018	7.60/MPLADS	500	1	1.	GHSS, Alampalayam	2.10	7.60	5.50
2.	21-01-2019	3.25/MLACDS	300 <sup>3</sup>	1	2.	GMS, Mathur	2.10	3.25	1.15
3.	19-11-2019	6.50/MLACDS	300 <sup>4</sup>	2	3.	GHS, Kurumbapalayam	2.20	2.72	0.52
					4.	GHSS, Vellithiruppur	2.20	2.72	0.52
Total							8.60	16.29	7.69
District: Vellore									
Block: Katpadi									
4.	28-08-2020	8.00/MLACDS	200 <sup>5</sup>	4	5.	GGHSS, Ponnai	1.06	2.00	0.94
					6.	PHC, Brahmapuram	1.06	2.00	0.94
					7.	PHC, Ponnai	1.06	2.00	0.94
					8.	PHC, Senur	1.06	2.00	0.94
Total							4.24	8.00	3.76
Block: Vellore									
5.	09-02-2019	8.00/MPLADS	1500 <sup>6</sup>	1	9.	GA DKM College for Women, Sainthapuram ('B' Block)	4.80	7.99	3.19
6.	29-10-2019	3.50/MLACDS	250	1	10.	GHS, Govindareddipalayam	1.05	3.50	2.45
7.	29-10-2019	3.50/MLACDS	250	1	11.	GBHSS, Usoor	1.05	3.50	2.45
8.	29-10-2019	3.50/MLACDS	250	1	12.	GGHSS, Usoor	1.05	3.50	2.45
Total							7.95	18.49	10.54

GHSS: Government Higher Secondary School

GMS: Government Model School,

GHS: Government High School,

GGHSS: Government Girls Higher Secondary School,

PHC: Primary Health Centre,

GA: Government Aided

GBHSS: Government Boys Higher Secondary School,

<sup>3</sup> Since the basic rate for 300 LPH was not available in PWD SSoR 2018-19, the approved basic rate of ₹2,10,000 for 500 LPH was adopted

<sup>4</sup> Since the basic rate for 300 LPH was not available in PWD SSoR 2019-20, the approved basic rate of ₹2,20,000 for 500 LPH was adopted

<sup>5</sup> Since the basic rate for 200 LPH was not available in PWD SSoR 2019-20, the approved basic rate of ₹1,06,000 for 250 LPH was adopted

<sup>6</sup> Since the basic rate for 1500 LPH was not available in PWD SSoR 2018-19, the approved basic rate of ₹4,80,000 for 2000 LPH was adopted.

### Appendix 3.9

(Reference: Paragraph 3.2.2; Page 82)

#### Avoidable additional expenditure due to procurement of RO plants

Sl. No.	Name of the District and Block		Number of RO plants procured	Total cost of Procurement (In ₹)		Avoidable expenditure (In ₹) (6) – (5)
	District	Block		As per PWD's SSoR	Actually paid to Supplier	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Erode	Ammapettai	4	8,60,000	16,29,606	7,69,606
2		Erode	11	23,10,000	47,61,632	24,51,632
3		Kodumudi	3	6,30,000	21,77,400	15,47,400
4	Vellore	Katpadi	11	11,66,000	21,98,889	10,32,889
5		Vellore	6	17,55,000	34,47,707	16,92,707
Total (in ₹)			35	67,21,000	1,42,15,234	74,94,234
Total (₹ in lakh)				67.21	142.15	74.94


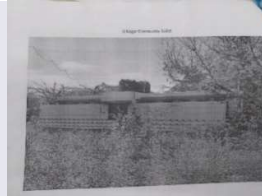

**Appendix 4.1**  
**(Reference: Paragraph 4.1.1; Page 85)**  
**List of ULBs covered in Audit**



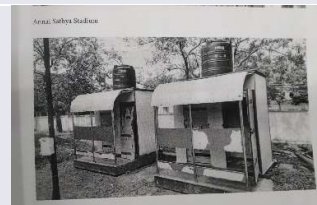

Sl. No.	Municipalities		Town Panchayats		Municipal Corporation
1	Thiruthani	1	Anthiyur	1	Erode
2	Tiruvarur	2	Sivagiri	2	Thanjavur
3	Perambalur	3	Chennasamudhram	3	Tirunelveli
4	Krishnagiri	4	Alampalayam	4	Tiruchirappalli
5	Srivilliputhur	5	Mechari	5	Thoothukudi
6	Rameswaram	6	Vikrapandi	6	Salem
7	Sathyamangalam	7	Andipatty	7	Dindigul
8	Rasipuram	8	Ayyalur	8	Tambaram
9	Maraimalainagar	9	Punjai Thottakurichi	9	Kancheepuram
10	Arakonam	10	Thisayanvilai	10	Vellore
11	Nellikuppam	11	Thiruppathur		
12	Panruti	12	Vilambakkam		
13	Vandavasi	13	Valavanur		
14	Thiruninravur	14	Nangavaram		
15	Taramangalam	15	P.N. Patty		
16	Kayalpattanam	16	Gummidipoondi		
17	Tenkasi	17	Boothipuram		
18	Kadayanallur				
19	Kulithurai				
20	Gudiyatham				
21	Periyakulam				
22	Melur				
23	Madukkarai				

