

**AUDIT REPORT ON THE ACCOUNTS OF THE
MC RAJAHMUNDRY MUNICIPAL CORPORATION, RAJAHMUNDRY MANDAL,
EAST GODAVARI-KAKINADA DISTRICT FOR THE YEAR 2015-16**

**MC RAJAHMUNDRY MUNICIPAL CORPORATION, RAJAHMUNDRY MANDAL,
EAST GODAVARI-KAKINADA DISTRICT FOR THE YEAR 2015-16**

File Number : SA/EG/RAJAHMUNDRY/MCorp(2)/MC RAJAHMUNDRY/2015-16

Name Of the Auditor (s) :

1. Mr/Mrs KAMALA - ASSISTANT AUDIT OFFICER

Date Of Audit :

From 16-05-2016 To 28-03-2017

Date Of Audit :

From 16-05-2016 To 28-03-2017

Name (s) of Executive Authorities :

1. Mr J.Murali - Commissioner From 01-04-2015 To 04-09-2015
2. Mr T.Sakala Reddy, - RDMA, Commissioner incharge From 05-09-2015 To 04-12-2015
3. Mr V.Vijaya Ramaraju - IAS, Commissioner From 05-12-2015 To 31-03-2016

GENERAL FUND

Para Number : 1

OTHERS (Code : 18) Rs : 0

1. GENERAL FINANCIAL REVIEW:

The receipts and payments during the year were shown in the Receipts & Payments statement together with the opening and closing balance. The opening cash book was not agreed with the closing balance of the previous year.(separate para raised) The consolidated annual account was showing the closing balance as on 31-3-2016. As verified from the cash book, the cash book was not closed every month. The monthly abstract and yearly abstract was not arrived at the end of the year. The reconciliation statements produced were not tallying with the closing balance of the reconciliation statement and the figures of the cash book as on 31-3-2016. As such the correctness of the closing balance of the cash book could not be certified in audit. Immediately the reconciliation between cash book and the consolidated annual account would need to be made and produced to audit.

DETAILS OF THE CLOSING BALANCES AS PER RECEIPTS AND PAYMENTS STATEMENT AS ON 31-3-2016:

SL. NO	DETAILS	MGF	CPF	PEF	TOTAL
1	Cash in Hand	6761559.00	0.00	0.00	6761559.00
2	Cash at Bank	695394441.08	124219544.13	0.00	819613985.21
3	Cheque in Hand	35814125.00	22000.00	5182.00	35841307.00
	TOTALS	737970125.08	124241544.13	5182.00	862216851.21

1. DETAILS OF CONSOLIDATED CLOSING BALANCE:

C.B as per the General Funds PASS book (001) : Rs. 11,77,47,067-00
C.B as per the General Funds PASS book (002) : Rs.15,44,50,701-00
Closing balance of other funds : Rs. 59,00,19,083-21
Total : Rs. 86,22,16,851-21

1. FINANCIAL POSITION:

The resources of ULBs consist of grants and assistance from the Government of India (GOI) and the State Government under various schemes, loans from Financial Institutions (HUDCO etc.) and various tax and non-tax collections. The tax revenue mainly accrues from property tax and taxes on advertisement, while non-tax revenue comes from water charges, trade license fees, leases of Markets and developmental charges, building fee, etc. The financial position of the ULB has been analysed with reference to the figures provided in the budget as follows. Further during the year under audit, as the subsidiary actual receipts in respect of revenue were taken based on the annual account figures.

Amount Rs in lakhs.

Sl. No.	Head of Account	Budget estimates	Actual	Difference	% of difference
1	Property Tax from Public-General Tax	2404.15	3059.01	-654.86	127.239
2	Vacant land tax	350.00	151.82	198.18	43.3771
3	Entertainment Tax	150.00	36.64	113.36	24.4267
4	Advertisement Tax/Hoardings	150.00	134.91	15.09	89.94
5	Water tax/ fees	314.79	326.81	-12.02	103.818
6	D & O Trades licence fee	120.00	148.85	-28.85	124.042
7	Birth and Death Register Extract Fee	25.00	56.39	-31.39	225.56

8	Market Receipts	85.00	43.21	41.79	50.8353
9	Rents from Shopping Complexes	150.00	149.02	0.98	99.3467
10	Rent from Cycle Stands	0.00	0.00	0	0
11	Receipt under Tree Guards	14.00	5.77	8.23	41.2143
12	Rent from Slaughter House	1.00	3.15	-2.15	315
13	Surcharge on Stamp Duty	950.00	991.95	-41.95	104.416
14	Title Transfers		19.18	-19.18	0
15	Sewerage Tax	266.00	0.00	266	0
16	Fines	5.00	8.54	-3.54	170.8
17	Quarter Rents		0.00	0	0
18	Land Leases	8.75	12.47	-3.72	142.514
19	Tax on Street Lighting		0.00	0	0
20	Education Cess		0.00	0	0
21	Drainage Tax		0.00	0	0

1. (a). TAX REVENUE RAISED BY THE MUNICIPAL CORPORATION:-

The tax revenue consists of property tax, water tax and advertisement tax etc. Tax on property is the main source which constituted the bulk of revenue Corporation during the year. An analysis of tax revenue for the current year and the preceding two years is given below.

Sl. No.	Nature of Tax	Collection			Increase/Decrease with ref. to previous years
		2013-14 (Rs.)	2014-15 (Rs.)	2015-16 (Rs.)	
1	Property tax	221810717	270905677.82	298831474	Increase
2	Advertisement tax	15162025	16228116.00	13515393.00	Decrease
3	Vacant land tax	12433907	15045836.00	15182029.00	Increase
4	Entertainment tax	27030345	28276642.00	3664231.00	Decrease
5	Water tax	355810	248495.00	32680707.00	Increase

b) REVENUE RECEIPTS AND ITS ANALYSIS:-

The source of revenue receipts during the year was through (1) revenue raised by the Municipal Corporation (2) receipts from the state government entertainment tax, M.V. tax, land cess and surcharge on stamp duty etc (3) Grant-in-aid received from the Government. An analysis of receipts under the year along with corresponding figures for the preceding 2 years is given below.

Sl. No.	Item of revenue	RECEIPTS		
		2013-14 Rs.	2014-15 Rs.	2015-16 Rs.
1	Revenue raised by Municipal Corporation			
	a) Tax Revenue	275555844	330704766.82	298831474.00
	b) Non-tax revenue leases, fees and rents etc	67948743	127258234.66	16157133.00
	Total:	343504587	457963001.48	314988608.00
2.	Receipts from Government.			
	a) Entertainment tax	27030345	28276642.00	3664231.00
	b) Surcharge on stamp duty	90087816	88802983.00	99195082.00
	c) P.T.	---	---	--
	d) Population grant	---	---	--
	Total	460622748	117079625.00	417847921.00

C) NON-TAX REVENUE OF THE MUNICIPAL CORPORATION:-

Building rents, leases of markets, slaughter houses, betterment charges etc., form the non-tax revenue and constituted percentage of revenue of the An analysis of the non-tax revenue under some principal heads for the year and during the preceding 2 years is given here under.

Sl. No.	Item of revenue	Collection			Increase/ Decrease with ref. to previous years
		2013-14 Rs.	2014-15 Rs.	2015-16 Rs.	
1	Water charges	25042385	27321518	37951223.00	Increase
2	Leases of markets	4014355	4678344	6220319.00	Increase
3	Slaughter house	210323	197000	420411.00	Increase
4	License fees (D&O Trades)	11883875	12883831	14884547.00	Increase
5	Building license fee	16121579	30510372	22712151.00	Decrease
6.	Shop Room rents	14352949	13048527	16836867.00	Increase
7.	Rent on Vacant land	1187504	2020560	1246750.00	Increase

1. COMPLIANCE OF AUDIT OBJECTIONS:

Sl.No	Details	No. of objections	Amount
1	No. of objections pending at the beginning of the year from 1967-68 to 2014-15	2619	2283954896.00
2	No. of objections added during the year through audit report of 2015-16	167	121864652.00
3	Total	2786	2405819548.00
4	No. of objection settled during the year	-	-
5	No. of Objections Outstanding	2786	2405819548.00

According to the instructions issued from time to time, the Audit report and the replies have to be placed before the corporation and the replies should be the resolution approving the replies for consideration for waiver of the objections. The records of the Municipal Corporation reveal not much progress in during the year as the defects pointed out in respect of 2619 objections involving Rs.2283954896.00 were not rectified. Since huge number of objections r 1967-68 to 2014-15 are pending it can be inferred that the executive authority did not evince much interest in rectifying the defects and in getting the objecti

Para Number : 2

VARIATION IN ACCOUNT FIGURES (Code : 1) Rs : 0

AUDIT OBJECTIONS

1. Variation in Account figures Code No. 01

1.1 DIFFERENCES BETWEEN ULB RECORDS & ANNUAL A/C IN RESPECT OF CLOSING BALANCES - NEEDS RECTIFICATION.

Audit reveals that the following are the differences between the ULB records & Annual Account in respect of Closing Balances in various acco rectified immediately.

A. Municipal General Fund

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1. CASH ON HAND:

Date	Amount Collected in cash	Date of remittance
31-3-2015	67,61,559-00	02-04-2016
Grand Total	67,61,559-00	

In spite of objections raised in para no:1.1 of the previous year where in an objection was raised that the difference between ULB r Rs.31076212.00 and also observed that the same was continued from 8/2002 during the Financial Year, the same was rectified in Annual Account, but the d connected remittance challans not produced to Audit for verification. Hence the Authorities may examine the same and take necessary steps to produce irregularity found, the same may be recovered from the persons responsible and remit the balances if any to Municipal Treasury. If the mistake is due to entries in ERP A/C the same shall be rectified immediately.

1. Cheque in Hand:

Audit reveals that the Municipal Corporation, Rajamahendravaram has maintained 3 cheques/DD-s received registers namely General, Property Tax connected Registers were not produced to the Audit for verification. As verified from the receipts and payments an amount of Rs.35814125.00 was shown as 3-2016.

But in spite of objection raised in the Audit Report for the Year 2014-15, the difference between ULB Records and ERP A/C is Rs.19140928.65 and some di from 2011 -2012

During the Financial Year, the same was rectified in annual Account, but the details of adjustment and corrected remittance particulars were not verification. Hence the Authorities may examine the same and take necessary steps to produce the above records, if any irregularity found, the same may persons responsible and remit the balances if any to Municipal Treasury. If the mistake is due to passing of wrong/double entries in ERP A/C the same shall b

1. Bank Accounts:

The Audit reveals that the Authorities are not reconciling the figures between cash book and passbook. The Treasury/Bank balance shown in the Ann Treasury/Bank Balance shown in the Cash Book, but the accountants are showing the balance available in Treasury/Bank Passbook as Trasury Balance ir irregular. The shall be rectified.

1.2 VARIATION IN ACCOUNT FIGURES - VARIATION IN OPENING BALANCES - IRREGULAR - NEEDS RECONCILIATION.

During the course of audit, it was noticed that the on verification of annual account in Receipt and Payment for the period from 01-04-2015 to 31-03-2016 the opening balances are not tallied. deposits in ERP it is known that the same continued from 8/12. Hence, the authorities may examine the same and take necessary steps to recover from the persons responsible and remit the balances if a mistake is due to passing of wrong/double entries in ERP A/c the same shall be rectified immediately.

MGF	CB as on 31-03-2015	OB as on 01-04-2015	Difference
Cash in hand	34323084.00	3246872.00	31076212.00
Cheque in hand	19467255.65	0.00	19467255.65
Cash at Bank	1863416371.23	1868692278.69	-5275907.46
Total	1917206710.88	1871939150.69	45267560.19

1.3 VARIATION IN ACCOUNT FIGURES - VARIATION IN COLLECTION FIGURES BETWEEN ERP AND DCB - NEEDS RECTIFICATION.

During the course of audit, it was noticed that the following collection figures of Taxes and Non-Taxes between ERP and DCB not tallied. Which is irregular And which resulted in short demand Corporation funds. Early action would need to be taken to rectify the difference figures. The loss if any or irregularities noticed in future the same would need to be made good from the persons or per Corporation funds under intimation to audit.

PROPERTY TAX	
Collections as per ERP	30,59,01,431.00
Collections as per DCB	29,88,31,474.00
Difference	70,69,957.00

WATER TAX	
Collections as per ERP (Non meter, meter and User charges)	3,77,37,771.00
Collections as per DCB (Non meter, meter and User charges)	3,79,51,223.00
Difference	2,13,452.00

Particulars	As per ERP	As per DCB	Difference
Markets	4320676.00	6220319.00	-1899643.00
Slaughter House	315000.00	420411.00	-105411.00
Shops	14901753.00	16836867.00	-1935114.00
Lease of Land	1246750.00	1101297.00	145453.00
Trade License	14884547.00	13420815.00	1463732.00

1.4 PROPERTY TAX DEMAND VARIATION -BETWEEN M.L&ERP. Rs.1,79,616.00

As verified from the E-RP and M.L Register, it is observed that the following assessments of property tax demand there are differences between which is irregular. And which resulted in short demand arrived are loss to Corporation funds. Early action would need to be taken to rectify the demand. or irregularities noticed in future the same would need to be made good from the person or persons responsible and remitted to Corporation funds under int

WARD-32

Asst. No.	As Per M.L	As Per ERP	Difference
1064046520	1992	1850	142
1064057896	909	866	43
1064015842	1998	773	1225
1064049940	451	380	71
1064016751	1950	1646	304
1064022866	2932	138	2794
1064016805	2072	1932	95
1064019033	792	509	283
1064046515	1630	1575	55
1064046522	4088	3378	710
1064046399	1827	1766	61
1064046400	2040	1758	282
1064057784	1781	1369	412
1064057767	4137	2180	1957
1064046518	1804	1546	258
1064046505	2528	2246	282
1064046269	653	558	95
1064035161	2008	1624	384
1064035107	1235	1114	121
1064047298	3513	1804	1709
1064035149	2042	1907	135
1064046302	3219	2970	249
1064050616	3678	3460	218
1064046296	3774	2735	1039
1064035144	2713	2182	531
1064061878	1436	1370	66
1064067922	614	308	306
WARD-28			
1064048098	175	66	109
1064007082	133	75	58
1064011042	286	234	52
1064011038	483	405	78
1064011037	1448	604	844
1064011034	1916	1867	49
1064011074	917	665	252
10640110701	1452	1377	75
1064011075	1158	1098	60

1064007078	885	823	62
1064011056	1683	1613	70
1064011182	1185	1123	62
1064010011	4207	106	4101
1064011121	626	532	94
1064011161	2398	2051	347
1064011159	2244	2133	111
1064011158	1594	1535	59
1064011143	636	76	560
1064011150	1206	399	807
1064011125	1712	1404	308
1064011146	1186	936	250
1064011143	782	696	86
1064011144	1516	1308	208
1064010076	616	488	128
1064010205	486	126	360
1064052822	942	850	92
1064010199	1564	1265	299
1064010194	1390	1249	141
1064056787	656	383	273
1064010207	1982	1363	619
1064052349	1007	345	662
1064011037	1448	604	844
1064011034	1916	1867	49
1064010190	1452	1291	161
1064011074	917	665	252
11064011319	972	85	887
1064011038	483	405	78
1064019033	792	509	283
1064057896	909	866	43
1064015842	1998	773	1225
106409940	451	380	71
1064016751	1950	1646	304
1064022866	2932	138	2794
1064016805	2072	1932	95
1064025023	548	46	502
1064030518	288	230	58
1064062034	1257	1198	59
1064062036	1197	790	407
1064060508	664	812	-148
1064048454	4043	1664	2379
1064016288	5110	4518	592
1064063733	19176	13400	5776
1064032318	1746	95	1651
1064039718	633	327	306
1064039717	800	327	473
1064039716	1098	944	154
1064039713	1890	960	930
1064039712	1085	998	87
1064039711	165	140	25
1064037717	727	514	213
1064039707	385	323	62
1064016239	1829	1626	203
1064016241	1352	1100	252
1064016242	1327	1139	188
1064053802	4261	3415	846
1064053826	3058	2189	869
1064039705	494	348	146
1064039478	1061	951	110
1064039704	1367	649	718
1064039701	480	350	130
1064039708	641	549	92
1064058952	135	100	35
1064016350	127	99	28
1064039714	396	97	299
1064055896	616	523	93
1064039739	650	76	574
1064039738	1055	669	386
1064039737	808	735	73
1064039735	2226	1896	330
1064039734	268	235	33
1064027337	2150	285	1865
1064027336	1660	411	1249
1064027365	1327	363	964
1064027343	1470	411	1059
1064027376	2608	985	1623
1064013248	7776	1749	6027
1064013249	3884	909	2975
1064034052	4116	1069	3047
1064037406	1163	1091	72
1064016286	8298	1249	7049
1064035315	6953	3030	3923
1064035311	1452	126	1326
1064035312	3919	2674	1245
1064035314	2927	1630	1297
1064035310	2905	2650	255
1064063773	19146	13400	5746
1064034492	28110	5839	22271
1064034462	968	632	336
1064034464	652	277	375
1064032319	435	389	46
1064039719	806	327	479
1064016360	26018	25985	33
1064016346	37837	34460	3377
1064024377	50	33	17
1064024374	812	771	41
1064016228	770	678	92
1064024369	1014	630	384

1064059154	1014	960	54
1064024368	2368	2012	356
1064025009	9293	9183	110
1064025014	6980	2995	3985
1064024153	2944	1568	1376
1064016192	5346	3445	1901
1064016367	142890	137930	4960
1064005361	1464	940	524
1064005401	1439	1045	394
1064029222	853	810	43
1064027337	1075	285	790
1064024326	110	78	32
1064054391	2656	1653	1003
1064054392	2656	1630	1026
1064054393	2656	1643	1013
1064048442	4313	4299	14
1064039520	2354	2300	54
1064029290	2208	2116	92
1064039440	6416	6118	298
1064039736	6084	5995	89
1064039773	1673	38	1635
1064039737	3264	2394	870
1064027336	830	411	419
1064027365	1372	363	1009
1064027343	735	411	324
1064034052	4116	1069	3047
1064037406	1163	1091	72
1064035315	6950	3030	3920
1064033958	3219	3114	105
1064034021	4043	924	3119
1064035309	2238	413	1825
1064035308	532	500	32
1064035296	1935	1817	118
1064024417	4192	3854	338
1064063740	1455	877	578
1064013212	2197	2057	140
1064013221	997	948	49
1064053832	1329	1086	243
1064023236	1204	1042	162
1064016219	19139	18055	1084
1064032587	569	62	507
Total			156003.00
7 th ward			
1064024088	15338.00	12148.00	3190.00
29 th ward			
1064032237	1769.00	227.00	1542.00
1064060573	1515.00	923.00	592.00
1064067162	1701.00	950.00	251.00
1064067795	8242.00	8028.00	214.00
1064032073	44788.00	43014.00	1744.00
1064068214	2978.00	2798.00	186.00
1064068263	1794.00	1683.00	111.00
1064037363	5635.00	1132.00	4503.00
30 th ward			
1064068038	370596.00	367474.00	3482.00
1064032183	5418.00	2280.00	3138.00
1064031329	9083.00	6069.00	3014.00
1064052712	4793.00	4461.00	332.00
1064067799	16124.00	15286.00	298.00
1064022428	1245.00	229.00	1016.00
Total			179616.00

Para Number : 3

VARIATION IN ACCOUNT FIGURES (Code : 1) Rs : 123814

1.5 PROPERTY TAX - PROPERTY TAX VARIATION IN COLLECTION OF PROPERTY TAX BETWEEN ML-S AND ERP - NEEDS RECOVERY OF DIFFERENCE AMOUNT. Rs. 1,23,814-00

During the course of audit of property tax, it was noticed that variation was noticed in collection of property tax between, Monthly Lists and E.R.P. The same may be recovered at an early date and remit

Assessment No	Name	Ward No	As per ML	As per ERP	Difference
1064025023	S. Santhi	1	548	46	502
1064030518	B. Vijaya Lakshmi	3	288	230	58
1064062034	P.V. Venkateswara Rao	1	1257	1198	59
1064062036	A. Chetan Anudeep	1	1197	790	407
1064060508	K. Anil	1	664	812	-148
1064048454	S. Kanaka Durga	1	4043	1664	2379
1064016288	R. Rami Reddy	1	5110	4518	592
1064063733	K. Srinivasa Rao	1	19176	13400	5776
1064032318	N. Venkata Rao	1	1746	95	1651
1064039718	K. Appa Rao	1	633	327	306
1064039717	K. Malli Naidu	1	800	327	473
1064039716	K. Manga	1	1098	944	154
1064039713	B. Seethamma	1	1890	960	930
1064039712	N. Nagendrudu	1	1085	998	87
1064039711	P.V. Ramana	1	165	140	25
1064037717	P. Appala Konda	1	727	514	213
1064039707	E. Rama Rao	1	385	323	62
1064016239	A.P. Sudhakar	1	1829	1626	203
1064016241	P.J. Elisha	1	1352	1100	252
1064016242	P. Krishnaveni	1	1327	1139	188
1064053802	K. Padmavathi	1	4261	3415	846
1064053826	P. Janardhana Rao	1	3058	2189	869
1064039705	S. Appala Naidu	1	494	348	146

1064039478	A.V. Ramana Rao	1	1061	951	110
1064039704	K. Nagamanoi	1	1367	649	718
1064039701	B. Ammi Naidu	1	480	350	130
1064039708	Ch. Ganga Lakshmi	1	641	549	92
1064058952	D. Parameswari	1	135	100	35
1064016350	S. Satyavathi	1	127	99	28
1064039714	U. Nookaraju	1	396	97	299
1064055896	N. Lakshmi	1	616	523	93
1064039739	S. Ammaji	1	650	76	574
1064039738	B. Satyavathui	1	1055	669	386
1064039737	Y. Pothu Raju	1	808	735	73
1064039735	K.V. Lakshmi	1	2226	1896	330
1064039734	V. Venkata Rao	1	268	235	33
1064027337	Ananda Sahu	1	2150	285	1865
1064027336	S. Sahu	1	1660	411	1249
1064027365	V.V. Lakshmi	1	1327	363	964
1064027343	B. Sahu	1	1470	411	1059
1064027376	V. Seshagirirao	1	2608	985	1623
1064013248	N.S. Rao	1	7776	1749	6027
1064013249	N.S. Rao	1	3884	909	2975
1064034052	N. Nageswara Rao	1	4116	1069	3047
1064037406	A.S.V.S. Narayana	1	1163	1091	72
1064016286	P. Mani Kumar	1	8298	1249	7049
1064035315	M. Ganga Ratnam	1	6953	3030	3923
1064035311	S.D.Sarma	1	1452	126	1326
1064035312	Y.S. P. Rao	1	3919	2674	1245
1064035314	S.K. Murthy	1	2927	1630	1297
1064035310	P.M. Swamy	1	2905	2650	255
1064063773	K. Srinivasa Rao	1	19146	13400	5746
1064034492	S. Subba Rao	1	28110	5839	22271
1064034462	S. Dora Babu	1	968	632	336
1064034464	S. Veerraju	1	652	277	375
1064032319	N. Suresh	1	435	389	46
1064039719	K. Butchi Raju	1	806	327	479
1064016360	G.V. Rao	1	26018	25985	33
1064016346	G.V. Rao	1	37837	34460	3377
1064024377	N. Kannayya	1	50	33	17
1064024374	G. Narayana	1	812	771	41
1064016228	P. Yohan	1	770	678	92
1064024369	M. Jyothi	1	1014	630	384
1064059154	K. Suguna	1	1014	960	54
1064024368	M. Yesu Ratnam	1	2368	2012	356
1064025009	Ch.J.S. Samuel	1	9293	9183	110
1064025014	P. Narayana	1	6980	2995	3985
1064024153	M. Ramana	1	2944	1568	1376
1064016192	U. Kanthamma	1	5346	3445	1901
1064016367	N.N. S. Sarojinidevi	1	142890	137930	4960
1064005361	K. Gangadhaer	1	1464	940	524
1064005401	B. G. Rao	1	1439	1045	394
1064029222	J. Syamala	1	853	810	43
1064027337	A. Sahi	1	1075	285	790
1064024326	K. Syam Babui	1	110	78	32
1064054391	V.V.V. Satya Narayana	1	2656	1653	1003
1064054392	P.V.V. S. Narayana	1	2656	1630	1026
1064054393	Ch. K. Prasad	1	2656	1643	1013
1064048442	M.M. Raju	1	4313	4299	14
1064039520	Ch. Ramaan	1	2354	2300	54
1064029290	A. Manikamma	1	2208	2116	92
1064039440	K. Narayanamma	1	6416	6118	298
1064039736	U. Sudhakar	1	6084	5995	89
1064039773	Y. Venkateswara Rao	1	1673	38	1635
1064039737	K.L. Kanthamma	1	3264	2394	870
1064027336	S. Sahi	1	830	411	419
1064027365	V.V. Lakshmi	1	1372	363	1009
1064027343	B. Sahu	1	735	411	324
1064034052	N. Nageswara Rao	1	4116	1069	3047
1064037406	A.S.V.S. Narayana	1	1163	1091	72
1064035315	M.G. Ratnam	1	6950	3030	3920
1064033958	K.V. Ramana	1	3219	3114	105
1064034021	K.M. Leela	1	4043	924	3119
1064035309	P.S. Ratnam	1	2238	413	1825
1064035308	K.J. Jayamma	1	532	500	32
1064035296	M. Sunel	1	1935	1817	118
1064024417	D.A. Reddy	1	4192	3854	338
1064063740	Ch. Santha Kumari	1	1455	877	578
1064013212	R. Thimothi	1	2197	2057	140
1064013221	V. Nageswara Rao	1	997	948	49
1064053832	R. Mary Ratnam	1	1329	1086	243
1064023236	D.S. Sankaram	1	1204	1042	162
1064016219	T. Sarjini	1	19139	18055	1084
1064032587	J. Atchiamma	1	569	62	507
	TOTAL		500460	376646	123814

Para Number : 4

VARIATION IN ACCOUNT FIGURES (Code : 1) Rs : 0

1.6

PROVIDENT FUND-VARIATION WITH THE AMOUNT ADJUSTED IN THE NON-GOVERNMENT DEDUCTION ACCOUNT IN WHICH MONTHLY CREDITED WITH POSTING REGISTER-VARIATION WITH BANK ACCOUNT BALANCE WITH POSTING REGISTER FINAL BALANCE -NOT EX

During the course of Audit on the account of MC Rajamahendravaram for the year 2015-16, it was noticed that the monthly d Secondary, Elementary, General, PH Staff salaries was initially credited into the Non Government Deduction account and later it was transferred in to the maintained separately duly posting the relevant entries in the PF register maintained.

But it was noticed that there is huge variation of Rs.33,72,350/- with the PF deducted amount credited to the NGD account and the PF amount posted in the p

When the same was questioned the account section authorities have replied that the variation is due to the delay in remittance of PF Amounts from tNon account to PF account in the subsequent year and postings were made for the previous year as per the schedules appended to the Salary Bill. The reply w supporting reconciled statements. Therefore immediate action would need to be taken to explain the variation occurred along with reconciled statements imm

Para Number : 5

DIVERSION OF GRANTS/FUNDS (Code : 3) Rs : 0

Diversion of Grants: Code No 03

Municipal Corporation, Rajahmundry.

2.113th FINANCE GRANTS - FINANCE COMMISSION ULB-s GRANT DIVERTED TO THE GODAVARI PUSHKARAM WORKS - IRREGULAR FINANCE COMMISSION GUIDELINES - LOSS TO THE OTHER ULB-s - NEEDS RATIFICATION AND REIMBURSEMENT. Rs. 120.00 Crores.

Government of Andhra Pradesh released an amount of Rs. 481.75 Crores to the Municipal Administration and Urban Development Department Finance (FC-IF) Dept., Dt: 24-02-2015 towards the Urban Local Bodies under 13th Finance Commission Grants as advance for the grants due from the G Basic Grants for 2013-14 & 2014-15 and Performance Grants for 2011-12, 2012-13, 2013-14 & 2014-15. These grants should be released and adjusted to t ULB in accordance with the 13th Finance Commission Guidelines and duly following the action plan approved by High Level Committee. The MA&U issued detailed guidelines for utilisation of the grant being in this order.

But the Municipal Administration and Urban Development authorities have taken action for distribution of only Rs. 313.73 crores to ULB-s Vide G Dt: 25-02-2015 and remaining amount of Rs. 168.02 crores were diverted to Godavari Pushkaram works which were proposed in 5 ULB-s namely, I Corporation, Narasapuram, Kovvuru, and Palakol Municipal Councils vide G.O. Rt. No. 143 MA & UD, Dt: 03-03-2015. Further it is stated that in the amount/grant released to the said five ULB-s will be deducted in the next 14th Commission Grants or any grants in next year. As seen from this following irr

1. Thirteenth Finance Commission prescribed a time limit for release of grants to the local bodies. In case of delay beyond the time stipulated by the C to be transferred to Local Bodies. But the MA & UD authorities have not taken action as per prescribed procedure for transfer of grants from State Govt., t No. 5235 Fin (FC-I) Dept., Dt: 29-12-2010.

2. The 13th Finance Commission grants released to the ULB-s cannot be diverted to the other purposes even temporarily. The grants should be utilise it was intended only. But the MA & UD authorities have not followed the 13th Finance Commission instructions and ULB-s grant were diverted to the concurrence of the Finance Department. In view of the ULB-s grant diverted to the 5 ULB-s for Pushkaram works, the remaining ULB-s have foregone the amount of Rs. 168.02 crores.

3. The authorities of MA & UD Department stating in the orders that, the excess paid amount of grant to the 5 ULB-s will be deducted from the 14 Grants. Under which authority the 14th Finance Commission Grant to be deducted from the 5 ULB-s are not mentioned in the orders.

4. The MA & UD is only the distributing agency for the 13th Finance Commission Grants and distribution should be made upon the guidelines of t only.

5. The works taken up under Pushkaram programme are not sanctioned as per the 13th Finance Commission Guidelines and expenditure incurred Commission Grant is against to the norms of the 13th Finance Commission. ADP;s for the Pushkaram works were also not prepared and approved by the hi

Hence, the expenditure incurred under pushkaram works with Rs. 120.00 crores of 13th Finance Commission Grant in Rajahmundry Munic under objection and the entire amount should be got reimbursed from any other grant immediately and distribute the same to the all ULB-s in the state ; MA & UD authorities may obtain the ratification orders from the Finance Department towards finance concurrence to the release of Rs. 168.02 crores to th

Para Number : 6

DIVERSION OF GRANTS/FUNDS (Code : 3) Rs : 4440838

**DIVERSION OF FUNDS:
:Rs.44,40,838.00**

Code No 3 2.2 DIVERSION OF FUNDS -PUSKARAM WORKS PAYMENT MADE TO GENERAL FUNI

During the course of audit for the year 2015-16, it was noticed that the amount paid to Pushkaralu works as detailed below & were incurred from General Fu amounts to diversion of funds. Therefore early action would need to be taken to remit the amount to the concerned head with out delay.

Vr. No. 1999/3-2016 for Rs. 6,61,076-00

Name of the work : Laying of CC Road at Sadanam Street in 22nd Division

Est:- 8-00 lakhs.

MB No.94B/12-13 and 180B/13-14

Tech. Sanction : 749/14-15 E3/dt.9.3.2015

Contractor : Sri P. Rambabu

Agreement No.:340/15-16 dt. 2.11.15

Tender percentage : 3.39% Less

Vr. No. 1758/1-2016 for Rs. 37,79,762-00

Name of the work : Providing SDBC Road (With Hot Mix process) at LB Sastry Road from Brother and Church to paper Mill Road 41 & 42 Division

Est:- 49-00 lakhs.

MB No.

Admn.Sanction : 11/685/15/2.4.15 RT No. 32/MBA/UP/Rural dt. 17.1.15

Tech. Sanction : 09/15-16/ SE/dt.18.4.2015

Contractor : Sri K.Muralimohanarao

Agreement No.:103/15-16 SE/dt. 7.8.15

Para Number : 7

DIVERSION OF GRANTS/FUNDS (Code : 3) Rs : 0

Code No.3

2.3 MGF Payments - Lease lines & Internet, other advances are shown under the head of organization of Fest

Irregular - Needs rectification

As seen from the Receipt & Payments statement, the expenditure taken under the head of -220-80-03- i.e., Organisation (as Rs. 20,00,58,543-00.

But, Audit noted that the expenditure incurred on the Lease lines and Internet, Other advances (Advances to Puskaralu the year 2015-16 were entered in this head as Organization of Festivals- by mistake.

Hence, the same shall be transferred to concerned head shown below duly passing the Journal entries.

Name of the Payment	Transfer from	Transfer to	Amount
Organisation of Festivals	220-80-03	220-12-04	997750
		460-10-06	5260330
			6258080.00

Code No.3

2.4 MGF Payments - Lease lines & Internet, other advances etc., are shown under the head of Others (Programme Expenses) - Irregular - Needs rectification

As seen from the Receipt & Payments statement, the expenditure taken under the head of -250-20-11- i.e., Others (Programme Expenses) shown as Rs. 43,46,834-00.

But, Audit noted that the expenditure incurred on the Lease lines and Internet, Other advances (Advances to Pulse pol 2015-16 were entered in this head as Others (Programme Expenses) - by mistake.

Hence, the same shall be transferred to concerned head shown below duly passing the Journal entries.

Name of the Payment	Transfer from	Transfer to	Amount
Others (Programme Expenses)	250-20-11	230-52-11 (Other Buildings)	88,565-00
		250-20-03 (Training)	2,25,000-00
		220-12-04 (Leases Lines and Internet)	32,75,000-00
		220-80-03 (Organisation of Festivals)	2,27,220-00
		230-20-02 (Purchase of Medicines)	1,70,080-00
		460-10-06 (Other Advances)	25,000-00
			4010865.00

Code No.3

2.5 MGF Payments - Organisation of Festivals, Other Buildings etc., are shown under the head of Others (Operations and Maintenance) (230-51-21) - Irregular - Needs rectification

As seen from the Receipt & Payments statement, the expenditure taken under the head of -230-51-21- i.e., Others (Operations and Maintenance)- is shown as Rs. 2,25,97,842-00.

But, Audit noted that the expenditure incurred on Organisation of Festivals, Other Buildings, etc., - in the year 2015-16 head as Others (Operations and Maintenance)- by mistake.

Hence, the same shall be transferred to concerned head shown below duly passing the Journal entries.

Name of the Payment	Transfer from	Transfer to	Amount
Others (Operations and Maintenance)	230-51-21	220-80-03 (Organisation of Festivals)	22,00,000-00
		230-50-05 (Water Supply Lines)	12,500-00
		230-50-21 (Other repairs and Maintenance)	4,55,240-00

		230-51-04	2,62,307-00
		230-52-11	20,275-00
		230-80-14	8,37,347-00
			3757669.00

Code No.3

2.6 MGF Payments - Wages, Honorarium (others) and Pay Advance (Puskarams) are shown under the head of Basic Pay - Irregular - Needs rectification

As seen from the Receipt & Payments statement, the expenditure taken under the head of -210-10-01- i.e., Basic Pay is Rs. 1,92,45,285-00.

But, Audit noted that the expenditure incurred on the Wages, Honorarium (Others), and Pay Advance (Puskarams) - in this head as Basic Pay- by mistake.

Hence, the same shall be transferred to concerned head shown below duly passing the Journal entries.

Name of the Payment	Transfer from	Transfer to	Amount
Basic Pay	210-10-01	210-10-11	11,47,390-00
		220-80-02	15,000-00
		460-10-07	1,80,82,895-00
Total :			1,92,45,285-00

Code No.3

2.7MGF Payments - Payment of EDUCATIONAL CONCESSION & SCHOLARSHIPS are shown under the head of Study tour/ Trainings (250-20-03) - Irregular - Needs rectification

As seen from the Receipt & Payments statement, the expenditure taken under the head of -250-20-03- i.e., Study tour/ Trainings is Rs. 10,76,541.00.

But, Audit noted that the Educational Concession & Scholarships (Payment of Engg Students Stipends) in the year 2015-16 were entered in this head as -Study tour/ Trainings- by mistake.

Hence, the same shall be transferred to concerned head shown below duly passing the Journal entries.

Name of the Payment	Transfer from	Transfer to	Amount
Study tour/ Trainings	250-20-03	210-20-10	10,76,541-00
Grand Total			10,76,541-00

Code No.3

2.8MGF Payments - Exp. on organization of Festivals are shown under the head of Mid Day Meals (250-30-06) - Irregular - Needs rectification

As seen from the Receipt & Payments statement, the expenditure taken under the head of -250-30-06- i.e., Mid Day Meals is Rs. 11,24,860.00.

But, Audit noted that the expenditure incurred on the organization of -Pushkaram festival- in the year 2015-16 were entered in this head as Mid Day Meals- by mistake.

Hence, the same shall be transferred to concerned head shown below duly passing the Journal entries.

Name of the Payment	Transfer from	Transfer to	Amount
Mid Day Meals	250-30-06	220-80-05	11,24,860.00

	220-11-01	210-00
	220-12-01	71,550-00
	220-12-04	85,806-00
	220-20-01	6,420-00
	220-60-02	4,550-00
	220-80-02	30,000-00
	220-80-03	2,77,200-00
	230-20-01	12,91,786-00
	230-40-02	1,47,599-00
	230-50-05	8,07,250-00
	230-50-09	2,68,236-00
	230-50-14	1,27,984-00
	230-51-12	1,46,831-00
	230-51-21	11,77,199-00

Para Number : 7

NON-COLLECTION OF DUES-INCLUDES CASES OF OFFICE MANAGEMENT RESULTING IN SHORT REALIZATION OF DUES (Code : 7) Rs : 0

Non Collection of Dues: code:7

3.1 HUGE PENDENCY OF NON-TAXESNEEDS COLLECTED:

There were huge arrears in the collection of Non-taxes as detailed below. The accumulated dues in this regard causes huge drain on the resources in making arrangements to the citizens of the City and also for development activities.

Though arrears in collection of Non-taxes, the year wise balances were not exhibited in the MDR It was not known whether any of the Non-tax were time. In the absence of above the exact amount of arrears in collection of Property Tax could not be assessed in the audit.

Head	Demand			Collection			Balance		
	Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total
Market	268500	6220319	6488819	0.00	6220319	6220319	268500	0.00	268500
Slaughter House	10000	420411	430411	0.00	420411	420411	10000	0.00	10000
Shops	3026447	15618598	18645045	2207319	14629548	16836867	819128	989050	1808178
Rents of Plots & Land Kisti	1046407	593358	1639765	654244	447053	1101297	392163	146305	538468
Quarters	155128	0.00	155128	0.00	0.00	0.00	155128	0.00	155128
Water charges	24310991	39810342	64121333	20761438	17189785	37951223	3549553	22620557	26170110
Total	30799050	63743136	94542186	23623001	38907116	62530117	7176049	24836020	32012069

The Executive Authority is requested to take stringent action for recovery of Non-taxes along with arrears.

Code No:7

3.2PROPERTY TAX - GOVERNMENT BUILDINGS - HUGE ARREARS OF TAX PENDING REALISATION FROM 1993-94 ONWARDS - NEEDS AC

During the course of audit, it was noticed that, huge arrears of tax pending realization from years together as per the arrear balances available the non maintenance of manual ADR-s the year wise break up of arrears could not be verified in audit. The details of the arrears as per the information available in audit are shown in the statement appended.

The following are the total amount pending collection as on the date of audit.

No.of Assessments	Arrear Pending	Current Pending	Penalty	Total Amount in Rs.
274	6,32,31,690.00	51,41,807.00	8,52,80,521.00	15,36,54,018.00

As per the provisions of the AP Municipal Corporation Act, the Commissioner is empowered to take action against the defaulters for pending Tax of huge amount for long periods by disconnection of essential service viz., water supply, power supply, sewage connection etc.

But no such action was taken and till now .hence it is required to take immediate action would need to be taken to collect the pending Tax of credited to Municipal Funds under intimation to audit.

Code No:7

3.3MUNICIPAL SHOPPING COMPLEXES - HUGE ARREARS PENDING - NO ACTION TAKEN AS PER AGREEMENT CONDITIONS - OTHER DI

During the year under audit, on verification of MDR with Chitta & Cheques ,DD-s Received Register it was noticed that, huge arrears towards commercial shopping complexes owned by this Municipal Corporation are pending as detailed in the statement appended. Though there is a provision in the Acts of M well as in the agreement bounded with the tenant, it is not known why tangible action was not taken against the defaulters for which arrears were pending even a single month rent was paid during the year 2015-16. Some of the cases were detailed here under.

Sl.No.	Name of the Shopping Complex	Name of the lease holder	Shop No.	Amount pending at the end of the year 2015-16 Rs.
1	SHOPPING COMPLEX AT VERESALINGAM UP SCHOOL	P.Sivaramakrishna	Shop No.1	87,644.00
2	SHOPPING COMPLEX AT JAMPETA GANDHI STATUE	B. Mallikarjuna Rao	Shop No.1	72,236.00
		L.Ashok Kumar	Shop No.9	86,233.00
3	SHOPPING COMPLEX AT BYPASS ROAD CHURCH	G.Satya Krishna	Shop No.1	21,600.00
		G.Manga	Shop No.2	21,600.00
		M.Prasad	Shop No.3	25,200.00
4	CHALLA APPRA RAO SHOPPING COMPLEX AT KOTIPALLI BUSSTAND	K.V.V.Satyanarayana	Shop No.1	70,848.00
		A.Anantha Lakshmi	Shop No.8	66,096.00
		Karthikeya Agencies	Shop No.10	26,040.00
		K.V.V.Satyanarayana	Shop No.11	38,260.00
		G.Krishna Rao	Shop No.12	14,863.00
		Y.Vijaya Bhushan	Shop No.13	32,007.00
		G.Sriram Murthy	Shop No.14	27,597.00
		B.Surya Sankara Rao	Shop No.15	28,129.00
		M.Sangeetha	Shop No.16	1,89,704.00
5	SHOPPING COMPLEX AT KAMBAL TANK FIRST FLOOR	Office of the Asst. Audit Officer, State Audit, Rajamahendravaram		50,810.00
		3 rd AJC Magistrate Court		3,51,780.00
		4 th AJC Magistrate Court		7,50,309.00
6	IDSMT TOWN HALL SHOPPING COMPLEX	K.Gopalakrishna Reddy	Shop No.5	34,440.00
		R.Srirammurthy	Shop No.6	86,168.00
		B.Kumar Jain	Shop No.7	1,07,064.00
		R.Sambasiva Rao	Shop No.8	1,06,968.00
7	DANAIPETA SHOPPING COMPLEX	M.Vijaya Laskhmi	Shop No.2	79,834.00
		B.S.Krishna Murthy	Shop No.4	63,632.00
		B.S.Krishna Murthy	Shop No.5	90,468.00
8	ACY REDDY SHOPPING COMPLEX	Annapu Phakeer	Shop No.4	5,09,239.00
		Ch.Sivanarayana	Shop No.5	5,84,094.00
9	BIG SHOPS AT BANDLA MARKET	N.Satyam	Shop No.2	32,292.00
		T.Sayam	Shop No.4	31,818.00
		P.V.Rao	Shop No.14	24,779.00
		K.Kamalavathi	Shop No.18	8,809.00
10	SRI P.V.B.MINICIPAL STADIUM SHOPPING COMPLEX-Block-A	E.Sesha Rao	Shop No.1	29,154.00
		G.Suryanarayana Rao	Shop No.9	78,494.00
	Block -B	B.B.Prasad	Shop No.4	69,919.00
	Block-C	P.S.V.Sanyasi Rao	Shop No.4	27,757.00
		S.P.Raju	Shop No.5	34,248.00
		S.Padmaja	Shop No.7	27,540.00
		S.Ramayya	Shop No.8	35,313.00
		B.Mangatayaru	Shop No.9	41,892.00
		D.S.Chandra Rao	Shop No.13	57,116.00
	Block-E	J.Simhachalam	Shop No.2	15,040.00
11	MCR SHOPPING COMPLEX NEAR MUNICIPAL OFFICE	H.S.C.Bose	Shop No.8	52,299.00
		B.Krishna Murthy	Shop No.16	60,393.00
		K.S.Murali Krishna	Shop No.17	46,120.00
12	MCR SHOPPING COMPLETED IDSMT PHASE-II BLOCK-B	K.V.V.Satyanaryana	Shop No.1	2,14,108.00
		G.Posiyya	Shop No.4	1,23,743.00
13	SHOPPING COMPLEX AT MUNICIPAL HIGH SCHOOL	N.Rajeswara Rao	Shop No.2	57,094.00
		N.V.V.S.N.Murthy	Shop No.3	70,096.00
		G.Surya kantham	Shop No.4	70,128.00
		G.Suryakantham	Shop No.5	75,314.00
		S.Appa Rao	Shop No.6	77,294.00
		S.Venkateswara Rao	Shop No.8	68,291.00
		S.Venkateswara Rao	Shop No.9	74,112.00
14	SHOPPING COMPLEX AT ANJANEYA SWAMY TEMPLE (NEAR WATER WORKS)	M.Radhakrishna Murthy	Shop No.5	42,128.00
15	KANDAKAM ROAD SHOPPING COMPLEX	S.V.Trinadh	Shop No.1	2,25,273.00
		Post Office	Shop No.16	19,249.00
		Post Office	Shop No.17	15,899.00
16	JAMPETA BAZAR COMPLEX	P.Srinivasa Rao	Shop No.1	86,819.00
		A.Satyanarayana	Shop No.3	55,028.00
		Sk.Masthan Bibi	Shop No.6	97,812.00
		Sk.Nagoor	Shop No.13	44,808.00
		Sk.Nagoor	Shop No.14	44,808.00
	Block-B	J.Naga Babu	Shop No.4	45,920.00
		J.Kumara Swamy	Shop No.5	47,040.00
17	NETAJI THEATRE SHOPPING COMPLEX	G.Veerabhadra Rao	Shop No.1	46,200.00
		Abdul Khaleel	Shop No.2	31,500.00

18	CENTRAL VEGITABLE MARKET SHOPS	A.Appala Swamy	Shop No.2	1,83,339.00
		J.Kurma Rao	Shop No.3	4,38,157.00
		Y.Appa Rao	Shop No.20	41,260.00
		K.J.Sekhar	Shop No.26	24,720.00
		S.Veerraju	Shop No.27	28,058.00
		A.Sathiraju	Shop No.28	13,008.00
		P.Vijayalakshmi	Shop No.29	19,200.00
		P.Durga Prasad	Shop No.30	2,00,859.00
		P.Ranapratap	Shop No.31	23,280.00
	K.V.Durga Prasad	Shop No.32	22,164.00	

Code No:7

3.4 CELL PHONE TOWERS INSTALLATION - PERMISSION FEE NOT COLLECTED :

According to G.O.Ms.No.183, M.A & UD (M) Dept., dt. 27-2-2008 all the cellular companies and telecom companies and all other companies are required to obtain permission from the Municipal Corporation for installation of their towers. Further, according to Municipal Act., Installation Charges have to be paid by the cellular companies to the Municipal Civic body and the civic body or cellular companies or on the owners of the buildings on which the cell towers have been installed as one time installation charges.

A writ petition was filed in W.P No.326 of 2013 in Honourable High Court not to interfere with the function of the towers. After hearing both parties i.e. petitioners and respondents ordered there was no gain saying that matter required a policy matter so that respective GPs and ULBs would be applying the same standards uniformly and would not be applying it on a case to case basis. However, the policy formulation may take longer time so in the interest of both petitioner and the respondent the petitioner may be granted Rs.10000/- within 30 days from today with the respondent local body. The amount is determined on a tentative basis only.

But, this was not being followed in the Municipal Corporation, since, it was potential revenue to the ULB, the ULB should fix the demand for such income and should collect it from time to time. During the year under audit, the permission fee from telecom companies was not collected. The executive authority himself would need to be held responsible for collection. Action would need to be taken in this regard and tap this potential source of income to augment the own resource of the Corporation.

Therefore, immediate action may be taken not only to collect the amounts but also insist upon getting the unauthorized cell towers regularized satisfying all the conditions like : of owners and neighbours etc.