## Appendix 4.2


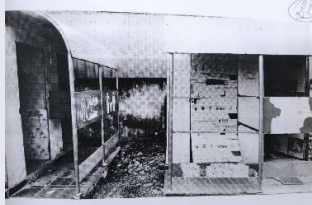

(Reference: Paragraph 4.1.1(i); Page 86)

### Community Toilets not put into use since completion

Sl. No.	Name of the local body	Location of Toilet	Cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
1	Dindigul City Municipal Corporation	Post office back side	8.00	2017-18	7.94	19-6-2019	2018-19	Not put into use since June 2019. Joint Inspection conducted on 27-12-2022	As another Pay and Use toilet is already available in front side	
2	Dindigul City Municipal Corporation	J. J. Nagar	12.00	2017-18	12.00	19-6-2019	2018-19	Not put into use since June 2019. Joint Inspection conducted on 27-12-2022	No hand rail provided. Far away from residents area and not approachable	
3	Dindigul City Municipal Corporation	Sivan Kovil Street in Ward no. 27	8.00	2017-18	8.00	18-6-2019	2018-19	Not put into use since June 2019. Joint Inspection conducted on 27-12-2022	Not disclosed	

Sl. No.	Name of the local body	Location of Toilet	Cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
4	Salem City Municipal Corporation	Putta Mission Road	20.00	2017-18	17.33	12-1-2022	2018-19	Not put into use and kept in locked condition. Joint Inspection conducted on 28-12-2022	It was noticed that there exists another separate toilet for ladies and gents side by side.	
5	Thanjavur City Municipal Corporation	Ramanathan Roundana	27.75	2014-15	D.N.A	D.N.A	D.N.A	Not functioning	Joint Inspection conducted on 23-12-2022.	
6		Annai Sathya Stadium	27.75	2014-15	D.N.A	D.N.A	D.N.A	Not functioning	None of the toilet was functional. There were no running water/electricity connections to the toilets.	
7		A R Police Ground	27.75	2014-15	D.N.A	D.N.A	D.N.A	Not functioning	The toilets were not maintained, some were in state of extreme disrepair.	

**Compliance Audit Report (Local Government), Tamil Nadu for the year ended March 2022**





Sl. No.	Name of the local body	Location of Toilet	Cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
8		RMH Road	27.75	2014-15	D.N.A	D.N.A	D.N.A	Not functioning		
9		Kasi Pilliyar Koil Street (Tempo-rary Bus Stand)	27.75	2014-15	D.N.A	D.N.A	D.N.A	Not functioning		
10		Perarignar Anna Noortrandu Mandapam	27.75	2014-15	D.N.A	D.N.A	D.N.A	Not functioning		
11	Thisayanvilai Town Panchayat	Kurugapuram	9.75	2016-17	9.75	30-3-2019	2017-18	Not put into use since completion in March 2019. Sintex Tank and doors were not available. Joint Inspection conducted on 16-2-2023	Location of the toilet is far away from habitation.	
Total			224.25							

D.N.A – Details Not Available





### Appendix 4.3





(Reference: Paragraph 4.1.1(i); Page 86)

#### Community Toilets put into use for some period but not used at present



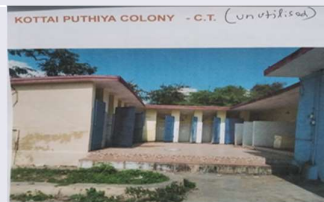

Sl. No.	Name of the local body	Location of Toilet	Cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
1	Arakkonam Municipality	Jubilee Road	8.00	2014-15	D.N.A	D.N.A	2016-17	Not put into use for the last 10 months. Joint Inspection conducted on 27-12-2022	Due to construction/implementation of Individual Household Latrine (IHHL)	
2	Arakkonam Municipality	Nannumiyar Sahib Street	8.00	2014-15	D.N.A	D.N.A	2016-17	Not put into use for the last 15 months. Joint Inspection conducted on 27-12-2022	Due to construction/implementation of Individual Household Latrine (IHHL)	
3	Arakkonam Municipality	Pudupet	8.00	2014-15	D.N.A	D.N.A	2016-17	Not put into use for the last 12 months. Joint Inspection conducted on 27-12-2022	Due to construction/implementation of Individual Household Latrine (IHHL)	
4	Arakkonam Municipality	Rajiv Gandhi Nagar	8.00	2014-15	D.N.A	D.N.A	2016-17	Not put into use for the last 10 months. Joint Inspection conducted on 27-12-2022	Due to construction/implementation of Individual Household Latrine (IHHL)	