Para Number : 9

ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 12190

ADVANCE PENDING ADJUSTMENT:

CODE NO.8

4.1 ADVANCES - PUSHKAR ADVANCES PENDING ADJUSTMENT BY SRI L. TRIMURTHLU, DECEASED OFFICE SUBORDINATE - NEEDS RECOVERY. Rs. 12190-00

During the course of audit, it was noticed that as seen from the cash book and Advances Recoverable Register for the year 2015-16 Sri L. Trimurthulu, Office Sub-Ordinate was sanctioned an amount of Rs.12190/- vide prog. Roc.No. 5398/2015-C1, Dt: 8-7-2015 in the month of 7/2015. But the individual was expired in the following month of August, 2015. So the recovery is not effected and the Pensionary B date.

Hence, action would need to be taken to get the amount recovered and adjusted to Municipal Corporation funds immediately.

Para Number : 10

ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 209254

Code No:8

4.2 ADVANCES - ADVANCE PAID TO MUNICIPAL HEALTH SECTION - NOT ADJUSTED - IRREGULAR - NEEDS EARLY ACTION. Rs. 2,09,254-00

As verified from the cash book and advances recoverable register for the year 2015-16, it was noticed that the following advances were paid to Sri Dr. G. Satyadev, Municipal Health Officer. But at the close of audit. Hence, the authorities were instructed to take necessary action to recover the advance amount immediately and the loss if any sustained in this regard would need to be recovered from the person.

SN	Vr. No & Dt	Particulars	Amount
1	44/10-4-2015	Payable to Dr. G. Satyadev, MHO, Permanent advance to PH section Laboratory Medical Pad, cotton etc., vide prog. Roc. No. 3024/2015- F1. Cheque No. 233249	10000.00
2	678/11-7-2015	Payable to MHO for purchased payment to Dispovan Syringes from Zilla Samaikya D.R.D.A, IKP, Kakinada. Syringes 390 x 5000 No-s Cheque No. 246381	19500.00
3	1703/13-1-16	Advance paid to Dr. O.V. Indira, MHO towards probable expenditure for Pulse Polio programme held on 17-1-2016 to 20-1-2016 Cheque No. 123268/13-1-2016	25000.00
4	2056/19-3-16	Advance payable to MHO-2 towards cost of Abhay Rab purchased from the Indian Immunologicals Ltd., Hyderabad. (prog. Roc. No. 5384/2014-F2) Cheque No. 276755	108754.00
		Total	209254.00

Para Number : 11

ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 209254

Code No:8

4.2 ADVANCES - ADVANCE PAID TO MUNICIPAL HEALTH SECTION - NOT ADJUSTED - IRREGULAR - NEEDS EARLY ACTION. Rs. 2,09,254-00

As verified from the cash book and advances recoverable register for the year 2015-16, it was noticed that the following advances were paid to Sri Dr. G. Satyadev, Municipal Health Officer. But at the close of audit. Hence, the authorities were instructed to take necessary action to recover the advance amount immediately and the loss if any sustained in this regard would need to be recovered from the person.

SN	Vr. No & Dt	Particulars	Amount
1	44/10-4-2015	Payable to Dr. G. Satyadev, MHO, Permanent advance to PH section Laboratory Medical Pad, cotton etc., vide prog. Roc. No. 3024/2015- F1. Cheque No. 233249	10000.00
2	678/11-7-2015	Payable to MHO for purchased payment to Dispovan Syringes from Zilla Samaikya D.R.D.A, IKP, Kakinada. Syringes 390 x 5000 No-s Cheque No. 246381	19500.00
3	1703/13-1-16	Advance paid to Dr. O.V. Indira, MHO towards probable expenditure	25000.00

		for Pulse Polio programme held on 17-1-2016 to 20-1-2016 Cheque No. 123268/13-1-2016	
4	2056/19-3-16	Advance payable to MHO-2 towards cost of Abhay Rab purchased from the Indian Immunologicals Ltd., Hyderabad. (progs Roc. No. 5384/2014-F2) Cheque No. 276755	108754.00
		Total	209254.00

Para Number : 12

ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 438192

4.3 ADVANCES - ADVANCES SANCTIONED TO THE ENGINEERING SECTION - NOT RECOVERED OR ADJUSTED DURING THE YEAR 2015-16 - IRREGULAR. Rs. 4,38,192-00

The following advances were sanctioned to the Engineering Section during the year 2015-16. But the same was not adjusted to Municipal Funds or recovered from the individual by the end of and causes loss to Municipal Funds. Therefore early action would need to be taken to recover or adjust the amounts from the person or persons responsible and to be remitted to Municipal Funds.

SN	Vr. No & Dt	Particulars	Amount
1	1379/9-11-15	Advance paid to M/s A.P.S. Agro Industries Development Corporation Ltd. Kakinada towards supply & delivery of 20 sets Tyres and tubes for tractors. Progs. Roc.No. 7201/2015 - E4/ AE,2 Cheque No. 122203/9-11-2015	192036.00
2	1380/9-11-15	Advance paid to M/s A.P.S. Agro Industries Development Corporation Ltd. Kakinada towards supply & delivery of 21 No-s of batteries for Dumper vans, tractors, tippers and Auto-s. Progs. Roc.No. 7201/2015 - E4/ AE,2 Cheque No. 122203/9-11-2015	182368.00
3	1944/5-3-16	Advance paid to Andhra Sugars Ltd., Kovvur towards supply of Chlorine gas 4.5 tons for water woks. Progs. Roc. No. 5913/96/E2, Cheque No. 277174	63788.00
		Total	438192.00

Para Number : 13

ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 190500

Code No:8

4.4 ADVANCES - ADVANCES DRAWN FROM GENERAL FUNDS - BUT ADJUSTED IN 13TH FINANCE FUNDS - IRREGULAR - NEEDS EARLY ADJUSTMENT TO GENERAL FUNDS. Rs. 1,90,500

During the course of audit, it was noticed that the an amount of Rs. 1,90,500-00 were drawn and paid to Sri Raja.D.Hate from General Funds in the following vouchers. But, the same was adjuster irregular and loss to Municipal General Funds. Hence, necessary action would need to be taken to adjust the same to General Funds and report compliance to audit.

SN	Vr. No & Dt	Particulars	Amount
1	5/6-4-2015	Advance payable to Sri Rajan. D. Hate through Sri P. Pradeep Kumar, Dy. C.P., for Carrying out total Station Survey of G.N.T. Roads.	140500.00
2	6/6-4-2015	--do-- (progs. Roc. No. 555/2015-G4) Cheque No. 233216/6-4-2015	50000.00
		Total	190500.00

Para Number : 14

ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 44289

4.5 ADVANCES - PUSHKAR ADVANCES SANCTIONED TO CERTAIN P.H.WORKERS - EMI-S NOT RECOVERED PROPERLY - IRREGULAR - NEEDS RECOVERY. Rs. 44289-00

During the course of audit, it was noticed that the Pushkar Advances were sanctioned to the following staff vide proceedings Roc.No. 4973/2005/B5, Dt: 27-8-2015 of Additional Commi Rajamahendravaram. And the same has to be recovered in 10 monthly installments commencing from August. 2015 payable in Sept. 2015. But, the EMI-s are not recovered properly and huge amounts are p would need to be taken to get the amount recovered and adjusted to Corporation Funds immediately.

SN	Name & Designation	Advances sanctioned	EMI's to be recovered upto 3/16	EMI's recovered upto 3/16	Balance EMI's
	I Circle				
1	G. Srinivasa Rao, PHW	4370	7x437=3059	3x437=1311	3059
2	A. Srinivasa Rao, PHW	9200	7x920= 6440	5x920= 4600	6440
	III Circle				
3	Kalidas Raju, PHW (Deceased)	8200	7x820=5740	5x820= 4100	5740
	VI Circle				
4	M. Adinarayana, PHW (Decea)	15700	7x1570=10990	1x1570=1570	10990
	XIII Circle				
5	N. Ganesh, PHW	9200	7x920= 6440	5x920= 4600	6440
6	M. Muthyala Reddy, Driver	16600	7x1660=11620	5x1660=8300	11620
7	K. Chitti Babu, Cleaner	9460	7x946=6622	3x946=2838	6622
					44289.00

Para Number : 15

ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 40000

4.6 ADVANCES - ADVANCES PAID TO SRI T. CHANDRA SEKHAR RAO, AE., TO MEET THE MINOR REPAIRS TO VEHICLES - NOT ADJUSTED - NEEDS ADJUSTMENT. RS. 40000-00

As verified from the cash book and advances recoverable register for the year 2015-16, it was noticed that the amount of Rs. 40000/- was drawn in Vr. No. 759/21-8-2015 vide progs Roc. No. 6091/1 Sekhar, Asst. Engineer to meet minor repairs to vehicles. The connected file was not produced for verification in audit. In the absence of the same, it was not known to audit that, whether the advance sanctioned

Further, the advance so drawn was also not adjusted by the end of 31-3-2016. Hence, the authorities are instructed to take necessary action to recover the advance immediately and loss if any sustained recovered from the person or persons responsible.

Para Number : 16**ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 22600000****4.7 ADVANCES - PUSHKAR ADVANCES - PUSHKAR ADVANCES SANCTIONED TO ENGINEERING SECTION - NOT RECOVERED OR ADJUSTED - ADJUSTMENT. RS. 2,26,00,000-00**

During the course of audit, it was noticed that the following Pushkar Advances were sanctioned to Engineering Section during the year 2015-16. But the same was not adjusted to Municipal Fund irregular and loss to the Corporation Funds. Therefore early action would need to be taken to recover or adjust the amounts from the persons responsible and to remit to Municipal Funds.

SN	Vr. No & Dt	Particulars	Amount
1	236/27-6-15	Advances payable to Sri T. Chandra Sekhar, AE - II to take the workers providing land scape to the proposed Senior Citizens for City beautification along GNT road. (Cheque No. 012615/27-6-2015)	1000000.00
2	250/4-7-15	Advances payable to Sri T. Chandra Sekhar, AE - II for execution of works for development of providing children play area in view of Godavari Pushkarams, 2015. Cheque No. 012627/4-7-15	1500000.00
3	388/13-7-15	Advance payable to Sri K.V. Gopala Krishna, AE towards payment for procurement of drinking water sachets to be supplied to the pilgrims at pushkar stalla at various places .	1000000.00
4	389/13-7-15	Advance payable to Sri K.Virupaksha Rao, AE towards payment for procurement of drinking water sachets to be supplied to the pilgrims at pushkar stalla at various places. Cheque No. 027404/14-7-15	1500000.00
5	390/13-7-15	Advance payable to Sri D.S. Prakasa Rao, AE towards payment for procurement of drinking water sachets to be supplied to the pilgrims at pushkar stalla at various places. Cheque No. 027405/14-7-15	1500000.00
6	391/13-7-15	Advance payable to Sri T. Aruna Deva Kumar, AE towards payment for procurement of drinking water sachets to be supplied to the pilgrims at pushkar stalla at various places. Cheque No. 027406/14-7-15	2000000.00
7	395/13-7-15	Advance payable to Sri K. Sridhar, AE for providing ornamental lights in various centers and Junctions in Rajahmundry. (Cheque No. 027410/15-7-15)	100000.00
8	271/6-7-15	Advances payable to Sri T. Chandra Sekhar, AE - II towards the work of development of Senior Citizens for City beautification in view of enroll (Cheque No. 012645/6-7-2015)	2000000.00
9	404/18-7-15	Advance payable to Sri K.V. Gopala Krishna, AE for procurement drinking water sachets and butter milk sachets to supplied to the pilgrims as pushkar stall provided at various places in the city to Godavari Pushkaram from 14-7-15 to 25-7-15 for 12 days. Cheque No. 027419/18-7-15	2500000.00
10	107/18-7-15	Advance payable to Sri T. Aruna Deva Kumar, AE for procurement drinking water sachets and butter milk sachets to supplied to the pilgrims as pushkar stall provided at various places in the city to Godavari Pushkaram from 14-7-15 to 25-7-15 for 12 days. Cheque No. 027422/18-7-15	2500000.00
11	406/18-7-15	Advance payable to Sri D.S. Prakasa Rao AE for procurement drinking water sachets and butter milk sachets to supplied to the pilgrims as pushkar stall provided at various places in the city to Godavari Pushkaram from 14-7-15 to 25-7-15 for 12 days. Cheque No. 027421/18-7-15	2500000.00
12	413/22-7-15	Advance payable to Sri T. Chandra Sekhara Rao, AE for necessary arrangements like Tents, Tables, Chairs, Sintex water tanks with pedestal temporary bathrooms, water, Lighting arrangements accommodation for Godavari Pushkaram, 2015. Cheque No. 027426/23-7-15	2500000.00
13	414/22-7-15	Advance payable to Sri T. Chandra Sekhara Rao, AE for providing play area and land scape for city beautification along with GNT road from S.P. Office for Godavari Pushkarams, 2015 Cheque No. 027426/23-7-15	2000000.00
Total			22600000.00

Para Number : 17**ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 420000****4.8 ADVANCES - PUSHKAR ADVANCES - PUSHKAR ADVANCE SANCTIONED TO THE REVENUE SECTION - NOT RECOVERED AND ADJUSTED - ADJUSTEMENT. Rs. 4,20,000-00**

During the course of audit, it was noticed that the following Pushkar Advance were sanctioned to the Revenue Section during the year 2015-16. But the same was not adjusted to Corporation Fund irregular and loss to the Municipal Funds. Therefore early action would need to be taken to recover or adjust the amount from the persons responsible and to be remitted to the Municipal Funds.

SN	Vr. No & Dt	Particulars	Amount
1	415/23-7-15	Advance paid to Sri K.B.R. Ravi Kumar, R.O., and RI towards miscellaneous expenditure to protocol duties for Godavari Pushkarams, 2015 Cheque No. 027427/23-7-15	50000.00
2	416/23-7-15	Advance paid to Sri G. Sridhar, RI towards miscellaneous expenditure to protocol duties for Godavari Pushkarams, 2015 Cheque No. 027428/23-7-15	50000.00

3	417/23-7-15	Advance paid to Sri T. Ch.V. Satya Mohan, RI towards miscellaneous expenditure to protocol duties for Godavari Pushkarams, 2015 Cheque No. 027429/23-7-15	50000.00
4	418/23-7-15	Advance paid to Sri V. Bala Subrahmanyam, RI towards miscellaneous expenditure to protocol duties for Godavari Pushkarams, 2015 Cheque No. 027430/23-7-15	50000.00
5	408/23-7-15	Advance paid to Sub-Collector, Rajahmundry for platification project towards painting and cost of polish stones. The Special Officer, Godavari Pushkarams. Cheque No. 027423/18-7-2015	220000.00
Total			420000.00

Para Number : 18

ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 500000

4.9 ADVANCES - PUSHKAR ADVANCE PENDING ADJUSTMENT BY THE PRINCIPAL, JNTUK, KAKINADA - IRREGULAR - NEEDS EARLY ADJUSTMENT. Rs. 5,00,000-00

During the course of audit, as seen from the cash book an amount of Rs. 5,00,000/- was paid as advance to the Principal and Chief Co-Ordinator, ICS, UCEK, JUTUK, Kakinada for laborator Godavari Pushkaram works inspected by them. Vide Cheque No. 012545/11-6-201 during the year 2015-16. The advance so given to the Principal was neither adjusted or recovered from the individual so far. get the amount recoverd/adjusted to Corporation funds immediately.

SN	Vr. No & Dt	Particulars	Amount
1	131/11-6-2015	Advance paid to the Principal and Chief Co-Ordinator, ICS, UCEK, JNTUK, Kakinada.	500000.00

Para Number : 19

ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 625000

4.10 ADVANCES - PUSHKAR ADVANCES - PUSHKAR ADVANCE SANCTIONED TO THE TOWN PLANNING SECTION - NOT RECOVERED AND ADJUSTED ADJUSTEMENT. Rs. 6,25,000-00

During the course of audit, it was noticed that the following Pushkar Advance were sanctioned to the Town Planning Section during the year 2015-16. But the same was not adjusted to Corporation Fu is irregular and loss to the Municipal Funds. Therefore early action would need to be taken to recover or adjusts the amount from the persons responsible and to be remitted to the Municipal Funds.

SN	Vr. No & Dt	Particulars	Amount
1	285/3-7-15	Advance paid to Sri B. Ranga Prasad, Asst. City Planner - I, to meet the Engineering expenses as advance for diesel for JCB and labour charges for removal of encroachments. Cheque No. 12658	200000.00
2	286/3-7-15	Advance paid to Sri N. Srinivas, Asst. City Planner - II, to meet the Engineering expenses as advance for diesel for JCB and labour charges for removal of encroachments. Cheque No. 12564	200000.00
3	287/3-7-15	Advance paid to Sri P. Satyanarayna, Asst. City Planner - III, to meet the Engineering expenses as advance for diesel for JCB and labour charges for removal of encroachments. Cheque No. 12658	200000.00
4	815/9-2015	Advance paid to Sri I. Rama Krishna, Jr. Asst. (G 4) towards expenditure of colour Xerox and misc. expenditure.	25000.00
Total			625000.00

Para Number : 20

ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 0

4.11 NON-RECOVERY / NON-ADJUSTMENT OF ADVANCES FOR YEARS TOGETHER NEEDS ACTION :

As per the provisions contained in AP Financial Code Vol.I, Advance provided to the officials for executing works etc need to be got adjusted or recd from the date of drawl or at least by the end of that financial year. But on verification of General Funds Registers and Advance recoverable Registers amount of Rs. 32,064354.00 remained unadjusted / un-recovered as detailed in the annexure. The reasons for not getting them adjusted were not furni several years shows the callous attitude on the part of those drawn and those who allowed such pendency over years without showing a semblance of action l

Action would need to be taken to recover the outstanding advances from the concerned under intimation to audit immediately.

Sl.No.	Year	Amount Rs.
1	2009-10	45,02,098-00
2	2010-11	1,31,720-00
3	2011-12	60,000-00

4	2012-13	5,94,750-00
5	2013-14	83,368-00
6	2014-15	20,69,226-00
7	2015-16	24,62,319-00
	Total:	32,06,43,54-00

Para Number : 21

VIOLATION OF RULES (Code : 9) Rs : 27534

P (code :9 [19])

VIOLATION OF RULES;

Code No.9

5.1.ML ENTERED-BUT NOT EFFECTED IN ERP-IRREGULAR. 27534.00

During the course of audit ,as seen from the M.L.Register,it was observed that the following Propertytax house wise demand not entered in ERI which comes loss to corporation funds.Hence action would need to be taken to enter the demand in ERP and collect the property tax. The loss if any sustain would need to be made good from the person or persons responsible and remitted to Corporation funds under intimation to audit.

SL.NO.	NAME & D.NO.	AMOUNT.RS
1.	B.Samba murthy ,28-2-34 , Jampeta	2074.00
2.	T.Lakshmi narayana, 25-10-20,Jayakrishna puram	338.00
3.	S.N.C. Sekharrao,26-13-6/1, Kambalapeta	1760.00
4	Sri,Chinta gangi reddy, 69-4-1/2	4995:00
5	Smt,S.Satyakumari 56-13-7/1	1595:00
6	Smt.Ch.Kalyani 56-13-7/2	1595:00
7	Sri.P.Ramarao 56-13-7/3	1595:00
8	Smt.K.Aruna 56-13-7/4	1595:00
9	Smt.A.Nagasravva 56-13-7/5	1595:00
10	Smt.P.Monica 56-13-7/6	1595:00
11	Sri.P.Venkata satyanarayan/a56-13-7/7	1595:00
12	Sri,P.Mary joshba i 56-13-7/8	1595:00
13	Sri,E.N.Premkumar 56-13-7/9	1595:00
14	Smt,L.Neelavathi 56-13-7/10	1595:00
15	Sri.P.Nagaraju 57-1-18/2	722:00
16	Sri.D.Srinu 58-15-13/1	1695:00
	Total	27534.00

Para Number : 22

VIOLATION OF RULES (Code : 9) Rs : 43175

P (code :9 [19])

5.2 TAXES - PROPERTY TAX - COLLECTION OF PROPERTY TAX AS PER ERP - BUT B.A. NUMBER NOT ENTERED IN M.L. REGISTER AND NOT SHOW RECOVERY. Rs. 43175/-

During the course of audit of property tax, as verified from the ML register for the year 2015-16 it is noticed that the demand was fixed and collected. But the building application number was not enter shows that the owner of the building was not applied permission from Town Planning and made construction. Hence, it comes under unauthorized construction. For which 100% tax to be imposed. But as v such tax was collected. Hence, action would need to be taken to recover the remaining amount from the individuals and remit the same to Municipal funds.

9th Ward

Assessment No	Amount Collected	100% tax to be collected
1064065986	398	398
1064066696	125	125
1064066697	558	558
1064066713	520	520
1064066714	1500	1500
1064021766	911	911
1064067014	911	911
1064067015	911	911
1064067016	911	911
1064067017	911	911
1064067018	911	911
1064067019	911	911
1064067020	911	911
1064068111	326	326
1064068121	1025	1025
1064068331	408	408
10 th Ward		
1064057435	326	326
1064027441	302	302
1064027456	1082	1082
1064027605	1753	1753
1064027486	2326	2326
1064027901	541	541
1064053601	10670	10670
1064026952	826	826
1064034659	381	381
1064051431	619	619
1064027289	1135	1135
1064027304	187	187
1064027223	1030	1030
1064027199	812	812
1064026788	434	434
1064026796	376	376
1064027538	1372	1372
1064027539	1219	1219

1064027688		2391	2391
1064027579		1416	1416
1064034702		1829	1829
			43175-00

Para Number : 23

VIOLATION OF RULES (Code : 9) Rs : 368568

P (code :9 [19])

5.3

PROPERTY TAX - PROPERTY TAX FIXED ON NEW PROPERTY /UNDER ASSESSMENTS - APPROVED AS PER THE M.L.REGISTERS -NOT EFFECTED IN E.R.P. -LEAKAGE OF REVENUE -IRREGULAR -NEEDS EARLY ACTION;

Rs.368568.00

As verified from the records relating to the receipt portion in Revenue section, the demand arrived during the year 2015-16 in addition to the new property taxes fixed as per the recording the measuremen the Revenue section. But some the new assessments / under assessments approved /fixed as per the M.L Registers were not tallied with E.R.P.

Due to above reasons, the new tax fixed on the new properties not added in to the demand and the previous tax on old properties is continued during the year causes leakage of revenue to the insitutitio taken to investigate this matter in all revenue wards in the municipal corporation, Rajahmundry and raise the demand of property tax and made good to the municipal funds at an early date.