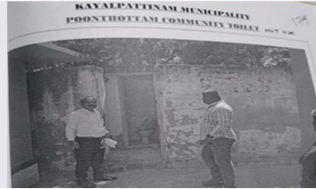



**Compliance Audit Report (Local Government), Tamil Nadu for the year ended March 2022**

Sl. No.	Name of the local body	Location of Toilet	Cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
5	Rasipuram Municipality	Kattur Kattukottai	10.00	D.N.A	D.N.A	D.N.A	2015-16	Not put into use since 2018. Joint Inspection conducted on 27-12-2022	Due to a distance of 500m from public residing area, people did not utilise this toilet	
6	Alampalayam Town Panchayat	Alamedu	6.86	2015-16	6.86	29-10-2021	2018-19	Not put into use for more than one year. Joint Inspection conducted on 27-12-2021	No one was willing to take the toilet in 'lease'.	
7	Sathya mangalam Municipality	Andavar Nagar (Ward No. 9)	10.00	2015-16	9.96	5-10-2016	2015-16	Not put into use for the last 3 years. Joint Inspection conducted on 27-12-2022	Due to non-availability of water in the borewell	
8	Sathya mangalam Municipality	Kolathur (Ward No. 2)	10.00	2015-16	10.00	27-10-2016	2015-16	Not put into use for the last 2 years. Joint Inspection conducted on 27-12-2022	Due to non-availability of water in the borewell	Not available
9	Sathya mangalam Municipality	Kullan-karadu (Ward No. 9)	10.00	2015-16	10.00	28-10-2016	2015-16	Not put into use for the last 1 year. Joint Inspection conducted on 27-12-2022	Due to non-availability of water in the borewell	



Sl. No.	Name of the local body	Location of Toilet	Cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
10	Sathya mangalam Municipality	Puliam Combai (Ward No.10)	10.00	2015-16	10.00	22-8-2016	2015-16	Not put into use for the last 3 years. Joint Inspection conducted on 23-12-2022	Due to non-availability of water in the borewell	
11	Nellikuppam Municipality	Mullikiram-pattu (Ward No.3)	10.00	2015-16	10.35	2017	2016-17	Not put into use. Joint Inspection conducted on 18-1-2023	Building damaged and tender proposed for rectification of damages	
12	Tirunelveli City Municipal Corporation	Anantha-puram (Ward No. 3)	10.00	2015-16	10.00	D.N.A	2015-16	Not put into use. Joint Inspection conducted on 23-12-2022	Damaged condition. Water facility not provided.	
13	Tirunelveli City Municipal Corporation	Karuvalan-gundru (Ward No. 54)	5.00	2015-16	5.00	D.N.A	2015-16	Not put into use. Joint Inspection conducted on 23-12-2022	Damaged condition. Doors and water facility not provided.	





**Compliance Audit Report (Local Government), Tamil Nadu for the year ended March 2022**

Sl. No.	Name of the local body	Location of Toilet	Cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
14	Tirunelveli City Municipal Corporation	Nellaiya-puram (Ward No. 50)	9.80	2015-16	9.80	D.N.A	2015-16	Not put into use. Joint Inspection conducted on 23-12-2022	Water facility not provided.	
15	Tirunelveli City Municipal Corporation	Kattabomman (Ward No. 47)	9.95	2015-16	9.95	D.N.A	2015-16	Not put into use. Joint Inspection conducted on 23-12-2022	Water facility not provided.	
16	Tirunelveli City Municipal Corporation	MGR Nagar (Ward No. 20)	10.00	2015-16	10.00	D.N.A	2015-16	Not put into use. Joint Inspection conducted on 23-12-2022	Water facility not provided.	Not available
17	Vandhavasi Municipality	Kottai pudhiya colony	NA	2007	N.A	N.A	2007	Not put into use during the last one year. Joint Inspection conducted on 24-1-2023	As IHHL was provided, not put into use.	
18	Vandhavasi Municipality	Rajiv Gandhi nagar	NA	2007	N.A	N.A	2007	Not put into use during the last one year. Joint Inspection conducted on 24-1-2023	As IHHL was provided, not put into use.	

Sl. No.	Name of the local body	Location of Toilet	Cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
19	Vandhavasi Municipality	Veerasamy Mudaliar Street	NA	2017	N.A	October 2017	2017	Not put into use during the last one year. Joint Inspection conducted on 24-1-2023	As IHHL was provided, not put into use and kept locked.	
20	Kayalpatnam Municipality	Poonthottam	8.00	2016-17	8.00	22-6-2017	2016-17	Not put into use since 2019. Joint Inspection conducted on 15-2-2023	As IHHL was provided, not put into use and kept in damaged condition.	
21	Tenkasi Municipality	Chinthamani Park	1.50	2015-16	1.40	D.N.A	2015-16	Not put into use during last two years. Joint Inspection conducted on 13-2-2023	Due to availability of IHHL & one additional community toilet inside with 10 seats	
22	Tenkasi Municipality	TNHB Colony park	1.50	2015-16	1.24	D.N.A	2015-16	Not put into use during last three years. Joint Inspection conducted on 13-2-2023	Due to damaged building condition and theft of motor and EB meter in the premises	
23	Tenkasi Municipality	Ayikudy Road (Ward No.32)	1.50	2015-16	1.24	D.N.A	2015-16	Not put into use during last two years. Joint Inspection conducted on 13-2-2023	Due to damaged floor and closet. Also 2 new toilet seats available in a nearby campus.	