Assessment No	Door No.	Name of the owner	Proper tax to be fixed as per ERP/ML Register	Property tax fixed	Diff. per half year	Diff . per 1 year
		Ward No.23				
1064015413	40-3-34	M.Ramakrish na	992.00	1653.00	661.00	1322.00
		Ward No.20,21				
1064007680	36-35-13	P.Durga prasad	1110.00	10364.00	9254.00	18508.00
1064007684	36-35-13/1	P.,Durga prasad	1439.00	2878.00	1439.00	2878.00
1064007119	36-35-13/2	P.Durga prasad	963.00	1926.00	963.00	1926.00
1064007871	36-4-15	M.K.Gangadharao	11112.00	17983.00	6871.00	13742.00
1064007860	36-4-13/1	O.Suresh	4870.00	8881.00	4011.00	8022.00
1064007832	36-4-1	O.Bangaraju	4998.00	13594.00	8596.00	17192.00
1064007850	36-4-9	G.Pydemma	9955.00	11315.00	1360.00	2720.00
1064008454	36-43-13	S.Ramulu & Symbala	308.00	4474.00	4166.00	8332.00
1064007777		L.Suryanarayana	1380.00	4042.00	2662.00	5324.00
1064007202		P.Lakshmi	642.00	4596.00	3954.00	7808.00
1064007956	36-28-3	K.Venkateswarao	533.00	7016.00	6483.00	12966.00
1064007757	36-8-29	P.Satyanarayanamurty	21084.00	50716.00	29632.00	59264.00
1064007784	36-6-7/1	N.Nageswarao	921.00	9207.00	8286.00	16572.00
1064007121	36-6-1/1	N.Nageswarao	3828.00	4668.00	840.00	1680.00
1064007674	36-10-54	N.Nageswarao	5998.00	6421.00	423.00	846.00
1064007930	36-15-1	RVV Krishna sai kumar	2738.00	7320.00	4582.00	9164.00
1064007809	36-8-22	S.Rama mohan rao	2061.00	9282.00	7221.00	14442.00
1064007748	36-6-10/1	K.Venkatalakshmi	3376.00	4795.00	1419.00	2838.00
1064007315	36-7-10	J.padmavathi	19726.00	24207.00	4481.00	8962.00
1064007312	36-7-12/1	R.Venkatarao	28152.00	36365.00	8213.00	16426.00
1064007749	36-7-4	P.Padmavathi	5825.00	8419.00	2594.00	5188.00
1064007751	36-7-4/1	P.Subba rao	6081.00	13777.00	7696.00	15392.00
1064007781	36-7-4/2	S.Arunakumari	3103.00	7505.00	4402.00	8804.00
1064007780	36-7-4/3	S.Chella rao	4738.00	5636.00	898.00	1796.00
1064061956	36-7-4/4	G.Varahala babu	615.00	987.00	372.00	744.00
1064061955	36-7-4/7	Y.Suresh	747.00	1205.00	458.00	916.00
1064007797	36-9-7	B.Krishnakumari	1446.00	2028.00	582.00	1164.00
1064007804	36-9-2	M.Simhachalam	1032.00	2457.00	1425.00	2850.00
1064007803	36-9-3	M.Simhachalam	3312.00	33130.00	29818.00	59636.00
		18 th ward				
1064005879	33-6-2/1	K.V.Padmavathi	7615.00	9890.00	2275.00	4550.00
1064006517	33-2-5	Mahendrakumar	3788.00	4485.0	697.00	1394.00
1064005908	33-2-5/1	Dinesh kumar	3606.00	4707.00	1101.00	2202.00
1064005933	33-2-8	P.Rajakumari	3252.00	3945.00	693.00	1386.00
1064058919	33-4-8/1	Y.Venkateswaro	475.00	1068.00	593.00	1186.00
1064007050	33-3-7	T.V.Satyanarayana	1466.00	1712.00	246.00	492.00
		22 nd ward				
1064007570	41-2-202/1	Ch.Meenakshi	6835.00	21802.00	14967.00	29934.00

180122.00	364456.00	184334.00	368568.00
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Para Number : 24

VIOLATION OF RULES (Code : 9) Rs : 0

P (code :9 [19])

5.4 ARREARS OF WATER TAX - ARREAR DEMAND REGISTERS NOT PROPERLY MAINTAINED - COLLECTIONS MADE NOT PROPERLY POS

During the course of audit it was noticed that Arrear Demand Registers of Water Tax was not properly maintained. The year wise Demand, Collection and at the end of the every year and produced to audit. Basing on the information available in the file Roc No.10020/2015-A15 the following are the Year wise Balances as on the date of audit.

Year	Opening Balance	Demand	Collection	Closing Balance
2010-11	5,66,960	2,84,06,080	2,83,88,720	5,84,320
2011-12	5,84,320	3,05,85,600	2,44,11,160	67,58,760
2012-13	67,58,760	3,11,84,320	2,84,90,080	94,53,000
2013-14	94,53,000	3,41,11,160	2,70,54,520	1,65,09,640
2014-15	1,65,09,640	3,13,02,080	3,94,63,160	83,48,560
2015-16	83,48,560	2,43,10,991	2,07,61,438	11898113

The above figures neither tallied with figures in the DCB of Revenue Section nor the figures in Account Section. Therefore immediate action would need correct Demand, Collection and Balance for the arrears year wise and produce the same to audit.

5.5 EMPLOYEES PROVIDENT FUND & ESI- NOT REMITTED IN TIME - NEEDS RECTIFICATION:-

As per under section 14B of the Act, where an employer makes default in payment of the contributions or any charges, the Commissioner in way of penalty such damages, not exceeding the amount of arrears and the rates of Damages at rates specified in Para 32A of the EPF Scheme 1952, Para EDLI Scheme 1976 (as given below).

Period of Delay	Rate up to 25/09/2008	Rate from 26/09/2008
Less than 2 months	17%	5%
2 months and above, and less than 4 months	22%	10%
4 months and above, and less than 6 months	27%	15%
6 months and above	37%	25%

As verified from the files, the Employees provident Fund was deducted from the remuneration of the outsourcing Employees every month. The share and share of the outsourcing employees towards Employees Provident Fund was not remitted within time. The reasons were not explained why the amount time. The Executive Authority would need to be taken good steps to remit employees provident fund to the concerned head of account with in time for avoid

In case of failure to pay contributions in accordance with regulation 29 read with regulation 31 of ESI (General) regulations 1950, interest 6% per annum u w.e.f. 20-10-1989 to 31-08-1994 @ 15% from 1-9-1994 to 30-09-2005 and 12% w.e.f. 1-10-2005 onwards under regulation 31-A of the ESI (General) Regulation be paid by the principal employers on the arrears of contributions for each day of default or delay in payment of contributions. Any interest payable u Regulations framed there under may be recovered as arrears of land revenue under Sec.45-C to 45-I of the ESI Act.

As verified from the file the ESI was deducted from the remuneration of the out sourcing Employee every month. The share of the Municipal Office and employee towards ESI was not remitted within time. The reasons were not explained why the amount was not remitted with in time. The Executive Authority effective steps to remit employees provident fund to the concerned head of account within time for avoiding penal interest.

5.6 MGF Receipt-Tender Deposits,EMDs,Shop Deposits etc.,were shown under the head of other income i.e. Lapsed Deposits 180-11-0 rectification.

As per Para No.5.74 of aP Municipal Accounts Manual,Deposits not claimed within 3 years from the date it is due for payment,shall be considered as lapsed a the party.At the end of each accounting year,the respective sections shall prepare a list of such lapsed deposits.To recognize the income,on obtaining the appr authorities,the accounts section shall pass the necessary journal entries.But,this process was not done in the year 2015-2016.

However,during the year the Other income,i.e Lapsed Deposits u

Shown in the Receipt & Paymens as Rs.44,37,083.00.

Head	Details	Amount
180-10-01	Deposits forfeited	25500.00
180-11-01	EMDs	1279729.00
180-11-02	Deposits	3131854.00
	Total	4437083.00

Audit reveals that the amount shown under the above heads during the year is the receipt towards Tender Deposits,EMD-s & forfeited Deposits Deposits,EMD-s & Tender Deposits are Capital Receipt,But,they are shown as evenue Receipt.This is irregular. Hence,the authorities are here by instructed to transfer the entire amount to concerned heads immediately.

5.7 PAYMENT OF SERVICE CHARGES TO MUNICIPAL CORPORATION IN RESPECT OF CENTRAL GOVERNMENT DEPARTMENTS- NOT REALIZED SO FAR - NEEDS ACTION

The Honourable Supreme court of India vide its order dated 19-11-2009 disposed of the civil Appeal No 9458-63/2003 filed by Rajkot Municipal Council & Others Vs Union of India (UOI) & other charges by Central Government Departments to urban local bodies with the following Directions.

1. The Union of India (UOI) & its Department will pay service charges for the service provided by appellant Municipal Councils. No property tax will be paid by UOI but service charges calculated @ 75%, levied on property owners will be paid, depending upon utilization of full or partial or nil services. For this purpose agreements will be entered in to UOI represented by concerned departments with respective
2. In pursuance of the orders of the Supreme Court in this matter, the following instructions are issued to Commissioners of all ULBs by the principal Secretary to government MA&UD for regulating paymer Central Government properties. The Commissioners of ULBs shall, intimate the Heads of Central Government, Departments about the civic services provided by the ULBs in the vicinity of concerned Cen request them to furnish full data regarding their properties to enable the ULB to work out the service charges payable as per Para 6,7 and 8 of the order date 19-11-2009 of Honourable Supreme Court of Ind data, the Municipal Commissioner shall calculate the service charges payable on these properties at 75%, 50% or 331/3% of property tax levied in the case of private property owners based on the (Government Properties.

3. To issue a self contained, order to the Heads of Central Government Departments indicating the process followed in Working out the service charges payable by them and the amount of service charges pay; and 8 of the order dated 19-11-2009 of Honourable Supreme Court of India.

4. To enter into Memorandum of agreement or understanding with Heads of Central Government Departments for payment of service charges to the ULBs till the next general revision of property tax.

5. In the event of a disagreement on any issue, the Municipal Commissioner shall submit proposals to the Government for constituting a three member mediation committee consisting of the following officers f

- Representative of Central Government
- Representative of concerned ULB
- Representative of MA&UD Department
- In the event of any Central Government Department or Railways owning a property changes the Agreement unilaterally or fails to reach settlement through Mediation Committee, the concerned I deems fit by approaching Courts for reliefs.

It has also been clearly stated that Commissioners of all ULBs shall ensure that entire exercise of payment of service charges by central Government properties is completed by end of September, 2010 an the action taken in this matter to the Commissioner and Director of Municipal Administration under intimation to the Government.

In spite of the above direction issued by the principal Secretary to government MA&UD for regulating payment of service charges in respect of Central Government properties by the end of Septen charges from the central government properties has not been done so far. Though much correspondence has been made with the Central Government departments a conclusion to the payment o government departments for their properties has not been arrived. Much time has been elapsed and the municipal authorities should pay much attention to resolve the issue at the earliest possible and realized from the central government departments.

Code No:9

5.8 SOLID WASTE MANAGEMENT - NON COLLECTION OF GARBAGE COLLECTION FEE FROM BULK GARBAGE PRODUCERS:

As per -Solid Waste Management- guide lines, garbage collection fee has to be collected from the bulk garbage producers monthly. Bu Municipal Corporation is not collecting garbage fee from bulk garbage producers (Hospitals, hotels etc.). Action may be taken for the collection of garbag bulk garbage producers.

Code No:9

5.9 TAX ON DOGS -NOT LEVIED - LOSS TO THE CORPORATION REVENUE - NEEDS ACTION:

Tax on animals (Section 112 to 113, If the animals specified in schedule II to the Act., are kept, the tax shall be levied not exceeding the maximum of Schedule II of the Act. According to the Section 248 of the APGHMC Act, 1955 read with section 14 of the AP Municipal Corporation Act 1994

- Tax not exceeding Rs. 10/- per annum shall be levied on every dog kept within the city and not under the age of six months.
- Every person who owns or is in-charge of any dog on which a tax is leviable under sub-section (1) is liable for such tax.
- Every person who owns or is in-charge of any dog shall, before the first day of May in each financial year, forward to the Commissioner a return signed by hir address and the age of such dog.
- Every person who after the first day of May in any financial year becomes the owner or takes the charge of any dog, shall within one week from the date on wh or takes charge of the dog, forward to the Commissioner a like return, signed by him.
- The tax shall be payable or every financial year in advance on the first day of May.
- The commissioner shall maintain a register showing the persons liable to pay the tax under this section.

Licence and number ticket for dogs and disposal of dogs:

- When the owner or person in-charge of any dog has paid the tax leviable on and the price fixed for the number of tickets for such dog, the commissioner shall
 - grant him a license for the keeping by him of such dog during the financial year for which he had paid the tax; and
 - provide him with a number ticket, the number of which shall be specified in such license.
- The owner or person in-charge of any dog so licensed shall at times cause the said number ticket to be kept attached to the collar or otherwise sus the dog.
- Any dog which has no number ticket so attached or suspended shall be presumed to be a dog in respect of which no license has been granted, an officer duly authorised by the Commissioner in this behalf, and detained until the tax due, if any, has been paid.

But in this Corporation, no such register was maintained and no tax was levied on dogs, which causes loss to the Revenue of the Corporation theref to be taken to tax on dogs.

Code No:9

5.10 ADVERTISEMENTS-WITHOUT PRIOR PERMISSION OF THE COMMISSIONER -FINE NOT IMPOSED - LOSS TO THE CORPORATION - N

According to the section 421 of the A.P GHMC act, 1955 read with section 14 of the A.P. Municipal corporations Act, 1994 -no person shall without t the Commissioner ,erect ,exhibit, fill or retain any advertisement whether now existing or not upon any land, building, wall, hoarding or structure.

Further, according to Section 596 of the said Act, for an Advertisement without permission, a fine up to Rs.1,000/- can be imposed and in no case Rs.500/-.

On verification of the records relating to tax on Advertisement it was noticed that, applications received and permissions issued for erection, exl advertisement for which tax was levied during the year 2014-15 were not furnished to audit. Therefore, it was construed that, those advertisement ' inspections of the Town Planning personnel. As the advertisement were exhibited without the Prior permission of the Commissioner, fine has to be ir Rs.1,000/- to the owners of those advertisements. But the same was not imposed and the Municipal Corporation suffered loss of revenue to that extent. The to be taken to impose fine and report the compliance to audit.

Code No:9

5.11 NON-LEVY OF ADVERTISEMENT TAX ON ADVERTISEMENTS EXHIBITED FOR PUBLIC VIEW THROUGH CABLE TV IN C GOVERNMENT ORDERS:

As per the Government order GO Ms.No.266, MA&UD (TC I) department, dated 5-5-2000, where in Government have amended Andhra (Advertisement Tax) Rules, 1967 by adding item 7B in the schedule after item 7A regarding Advertisement Tax on electronic media including cable TV, ac collected from the cable TV operators at 10% on the rates charged by the advertisers in respect of advertisements exhibited for public view through cable T

It was observed during the scrutiny of the records that advertisement tax on advertisements exhibited for public view through cable TV collectable charges collected by the cable TV operators is not being levied and realized though the GO was issued in the year 2000. Non-initiating of necessary action ; is not in order.

Reasons for non-compliance of the provisions of the GO Ms.No.266, MA&UD, dated 5-5-2000 and details of steps proposed for collection of advertisement operators were not made available in the records produced to audit.

Compliance in this regard may be furnished to audit.

Code No:9

5.12 TAXES - PROPERTY TAX - DEMAND NOT FIXED:

As per annual account an aggregate amount of Rs.52,07,60,028.00 was realized under property tax during the year under audit. But the Demand year was not fixed and ward wise register was also not produced to audit for verification in audit. An amount of Rs.52,07,60,028.00 collected during the year Demand, which was not correct. Separate Demand has to be fixed under this item and basing on this Demand, collection has to be made. But this was not the Demand register, it could not be ascertained whether the entire amount due has been collected or not. Immediate action may be taken to fix the demand wise Assessment list, and arrive at the D.C.B. under the authorization of the Executive Authority. Immediate action may be taken in this regard. Any loss funds due to non-preparation of D.C.B. would have to be made good from the person or persons responsible.

Code No:9

5.13 PROPERTY TAX - NO ADDITIONAL TAX WAS IMPOSED ON THE OWNERS OF BUILDINGS WHO HAVE ALLOWED THE INSTALLATION OF CELL TOWERS. NEEDED ACTION:

In Circular Roc.No.23032/2013/E1-2 Dt.9-11-2013 the Commissioner and Director of Municipal Administrations have issued instructions to the concerned collect additional Property tax from house owners who have allowed the installation of cell towers on their premises. No such property tax was imposed on owners those who have allowed to install cell towers on their building or vacant site. Action would need to be taken to impose additional Property tax and collect the same.

Code No:9

5.14 VACANT LAND TAX - DEMAND FOR THE CURRENT YEAR NOT PROPERLY FIXED:

In exercise of the powers conferred under Section 197, 198 and 199 of H.M.C., Act, 1955, the Municipal Corporation, Rajamahendravaram, vide its notification No. 100/2015 dated 10.12.2015, has decided to levy the tax on vacant land be levied at 1% of the value of that landed property prevailing in the market, as determined by the registration department.

The monthly lists of vacant lands (requiring the levy of tax) prepared as per the property tax assessment register for the year 2014-15 were not made in audit. The demand under vacant land tax for the year 2015-16 was not fixed duly maintaining the current and arrear demand registers.

Further, the tax on vacant land was found to have been levied based on the property tax assessments made from time to time. Instead of preparing on the basis of the property tax assessments. An independent survey by the outdoor staff would need to be got done for identification of the vacant lands in the area and there by demand fixed properly, both current and arrear.

5.15 IMPROPER MAINTENANCE OF CASH BOOKS AND NON RECONCILIATION OF BALANCES WITH TREASURY/BANK BALANCES IRREGULAR:

During the review of cash books maintained in Rajamahendravaram Municipal Corporation, the following deficiencies were observed.

1. Only the entries in respect of expenditure were marked in the cash books.
1. The endorsements in respect of receipts of grants and other receipts were not entered in the cash books.
2. The balances were never drawn for any grant during any period. As a result, the balance available at any given period, in any grant could not be arrived.
3. The balances available in the bank account were only taken as the final balance. As a result, the MC was not having any control over the balances/transactions.
4. Even the annual accounts were also prepared with the help of bank statements, not with the cash books.
5. Separate ledgers for each type of grant expenditure, in the absence of fully fledged cash books, were not prepared.
6. The vouchers in respect of expenditure in each grant for the period were not produced to audit separately but mixed with other vouchers, which cannot be segregated.
7. Entries were made with pencil.

Further, as per AP treasury code and Financial rules, every DDO has to reconcile the balances of each account either with treasury or bank monthly, and the reconciliation statement shall be recorded in the cash book. However, no such reconciliation was done by the MC in respect of any grant. Preparation of annual accounts for the year, the same was not prepared, as the cash books were not properly maintained.

Preparation of annual accounts from the bank statements and not from basic records such as cash books and ledgers is highly irregular and against the provisions. On this being pointed out, the authorities replied that action would be taken to maintain the cash books properly in future. In every audit they are failed to maintain the cash books.

Code No.2

5.16 DETAILS OF BOOK ADJUSTMENTS NOT NOTED IN THE RECEIPTS SIDE OF THE CASH BOOK :

As verified from the cash book, it was noticed that the details of book adjustments were not recorded in the receipts side of the cash book. The posting register was also not written up and produced to audit. Figures were exhibited in Chitta. In the absence of noting of details of book adjustments in the receipts side of cash book and non maintenance of posting register, the source of lump sum figures noted in the Cash Book. Hence, the correctness of the amounts of book adjustments noted in Chitta could not be verified in audit.

Code No.9

5.17 NON-DEDUCTION TOWARDS PROFESSION TAX FOR THE WORKS CONTRACTORS :

As per the first schedule of A.P. tax on professions, trades, calling and employment act, 1987, contractors falling in the following categories have to pay professional tax as mentioned below.

Sl. No.	Class of Contractors	PT to be paid per annum
1	Special Class & Class-I Contractors	Rs.2500
2	Class-II Contractors	Rs.1500
3	Class - III contractors and below	Rs. 500

It was observed during the scrutiny of the records that payment of Professional Tax is not being made directly by the Municipal Contractors to the Commercial Taxes Department at the above rate this regard is being effected by the Municipal Corporation, Rajamahendravaram authorities from the contractors for crediting the PT to the Commercial Taxes department. Non-bestowing of proper inter recurring loss of revenue to the Government due to non-payment of the professional tax by the contractors is not in order.

Immediate action needs to be taken for effecting recovery towards professional tax at the above rates in the work bills to be paid in future or for giving instructions to all the contractors registered with making payment of arrears of professional tax from the date of their registration as municipal contractors or date of coming into force of the APPT Act, 1987 which ever is earlier to the Commercial Taxes Dept under intimation to audit.

Code No.9

5.18 WORKS - EXECUTION OF WORKS AND PAYMENTS MADE - CERTAIN IRREGULARITIES AND PROCEDURAL LAPSES - NEEDS RECTIFICATION

As verified from the M. Books and relevant work files the following irregularities have been noticed while making payment for the works executed and certain lapses keeping them. Books and i out are as follows.

1. Bills are being passed separately for labour and material Components.
2. In case of Departmental execution bills are recording in the M.books separately based on the vouchers enclosed to the file. No Comprehensive bill for the finished items executed with the estimated rates. In the absence of the above bill it could not be verified and compared whether the work is executed ad per the estimated quantities and rates.
3. The materials purchased are not shown in the 7F account in the M.Book and utilization is not being pointed out based on the theoretical requirement for the items executed. materials purchased could not be verified.
4. Empty cement bags are not disposed off in sales and the sale and the sale proceeds are not being accounted for.
5. Single tenders are being accepted duly violating the tender procedures.
6. The balance of materials purchased after utilization in each work are not being accounted for or transferred to any other work.

Hence the defects may be rectified and procedures may be followed as laid down in d Code and financial Code.

Code No:9

5.19 ENTIRE TAX COLLECTIONS OF RAJAMAHENDRAVARAM MUNICIPAL CORPORATION REMITTED IN TO BANK A/C S INSTEAD MUNICIPAL CORPORATION - ALL ADMINISTRATIVE EXPENDITURE ALSO INCURRED FROM SB A/CS INSTEAD OF OBTAINING LOC CONTRARY TO GOVT. ORDERS.

Audit reveals that the entire receipt of taxes and non-taxes of the Rajamahendravaram Mpl. Corporation are remitting in different bank acc the collection of taxes and non-taxes are not deposited in the PD A/c of the Municipal Corporation. This is highly irregular. The control of treasury ove Fund is bypassed. By this the Commissioner drawing the funds directly from the SB accounts for all purposes without Letter of Credit from the treasury.

Taxes & Non-Taxes are not a grant from Government, there is no need to maintain separate bank accounts for this purpose. For the convenia banks are allowed for tax collection, the same may be periodically to be transferred to the PD A/cs of the Municipality. Thereafter, the Municipal Corpora administrative expenditure from PD A/c duly obtaining the LOC from treasury.

Hence, the authorities are hereby instructed to stop the existing procedure and give instructions all the collections towards taxes & non-taxes l the Municipal Corporation.

Code No:9

5.20 VACANT LAND TAX - IMPOSED FOR TWO HALF YEARS AT THE TIME OF CONSTRUCTION OF BUILDING BECAUSE OF GETTING APPROVED -INSTEAD OF FIVE HALF YEARS IMMEDIATELY PRECEEDING THE CURRENT HALF YEAR AS PER SECTION 225(3) AND 22: 2013- LOSS OF REVENUE TO THE MUNICIPAL FUNDS:

As per Section 225(3) of GHMC Act, 1955 as amended by Act No.15 of 2013 with effect from 5.8.2013, if at any time, it appears that any perso inadvertently omitted from the assessment records or inadequately or improperly assessed relating to any tax, the Commissioner is competent to levy Prope with retrospective effect up to five half-years preceding the current half-year.

Instances of cases were noticed in audit that some of the applicants who are purchased the Plots in the jurisdiction of this Municipal Corporation the Revenue authorities for imposing the Vacant Land Tax for those plots just because of getting their Building Plan approved in Town Planning Section. T neither approaching the Revenue authorities for imposing of VLT as and when they purchase the Plot nor the Revenue authorities were issuing notices a same by the field staff. This comes under inadvertent omission in imposing of VLT in time. By the time the applicant has approached, the Revenue authoriti for one year (Two Half Years) i.e. for the current year in which the applicant has approached and issue the tax receipt by collecting the tax without any pi the same to the Building Application documents.

As the above cases come under the perview of inadvertent Omission, the Commissioner has to impose Tax on Vacant Lands with retrospective eff preceding the current half-year. But due to imposition of Two Half Years tax, this Municipal Corporation has foregone a loss of revenue.

Therefore immediate action would need to be taken to recoup the loss either from the Owners of that site or from the Person or persons responsible at to audit.

Code No:9

5.21 WORKS - EARMARKED FUNDS FOR THE WELFARE OF SC-s, ST-s AND WOMEN AND CHILD WELFARE NOT SEPARATELY EXIBITED -

A provision has been made in the budget estimates 2015-16 for incurring expenditure at 15%, 6% and 5% of the total budget provision on developm of SC-s, ST-s and women and child welfare respectively.

The expenditure incurred by the municipality towards the development works was not separately shown to verify whether the stipulate expenditure details of expenditure were not separately exhibited in the relevant registers and produced for verification in audit.

The expenditure incurred for the benefit of SC-s,STs and women and child welfare would need to be exhibited in the separate register and produced

Code No:9

5.22 WORKS - SITE AREA, PROGRESS AND FINALISATION PHOTOS NOT PROPERLY TAKEN - IRRIGULAR.

The Government have issued instructions at the time of conducting of work, before conducting of a work taken a photograph of the site area and lev photograph to be taken while conducting of work at the work is in progress and finally after finishing the work.

During the course of audit, it is noticed that,three copies of photos at the final stage of work are enclosed to the bill. The authorities have not follow Govt.,as said above, which is irregular. Action would need to be taken to follow the instructions and the fact may be intimated to audit.

Code No:9

5.23 ENTERTAINMENT TAX - RELATING TO CINEMA AND CABLE TV NOT REALISED - NO RECORDS WERE MAINTAINED TO ASSESS T CORRESPONDENCE WAS MADE WITH COMMERCIAL TAX DEPARTMENT TO RECEIVE THE COLLECTION - LOSS TO THE MUNICI ACTION:

As per section 15(A) of AP Entertainment Tax Act,1939 which comes into force from 1.1.2003, every master cable operator shall pay Entertainment number of connections provided to the subscribers either directly or through the cable operators from his control room at rates specified under each categ below

S.No	Category	Local Area	Rates per connection per month
1	A	Municipal Corporation	Rs. 5/-
2	B	Selection Grade Municipalities	Rs.4/-
3	C	Grade I & II Municipalities	Rs.3/-
4	D	Other Municipalities	Rs.2/-

As per GO Ms No 1644 Revenue (CT-IV) Dept dated 8-11-2006 the levy,assesementcollection and enforcement of Entertainment Tax oncinema, cable TV with Commercial Tax Dept . According to section 4 of AP Entertainment Tax Act 1939, 90% of the total proceeds of the Entertainment Tax collected in the authority every quarter.

But no amount was adjusted till the end of the year 2015-16

This Municipal Corporation has not maintained any files and registers for ascertaining the Demand of the Entertainment Tax for an year and not made the commercial Tax Dept to get the apportioned amount of Entertainment Tax collected from January 2003 to till the end of the year 2015-16

Therefore immediate action would need to be taken to asses the Demand and Collect the apportioned amount from the Commercial Tax Dept and remit t Funds under intimation to audit.

5.24

PROPERTY TAX AND WATER TAX - THOUGH WARD WISE DEMAND REGISTERS PRODUCED - POSTINGS WERE NOT MADE IN THE DEMAND R NOT TALLYING WITH THE ONLINE FIGURES.

During the year under audit, the DCB for the current year i.e. for 2015-16 only was prepared and produced to audit as detailed below

Head	Demand	Collection	Excess	Balance
Property Tax	520760028.00	298831474.00	0.00	221928554.00
Water Tax (non-metres)	39810342.00	17189785.00	0.00	22620557.00

The following are the defects noticed:

1. Though DCB was prepared, the Demand Registers duly posting the collections and balance arrived was not produced along with collection figures which were at e-sevas.
2. There is a huge variation between the collection figures in revenue section & Account Section. How the Excess Collection was incurred could not be explained
3. As the Demand was Generated basing online figures , efforts made by the audit party to know the Demand for the year 2015-16 and the arrear demand up to as the e-suvidha soft ware was modified and new soft ware was not working at the time of audit. Hence the Demand could not be certified.

In view of the above the Demand Collection and Balance arrived could not be certified in audit. Action would need to be taken to produce the necessary r the actual Demand, Collection and Balance under Property Tax and Water Tax.

5.25NON MAINTENANCE OF DEMAND AND ARREAR DEMAND REGISTERS OF PROPERTY TAX (MANUAL):

It was noticed during the audit that both the Demand and Arrear Demand Registers of property tax for the year 2015-16 were prepared based on data and the correctness of the data shown there in was not certified to by the executive authority.

Manual registers for either current demand or arrear demand were not maintained and produced to audit. Similarly register of transfer of titles, m of remission, write off register and register of appeals were not made available for verification.

Further, the page wise totals along with the final abstract were not enclosed to the ward wise computer generated demand and arrear demand registers for t

Consequently, cross checking of computer generated data with that of manual registers, as required to be maintained in accordance with the instructions c/ fax message in Roc.No.4994/04/03/(B5), dated 18-3-2004 of the Commissioner and Director of Municipal Administration, A.P., Hyderabad could not be don the number of assessments coming under tax fold could not be ensured in audit.

5.26

PROPERTY TAX AND ITS COMPONENTS - NOT IMPLEMENTED :

According to the provision of Sec.85 of the A.P. Municipalities Act, 1965, the government have fixed ceiling to the rate of property tax inclusive of cess that it should not exceed 25% of A.R.V in respect of residential buildings and 33% of A.R.V. in respect of non-residential buildings. The property tax is following components to provide for expenses under each head.

1. General purpose
2. Water supply tax
3. Drainage tax
4. Scavenging tax
5. Lighting tax
6. Education tax
7. Library cess

As verified from the annual account the property tax was not apportioned among the applicable components in the above stated heads. This was contrary to the provisions made under the said section of the Municipal Act. The same would need to be rectified and the prescribed procedure followed in future. The Corporation take earnest steps for allocation of property Tax as per the provisions in the Municipal Act to fulfill statutory obligation.

5.27 PROVIDENT FUND - INVESTMENT OF PROVIDENT FUND SUBSCRIPTIONS OF THE MUNICIPAL EMPLOYEES - ORDERS OF THE GOVERNMENT FOLLOWED - IRREGULAR - NEEDS ACTION :

As per orders of Govt. issued in G.O.Ms.No. 329 MA & UD (G2) Dept., dt. 15.06.2006, all the Commissioners of Municipalities / Corporations have to be concerned Municipal employees as to whether their G.P.F. Subscriptions shall be kept in the General Funds of the respective Municipality or be invested in offices, Govt. Securities, Government guaranteed securities in the following pattern :

- | | |
|--|-----|
| 1. Government Securities | 50% |
| 2. State / Central Govt. Guaranteed Securities | 25% |
| 3. NSS and other small saving investments
(if allowed) | 25% |

(If NSS investment is not allowed it may be invested in AAA rated Bonds of PSUS and FIS)

Also for allowing rates of interest, on GPF subscriptions based on the options exercised by the Municipal employees, the Government in the said G.O

- i. In case of Municipal Employees Opted for keeping their subscription in General funds of respective Municipality they shall be allowed the prevailing rate Government from time to time on the G.P.F. Subscription of Government Servants.
- ii. In case of Municipal Employees opted for investing / depositing their G.P.F. subscriptions in post offices / Nationalized Banks / Government floated loan occurred in the investments / deposits made shall only be allowed.

But this Municipal Corporation has not followed the orders of the Government till the close of audit for the year 2015-16. Action would need to be taken above orders immediately and report the compliance to audit.

5.28 SERVICE TAX ON LEASES-TENANTS OF THE MUNICIPAL SHOPPING COMPLEXES AND SHOPS OF MUNICIPAL CORPORATION - IRREGULAR-NEEDS ACTION.

During the course of Audit on the Accounts of Municipal Corporation RajaMahendravaram, it is noticed that service tax was not collected on the Tenants which causes loss to the Corporation, as the same has to be paid by the corporation from its own funds to the Central Excise Department

Code No. 9**5.29 GENERAL WORKS - DELAY IN EXECUTION OF WORK - NO PENALTIES IMPOSED - IRREGULAR :**

All the work awarded to contractors should be completed within the stipulated period of time as per the agreement conditions. In case of delays in commencement or progress or neglect of work the penalty of forfeiture of his earnest money (EMD), Security deposits and amounts need to be implemented, but it was not done by the Municipal Corporation in any of the works where the agreement was floated.

The Primary concern is that the work should be completed within the agreed period and fulfilled the very purpose for which it was awarded and this should be given the primary importance which is not followed by the Contractors.

Therefore action would need to be taken against the person or persons responsible for the delay in Execution of works.

I. Some examples are given below:

1. Name of the Work : Construction wall to Sai chaitanya Nagar park in 10th Division.
2. Name of the Contractor : Sri G.RathaRaju
3. Time Period given : 2 Months
4. Agreement No. & date : /dt. 21.7.2014
5. Date of Completion : 14.12.2015
6. Vr. No. & Date : 2091/3-2016
7. Estimate Value : 9,98,000-00
8. M.B. No. :205A/15-16

II.

1. Name of the Work : Construction of Major drain and Culvert along Mormpudi road on North side from D.No.41-2-23 to by-road Junction in the

14th&15th division.

2. Name of the Contractor : Sri PRSSST Naidu
3. Time Period given : 3 Month
4. Agreement No. & date : /dt. 24.1.2014
5. Date of Completion : 13.7.2015
6. Vr.No. & Date : 858/9-2015
7. Estimate value : 17,50,000-00

8. M.B. No. : 106A/15-16

III.

1. Name of the Work : Prov. C.C road approach to main road including drain at Simhachla Nagar School Back side in

19th Division.

2. Name of the Contractor :
3. Time Period given : 1 Month
4. Agreement No. & date : /dt. 6.8.2015
5. Date of Completion : 27.9.2015
6. Vr.No. & Date : 1664/1-2016
7. Estimate value : 6,70,000-00
8. M.B. No. : 166A/15-16

IV.

1. Name of the Work : Contraction of C.C road and drain at NRCP road Appalla Scanning opp. Street and VV

Gardan 2nd gate opp. Street in 39th Division.

2. Name of the Contractor : Sri A.V.Prasad
3. Time Period given : 1 Month
4. Agreement No. & date : 71/1.7.2015
5. Date of Completion : 7.11.2015
6. Vr.No. & Date : 1733/1-2016
7. Estimate value : 9,50,000-00
8. M.B. No. : 170A/15-16

V.

1. Name of the Work : Providing Toilets and Traire case to reading room at Anandanagar park in the 46th Division.

2. Name of the Contractor : M/S M.Ramgopal
3. Time Period given : 1 Month
4. Agreement No. & date : 154 / 6.6.2013
5. Date of Completion : 5.12.2014
6. Vr.No. & Date : 117/4-2015
7. Estimate value : 3,03,000-00
8. M.B. No. : 79A/15-16

5.30 PH ESTABLISHMENT - SALARY NOT CLAIMED FOR THE ABSENT PERIOD - PERIOD NOT REGULARISED - NECESSARY ENTRIES IN THE SERVICE REGISTER - SUBSEQUENT INCREMENT - SANTIONED - IRREGULAR :

During the year under audit, it was noticed that for some of the PH workers working in this corporation, full salary was not paid. But, on which days, they were absent was not known as the master rolls were not made available for verification. Further the absent period was not regularized and relevant entries either for their period of absence on leave sanctioned period in the Service Registers of the individuals. But subsequent increment were sanctioned. Sanction of increments without regularization of absence is irregular. Therefore action would need to be taken to regularize the period of absence either with the leave eligible and make necessary entries in the Service Register. If the period of absence treated as loss of pay the increments sanctioned and postponed. Any excess payment made due to postponement of increment would need to be worked out and made good by persons responsible and credited to Corporation funds under intimation to audit.

Para Number : 25

VIOLATION OF RULES (Code : 9) Rs : 19766

P (code :9 [19])

Code No:9

5.31 CHEQUE/DDS THROUGH CHITTA AND CHEQUE/DDS DIRECTLY RECEIVED BY CONCERNED SECTION - NOT FOUND II SENT TO BANK FOR COLLECTION - NEGLIGENCE OF MUNICIPAL AUTHORITIES - LOSS TO MUNICIPAL FUNDS :Rs.19,766-00

On verification from the said payment of works vouchers, M.Book and files for the year 2015-16, it is noticed that the Originals of Cheque/DDS received register, there Cheque/DDS received register and not sent to bank for collection, negligence of Municipal authorities- loss to municipal funds sustained in this regard would need to be recovered from the person or persons responsible and made good to Municipal Funds

Engineering Section :

Sl.No	DD No/Date	Details	DD Amt.
1.	DDNo.822352/4.9.15 of Bank of Maharashtra, Ravulapalem.	Towards EMD for Work -Collection and supply sand for edge chloration to pushkaram ghat in MCR,Sri K.Nagi reddy, Contractor RJY (Vr. 1143/9-2015)	11,201-00
2.	DDNo.822351/4.9.15 of Bank of Maharashtra, Ravulapalem.	Towards EMD for Work -Collection and supply sand for edge chloration to Kotilingala ghat in MCR,Sri K.Nagi reddy, Contractor, RJY (Vr. 1142/9-2015)	8,565-00
			19,766-00

Para Number : 26

5.32 WORKS - AGREEMENT WAS ENTERED AFTER THE WORK WAS COMPLETED - IRREGULAR:

During the course of audit, the following works verified from the M.Books, Estimates and Agreement files etc., it is noticed that was entrusted after the work was completed which is irregular. The loss if any sustained in this regard would need to be person or persons responsible and made good to Municipal Funds.

Sl.No.	Vr.No/Date	Details	Amount	Agreement date	Work Completion date
1	995/9-2015	Supply of Tools for water supply distribution in MCR, Est: 0-50 lakhs, Contractor: M/s Sri Rama Engineering Eluru	47413-00	17-8-2015	14-7-2015
2	1126/9-2015	Providing Chain link mesh.. Est:0-90 lakhs, Contractor : Sri P.V.V.S.N.Raju	84161-00	17-8-2015	22-7-2015
3	1124/9-2015	Development of CC Footpath at Laxmi Talkies in 6 th Division, RJY, Est: 0-96 lakhs, Contractor: Sri M.V,V.Rajasekhar	92105-00	30-8-2015	28-7-2015
4	1125/9-2015	Providing side beams in Lalacheruvu in 1 st Division, Est: 0-61 laksh, Contractor Sri G. Balamuralikrishna	58573-00	28-8-2015	16-7-2015
5	1122/9-2015	Maintenance and repairs to High Tech Bus Stand in 5 th Division, Est: 1-40 llakhs, Contractor : Sri N.Vijaya Kumar Babu	107543-00	4-9-2015	16-7-2015
6	992/9-2015	Supply and Delivery of fixing 5 HP Diesel Engine to MCR, Est: 5-00 lakhs, Contractor : M/s Sri Rama Engineering Corporation RJY	420252-00	30-7-2015	12-7-2015
7	946/9-2015	Supply Delivery and fixing 12 nos 5HP Diesel Engine to MCR Est: 5-00 lakhs, Contractor: M/s Sri Rama Engineering Corporation RJY	418516	30-7-2015	12-7-2015
8	1107/9-2015	Providing painting to B ommuru Railing basement in GNT Road from Sulabh Complex to DIG Premises in MCR, Est: 0-66 lakhs Contractor: Sri P.L.V. Ramana	60481	28-8-2015	14-7-2015
9	1143/9-2015	Collection and supply of sand for edge chlorination to Puskar Ghat in MCR Est: 4-80 lakhs, Contractor Sri K.Nagi Reddy	474629-00	4-9-2015	15-7-2015

Para Number : 27

VIOLATION OF RULES (Code : 9) Rs : 0

P (code :9 [19])

5.33 REVENUE SECTION - CERTAIN DEFECTS NOTICE IN MAINTENANCE OF RECORDS

During the course of audit, on verification of the records relating to Revenue Section the following are the defects noticed

1. All the columns in the M.L. Register of Property Tax were not filled up. The connected M.L. files were also not made available to know the deviations if approved plan of the building
2. Regarding Vacant Land Tax, the connected M.L. files were not produced to know the exact location of the site and to verify the extent recorded in the M.L. Reg document.
3. As per the amended Act No.15 of 2013 with effect from 5.8.2013, and under the new section 278 A(1), the details of the cases which fall under Distraint, Pr list of the arrears due to the Corporation placed before the Standing Committee for which no action was taken within the period specified in Sub-section (1) of to be time barred at least one year before the expiry of the said period stating the reasons for the delay in recovery of such amount. But such files prepared wer Standing Committee nor produced to audit.
4. As per Section 85(5) , 100% of property tax should be imposed on un-authorized floors over the permitted floors in a sanctioned plan. But some of the cas 100% penalty on Property Tax of un-authorized floors only inspite of Property Tax of entire building. The relevant authority was not furnished.
5. Instances were noticed imposing VLT of one year instead of 5 Half Years preceeding the current Half Year which comes under the perview of Section 225(implementation of the above section was not explained.
6. Instances were noticed for non-imposing of HSC meters to the Apartments and still collecting water tax(non-meter) which causes loss to the revenue of the corp
7. There is a huge variation in the collection figures of Revenue DCB and Account, the discrepancy was not explained
8. Buildings dismantled and VLT is being imposed. But instances were noticed in such cases House Tax was not cancelled in E-suidha resulting arrears under F building exists.

The above defects were already informed to the Deputy Commissioner, Municipal Corporation, Rajamahendravaram through Audit Observation Le Dt.16.4.2016. But no reply was received till the close of the audit.

5.34

A Review on Journal Entries passed durning the year

Journal Book shall be the book of original entry for recording all transactions other than those involving cash and/or bank.A non-cash/bank transaction Journal Book by dividing into its debit and credit aspects,from which a posting is done in the relevant ledger account.

A. JE-s not passed for demand fixation of receipt heads i.e., for PT/VL/Advt.Tax/Water Tax/Markets/Shop Room Leases/Enc.Fees/D&O Licence Fee receivables to the Institution.

Revenue Income in -Gross- inflow of receivables(which includes recoverable like tax,fees,lease amounts etc.,).In accrual basis of account reflected in the accounts in the period in which they accrue.Accrual basis of accounting system could be followed for most of the income sources.

Pre-requisites for recognition of revenue on accrual basis:

Revenue Income	(a) <u>Is the Income ascertainable-</u> (b) <u>Is the data is accurate-</u> (c) <u>Damand Notices served to all the Assesses-</u>	If the answer is -YES-	If the answer is -NO-
	-	Accrual Basis of Accounting	Cash Basis of Accounting
	-		
	-		
	-		

During he Year the demand entries are not passed in Journaaaaaaaaaaaaal Book for the following heads.

Account Code	Account Head	Demand raised for the current year	Remarks
110-01-01	Property Tax	0.00	For these heads the income is ascertainable & data is accurate and demand notices served to all assesses.Hence,these income heads are recognized on accrual basis of accounting.Hence,the Demand entries to be passed by the accountant
110-01-02	Vacant Land Tax	0.00	
110-11-11	Advt. Tax	0.00	
110-02-02	Water Tax	0.00	
130-10-01	Market Sale	0.00	
130-10-15	Shop rents	0.00	
140-11-01	D&O Trades	0.00	
140-11-04	Slaughter House Locense Fee	0.00	
140-11-06	Enc. Fee	0.00	

5.35

Violation of Rules:

Code:09

ACCOUNTS -AMOUNTS ADJUSTED IN SAVING BANK ACCOUNTS -DETAILS OF RECEIPTS NOT FURNISHED-NEEDS EARLY ACTION:

During the course of audit, it is observed that the municipal corporation has maintained 15 saving bank accounts in respect of Capital saving bank accounts in respect of Municipal General Funds relating to the opened separate accounts for the grants released by the Government and set to the heads of receipts as per the Annual account. But the connected bank pass books /statements along with the cash books not produced to the audit for the above, the receipts and expenditure as per the cash book and pass book could not verify and the correctness of the receipts not identified in audit. In this connection, it is noticed that an amount of Rs.98.54.492.00 was adjusted /credited to the saving bank accounts relating the MGF and Rs.7,35,157.0 in respect of Capital Project Fund during the financial year as detailed below:

1. STATEMENT SHOWING THE AMOUNT ADJUSTED TO THE SB ACCOUNTS IN RESPECT OF M.G.F.1.4.2015 TO 31.3.2016

Date	Adjustment particulars	Head	Purpose of account	Amount credited
30/04/2015	MRO-5344244/1516	1711001	Savings Bank Accounts	14991
25/06/2015	MRO-5428756/1516	1711001	Savings Bank Accounts	23929
28/06/2015	MRO-5438664/1516	1711001	Savings Bank Accounts	7249
30/06/2015	MRO-5391005/1516	1711001	Savings Bank Accounts	1198
30/06/2015	MRO-5391009/1516	1711001	Savings Bank Accounts	5991
30/06/2015	MRO-5405348/1516	1711001	Savings Bank Accounts	285185
30/06/2015	MRO-5408481/1516	1711001	Savings Bank Accounts	53968
30/06/2015	MRO-5437578/1516	1711001	Savings Bank Accounts	75527
30/06/2015	MRO-5441657/1516	1711001	Savings Bank Accounts	1666010
31/07/2015	MRO-5773378/2015-2016	1711001	Savings Bank Accounts	15647
31/07/2015	MRO-5782622/2015-2016	1711001	Savings Bank Accounts	10663
05/08/2015	MRO-5422747/1516	1711001	Savings Bank Accounts	8697
05/09/2015	MRO-5515986/2015-2016	1711001	Savings Bank Accounts	2513
05/09/2015	MRO-5516025/2015-2016	1711001	Savings Bank Accounts	2697
05/09/2015	MRO-5516079/2015-2016	1711001	Savings Bank Accounts	17364
05/09/2015	MRO-5516092/2015-2016	1711001	Savings Bank Accounts	219945
05/09/2015	MRO-5516141/2015-2016	1711001	Savings Bank Accounts	14730
09/09/2015	MRO-5413169/1516	1711001	Savings Bank Accounts	2315
09/09/2015	MRO-5438706/1516	1711001	Savings Bank Accounts	192689
09/09/2015	MRO-5439066/1516	1711001	Savings Bank Accounts	118166
09/09/2015	MRO-5439122/1516	1711001	Savings Bank Accounts	123966
23/09/2015	MRO-5428728/1516	1711001	Savings Bank Accounts	70
26/09/2015	MRO-5437434/1516	1711001	Savings Bank Accounts	311471
26/09/2015	MRO-5437460/1516	1711001	Savings Bank Accounts	5723
26/09/2015	MRO-5437599/1516	1711001	Savings Bank Accounts	66134
26/09/2015	MRO-5437603/1516	1711001	Savings Bank Accounts	1170
26/09/2015	MRO-5437625/1516	1711001	Savings Bank Accounts	49857
26/09/2015	MRO-5441661/1516	1711001	Savings Bank Accounts	1349670
30/09/2015	MRO-5428733/1516	1711001	Savings Bank Accounts	4
30/09/2015	MRO-5774315/2015-2016	1711001	Savings Bank Accounts	101816
30/09/2015	MRO-5774352/2015-2016	1711001	Savings Bank Accounts	47342
30/09/2015	MRO-5782637/2015-2016	1711001	Savings Bank Accounts	6686.34
30/10/2015	MRO-5515963/2015-2016	1711001	Savings Bank Accounts	1012850
31/10/2015	MRO-5773387/2015-2016	1711001	Savings Bank Accounts	15805
26/12/2015	MRO-5571321/2015-2016	1711001	Savings Bank Accounts	339594
26/12/2015	MRO-5764801/2015-2016	1711001	Savings Bank Accounts	591148
26/12/2015	MRO-5772110/2015-2016	1711001	Savings Bank Accounts	1222
26/12/2015	MRO-5772379/2015-2016	1711001	Savings Bank Accounts	5811
26/12/2015	MRO-5772589/2015-2016	1711001	Savings Bank Accounts	49955
26/12/2015	MRO-5774995/2015-2016	1711001	Savings Bank Accounts	58056
27/12/2015	MRO-5782557/2015-2016	1711001	Savings Bank Accounts	7393
31/01/2016	MRO-5773393/2015-2016	1711001	Savings Bank Accounts	15964
31/01/2016	MRO-5782624/2015-2016	1711001	Savings Bank Accounts	11054
01/03/2016	MRO-6125827/2015-2016	1711001	Savings Bank Accounts	406197
05/03/2016	MRO-5773468/2015-2016	1711001	Savings Bank Accounts	17505
05/03/2016	MRO-5773475/2015-2016	1711001	Savings Bank Accounts	221740
05/03/2016	MRO-5773481/2015-2016	1711001	Savings Bank Accounts	2640
05/03/2016	MRO-5773485/2015-2016	1711001	Savings Bank Accounts	2534
05/03/2016	MRO-5773487/2015-2016	1711001	Savings Bank Accounts	14851

10/03/2016	MRO-5773369/2015-2016	1711001	Savings Bank Accounts	159622
10/03/2016	MRO-5773434/2015-2016	1711001	Savings Bank Accounts	46861
10/03/2016	MRO-5774074/2015-2016	1711001	Savings Bank Accounts	163680
10/03/2016	MRO-5774446/2015-2016	1711001	Savings Bank Accounts	80288
31/03/2016	MRO-5772113/2015-2016	1711001	Savings Bank Accounts	1302
31/03/2016	MRO-5772384/2015-2016	1711001	Savings Bank Accounts	5838
31/03/2016	MRO-5772594/2015-2016	1711001	Savings Bank Accounts	23546
31/03/2016	MRO-5772842/2015-2016	1711001	Savings Bank Accounts	416860
31/03/2016	MRO-5775001/2015-2016	1711001	Savings Bank Accounts	73079
31/03/2016	MRO-5775996/2015-2016	1711001	Savings Bank Accounts	103858
31/03/2016	MRO-5776019/2015-2016	1711001	Savings Bank Accounts	48292
31/03/2016	MRO-5781106/2015-2016	1711001	Savings Bank Accounts	1146876
31/03/2016	MRO-5782641/2015-2016	1711001	Savings Bank Accounts	6887.47
TOTAL AMOUNT ADJUSTED: :				9854692