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Sl. No.	Name of the local body	Location of Toilet	Cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
24	Tenkasi Municipality	Malayan Street	1.50	2015-16	1.24	D.N.A	2015-16	Not put into use. Joint Inspection conducted on 13-2-2023	Due to damaged condition of floor and availability of 20 seats Community toilet in a nearby place.	
25	Tenkasi Municipality	Mynaperi Road	2.50	2015-16	2.50	D.N.A	2015-16	Not put into use during last six months. Joint Inspection conducted on 13-2-2023	Due to motor repair condition.	
26	Tenkasi Municipality	Ayiraperi Road	2.50	2015-16	2.50	D.N.A	2015-16	Not put into use during last six months. Joint Inspection conducted on 13-2-2023	Due to water service disconnection. Also a 3 seats Community toilet is available in the nearby area.	
27	Tenkasi Municipality	Post Office Road backside	2.50	2015-16	2.50	D.N.A	2015-16	Not put into use during last one and half years. Joint Inspection conducted on 13-2-2023	Due to small size of septic tank which fills frequently and floors were damaged.	




Sl. No.	Name of the local body	Location of Toilet	Cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
28	Tenkasi Municipality	Mela valipan pothai	2.50	2015-16	2.50	D.N.A	2015-16	Not put into use during last three years. Joint Inspection conducted on 13-2-2023	Due to non-availability of water in borewell.	
29	Tenkasi Municipality	Pulikuttu Vinayagar koil Street	2.50	2017-18	2.50	D.N.A	2017-18	Not put into use. Joint Inspection conducted on 13-2-2023	Due to implementation of IHHL. Additionally 10 seats Community toilet is available in the nearby area. Also, septic tank is in damaged condition.	
30	Kuzhithurai Municipality	Nesamani bridge	2.40	2015-16	2.40	30-8-2016	2015-16	Not put into use during last three years. Joint Inspection conducted on 16-2-2023	Septic tank is in damaged condition, due to heavy flood in river. Also, due to implementation of IHHL.	
31	Kuzhithurai Municipality	Marthandam vegetable market	2.40	2015-16	2.40	12-9-2016	2015-16	Not put into use during last three years. Joint Inspection conducted on 16-2-2023	Due to dumping of garbage and damaged condition of the building. Also another toilet is being used in the premises.	
Total			174.91							

D.N.A – Details Not Available




#### Appendix 4.4

(Reference: Paragraph 4.1.1(ii); Page 86)



#### Community Halls not put to use

Sl. No.	Name of the local body	Location of Hall	Estimate cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
<b>Community Halls not put into use since completion</b>										
1	Thiruninravur Municipality	Thiruninravur	15.00	2008-09	15.00	2008-09	2009	Not put into use since the date of inception. Joint Inspection conducted on 4-1-2023	Non-availability of sufficient rest room facilities.	
	<b>Total</b>				<b>15.00</b>					
<b>Community Halls put into use for some period but not used at present</b>										
1	Vilampakkam Town Panchayat	Arcot to Arani Road near Mahalakshmi College	15.00	2007-08	15.00	2008	2007-08	Not in use for more than ten years.	Non-provision of water and toilet facilities, dining hall and bridegroom room	
2	Valavanur Town Panchayat	Panchayat Board Office Street	30.00	2011-12	30.00	2016-17	2016-17	Not in use for more since 2019. Joint Inspection conducted on 19-1-2023	Not auctioned since 2019 and now, Council proposed to renovate and auction thereon.	
	<b>Total</b>				<b>45.00</b>					

**Appendix 4.5**  
(Reference: Paragraph 4.1.1(iii); Page 88)  
**Slaughterhouses not put into use since completion**

Sl. No.	Name of the local body	Location of the slaughterhouse	Estimate cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
1	Tiruttani Municipality	Anumandapuram (Ward No. 13)	25.00	2012-13	25.00	19-6-2015	2012-15	Not put into use since the completion of construction in 2015	Non-provision of modern infrastructure facilities.	
2	Erode City Municipal Corporation	BP Agraharam (TS No. 216)	75.00	2016-17	52.86	October 2019	2016-19	Not put into use since the completion of construction in October 2019	Awaiting consent from TNPCB for operation	
3	Thanjavur City Municipal Corporation	K V K Samy Municipal Complex, Pookara Vilar Road (Ward No. 45)	30.00	2013-14	29.91	D.N.A	2013-16	Not in use. During Joint Inspection conducted on 23-12-2022, it was observed that the doors and shutter were in damaged condition and the inside facility did not show any sign of ever being used.	Not disclosed.	