2.STATEMENT SHOWING THE AMOUNT ADJUSTED TO THE SB ACCOUNTS INRESPECT OF C.P.F.1.4.2015 TO 31.3.2016

Date	Adjustment particulars	Head	Purpose of account	Amount credited
02/04/2015	CRO-5438510/1516	1711001	Savings Bank Accounts	8192
04/05/2015	CRO-5438546/1516	1711001	Savings Bank Accounts	23333
18/05/2015	CRO-5438516/1516	1711001	Savings Bank Accounts	8192
28/06/2015	CRO-5438637/1516	1711001	Savings Bank Accounts	17738
30/06/2015	CRO-5390979/1516	1711001	Savings Bank Accounts	553
30/06/2015	CRO-5390981/1516	1711001	Savings Bank Accounts	7730
30/06/2015	CRO-5390985/1516	1711001	Savings Bank Accounts	577
30/06/2015	CRO-5391011/1516	1711001	Savings Bank Accounts	80390
03/07/2015	CRO-5438518/1516	1711001	Savings Bank Accounts	8192
03/07/2015	CRO-5438521/1516	1711001	Savings Bank Accounts	45276
04/08/2015	CRO-5438678/1516	1711001	Savings Bank Accounts	420
07/08/2015	CRO-5438669/1516	1711001	Savings Bank Accounts	3936
18/08/2015	CRO-5438526/1516	1711001	Savings Bank Accounts	8192
05/09/2015	CRO-5516119/2015-2016	1711001	Savings Bank Accounts	741
06/09/2015	CRO-5516385/2015-2016	1711001	Savings Bank Accounts	32764
07/09/2015	CRO-5773351/2015-2016	1711001	Savings Bank Accounts	56
07/09/2015	CRO-5773359/2015-2016	1711001	Savings Bank Accounts	2622
26/09/2015	CRO-5437493/1516	1711001	Savings Bank Accounts	77456
26/09/2015	CRO-5437613/1516	1711001	Savings Bank Accounts	540
26/09/2015	CRO-5437619/1516	1711001	Savings Bank Accounts	564
26/09/2015	CRO-5772487/2015-2016	1711001	Savings Bank Accounts	7550
30/09/2015	CRO-5774398/2015-2016	1711001	Savings Bank Accounts	37799
03/10/2015	CRO-5438528/1516	1711001	Savings Bank Accounts	8192
18/11/2015	CRO-5773416/2015-2016	1711001	Savings Bank Accounts	8192
26/12/2015	CRO-5772075/2015-2016	1711001	Savings Bank Accounts	563
26/12/2015	CRO-5772104/2015-2016	1711001	Savings Bank Accounts	588
26/12/2015	CRO-5772121/2015-2016	1711001	Savings Bank Accounts	80869
26/12/2015	CRO-5772493/2015-2016	1711001	Savings Bank Accounts	7882
27/12/2015	CRO-5782536/2015-2016	1711001	Savings Bank Accounts	18092
04/01/2016	CRO-5773420/2015-2016	1711001	Savings Bank Accounts	8192
01/02/2016	CRO-5773422/2015-2016	1711001	Savings Bank Accounts	47604
09/02/2016	CRO-5773534/2015-2016	1711001	Savings Bank Accounts	435
10/02/2016	CRO-5773522/2015-2016	1711001	Savings Bank Accounts	4081
18/02/2016	CRO-5773425/2015-2016	1711001	Savings Bank Accounts	8192
05/03/2016	CRO-5773460/2015-2016	1711001	Savings Bank Accounts	747
07/03/2016	CRO-5782602/2015-2016	1711001	Savings Bank Accounts	31967
09/03/2016	CRO-5773353/2015-2016	1711001	Savings Bank Accounts	56
09/03/2016	CRO-5773363/2015-2016	1711001	Savings Bank Accounts	2644
31/03/2016	CRO-5772080/2015-2016	1711001	Savings Bank Accounts	600
31/03/2016	CRO-5772107/2015-2016	1711001	Savings Bank Accounts	627
31/03/2016	CRO-5772123/2015-2016	1711001	Savings Bank Accounts	86163
31/03/2016	CRO-5772501/2015-2016	1711001	Savings Bank Accounts	8398
31/03/2016	CRO-5776042/2015-2016	1711001	Savings Bank Accounts	38260
TOTAL AMOUNT ADJUSTED:				735157

Hence action would need to be take to up to date the account with head wise receipts , if any funds and amounts to be adjusted to the concerned head of accounts or any mis -classifications realized fr may be transferred/adjusted to the concerned heads and produced to audit for verification. If any loss sustained due to above , the same may recovered from the person

5.36

PROPERTY TAX - COLLECTION OF PROPERTY TAX - CREDITED IN CPF -IRREGULAR-NEEDS RECTIFICATION;

As verified from the annual account in audit, an amount of Rs.22,000-00 was credited in Capital Project Fund towards Property tax, as per the instructions, the collection of Property tax shall be remitit would need to be taken to rectify the above defect and produce the connected information in audit at an early date.

Date	Transaction no.	Head	details of tax received	amount collected	Remarks
17/03/2016	CRC-5765599/2015-2016	1100101	Properties-General (Property Tax)	22,000	

Para Number : 28

VIOLATION OF RULES (Code : 9) Rs : 4600

P (code :9 [19])

5.37 TOWN PLANNING SECTION -SHORT COLLECTION OF POSTAL CHARGES -LOSS -NEEDS RECOVERY. -Rs. 4600-00.

In accordance withGazette notification CR No.3/673/2013 dt.15.4.2013 published by Municipal Corporation, Rajamahendravaramin item no 11 of -others- (ii): 1 levied at the following rates:

(1): Residential Buildings @Rs.200/- per each application

(2): Commercial Buildings @Rs.1,000/- per each application

(3): Group Houses/High Rise Buildings @Rs.2,500/-per each application.

During the close scrutiny of Building Applications, it was noticed that Postal charges were short collected in the following building applications as detailed below.

Hence early action would need to be taken to collect the postal charges either from the applicants /Owners or from the Person or Persons responsible and credited to Municipal Funds under intimation to audit.

Short Collection of Postal Charges

Sl. No.	B.A. No.	Name of the applicant	Postal charges to be collected	Postal charges collected	Balance
1	522/15/G2	SRI p.v. Kota Reddy.	1000	200	800
2	562/15/G2	SRI G.V.V.Satyanarayana.	200	0	200
3	273/15/G2	Sri R.Venkata hari gopal	2500	200	2300
4	464/15/G1	Sri CH.V.subramanya sastry	1000	200	1300
Total					4600

Para Number : 29

VIOLATION OF RULES (Code : 9) Rs : 30856

P (code :9 [19])

Code No:9

5.38 TOWN PLANNING SECTION -R.W.H.S PIT CHARGES SHORT/NOT COLLECTED -LOSS TO MUNICIPAL CORPORATION -NEEDS RECOVERY. RS.30856-00.

In accordance with Gazette notification CR No.3/673/2013 dt.15.4.2013 published by Municipal Corporation, Rajamahendravaram item no 11 of -othe shall be levied @ 25/- per Sq.Mtr.During the close scrutiny of Building Applications, it was noticed that R.W.H.S PIT CHARGES were short/not collected in the followi detailed below.

Hence early action would need to be taken to collect the short/not collected RWHS pit charges either from the applicants /Owners or from the Person or credited to Municipal Funds under intimation to audit.

S.NO	BA No.	TSA	RWHS CHARGES TO BE COLLECTED.Rs	RWHS ALREADY COLLECTED. Rs	BALANCE AMOUNT TO BE COLLECTED. Rs
01	326/2015G-1	552.79	13825	12125	1700
02	401/2015G-1	90.76	2275	2000	275
03	436/2015G-1	71.24	1800	1425	375
04	453/2015G-1	376.86	9425	6825	2600
05	35/2016/G2	200.53	5014	0	5014
06	259/2015-G3	58.26	1457	1350	107
07	265/2015-G3	88.38	2210	1325	885
08	270/2015-G3	65.65	1641	1575	66
09	282/2015-G3	71.95	1799	1350	448
10	307/2015-G3	265.01	6625	4825	1800
11	319/2015-G3	164.52	4113	3950	163
12	322/2015-G3	92.88	2322	0	2322
13	323/2015-G3	62.65	1691	1400	291
14	342/2015-G3	65.71	1643	0	1643
15	365/2015-G3	224.78	5620	5575	45
16	377/2015-G3	49.72	1243	1175	68
17	380/2015-G3	114.57	2864	2625	239
18	393/2015-G3	138.78	3470	3450	20
19	394/2015-G3	125.36	3134	2975	155
20	406/2015-G3	96.45	2411	1775	636
21	432/2015-G3	62.72	1568	1525	43
22	439/2015-G3	108.96	2724	2625	99
23	443/2015-G3	62.35	1559	1100	459
24	492/2015-G3	233.98	5850	4875	975
25	493/2015-G3	234.11	5853	4875	978
26	547/2015-G3	232.39	5810	4300	1510
27	577/2015-G3	179.78	4495	4250	245
28	579/2015-G3	289.21	7230	4975	2255
29	616/2015-G3	67.93	1021	775	246
30	1/2016-G3	125.04	1698	1575	123
31	18/2016-G3	62.70	1568	1525	43
32	22/2016-G3	112.67	2817		2817
33	25/2016-G3	46.36	1159	1000	159
34	27/2016-G3	109.19	2730	2500	230
35	38/2016-G3	36.72	918	700	218

36	42/2016-G3	97.79	2445	2225	220
37	50/2016-G3	83.58	2090	2000	900
38	71/2016-G3	38.91	973	825	148
39	74/2016-G3	46.42	1161	825	336
				TOTAL	30856

Para Number : 30

VIOLATION OF RULES (Code : 9) Rs : 58400

P (code :9 [19])

Code No:9

5.39 TOWN PLANNING SECTION -TREE GUARD CHARGES NOT/SHORT COLLECTED -NEEDS RECOVERY. -Rs. 58,400-00.

In accordance with Gazette notification CR No.3/673/2013 dt.15.4.2013 published by Municipal Corporation, Rajamahendravaram. Tree guard charges rate of RS,400/-per one dwelling unit.

During the close scrutiny of Building Applications it was noticed that Tree guard charges were not/short collected in the following building applications as detailed

Hence early action would need to be taken to collect the tree guard charges either from the applicants /Owners or from the Person or Persons responsible at Funds under intimation to audit.

S.NO	BA NO	TREE GUARD CHARGES TO BE COLLECTED	TREE GUARD CHARGES COLLECTED	BALANCE TO BE COLLECTED
01	256/2015-G3	800	0	800
02	259/2015-G3	800	0	800
03	265/2015-G3	800	0	800
04	270/2015-G3	800	0	800
05	282/2015-G3	800	0	800
06	283/2015-G3	800	0	800
07	322/2015-G3	800	0	800
08	323/2015-G3	800	0	800
09	334/2015-G3	400	0	400
10	339/2015-G3	800	0	800
11	341/2015-G3	800	0	800
12	342/2015-G3	400	0	400
13	348/2015-G3	400	0	400
14	367/2015-G3	400	0	400
15	377/2015-G3	800	0	800
16	380/2015-G3	800	0	800
17	409/2015-G3	800	0	800
18	432/2015-G3	800	0	800
19	433/2015-G3	800	0	800
20	437/2015-G3	800	0	800
21	443/2015-G3	800	0	800
22	444/2015-G3	400	0	400
23	449/2015-G3	800	0	800
24	458/2015-G3	800	0	800
25	472/2015-G3	800	0	800
26	479/2015-G3	800	0	800
27	480/2015-G3	800	0	800
28	490/2015-G3	800	0	800
29	535/20145-G3	800	0	800
30	54/2015-G35	800	0	800
31	564/2015-G3	400	0	400
32	573/2015-G3	800	0	800
33	578/2015-G3	800	0	800
34	579/2015-G3	1200	0	1200
35	596/2015-G3	800	0	800
36	601/2015-G3	400	0	400
37	611/2015-G3	800	0	800
38	612/20145-G3	400	0	400
39	613/2015-G3	400	0	400
40	616/2015-G3	800	0	800

41	1/2016-G3	800	0	800
42	12/2016-G3	800	0	800
43	14/2016-G3	800	0	800
44	16/2016-G3	800	0	800
45	18/2016-G3	800	0	800
46	22/2016-G3	800	0	800
47	23/2016-G3	800	0	800
48	25/2016-G3	800	0	800
49	31/2016-G3	800	0	800
50	38/2016-G3	800	0	800
51	39/2016-G3	800	0	800
52	42/2016-G3	1200	0	1200
53	46/2016-G3	800	0	800
54	50/2016-G3	800	0	800
55	53/2016-G3	800	0	800
56	63/2016-G3	800	0	800
57	71/2016-G3	800	0	800
58	74/2016-G3	800	0	800
59	85/2016-G3	800	0	800
60	273/15/G2	2400	1200	1200
61	588/15/G2	800	0	800
62	65/2016/G2	800	0	800
63	298/15/G2	800	0	800
64	329/15/G2	800	0	800
65	375/15/G2	800	0	800
66	500/15/G2	800	0	800
67	510/15/G2	800	0	800
68	511/15/G2	800	0	800
69	512/15/G2	800	0	800
70	531/15/G2	800	0	800
71	35/16/G2	800	0	800
72	550/15/G1	4000	0	4000
	TOTAL			58400

Para Number : 31

VIOLATION OF RULES (Code : 9) Rs : 93624

P (code :9 [19])

Code No:9

5.40 Town Planning Section - Short Collection of 14 % O.S.C as per Registered Document- Needs Immediate Recovery of Rs.93,624-00.

-

B.A.C No: 503/15/G1.

Name of the applicant: Sri S.Kurma kumar

D.no 69-20-3,Bhaskar nagar,

Rajamahendravaram.

In accordance with Gazette notification CR No.3/673/2013 dt.15.4.2013 published by Municipal Corporation, Rajamahendravaram, Open Space charges value (SRO Rates) shall be collected to accord Building permission in unapproved layouts.

During scrutiny of the above Building application it was noticed that instead of calculating Open Space Cost on SRO value of Rs.7000 per Sq. Yard, it arbitrarily, causing a loss of Rs. 93624/- (towards short collection due to misapplication of rates)

It was explained as follows:

Total site area: 391.41Sq.Mts (OR) 468.12Sq.Yards

To be collected of 14% O.S.C = 468.12 Sq.Yrds x 7,000/- * 14% = Rs. 327684.00

Already collected of 14% O.S.C = 468.12 Sq.Yrds x 5,000/- * 14% = Rs. 234060.00

Short collection made towards 14 % O.S.C = 458758.00-327684.00 = Rs. 93624.00

As such, to fix the responsibility against the person or persons for the above loss and issue the suitable instructions towards recovery of Rs. 93624.00 from the interest immediately and the same may be credited to Municipal funds.

Para Number : 32

VIOLATION OF RULES (Code : 9) Rs : 36978

P (code :9 [19])

Code No:9

5.41 Town Planning Section - 14 % Open space charges not collected - Needs Recovery of Rs.36978-00.

B.A.C No: 04/2016/G2.

Name of the applicant: Sri S.satyanarayana.

Near D.no 63-8-6,sarangadhara metta,

Ramadasu peta,

Rajamahendravaram.

In accordance with Gazette notification CR No.3/673/2013 dt.15.4.2013 published by Municipal Corporation, Rajamahendravaram, Open Space charges value (SRO Rates) shall be collected to accord Building permission in unapproved layouts.

During scrutiny of the above Building application it was noticed that 14% open space charges were not collected. It was explained as follows:

Total site area: 51.53Sq.Mts (OR) 61.63Sq.Yards

To be collected of 14% O.S.C = 61.63 Sq.Yrds x 6,000/- * 14% = Rs. 36978.00

As such, to fix the responsibility against the person or persons for the above loss and issue the suitable instructions towards recovery of Rs 36978.00 from the interest immediately and the same may be credited to Municipal funds.

Para Number : 33

VIOLATION OF RULES (Code : 9) Rs : 33660

P (code :9 [19])

Code No:9

5.42 TOWN PLANNING SECTION -SHORT COLLECTION OF BUILDING LICENSE FEE -NEEDS RECOVERY. -Rs. 33660-00.

In accordance with Gazette notification CR No.3/673/2013 dt.15.4.2013 published by Municipal Corporation, Rajamahendravaram. Building license fee the rate mentioned in item no 4 of Gazette.

During the close scrutiny of Building Applications it was noticed that Building license fee was short collected in the following building applications as detailed below:

Hence early action would need to be taken to collect the building license fee either from the applicants /Owners or from the Person or Persons responsible for Funds under intimation to audit.

BA NO	BLF to be collected.Rs	BLF collected.Rs.	Short collected.Rs
464/2015/G2	40810	17490	23320
273/2015/G2	21740	11400	10340
	TOTAL		33660

Para Number : 34

VIOLATION OF RULES (Code : 9) Rs : 74500

P (code :9 [19])

Code No:9

5.43 TOWN PLANNING BUILDING APPLICATION - BUILDING MATERIAL CHARGES NOT COLLECTED - LOSS TO MUNICIPAL CORPORATION - Rs74,500/-

The Municipal Corporation is collecting the schedule of town planning fees and charges under section 622 (2) of Hyderabad municipal corporation ACT- 1955 and in its resolution 2013 with effect from 1-07-2013 to collect the building material charges under section 413 (c) and 417 as follows along with the building license fees from the applicant.

i. Up to 200 sq.mtrs in site area per each application	Rs. 2500/-
ii. 200 sq.mtrs to 500 sq.mtrs in site area per each application	Rs. 3000/-
iii. Above 500 sq.mtrs in site area per each application	Rs.3500/-
iv. Apartments in site area per each application	Rs 4000/-

As verified from the building applications the building material charges were not collected from the following applications. This is irregular and loss to municipal corporation funds. A to collect the said amounts from the individuals as details below and the fact may be intimated to audit.

S NO	BA NO	NAME	TOTAL SITE AREA	NATURE OF CONSTRUCTION	BUILDING METERYIAL CHRGES TO BE COLLECTED.Rs.
01	350/2015G-1	Challa. SankaraRao	341.36	Residential	3500
02	353/2015G-1	Grandhi. Lalitha	418.09	Residential	3500
03	376/2015G-1	CH. Varalaxmi	380.13	Apportments	1000
04	401/2015G-1	M. VenkataSeetha Mahalaxmi	90.76	Residential	2500
05	415/2015G-1	Lanka. Parvathi	501.46	Apportments	4000
06	441/2015G-1	Goli. SuryaKantham	411.08	Residential	2500
07	462/2015G-1	NallaMilli. SaralaDevi	349.02	Residential	3500
08	463/2015G-1	Ganti. SatyaBaskar	594.23	Apportments	4000
09	464/2015G-1	Dr. Challa. VenkataSubbarayaSastry	361.19	Residential	3500
10	245/2015G1	Allu. ManmadhaRao	147.41	Residential	2500
11	247/2015G1	Joga. Kalavathi	83.54	Residential	2500
12	274/2015G1	A. MohanKrishna	83.53	Residential	2500
13	288/2015G1	Lanka. Adinarayana	184.64	Residential	2500
14	289/2015G1	L.V.S.R.JogeswaraRao	184.64	Residential	2500
15	290/2015G1	D.Buddudu	170.47	Residential	2500
16	322/2015G1	P. NagaMani	92.88	Residential	2500
17	335/2015G1	G. ChandraRao	204.91	Residential	3000
18	339/2015G1	Kaluva. Ratnaveeni	79.51	Residential	2500
19	348/2015G1	Meesala. Veerraju	34.45	Residential	2500
20	444/2015G1	Rongala. KoteswariDevi	80.70	Residential	2500
21	460/2015G1	Y. Satyavathi	60.04	Residential	2500
22	535/2015G1	NallaMilli. Srinivasa Reddy	93.61	Residential	2500
23	558/2015G1	Y. Somasundaram	250.71	Residential	3000
24	576/2015G1	Siriki. Ramanamma	180.45	Residential	2500
25	579/15/G1	Atti. AnuradhaDevi	289.2	Residential	3000
26	601/15G1	A. V. RamanaMurthy	99.80	Residential	2500
27	50/16/G1	Adireddi Varahalu	83.58	Residential	2500
		Total			74500

Para Number : 35

VIOLATION OF RULES (Code : 9) Rs : 13486

P (code :9 [19])

Code No:9

5.44Town planning section site conversion charges - not colled. Rs 13486/-

The municipal corporation is collecting to the schedule of town planning fees and charges issued under section 622(2)of Hyderabad municipal corporation ACT-1955 and in Dt15-04-2013 with effect from 01-07-2013 to collect the site conversion charges under section 388 - A as follows along with the building license fees from the applicant. On verification of the building applications the site conversion charges were not collected from the following applications .this is irregular and loss to municipal corporation Action wou the said amounts from the applicants as detailed below and fact may be intimated to audit.

S NO	BA NO	NAME	TOTAL SITE AREA x rate	SITE CONVESION CHGERS TO BE COLLECT
01	335/2015-G3	G.Chandrarao	83.56X15	1253
02	424/2015-G3	Suravarapu Tata rao	204.91X15	3074
03	576/2015-G3	Siriki Ramanamma	179.73X15	2696
04	580/2015-G3	Addepali Chinnaverraju	180.45X15	2707
05	596/2015-G3	Bande Santhi	166.85X15	2503
06	68/2016-G3	C.Suryanarayana	83.53X15	1253
Total				Rs13486/-

Para Number : 36

VIOLATION OF RULES (Code : 9) Rs : 89143

P (code :9 [19])

Code No:9

5.45 TOWN PLANNING SECTION -BETTERMENT CHARGES NOT/SHORT COLLECTED -NEEDS RECOVERY. -Rs. 89143-00.

In accordance with Gazette notification CR No.3/673/2013 dt.15.4.2013 published by Municipal Corporation, Rajamahendravaram. The Betterment Charges site area of building plans at the rate of rs.125.00 for Residential and Rs.150.00 for Non-Residential along with the building license fee.

During the close scrutiny of Building Applications it was noticed that Betterment charges were not/short collected in the following building applications as detailed below. Hence early action would need to be taken to collect the betterment charges either from the applicants /Owners or from the Person or Persons responsible and credited to Municipal Funds under intimation to audit.

S NO	BA NO	TOTAL SITE AREA Sq.Mt.	RATE FOR EACH Sq.Mt. Rs.	BETTERMENT CHARGES TO BE COLLECT	BETTERMENT CHARGES ALREADY COLLECTED	DIFFERENCE TO BE COLLECT
01	335/2015-G3	204.91	125	25650	10000	15650
02	596/2015-G3	83.53	125	10450	9875	575
03	273/2015/G2	217.4	125	27175	0	27175
04	510/2015/G2	109.5	125	13688	0	13688
05	04/2016/G2	51.53	125	6442	0	6442
06	335/2015/G2	204.91	125	25613	0	25613
	TOTAL					89143

Para Number : 37

VIOLATION OF RULES (Code : 9) Rs : 103910

P (code :9 [19])

Code No:9

5.46 TOWN PLANNING SECTION -SITE APPROVAL CHARGES NOT/SHORT COLLECTED -NEEDS RECOVERY. -Rs. 1,03,910.00

In accordance with Gazette notification CR No.3/673/2013 dt.15.4.2013 published by Municipal Corporation, Rajamahendravaram. The site approval Charges for building plans at the rate of rs.20.00 per sq.metre has to be collected for the sites falling in unapproved layouts.

During the close scrutiny of Building Applications it was noticed that site approval charges were not/short collected in the following building applications as detailed below.

Hence early action would need to be taken to collect the site approval charges either from the applicants /Owners or from the Person or Persons responsible and credited to Municipal Funds under intimation to audit.