*Compliance Audit Report (Local Government), Tamil Nadu for the year ended March 2022*

Sl. No.	Name of the local body	Location of the slaughterhouse	Estimate cost (₹ in lakh)	Year of sanction	Expenditure incurred (₹ in lakh)	Date of completion	Year of construction	Present status	Reason for not put into use	Photographs
4	Thoothukudi City Municipal Corporation	SS Market	20.00	2011-12	20.00	May 2012	2011-12	Not put into use since the completion of construction in May 2012. Joint Inspection conducted on 17-2-2023.	Due to public agitation on the 'location' in resident area	
5	Tiruvarur Municipality	Tiruvarur	46.00	2007-08	46.00	25-1-2010	2007-08	Not put into use and there is no evidence of culling the animals. Joint Inspection conducted on 17-2-2023.	Consent from TNPCCB not obtained.	
Total					173.77					

### Appendix 4.6

(Reference: Paragraph 4.2.1; Page 92)

#### Non-collection of profession tax from TNSTC

Sl. No.	Name of the Municipality/ Corporation	Period from which remained uncollected	Amount remained uncollected (₹ in crore)
1	Pollachi Municipality	2012-13 II half year to 2021-22 I half year	2.09
2	Pallipalayam Municipality	2013-14 II half year to 2021-22	0.80
3	Hosur Corporation	2010-11 to 2018-19	0.25
4	Salem City Municipal Corporation	2011-12 II half year to 2021-22	3.06
5	Coimbatore City Municipal Corporation	2005-06 II half year, 2008-09 and 2009-10 II half year	0.84
Total			7.04

Appendix 4.7

(Reference: Paragraph 4.2.2(a); Page 93)

Statement showing calculation of vacant land tax

Sl. No.	Owners/ Companies	Area (in sft )	Period	Total Due/demanded	Amount (₹ in lakh)
Loss of revenue for the period from April 2007 to September 2014					
1	ELCOT	23,23,055	April 2007 to September 2009	23,23,055 sq.ft x ₹0.10 x 5 Half yearly period	11.62
2	ELCOT	5,88,881	October 2009 to September 2014	5,88,881 sq.ft x ₹0.434 <sup>7</sup> x 10 Half yearly period	25.56
3	ELCOT	16,25,307	October 2009 to September 2014	16,25,307 sq.ft x ₹0.434 <sup>8</sup> x 10 Half yearly period	70.54
		1,08,867		1,08,867 sq.ft x ₹0.325 <sup>9</sup> x 10 Half yearly period	3.54
Total					111.26
Non-levy of vacant land tax					
4	ELCOT	5,88,881	October 2014 to March 2022	5,88,881 sq.ft x ₹0.434 x 15 Half yearly period	38.34
5	ELCOT	4,13,764	October 2018 to March 2019	4,13,764 sq.ft x ₹0.434 x One Half yearly period <sup>10</sup>	1.80
		1,08,867	October 2014 to March 2018 <sup>11</sup>	1,08,867 sq.ft x ₹0.325 x 7 Half yearly period	2.48
6	ELCOT (including an Individual)	12,11,543	October 2014 to March 2022	12,11,543 sq.ft x ₹0.434 x 15 Half yearly period	78.87
Total					121.49
Grand Total					232.75

<sup>7</sup> Includes General Tax, Sanitary Tax, Lighting Tax, Water Supply Tax, Drainage Tax, Education Tax and Library Tax.

<sup>8</sup> Zone C rate assessed by SMC w.e.f 2014-15 II half year taken for previous years.

<sup>9</sup> Zone B rate assessed by SMC w.e.f 2018-19 I half year taken for previous years

<sup>10</sup> Since property tax assessment was made from April 2019

<sup>11</sup> Since vacant land tax levied and collected from the lessee.

**Appendix 4.8**  
**(Reference: Paragraph 4.2.3; Page 96)**  
**Incorrect levy of property tax**

(₹ in lakh)

Assessment Number	Type of Special Building	Area (in sq.ft.)	Period of Assessment	Half yearly tax levied (Base rate ₹10)	Half yearly tax to be levied (Base rate ₹33.60)	Tax levied and collected for six half years	Actual Tax to be levied for six half years (in ₹)	Incorrect levy of property tax for six half years (Col.8-Col.7)
1	2	3	4	5	6	7	8	9
162-069-906119	Super Specialty Hospital	40,248	1st half year 2019-20 to 2nd half year 2021-22	2.36	7.93	14.16	47.59	33.43
162-069-906120		57,142		3.35	11.26	20.11	67.56	47.45
162-069-906121		96,357		5.65	18.99	33.91	113.93	80.02
Total		1,93,747		11.36	38.18	68.18	229.08	160.90

## Appendix 4.9

(Reference: Paragraph 4.3.1(a); Page 97)

### Procurement of BOVs - Reduction in GST not passed on to ULBs

Sl. No.	Name of the ULB	Name of the Successful bidder	Bid amount	Date of supply	Number of BOVs supplied	Invoice Date	Invoice Amount	Before 1-8-2019			After 1-8-2019			GST leviable @5% for old rate	GST levied @5% for new rate	GST-Difference = Col. (16-15)	Rate difference = Col. (12-9)	Total difference = Col. (6x(17+18))
								Rate of vehicle excluding GST	GST @12%	Invoice value = Col. (6x(9+10))	Rate of vehicle excluding GST	GST @ 5%	Invoice value = Col. (6*(12+13))					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
	Municipality		(₹ in lakh)				(₹ in lakh)	(in ₹)		(₹ in lakh)	(in ₹)		(₹ in lakh)	(in ₹)				
1	Ambasamudram	Sharp System, CBE	1.79	04-10-2019	8	14-08-2019	14.28	1,59,375	19,125	14.28	1,70,006	8,500	14.28	7,968.75	8,500.29	531.54	10,630.71	89,297.96
2	Kovilpatti	Neptune Automn. ERD	1.49	26-12-2019	27	26-12-2019	40.23	1,33,036	15,964	40.23	1,41,905	7,095	40.23	6,651.80	7,095.24	443.44	8,868.76	2,51,429.35
3	Kayalpattinam	Best & Fast, CBE	1.80	12-08-2019	24	12-08-2019	43.15	1,60,714	19,286	43.20	1,71,240	8,562	43.15	8,035.71	8,562.00	526.29	10,525.72	2,65,248.14
4	Tenkasi	Selvaram Ent., TIPR	1.74	01-08-2019	25	01-08-2019	43.51	1,55,402	18,648	43.51	1,65,754	8,288	43.51	7,770.09	8,287.70	517.61	10,352.21	2,71,745.51
5	Kadayanallur	Sharp System, CBE	1.80	11-11-2019	12	01-11-2019	21.48	1,59,821	19,179	21.48	1,70,476	8,524	21.48	7,991.07	8,523.81	532.74	10,654.76	1,34,249.98
6	Padmanabhapuram	Sharp System, CBE	1.73	13-08-2019	5	13-08-2019	8.65	1,54,464	18,536	8.65	1,64,762	8,238	8.65	7,723.21	8,238.10	514.89	10,297.71	54,062.98
7	Virudhunagar	Arun India Mots., SLM	1.79	20-12-2019	20	23-12-2019	35.80	1,59,821	19,179	35.80	1,70,476	8,524	35.80	7,991.07	8,523.81	532.74	10,654.75	2,23,749.75
	Virudhunagar	SJS & Co., Virudhu nagar	1.80	23-12-2019	17	04-03-2020	30.55	1,60,446	19,254	30.55	1,71,143	8,557	30.55	8,022.32	8,557.14	534.82	10,696.43	1,90,931.28
8	Rajapalayam	Arun India Mots., SLM	1.75	23-09-2019	71	23-09-2019	124.25	1,56,250	18,750	124.25	1,66,667	8,333	124.25	7,812.50	8,333.34	520.84	10,416.70	7,76,564.99
9	Sivakasi	SJS & Co., Virudhu nagar	1.79	01-11-2019	14	01-11-2019	25.10	1,60,089	19,211	25.10	1,70,762	8,538	25.10	8,004.46	8,538.10	533.63	10,672.61	1,56,887.37

Sl. No.	Name of the ULB	Name of the Successful bidder	Bid amount	Date of supply	No. of BOVs supplied	Invoice Date	Invoice Amount	Before 1-8-2019			After 1-8-2019			GST leviable @5% for old rate	GST levied @5% for new rate	GST Difference = Col. (16-15)	Rate difference = Col. (12-9)	Total difference = Col. (6x(17+18))
								Rate of vehicle excluding GST	GST @12%	Invoice value = Col. (6x(9+10))	Rate of vehicle excluding GST	GST @ 5%	Invoice value = Col. (6*(12+13))					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
10	Thiruthangal	SJS & Co., Virudhu nagar	1.79	10-09-2019	22	10-09-2019	39.45	1,60,089	19,211	39.45	1,70,762	8,538	39.45	8,004.46	8,538.10	533.63	10,672.61	2,46,537.29
11	Pallavaram	Encon Engineers, CBE	1.75	20-12-2019	15	05-12-2019	26.18	1,55,804	18,696	26.17	1,66,190	8,310	26.18	7,790.18	8,309.52	519.35	10,386.91	1,63,593.83
	Pallavaram	Encon Engineers, CBE	1.75	08-01-2020	36	08-01-2020	62.82	1,55,804	18,696	62.82	1,66,190	8,310	62.82	7,790.18	8,309.52	519.35	10,386.91	3,92,625.20
12	Tambaram	Encon Engineers, CBE	1.80	03-09-2019	54	08-08-2019	96.93	1,60,268	19,232	96.93	1,70,952	8,548	96.93	8,013.39	8,547.62	534.23	10,684.52	6,05,812.28
13	Poonamallee	Encon Engineers, CBE	1.80	16-08-2019	5	14-08-2019	8.98	1,60,268	19,232	8.98	1,70,952	8,548	8.97	8,013.39	8,547.62	534.23	10,684.52	56,093.73
	Poonamallee	Encon Engineers, CBE	1.80	16-08-2019	4	14-08-2019	7.18	1,60,268	19,232	7.18	1,70,952	8,548	7.18	8,013.39	8,547.62	534.23	10,684.52	44,874.98
	Poonamallee	Encon Engineers, CBE	1.80	16-08-2019	5	14-08-2019	8.98	1,60,268	19,232	8.98	1,70,952	8,548	8.97	8,013.39	8,547.62	534.23	10,684.52	56,093.73
	Poonamallee	Encon Engineers, CBE	1.80	16-08-2019	5	14-08-2019	8.98	1,60,268	19,232	8.98	1,70,952	8,548	8.97	8,013.39	8,547.62	534.23	10,684.52	56,093.73
14	Thiruverkadu	Encon Engineers, CBE	1.80	26-08-2019	13	26-08-2019	23.34	1,60,268	19,232	23.34	1,70,952	8,548	23.33	8,013.39	8,547.62	534.23	10,684.52	1,45,843.70
15	Chidambaram	Arun India Motors, SLM	1.80	10-11-2019	21	17-12-2019	37.70	1,60,268	19,232	37.70	1,70,952	8,548	37.70	8,013.39	8,547.62	534.23	10,684.54	2,35,594.11