S NO.	BA NO	TSA/SQ.MTRS	SITE APPROVAL CHARGES AS PER GAZETTE	SITE APPROVAL CHARGES ALREADY COLLECTED	DIFFERENCE TO BE COLLECTED
01	259/2015-G3	58.26	1165	1080	85
02	265/2015-G3	88.38	1770	1060	710
03	270/2015-G3	65.65	1315	1260	55
04	274/2015-G3	83.53	1675	-	1675
05	282/2015-G3	71.95	1440	1080	360
06	288/2015-G3	180.64	3620	-	3620
07	289/2015-G3	180.64	3620	-	3620
08	290/2015-G3	170.47	3410	-	3410
09	307/2015-G3	265.01	5300	3860	1440
10	319/2015-G3	164.52	3290	-	3290
11	322/2015-G3	92.88	1860	-	1860
12	323/2015-G3	62.65	1355	1120	235
13	342/2015-G3	65.71	1315	-	1315
14	348/2015-G3	34.45	690	-	690
15	365/2015-G3	224.78	4500	4460	40
16	367/2015-G3	75.82	1520	-	1520
17	368/2015-G3	277.12	5545	-	5545
18	377/2015-G3	49.72	995	940	55
19	380/2015-G3	114.57	2295	2100	195
20	394/2015-G3	125.36	2510	-	2510
21	399/2015-G3	182.15	3645	-	3645
22	406/2015-G3	96.45	1930	1420	510
23	429/2015-G3	157.01	3140	-	3140
24	432/2015-G3	62.72	1255	1220	35
25	439/2015-G3	108.96	2180	2100	80
26	442/2015-G3	215.79	4320	-	4320
27	443/2015-G3	62.35	1250	1100	150
28	449/2015-G3	99.84	1920	-	1920
29	492/2015-G3	233.98	4680	-	4680
30	493/2015-G3	234.11	4685	-	4685
31	506/2015-G3	249.58	4995	-	4995
32	507/2015-G3	161.80	3240	-	3240
33	529/2015-G3	245.19	4905	-	4905
34	545/2015-G3	51.09	1025	-	1025
35	547/2015-G3	232.39	4650	3440	1210
36	558/2015-G3	250.71	5015	-	5015
37	577/2015-G3	179.79	3600	3400	200
38	578/2015-G3	83.58	1675	1600	75
39	579/2015-G3	289.21	5785	3980	1005
40	583/2015-G3	137.68	2760	-	2760
41	601/2015-G3	99.80	2000	-	2000

42	612/2015-G3	73.42	1470	-	1470
43	613/2015-G3	40.83	820	-	820
44	616/2015-G3	67.93	1360	1260	100
45	1/2016-G3	125.04	2505	-	2505
46	12/2016-G3	92.88	1860	-	1860
47	14/2016-G3	51.23	1025	-	1025
48	23/2016-G3	112.67	2260	-	2260
49	25/2016-G3	46.36	950	-	950
50	27/2016-G3	109.19	2184	2000	184
51	38/2016-G3	36.72	735	560	175
52	62/2016-G3	92.88	1860	-	1860
53	71/2016-G3	38.91	780	495	285
54	510/2015/G2	109.50	2190	0	2190
55	311/2015/G2	131.89	2638	1330	1308
56	605/2015/G2	109.59	2192	0	2192
57	04/2016/G2	51.53	1031	0	1031
58	74/2016-G3	46.42	930	660	330

TOTAL Rs.103910.00

Para Number : 38

VIOLATION OF RULES (Code : 9) Rs : 42127

P (code :9 [19])

Code No:9

5.47 Town Planning Section -Building application WAS approved even though labour cess not remitted to labour department by ACTION.Rs.42127.00.

During the year under Audit, it was noticed that the labour cess at the rate of 1% of total construction cost was not remitted to the labour department by applicant as stated below. The labour cess challan should be produced to the town planning department along with the building application for permission if the total construction cost exceeds Rs.10 lakhs. The proposed building application was got approved by the town planning authorities even not furnish labour cess payment challan along with the building application, which is irregular. Therefore action would need to be taken to recover the same from the person or persons responsible and remit the same to Labour Department.

1)B.A.NO.298/15/G2

Sri G.V.Bala Krishna,

Door No: 22-1-7

Veerabhadrapuram,

Rajamahendravaram.

Calculation:

Proposed site area: 100.68 Sq.Mtrs

Proposed G+1 Construction plinth area: 163.14 Sq.Mtrs OR 163.44 *10.764 Sq.feet =1759 sq .feet

Construction cost :810 rs. per Sq.feet .

Total Construction cost =810 X 1759- = Rs.1424790

Labour cess to be levied (at the rate of 1% of total construction cost)=Rs. 14247

2)B.A.NO.275/15/G2

Sri y.Srimannarayana,

Door No: 64-14-1

Gadhireddy nagar,

Rajamahendravaram.

Calculation:

Proposed site area: 122.63 Sq.Mtrs

Proposed G+1 Construction plinth area: 142.12 Sq.Mtrs OR 142.12 *10.764 Sq.feet =1530 sq .feet

Construction cost :810 rs. per Sq.feet .

Total Construction cost =810 X 1530- = Rs.1239300

Labour cess to be levied (at the rate of 1% of total construction cost)=12393

3)B.A.NO.261/15/G2

Sri D.Subramanyam

Door No: 65-5-7,

Sri Ramakrishna nagar

Rajamahendravaram.

Calculation:

Proposed site area: 198.72 Sq.Mtrs

Proposed G+1 Construction plinth area: 177.64 Sq.Mtrs OR $177.64 * 10.764 \text{ Sq.feet} = 1912 \text{ sq .feet}$

Construction cost :810 rs. per Sq.feet .

Total Construction cost = $810 * 1912 = \text{Rs.}1548720$

Labour cess to be levied (at the rate of 1% of total construction cost)=15487

Para Number : 39

VIOLATION OF RULES (Code : 9) Rs : 0

P (code :9 [19])

Voilation of Rules Code No.9

5.48 REGISTER OF INVESTMENTS NOT PRODUCED. LOSS IF ANY SUSTAINED TO MUNICIPAL FUNDS-NEEDS RECOVERY AND SUITABLE ACTION NEEDS INITIATION AGAINST THE CONCERNED.

During the course of audit the register of investments was not made available for verification in audit. Due to non-production of this important register whether the procedure prescribed in maintenances of this r not be verified in audit and the genuineness of the transactions could also be not certified in audit.

As per the procedure.

1. Earmarked funds i.e. provident fund, water supply and drainage fund and endowment fund were invested in one of the permissible forms and that investments in other forms were not made of the government.
2. Investments of sums in excess of Rs.5000/- in fixed deposits in the state co-operative banks approved by the register of co-operative societies for the purpose have received the previous appr investments made have been entered in the register of investments that certificate, funds, bank receipts or other evidence in support of investments were available and that in cases where tl Account General, the amounts were traceable in the list published by him in the list published by him in the gazette.
3. Interests due have been realized on the due dates and credited to the accounts.
4. Investments made out of earmarked funds have been reinvested if the amount was not required for expenditure
5. In the case of investments written off by sale or otherwise the amounts of sale proceeds have been duly credited in the accounts or if the sale was by transfer of investments it is supported b
6. Investments have not been disposed of except for the specific purpose for which they have been made.

Due to non-production of the investment register, it could not be verified whether any irregularities were committed loss if any sustained to the municipal funds in tl need to be initiated against the concerned.

5.49 WORKS - EXECUTION OF WORKS - CONNECTED GUIDELINES FOR ANY SCHEME AGREEMENTS AND FILE, COMPLETION REPORTS, INSPECTION REPORTS OF QUALITY (WORKS ETC (ALL SCHEME FUNDS AND GENERAL FUND WORKS) ALONG WITH GRANT PROCEEDINGS (ALL SCHEMES) NOT PRODUCED - IRREGULARITIES IF ANY NOTICED AN NEED TO BE MADE GGOD FROM THE CONCERNED AND REMITTED TO MUNICIPAL RELEVANT FUNDS

During the course of audit regarding execution of works both in General funds and scheme funds the connected agreements along with files, guide lines of many of the schemes, completion reports, insp department on works along with grant proceedings (All Schemes) were not produced for verification executed under both departmental and tender system.

Regarding departmental execution in absence of the aforesaid records, the following observations could not be made whether these instructions were scrupulously followed or not.

1. Number of departmental works executed under General funds and scheme works during 2015-16.
2. Number of departmental works pending completion as on 1.4.2016 regarding General and all scheme works (Scheme wise)
3. Outstanding advances - Advances pending as on 1/4/2016 both General and all the scheme funds.
4. Whether proper indenting system for issue of material to the works not exceeding the theoretical requirement as worked out in the estimates were followed (both general and schemes).
5. Measurement, Detailed designs, Estimates, completion reports (As per para No.173 of A.P. P.W.D. code, Article 181 of A.P. Financial code Vol -I and paras 216 to 218 of A.P.P.W.D. code and M.Books, p code and Article 171 to 174 of the A.P.F.C. Vol -I General and all schemes)
6. Whether material were issued after approval of the competent authority were issued and duly acknowledged (General and all scheme funds)
7. Whether material at the site account is maintained (General and all scheme funds)

8. Whether the utilization of the material in the works based on the measurements recorded and check measured properly calculated (General and all schemes)
9. Whether the utilisation of the material returned to the stores duly acknowledged (General and all scheme funds) (Cement, steel, sand, Gravel, HBT metal etc. complete information of material stock, is
10. Whether the labour required was engaged on tender system or through department personnel only (General and all schemes).
11. Whether the nominal muster rolls maintained for the labour (General and Scheme funds)
12. Correctness of the payments made to the labour particularly when the labour is to be paid partly cash and partly food grains (General and all scheme)
13. In case of purchase of material / Machinery required for execution of the works whether the procedure prescribed was followed.
14. Whether reasons for execution of the works departmentally were recorded by the competent authority.
15. Whether works executed at rates not more than estimated rates.
16. Whether material and labour components work out with reference to the standard data.
17. Whether deviations if any - Deviation Statement.
18. Quality control measures - connected details
19. Others - Technical persons engaged - Connected details
20. General and schemes- Achievement of objection of all scheme - whether accordance with the guidelines framed regarding connected schemes.
21. NMR-s - Total man days - Scheme wise for all the schemes.
22. Diversion of scheme fund, if any details.
23. Connected lead statements of all the works executed under General and Schemes.
24. Material sufficiency certificates for all the works executed under General and schemes.
25. Revision of estimates - Approval and Technical sanction of the competent authority.
26. The Quarries are approved as per the survey of reports.

REGARDING TENDER SYSTEM

In absence of the aforesaid records, the following observations could not be made whether these instructions were scrupulously followed or not.

1. Register of Registered contractors of the Municipality
2. Whether agreement was concluded by the competent authority after the finalization of the contract.
3. Whether the advances were paid for the works earlier to contractors -connected details.
4. Whether the bills supported by the necessary documents such as vouchers along with measurement books for the material produced by the contractor/ Section sheets etc.
5. Whether such of the items of the works check measured without any conditions were only billed.
6. Whether additional quantities of already existing items of work in the agreement are billed as per the preliminary specifications.
7. Whether the cost of the material departmentally supplied to the contractor recovered in the bills if not whether recovery of such material effected at the rates mentioned vide para 332 of the A.P.P.W.A.

8. Whether hire charges for machinery supplied to the contractor recovered from him.
9. Whether fines/Penalties if any imposed, recovered from the contractor.
10. Whether all the statutory deductions are effected from the work bills.
11. Whether in case of work entrusted on nominations basis, the payment should be at estimated rates.
12. Quality control measures and its reports.
13. Advances outstanding of all funds General and all schemes as on 1/4/2014 and 31/3/2015 (Complete information).
14. In case of final bills, the release and discharge certificate and a certificate in full and final settlement of all demands should be furnished and income tax clearance certification also.
15. Whether the objects with which the work has been executed are achieved and whether fruits are enjoyed by the public.
16. N.M.R-s - Total man days for each work and each scheme pertaining to all the schemes.
17. Higher specification if any
18. Inflation of estimated rates.
19. Adhoc estimates if any.
20. Revision of estimates - Approval and technical sanction of the competent authority.
21. If any changes in the specification.
22. Tender notification - Inadequate time and publicity of the tender, notification.
23. Deviations from standard conditions.
24. Non-encashment of bank guarantees of contractors who abandoned the works - details.
25. Diversion of funds (General funds to scheme funds and from scheme funds to other schemes and scheme funds to General funds).

NON-PLAN GRANTS - PARKS & PLAY GROUNDS.

1. Joint A/c in the name of the Municipality and Regional Director -cum - Appellate Commissioner of Municipal Administration concerned and to utilize the same for the purpose for which it is released & any other purpose and any violation of the instructions would invite disciplinary action further the Municipal Commissioner shall take necessary approval for parks and play grounds and to be completed within a period of six months following due tender procedure.

M.P.L.A.D.S.

1. Works should be executed departmentally without involvement of any contractor/middlemen.
2. A certificate should be submitted to the DPAP office before grounding of the scheme standing that these works have not been taken by under any grant or by any agency presently or previously and that no assets created.
3. The works should be granted only on the due submission of detailed technical sanctioned estimates.
4. Three photographs should be obtained i.e. (i) Before grounding (ii) One in the middle (iii) One after, completion and should be submitted to the D.P.A.P. on completion of the works along with vouchers and reports.
5. Assets created should be handed over to the concerned Department for further maintenance.
6. The works should be completed within the stipulated time and within the provision of the sanctioned estimate cost and no revision will be entertained.
7. A legible permanent board should be affixed at each work spot indicating the name of the work, name of Municipality estimate cost, Date of commencement and date of completion.
8. Administrative costs, P.S. charges, T&P, sales Tax, Income Tax, Cess, Seigniorage etc are not admissible to charge in the estimate.
9. The progress of each work should be informed to D.P.A.P. on or before 5th of every month.

N.S.D.P. GUIDELINES

1. Work execution and relevant programs should be certified to shown areas only.

A. The families will be sanctioned individual tap connection recognized sum areas only. They can be sanctioned tap connections on payment of 50% to Municipality and rest of the portion i.e. 50% will be

B. Drains constructions (Drainages)

C. Cement Roads.

D. Street Lighting

1. Execution these programs / works.

A. The main essentialities should be recognized by survey.

B. Determination of works to execute under C.D.S. (priority) in accordance with the funds allotted to Municipality.

C. Preparation of estimates for connected works.

D. Technical sanction for the estimates prepared from the competent authorities.

E. Administrative sanction for the works through Municipal Council.

F. Community Development Society (C.D.S.) neighbour-hood committee should be sanctioned for execution of those works by the Commissioner work technical details, Quantity of material basing on the time limitation of works.

G. Work execution through C.D.S/N.H.C.

H. 15% of the total value of the work should be paid to CDS as advance work should be grounded within a week from the date of receipt of the advance.

I. The instructions of the state and central government have to be scrupulously followed in execution of these works under this programme.

1. <u>RESPONSIBILITIES OF THE VARIOUS AGENCIES</u>

a. Works should be executed through C.D.S. N.H.C. under the supervision of the Municipality.

b. The main details pertaining to work should be furnished in the work orders given to C.D.S. by the Municipality. The details pertaining to payments to be made dates should be furnished.

c. The utilization certificates should be furnished with all the details to the competent authority soon after the completion of the works.

1. C.D.S. RESPONSIBILITIES:

a. These works should be executed under C.D.S/N.H.C the cooperation should be obtained N.H.C. and N.H.B.

b. The board denoting the details of works should be displayed in the work spot name of the work value of the work. If the work is the road or drain the length and quantity of material to be utilized grounding of work and date that has to be completed (approximately), the name of the executants should be displayed on the board.

c. A retired engineer with civil engineering knowledge should be appointment for smooth running of execution of work for technical guidance. He may be paid up to Rs.5000-00 per month as remuneration grants will be sanctioned for this purpose.

d. These works should be supervised by the Municipal Engineer or public health engineers whether the works are in accordance with the provisions made in the estimate.

e. If any balance is left over after completion of works, the same should be lodged in the C.D.S. a/c and it may be treated as C.D.S. amount.

But it should be lodged in any book. Connected C.D.S. president /Secretary/ convener only (Total Two members) maintain the Bank account.

1. The details of C.D.S. works should be informed to public through publishing and advertisements. This a/c should be informed to N.H.C. & N.H.G too along with public. The details pertaining to all the work executed should be notified every month by the Municipal authorities.

2. The details pertaining to the material utilization, labour engaged should be maintained date wise.

3. If any Municipality fails in execution of these works through C.D.S. or if the funds are not spent the same should be taken back from the Municipality and allotted to the Municipalities supposed to be followed guidelines.

5.50 GUIDELINES ON TRANSFERABLE DEVELOPMENT RIGHT - NOT FOLLOWED - HIGHLY IRREGULAR - NEEDS ACTION

The provisions relating to grant of Transferable Development Right laid down in Para No 17 of G.O Ms No 168 Municipal Administration and Urban Development 07.04.2012 are as detailed below.

GRANT OF TRANSFERABLE DEVELOPMENT RIGHT:

A. Transferable Development Right" (TDR) can be awarded only when such lands are transferred to the local body/ Urban Development Authority as the case registered gift deed. The award would be on the form of a TDR certificate issued by the Competent Authority / Sanctioning Authority.

B. Grant of TDR can be considered by the Competent Authority /Sanctioning Authority for the following areas subject to the owners complying with the conditions above, as per the following norms:

i. For the Master Plan Road / Road Development Plan undertaken and developed: equivalent to 200% of built up area of such area surrendered. For the development of lakes / water bodies / nals / foreshores & recreational buffer development with greenery etc., equivalent to 100% of built up area

buffer area developed at his cost.

ii. For heritage building and heritage precincts maintained with adaptive reuse: equivalent to 100% of built up area of such site area.

A. The TDR may be arrived at on basis of relative land value and equivalent amount in both export and import area, as per the Registration Department Record. The Authority shall have the discretion in the matter of applicability of TDR. The TDR shall not be allowed in unauthorised building / structures / constructions only after the land is vested with the local authority / UDA. The TDR certificate issued would be valid or utilised / disposed only within the concerned local guidelines and conditions prescribed.

B. GUIDELINES ON TRANSFERABLE DEVELOPMENT RIGHT:

In order to adopt uniform guidelines throughout the State the following conditions and guidelines are prescribed.

- i. As and when the owner of the building intends to construct the building in the remaining area of the site, he is entitled to construct the building in accordance with these Building Rules. In the event the owner doesn't take up any construction, the owner is entitled for TDR which can be used in disposing of the land.
- ii. A composite Register shall be maintained by the Sanctioning Authority as per the proforma enclosed at Annexure VIII on the award of TDR and utilization. A responsible officer shall be the custodian of the register.
- iii. At the time of sale / disposal / utilization of a particular TDR, the utilization details of the sale / disposal need to be entered at relevant column therefore the relevant file need to be referred to the custodian of the Register for making necessary entries in the register. The custodian is held responsible for the utilization details in the TDR. When TDR Certificate is sold / utilized totally, the same shall be surrendered by the owners and the custodian shall make necessary entries in the register. As per Government Orders, TDR award is to be arrived on the basis of relevant land value in import area as per prevailing Registration value.
- iv. TDR can either be sold or can be utilized by the same owner depending on convenience.
- v. TDR can be allowed to be utilized for construction of one additional floor over the normal permissible floors without insisting additional setbacks of other norms.
- vi. Every TDR sold or disposed shall be accompanied by a prescribed agreement on Rs. 100/- non-judiciary stamp paper between disposing of the TDR and the person who intend to utilize the TDR. Draft agreement as per Annexure XI

A. DOCUMENTS REQUIRED WITH APPLICATION FOR GRANT OF TRANSFERABLE DEVELOPMENT RIGHT CERTIFICATE:

Application to be made by owner in the prescribed format giving the following details:

- i. Name of the owner with clear address, contact phone number etc.
- ii. Copy of the ownership documents along with clear site plan and location plan.
- iii. Site plan showing the land surrendered, its extent, location with dimensions.
- iv. Building permission Plan for the site by the urban local body.
- v. Details of Building permission granted / applied for like use or purpose of building, number of floors permitted, all-round setbacks, floor area, parking area 24 permitted etc.
- vi. Whether already benefit of relaxations been utilized for the site-
- vii. Whether any court case is pending against urban local body-
- viii. Land value of the site where TDR is to be availed (latest copy from concerned Sub Registrar to be enclosed)
- ix. TDR admissible in terms of sq.m and equivalent land value.

51. NON ISSUANCE OF OCCUPANCY CERTIFICATE AND CONSEQUENT LOSS.

Occupancy Certificate shall be mandatory for all buildings and unless such certificate has been granted by the sanctioning authority no person shall occupy or allow any other person to occupy any building. Property owners consequent upon completion of the construction have to intimate the Municipality of the same in the prescribed proforma to facilitate the ULB to issue occupancy certificate and levy of PT. In such arrangement indicating failure of the Municipality in enforcing the provisions laid down. Government have issued G.O.Ms.No.168 MA&UD(M) Department Dated 07.04.2012 and as per Rule 26(d) the equivalent to 100% of the value of the land as fixed by the Registration Department at the time of compounding for the violated portion. As the files concerned were not produced to audit the observance of the ULB could not be checked in audit.

Further clause -g- under Rule 26 of G.O.Ms.No.168 MA & UD (M) Dept. dated 07-04-2012 the functional/line agencies shall not give regular connections of power, water, sewerage etc., unless such occupant alternatively may charge three times the tariff till such time occupancy certificate is produced. It was noticed in audit that in most of the cases the said connections were given even without issuing the occupancy certificate.

Thus non production of building application files to audit would give scope for non detection of such irregularities which cause huge loss to the income of the ULBs.

Code No:9

5.52 TOWN PLANNING SECTION - XEROX COPIES OF LABOUR CESS CHALLANS ATTACHED TO THE BUILDING APPLICATIONS-GENUINENESS OF THE REMITTANCE TO THE CONCERNED ULB NOT KNOWN - NEEDS CLARIFICATION.

As seen from the connected records i.e., Building Applications of Town Planning Section, it was noticed that the tariff of 1% Labour Cess relating to -Building an Industrial Building- G.O.Ms.No.112, Labour Employment Training & Factories (Lab. II) Department, dated 15-12-2009 was collected and the Xerox copies of the challans of that component were attached to the building applications.

As per the Provisions contained in Annexure -I of the Building and other construction workers (Regulation of Employment and conditions of Service) Act, 1996 (Central 27 of 1996) (Main Act) and the Act under; The building & other Construction Workers- Welfare Cess Act, 1996 (Central 27 of 1996) (Cess Act) and the Building & Other Construction Workers Cess Rules, 1998 the tariff of 1% has to be levied on Establishments Employing 10 or more workers on any day. As per the Para No.2 of the said G.O. the term establishment means (section 2(j)) any establishment belonging to, or under the control of, a firm, and individual or association or other body of individuals which or who employs building workers in any building or other construction work; and includes an establishment belonging to a contractor or individual who employs such workers in any building or construction work in relation to his own residence the total cost of such construction not being more than rupees ten lakhs.

As per the Para No.5 of the said G.O. as per rule 4(4) of the Cess Rules, where the approval of construction work by a Local Authority is required, every application for such approval shall be accompanied by a crossed demand draft in favour of the Board for the amount of cess on the estimated cost of construction for the total project or for the period of one year, as the case may be.

As per Para No.6 of the said G.O. further, as per Rule-5 the Government Office/public Sector undertakings/Local Bodies/Cess Collector shall transfer the cess collected under the prescribed under the accounting procedure under G.O.Ms.No.42, LET & F (Lab-II) Department dated 30-4-2007. While remitting the amount, actual collection not exceeding 1% of the total amount collected.

As per the Para No.7 of the said G.O. as per Rule - 5(3), the amount collected shall be remitted to the Board within 30 days of collection.

As per the Para No.8 of the said G.O. as per section 6(1) of the Cess, every employer within 30 days of commencement of his work or payment of Cess, shall furnish account to the Assessing Officer.

In the light of the above position all establishments which have employed more than 10 workers on any day or the cost of construction exceeded Rs.10 lakhs are liable for payment of labour cess.

But, as verified from the applications, it was noticed that, Xerox copies of the labour cess component challans were enclosed to the building applications. The authorities concerned not produced the connected check on par with Xerox challans to bank scrolls. Due to this, the genuineness of the remittance of the said component to the connected head of account was questioned in audit.

Hence, necessary action would need to be taken to produce the connected bank scrolls along with original challans of the said component. Loss, if any, caused due to this, to fix the responsibility against the said component and the same may be credited to Department of Labour, Govt of A.P. and the fact may be intimated to Audit.