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Sl. No.	Name of the ULB	Name of the Successful bidder	Bid amount	Date of supply	No. of BOVs supplied	Invoice Date	Invoice Amount	Before 1-8-2019			After 1-8-2019			GST leviable @5% for old rate	GST levied @5% for new rate	GST Difference = Col. (16-15)	Rate difference = Col. (12-9)	Total difference = Col. (6x(17+18))
								Rate of vehicle excluding GST	GST @12%	Invoice value = Col. (6x(9+10))	Rate of vehicle excluding GST	GST @5%	Invoice value = Col. (6*(12+13))					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
16	Panruti	Arun India Motors, SLM	1.80	02-11-2019	20	24-10-2019	35.96	1,60,538	19,265	35.96	1,71,240	8,562	35.96	8,026.88	8,562.00	535.13	10,702.50	2,24,752.50
	Panruti	Priyam Ind./Eng., CHE	1.79	04-11-2019	10	23-10-2019	17.95	1,60,232	19,228	17.95	1,70,914	8,546	17.95	8,011.61	8,545.72	534.11	10,682.16	1,12,162.68
17	Virudhachalam	Shuttle Cars Ind. CHE	1.67	25-09-2019	27	11-12-2019	48.60	1,60,714	19,286	48.60	1,71,429	8,571	48.60	8,035.71	8,571.43	535.71	10,714.28	3,03,749.84
18	Dharapuram	M/s Priyam Industries & Engg.P.Ltd.	1.80	21-10-2019	28	15-10-2019	35.90	1,60,268	19,232	50.26	1,70,952	8,548	50.26	8,013.39	8,547.62	534.23	10684.54	3,14,125.48
Town Panchayat																		
19	Sundarapandia m	Vijaya mohan Ele.,CBE	1.80	16-12-2019	2	16-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
20	Kariyapatti	Vijaya mohan Ele.,CBE	1.80	16-12-2019	2	16-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
21	S.Kodikulam	Vijaya mohan Ele.,CBE	1.80	17-12-2019	2	16-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
22	W. Pudhupatti	Vijaya mohan Ele.,CBE	1.80	14-12-2019	2	14-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
23	Chettiarpatti	Vijaya mohan Ele.,CBE	1.80	16-12-2019	2	14-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
24	Mallankinaru	Vijaya mohan Ele.,CBE	1.80	16-12-2019	2	16-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
25	Mamsapuram	Vijaya mohan Ele.,CBE	1.80	16-12-2019	2	16-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
26	Watrap	Vijaya mohan Ele.,CBE	1.80	16-12-2019	2	16-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50

Sl. No.	Name of the ULB	Name of the Successful bidder	Bid amount	Date of supply	No. of BOVs supplied	Invoice Date	Invoice Amount	Before 1-8-2019			After 1-8-2019			GST leviable @5% for old rate	GST levied @5% for new rate	GST Difference = Col. (16-15)	Rate difference = Col. (12-9)	Total difference= Col. (6x(17+18))
								Rate of vehicle excluding GST	GST @12%	Invoice value = Col. (6x(9+10))	Rate of vehicle excluding GST	GST @5 %	Invoice value = Col. (6*(12+13))					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
27	Seithur	Vijaya mohan Ele.,CBE	1.80		2	18-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
28	Alanganallur	Vijaya mohan Ele.,CBE	1.80	13-12-2019	2	13-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
29	Paravai	Vijaya mohan Ele.,CBE	1.80	12-12-2019	2	12-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
30	Solavandan	Vijaya mohan Ele.,CBE	1.80	12-12-2019	2	12-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
31	Palamedu	Vijaya mohan Ele.,CBE	1.80	13-12-2019	2	13-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
32	T. Kallupatti	Vijaya mohan Ele.,CBE	1.80	29-11-2019	2	29-11-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
33	Vadipatti	Vijaya mohan Ele.,CBE	1.80	13-12-2019	2	13-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
34	A Vellalapatti	Vijaya mohan Ele.,CBE	1.80	13-12-2019	2	13-12-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
35	Peraiyur	Vijaya mohan Ele.,CBE	1.80	29-11-2019	2	29-11-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
36	Elumalai	Vijaya mohan Ele.,CBE	1.80		2	29-11-2019	3.59	1,60,446	19,254	3.59	1,71,143	8,557	3.59	8,022.32	8557.14	534.82	10,696.43	22,462.50
	Total				524													57,76,445.43

#### Appendix 4.10

(Reference: Paragraph 4.3.1(b); Page 98)

##### Details of difference in cost of batteries

Sl. No.	Name of the ULBs	Number of BOV	Type of battery supplied - Lead Acid (in nos)	Cost of Lithium - ion battery* (in ₹)	Cost of Lead acid battery @ ₹5,800 each	Difference in cost of one battery (in ₹)	Total difference in cost (in ₹)
BOVs fitted with four LABs							
1	Dindigul Municipal Corporation	100	4	42,712	23,200	19,500	19,50,000
BOVs fitted with five LABs							
2	Ambasamudram	17	5	42,712	29,000	13,700	2,32,900
3	Vickramasingapuram	12	5	42,712	29,000	13,700	1,64,400
4	Kayalpattinam	25	5	42,712	29,000	13,700	3,42,500
5	Thiruvarur	24	5	42,712	29,000	13,700	3,28,800
6	Rajapalayam	71	5	42,712	29,000	13,700	9,72,700
	Sub Total	149					20,41,300
Cases of procurement of BOVs with five LABs							
7	Chenglepet	17	5	42,712	29,000	13,700	2,32,900
8	Cuddalore	55	5	42,712	29,000	13,700	7,53,500
9	Nellikuppam	13	5	42,712	29,000	13,700	1,78,100
	Sub Total	85					11,64,500
	Grand Total	334					51,55,800

\* Cost of Lithium-ion battery 60V 40Ah is ₹48,000 with GST @18 per cent as per bill in one ULB  
 Cost is recalculated based on the rate of GST @ 5 per cent (when sold with BOV)  
 Thus, the cost of one battery is ₹48,000/118\*105 = ₹42,712.

## Glossary of abbreviations

Abbreviations	Full Form
AS	Administrative Sanction
BDO	Block Development Officer
BDO (BP)	Block Development Officer, Block Panchayat
BDO (VP)	Block Development Officer, Village Panchayat
BOV	Battery Operated Vehicle
BP	Block Panchayat
CAG	Comptroller and Auditor General of India
CCMC	Coimbatore City Municipal Corporation
CFC	Central Finance Commission
CGPC	Close Graded Pre-mix Carpet
CMA	Commissioner of Municipal Administration
CRD&PR	Commissioner of Rural Development and Panchayat Raj
CU	Chlorination Units
DC	District Collector
DLFA	Director of Local Fund Audit
DMA	Director of Municipal Administration
DP	District Panchayat
DPC	District Planning Committee
DRCPs	District Resource Centres for Panchayats
DRDA	District Rural Development Agency
DRDPR	Directorate of Rural Development and Panchayat Raj
ELCOT	Electronics Corporation of Tamil Nadu Limited
GCC	Greater Chennai Corporation
GoI	Government of India
GoTN	Government of Tamil Nadu
GST	Goods and Service Tax
HT	High Tension
IR	Inspection Report
IRC	Indian Road Congress
IRDC	Integrated Rural Development Complex

Abbreviations	Full Form
JPI	Joint Physical Inspection
JPV	Joint Physical Verification
KVA	Kilovolt-Ampere
LAB	Lead Acid Battery
LED	Light Emitting Diode
LIB	Lithium-ion battery
LWF	Labour Welfare Fund
MA&WS	Municipal Administration and Water Supply
MCC	Micro Composting Centre
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MI	Minor Irrigation
MoNRE	Ministry of New and Renewable Energy
MPLADS	Members of Parliament Local Area Development Scheme
MT	Metric Tonne
MTD	Model Tender Document
NMAM	National Municipal Accounting Manual
OGPC	Open Graded Pre-mix Carpet
OHT	Over Head Tank
PAC	Committee on Public Accounts
PD	Project Director
PF	Power Factor
PIP	Participatory Identification of Poor
PRI	Panchayat Raj Institution
PRIASoft	Panchayat Raj Institutions Accounting Software
PU	Panchayat Union
PWD	Public Works Department
QCL	Quality Control Lab
RD&PR	Rural Development and Panchayat Raj
RIRD	Regional Institute of Rural Development
RO	Reverse Osmosis

Abbreviations	Full Form
RR Act	Tamil Nadu Revenue Recovery Act
RRC	Resource Recovery Centre
RTA	Regional Transport Authority
SCPAR	Scheme Component of Pooled Assigned Revenue
SFC	State Finance Commission
SIRD	State Institute of Rural Development and Panchayat Raj
SMC	Salem Municipal Corporation
SSoR	Standard Schedule of Rates
SPVHLS	Solar Photovoltaic Home Lighting System
TANCEM	Tamil Nadu Cements Corporation
TCMC	Tirupur City Municipal Corporation
TEDA	Tamil Nadu Energy Development Agency
TK	Thooimai Kavalar
TNPCB	Tamil Nadu Pollution Control Board
TNPEMCR	Tamil Nadu Panchayats (Preparation of plans and estimates for works and mode and conditions of contracts) Rules
TNSTC	Tamil Nadu State Transport Corporation
TNTTA	Tamil Nadu Transparency in Tenders Act
TNTTR	Tamil Nadu Transparency in Tenders Rules
TP	Town Panchayat
TS	Technical Sanction
UC	Utilisation Certificate
ULB	Urban Local Bodies
VP	Village Panchayat
WBM	Water Bound Macadam
WMM	Wet Mix Macadam

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