5.53 UN-AUTHORIZED MAINTENANCE OF EPF ACCOUNT IN RESPECT OF OUTSOURCING EMPLOYEES - DELAY IN REMITTANCE OF EPF IRREGULARITIES.

Audit reveals that the employee contribution towards EPF @ 12 % was deducted by the Municipal Corporation and the balance amount was paid through for making payment to the individual accounts opened in the bank. Employer-s contribution towards EPF @ 13.61% along with Employee share @ 12% from municipal funds to the Commissioner, EPF office, Rajamahendravaram.

The payment of employer-s contribution @ 13.61% towards EPF by the Municipal Corporation was contrary to the Government Orders where in responsibility of payment of employer-s contribution, element of service tax & ESI etc., rests with the agency that outsource the workers. The agency has to quote this in mind. The Agency should pay the employers contribution initially and the receipt should be produced to the municipality before release of next mention of the above condition either in the tender notice or in the agreement copy. Thus due to non incorporation of the aforesaid condition in the tender conclusion of defective agreement, the liability of employers contribution was transferred and born by the Municipal Corporation.

By making payment of employers PF contribution by Municipal Corporation, employee and employer relationship between the outsourcing workers are established which may lead to unnecessary legal complications, if the workers demand for regularization.

Further, parking of employee and employer contributions towards EPF in PD Account/General Fund Account was irregular. It should be paid to the EPF Office i.e., within 15 days of the close of every month in which the salary paid. It is construed in audit that the parking of the contributions in the general fund for various purposes which finally led to shortage of funds for payment to the EPF Office.

During the financial year the Municipal Corporation has paid the Employee + Employers share i.e., (12%+13.61% = 25.61%) to the EPF office, Rajamahendravaram noted against each.

Vr. No. & Date	Payments for the month of	Amount Paid in Rs.	Remarks
133/21.4.2015	1/2015	19,39,768-00	Delay 1 Month to 3 Months
134/21.4.2015	2/2015	18,72,976-00	Delay 1 Month to 2 Months
180/28.4.2015	3/2015	20,07,798-00	Delay 1 Month
439/6.6.2015	4/2015	19,96,197-00	Delay 1 Month to 2 Months
/9.7.2015	5/2015	19,77,410-00	Delay 1 Months
/4.8.2015	6/2015	19,15,551-00	Delay 2 Months
/16.10.2015	7/2015 & 8/2015	40,85,160-00	Delay 2 Months
1448/21.11.2015	9/2015	20,15,692-00	Delay 2 Months
1849 /16.2.2016	11/2015	19,97,260-00	Delay 2 Months
1884/23.2.2016	10/2015	19,77,885-00	Delay 3 Months
1885/23.2.2016	12/2015	19,74,849-00	Delay 2

5.54 UN-AUTHORIZED MAINTENANCE OF ESI ACCOUNTS IN RESPECT OF OUTSOURCING EMPLOYEES - DELAY IN REMITTANCE OF ESI IRREGULARITIES.

Audit reveals that the employee contribution towards ESI @ 1.75 % was deducted by the Municipal Corporation and the balance amount was paid contractor for making payment to the individual accounts opened in the bank. Employer-s contribution towards ESI @ 4.75% along with Employee share paid from municipal funds to the Commissioner, ESI office, Vijayawada.

The payment of employer-s contribution @ 4.75% towards ESI by the Municipal Corporation was contrary to the Government Orders where in responsibility of payment of employer-s contribution, element of service tax etc., rests with the agency that outsource the workers. The agency has to quote its cost mind. The Agency should pay the employers contribution initially and the receipt should be produced to the municipality before release of next payment. The above condition either in the tender notice or in the agreement copy. Thus due to non incorporation of the aforesaid condition in the tender document, defective agreement, the liability of employers contribution was transferred and born by the Municipal Corporation.

Further, parking of employee and employer contributions towards ESI in PD Account/General Fund Account was irregular. It should be paid immediately i.e., 21 days after expiry of each wage period. It is construed in audit that the parking of the contributions in the general fund resulted in diversion for finally led to shortage of funds for payment to the ESI Office.

During the financial year the Municipal Corporation has paid the Employee + Employers share i.e., (1.75 % + 4.75 % = 6 %) to the ESI office, Vijayawada against each.

Vr. No. & Date	Payments for the month of	Amount Paid	Remarks
163/25.4.2015	1/2015		Delay 1 to 3 months
164/25.4.2015	2/2015		Delay 1 to 2months
199/4.5.2015	3/2015		Delay 1 to 2 months
511/19.6.2015	4/2015		Delay 1 to 2 months
/27.8.2015	5/2015		Delay 1 to 3 months
/27.8.2015	6/2015		Delay 2 months
/13.10.2015	7/2015&8/2015		Delay 2 months
/20.11.2015	9/2015		Delay 2 months
/3.3.2016	10/2015		Delay 4 months
/3.3.2016	11/2015		Delay 3months
/3.3.2016	12/2015		Delay 2 months

Para Number : 40

VIOLATION OF RULES (Code : 9) Rs : 0

P (code :9 [19])

DEFECTS POINTED OUT BY THE EXAMINER OF ACCOUNTS AT THE TIME OF PRE-AUDIT-UNRECTIFIED TILL THE CLOSE OF THE AUDIT - IRREGULAR Code - 9

During the course of audit it was noticed that the following are the defects pointed out by the Examiner of Accounts, Municipal Corporation, Rajahmandravaram at the time of Pre-audit. While verification of the v in certain cases it was observed that the defects pointed out were still un rectified and no reply was furnished by the concerned authorities in the Municipal Corporation till the close of the audit which is irregular. T need to be taken to rectify the defects pointed out and report the compliance to audit along with documentary evidences. Or else loss if any sustained in this regard would need to be assessed and made g responsible and credited to Municipal Corporation Funds under intimation to audit.

Sl. No.	Date	File No.	Description of the Expenditure	Audit Observations of the Examiner of Accounts
1	17.04.2015	Roc No.10743/14/E1	Payment towards 10% total cost of Land Scaping initial payment	The Agreement was not signed by both the parties, Hence the Agreement was not valied . Therefore the bill is hereby returned for necessary action.
2	28..4.2015	641/MCR/Gen/ 14-15 dt.10.2.15	S/D of 4 00 Watts lamps & Bulbs ignitaor wire coils etc., on occation of Sivarathri	1. As per the agreement the items are to be supplied of brands of wipro /GE Philipo/oxray, but the the brand of supply made by the contractor have not been mentioned in the file 2. There is no Bill/Invoice or Delivery challan enclosed in the claims 3.The Utilisation particulars have not been mentioned in the file. 4. The provision of VAT and cess need not be provided in the estimation.
3		AE-II E3 Roc No.459/2011-E3	Construction of First Floor to SKVR	The work has to be completed by 30th September 2013, but the same was completed on 17.12.2014.

			Memorial Mpl. Library at Gorakshnapeta	Whether any extension of time was given was not mentioned.
4	08-05-15	8.5.15 Roc N.	Hire Vehicle to H.W Mayour	As per existing Government orders only Rs.24,000/- per month is permitted, but based on the standing committee resolution, the bill is admitted witha recomondation to get appropriate orders, from the authority concerned
5	26.5.2015	27.5.2015 TS No.278/13-14 E3	Providing CC Road to 2nd cross road upto Panchayati limits in 10th Divn.	Any action taken against the contractor for abnormal delay in commencing work may by in intimated to audit.
6	28.5.2015	30.5.15 FRU Roc No.4758	FRU-Revision of wages as per G.O.Ms.No.3 Fin(SMPC) Dept. Dt.12.1.2011	The audit observation made at page no.59 has not been attended. The wages were not revised as per the provisions of G.O.Ms.NO.3/Fin.(SMPC-R) Dept. Dt 12.1.2011.
7	6.6.2015	8.6.15 E4	Payment towards takingup work for widening & strengthening of existing road from RJY to across road	Any G.O.issued for transfer this amount to Gunturu PAO may be furnished to audit. Otherwise orders from competent may be obtained and produced
8	10.7.15	11.7.15 Roc No.3815/2015-F1	Towards supply of sanitation workers on temporary basis for pushkarams	1. The list of workers along with name to ID Proof may be produced in the next bill 2. In view of the various press coverage on the subject through investigation may be made on no.of workers engaged, physical presence of then and ascertain personal identification numbers of individual present.
9	16.7.15	16.7.15 Advance to staff Manager/RO	Advance towards to meet expenditure of Tiffin-s, tea, sacks fruits to other corporation staff	The advance above Rs.5000/- should not be allowed as per Fin.Code Vol.II matter of course, But the same is allowed due to the situation and mega event of puhskarams. The adjustment of advances may be submitted immediately after the purpose is served.
10	22.7.15	22.7.15 Roc.No.3815/15/F1	Supply of 403 No.s of PH workers for sanitation for pushkarams	The acknowledgement and acquittance of receipt of the amounts by the respective workers may be produced along with the next bill.
11	22.7.15	22.7.15 Engineering section	Arrangements of Tents tables, Chairs drums, etc. At Accommodation centre	The advance above Rs.5000/- should not be allowed as per Fin.Code Vol.II matter of course, The adjustment of advances may be submitted immediately after the purpose is served.
12	-do-	do, Roc No.555/15-G4	Arrangements of Flexes and Banners for conducting meetings with all officials by Hon'ble Chief Minister	The payment cannot be made to the individuals when there is a firm who executed the work.
13	23.7.15	23.7.15 Roc No.4179/2015 G1	Advance payment towards printing of flexes mounting on frames transportation and fixing at various places in RJY	The advance above Rs.5000/- should not be allowed as per Fin.Code Vol.II matter of course, The adjustment of advances may be submitted immediately after the purpose is served.
14	19.9.15	19.9.15 TS No.114/EE-I/15-16 E3	H/R to Thadithota bus stand in 5th division	The agreement was entered after the completion of work which is not in order.
15	18.9.15	18.9.15 Roc No.4876/15-G1	Legal Charges	The amount claimed as legal expenses is at a higher side. Please quote relevant rule position for making this much of payment as legal fee for taking necessary action.
16	22.9.15	26.9.15 Roc No.5535/15 E3	Remuneration and Reimbursable expenses of field staff for monitoring the Puhskarams	While admitting last bill the agreement was called for. Even in the present bill, the same was not furnished.
17	14.9.15	29.9.15 Puhskarams/RDO office Bldg/A6/15-16 dt.30.7.15	Providing additional accommodation to RJY RDOs Office	1. The empowered committee approved the estimate for 8 lakhs only. But now Rs.25 lakhs to be sent. 2. No information except a letter shown that the work is completed. 3. Please

			bldg in 33rd division	obtained complete file related to the work like Sanction, Estimate, M.Book, Bill etc.,
18	8.10.15	9.10.15 Roc No.8700/13-G1	Professional Fee,/expense of A.Pandu Rangarao,M.Sc at High Court for 5 Cases	MSC Sri A.Pandu Ranga Rao is engaging on monthly basis. He should be attending the court cases. If a separate advocate is engage for every other cases, payment of monthly fee to the leased advocate above is an in necessary expenditure to the corporation, More over payment of huge legal expenses to other is not necessary when Sri A.Pandu Ranga Rao is available please examine this .
19	16.10.15	17.10.15 Roc No.16057/2008-E4	Legal charges to MSc for OP No.534/2013	The following particulars are to be furnished to take further necessary action. 1. While the vehicles insurance policy premiums were going to be lapsed on 24.1.13, the file was put up on 11.2.13 2. The file was kept pending from 1.2.13 to 1`1.2.13 in the Engg Section. In view of the above it is not proper to blame that the insurance could not be renewed because the audit department has not given clearance in para No.2 As the fault lies with the institutional staff for non renewal of the insurance, it would be in appropriate to pay from the corp. funds. The amount has to be recovered from the Driver and the staff responsible for non renewal in time.
20	27.10.15	AE W S -E2	Wages to Drivers and Cleaners for puhskarams	It is highly improper not to adopt a procedure for hiring drivers, if the driver is from an out sourcing agency is accountable if the driver damages the vehicle/misuse the vehicle or runs away with the vehicle who is accountable- 2. It cannot be known whether the antecedence of the drivers are proper track record is not known. 3. Payment to AE is not permissible. 4. Please furnish the complete details of the drivers and payment should be made to them through cheque. 5. This practise of hiring without any norms may be avoided. 6. Reasons for continuing them beyond puhskarams may be intimated to Audit.
21	27.10.15	Roc No.7655/15-G1	Legal Fee to G Mallikarjunarao, Jr.Council and Sri D.Srinivas Addl. Advocate general in W.P.No.16071/2006	It is observed that Sri D.Srinivas entrusted to appear before Honble High Court on behalf of the commissioner MCR in W.P. No.31880./15 other than MSC appointed 2. In case of urgency or importance, Is there any provision to entrust cases to other Advocates while MSC is appear before court of law on behalf of the Commissioner MCR may be intimated to audit to take Further necessary action. 3. It has become a practise to pay huge amount to other advocates on one reason or the other. what discrimination power permits the EA to pay this much amount is not forth coming financial code clearly directs that the institutional funds are to spent with the same counting as of personal money. In this case it is not to be. 4. Which rule permits the EA to pay huge amount to other advocate when MSC is appointed may be intimated to audit. If there is no rule, the matter may be addressed to the govt. for ratification.
22	EE I 27/10/15	Godavari Puhskarams 2015	Land scaping and laying of drip sprinkler taken up at various places to project director AP Micro Irrigation Project (APMIP)	As per the Progs of Dist. Collector dt 12.10.15 payment to the PD MPMIP is to be done only after completion of pending works. 2.Payment to Micro Irrigation companies should be only after testing (conducting the trail run of the system) 3. Works should be handed over to the Officers in charge designated by the MPI.Commissioner But who is designated is also not forth coming in the file. The developed places should be entrusted to a responsible officer for maintenance of the drip sprinkle system and plantation. 4.

				The Commissioner ordered that EE concerned has to certify. No body certified. 5. It would be appropriate to inspect the latest stage of the machinery and sprinkles as of now.
23		AE-! E3 27/1/2015	Payable to M/s Rjy Rising towards cost of paints purchased for painting walls	1. It is observed that no work order was issued and also rates were not negotiated. It is not clear how many areas the paintings were to be done.
24	E 6.11.15	Roc No.5260/10-E3	To the Director Mpl. Admn.	Details of grants received with cash book entries of receipts may be recorded for further reference & record
25	Dy.EE	6.11.15 Roc No.10414/14-E3	To the PD, DRDA EG Dt. KKD	Utilisation of sand by M/s Bridge Lanka sand Mining Women-s Mutual Aided Coop society Ltd, Rjy at places suggested by Hon-ble MLA may be obtained and entrusted.
26	AE-II- E4	7.11.2015	Shifting of Electrical poles & Transformers in various places in AE II section.	Complete reply to observation recorded at P. No.2 not furnished. 1) The Lr. Of EPDCL, Rjy enclosed requested to pay 30,64,900/- But the list of major materials with estimated cost specifies for Rs. 8,47,990 only. Full details may be obtained and furnished. 2) It was stated that 17 HT poles and 57 Lt poles and 2 Transformers at widening of road from Dhobi ghat to Rjy Station up to Balaji Jn. points of poles 17 HT + 57 LT and 2 Transformers may be pointed out. 3. Need of shifting poles as observed at page 2 may be furnished. 4.It was stated that contractors are ready to take up works. Details of worker for which tenders are finalised may be furnished.
27	F2	7..11.15 Roc No.3105 /13-F2	Preparation of Environmental Management Plan- Slaughter House	Following observations are made with regard to the proposal. 1. When the Mpl. Corp to having 2 Nos MHO's with several subordinate staff, is Variability of preparing of EMP by the section may be pursued which would save Rs. 1,79,776/- of Mpl. Funds. 2) The M/s S.V Enviro labs and Consultants Rs. 1,79,776/- for EMP. The case worker at p.13 dt. 18.1.15 stated that he discussed with consultants, Quotations and from other Consultants and comparative statement with lowest quotation is not forthcoming. 3) The above consultant gave details of payment to be made. Some are overlapping and repeated in nature. There is no need to pay for survey of location and recommendation . When payment for report writing is preferred there is no need for payment for computerised work. Separate payments were stated for consultancy and institutional charges @ 30% Therefore payment should be limited to either of them.
28	EE/E1	9.11.15	TA Bill of T.V.Koteswara Rao EE	TA Bills of Sri T.V.Koteswarao EE are here with returned for rectification of following defects 1) Bill should bear name of establishment month & year of claim. 2) Pay & Pay scale of officer should be noted. 3) Dated signature of controlling Officer, ie., Commissioner should be appended. 4) Class of journey for Rail to be noted. 5) AC Bus journey not permitted as per APTA Rule 1996. 6) Bill of 8.9.15 to 10.9.15. He submitted bill for journey on 9.9.15 to 10.9.15 from Hyderabad to Vijayawada. What about journey of returned to H.Qs. 8) Proceedings of Controlling Officer permitting to perform journey should be enclosed to bill.

29	F1 6.1.2015	Roc No.223/2009 F1	Honorarium to Rtd surgeon	<p>1. The Doctor in question was permitted to get Rs.16,000 and Rs. 1000/- allowance per month whether this Honorarium is minus last pay of pension or not, is not forthcoming. The same may be furnished.</p> <p>2) Job chart prescribed for the veterinary surgeon is not forthcoming. The same should be furnished.</p> <p>3) Day wise dairy with number of Animals tested, accepted and rejected for butchering is not forthcoming. The same should be furnished.</p>
30	23.1.16	E4 EEII	Supply of contingent charges for maintenance of Commissioner Quarters	<p>The following details to be furnished to State Audit Department when local audit takes place.</p> <p>1) A detailed report with requirements for renovation of Commissioner Banglow to be prepared and enclosed.</p> <p>2) Limited quotations for SI No. 1,2,4,5,7 and 9 of C bill with comparative statement should be enclosed to file.</p> <p>3) Report of the Officer who verified the requirements to be enclosed to the file.</p> <p>4) The bill do not give full details, the same should be furnished.</p> <p>5) Reasons for paying a big amount to the suppliers from the personal funds of the AE Ele need to be furnished.</p>
31	23.1.16	AE IV E3	Supply of 2 Nos Adroid Cellphones to H.W. Mayors Chamber	<p>Reply to be furnished to post audit at the time of local audit.</p> <p>1) Quotation with comparative statement for bill no.1 for Rs. 31,500/- to be enclosed to file.</p> <p>2) Boucher of the phone model to be enclosed.</p> <p>3) Limited quotations for bill no.2 for Samsung Gallexy J2 for Rs. 8500/- along with brochure of the phone to be enclosed to file.</p> <p>4) Reasons for C bill payable to AE T. Aruna Deva Kumar, who stated that the amount was paid by him against rules in AP Fin Code to be recorded.</p>
32	4.1.2016	Roc No. 8177/15-G1 OS No. 101/2009	AP Advocate fee rules	<p>The MSC has claimed big amount of Rs. 25,000/- as Advocate fee and Rs. 2,000/- as expenses. Reasons for paying big amount may be furnished along with payment of fee to Advocate as per AP Advocate Fee Rules.</p>
33	18.2.2016	Roc No. 7655/2015-G1	Legal Fee to Sri G. Mallikarjuna Rao Junior Council & Sri D.Srinivas Addl. Advocate General in W.P. No.16071/2006	<p>1) The EOA made same observations on 16.10.15 and 27-10-15. No reply was furnished to observation dt. 27.10.2015</p> <p>2) A fresh note was enclosed and it was signed by Commissioner on 2.12.15 and pass order was approved by the Commissioner on 5.1.2016. The case worker was offended of the same and requested to note reasons in vain</p> <p>3) The E/A may order concerned to obtain rules relating to payments to AG, AAG and their assistants for attending cases of MCR or other court so that payments could be made to them without any delay. As the case is pending and important the present payment in cleared. For next payment the above objection may be clarified.</p>
34	4.3.2016	EE1/AE-II/E4	Supply of Cars on hire basis of MCR	<p>1. As seen from the Govt. G.Os and Agreement between the Agency details of cut to be imposed in the case of short sum of vehicle below 2500 Km are not forthcoming. In the next and subsequent agreements such conditions should be clearly laid down.</p> <p>2) Details about type of car to be supplied i.e. AC or Non Ac are not forthcoming. Govt orders also not clear in this regard. Such condition has to be specified in next agreements.</p> <p>3) Payments to be made for KMs beyond 2500 also to be specified.</p> <p>4) Hiring vehicles should need based and officers</p>

				utilising vehicles should have employee touring jurisdiction
35	21.3.16	EE1/AE-II/E4	Supply of cars on hire basis to H.W. Mayor	Payment was initially made by AE which is not correct as per AP Fin. Code. He did not effect deduction of IT. Hence the AE should make the supplier pay IT by challan and enclose to file for next bill payment should be in the name of supplier.

Para Number : 41

NON-REMITTANCE OF DEDUCTIONS/RECOVERIES FROM WORK BILLS/PAY BILLS/CONTIGENT BILLS ETC. (Code : 10) Rs : 8678295

DEDUCTION / RECOVERIES OF INCOME TAX NOT REMITTED OR PARTLY REMITTED (code :10 [2])

NON REMITTANCES AND NON COLLECTION OF RECOVERIES OF WORK BILLS/ PAY BILLS

6.1 STAFF SALARIES - LIC, PROVIDENT FUND DEDUCTED FROM THE PAY BILL PAY TO THE TREASURY AND NON GOVERNMENT RECOVERIES CREDITED TO DDO ACCOUNT - BUT NOT REMITTED TO CONCERNED HEAD

An amount of Rs. 86,78,295-00 was deducted from the Salaries billspay to the Treasury and Non Government recoveries credited to DDO account towards service recoveries i.e. PF, LIC during t Secondary& Elementary Teacher Salaries. But the said amount was not remitted to the concerned head of account. Early action would need to be taken to remit the said amount to the concerned hea particulars produced for verification to audit.

Month	LIC			PF			Total
	General	Teaching	Total	General	Teaching	Total	
Jan-2016	1302979	438291	1741270	636655	504225	1140880	86,78,295-00
Feb-2016	1331524	438459	1769983	650505	473810	1124315	
Mar.2016	1351912	442760	1794672	632605	474550	1107155	
Total:			5305945			3372350	

Para Number : 42

NON-REMITTANCE OF DEDUCTIONS/RECOVERIES FROM WORK BILLS/PAY BILLS/CONTIGENT BILLS ETC. (Code : 10) Rs : 0

DEDUCTION / RECOVERIES OF INCOME TAX NOT REMITTED OR PARTLY REMITTED (code :10 [2])

6.2 NON-REMITTANCE OF LIBRARY CESS TO ZILLA GRANDHALAYA SAMSTHA, KAKINADA FROM 31.12.2011 TO TILL DATE FROM YEAR:

During the course of audit on verification of file (File Roc No.2299/98-A1) relating to Remittance of Library Cess to Zilla Grandhalaya Samstha, Kakinada Corporation has remitted an amount of Rs.78,00,873/- towards Library Cess for the period from 8/2007 to 3/2008 through Vr. No.2094 Dt.31.12.2011. Library Cess was not remitted to the Zilla Grandhalaya Samstha, Kakinada till date and the arrears pending realisation is detailed below.

Year	Property Tax Collected (Rs. In Lakhs)	Library Cess to be remitted (Rs.in lakhs)	Library Cess already remitted by E-seva (Rs.in lakhs)	Balance to be remitted (Rs.in lakhs)
2008-09	1534.36	98.19	---	98.19
2009-10	1608.96	102.97	---	102.97
2010-11	1902.96	121.72	---	121.72
2011-12	2147.30	137.42	14.34	123.08
2012-13	2409.23	154.19	17.00	137.19
2013-14	2372.02	151.81	20.50	131.31
2014-15	2452.89	156.98	35.21	121.77
2015-16	2988.31	Details not produced		
Total				

When the same was questioned in audit, the revenue authorities have stated that this corporation has constructed two Library buildings from its General fund this Corporation at Danavaipeta and Near Godavari bund beside Municipal Kalyana Mandapam. And the commissioner has ordered to assess the expent buildings and remit the balance amount to the ZGS duly deducting the value of those library buildings. But the authorities of this corporation neither as buildings nor remit the Library cess to ZGS till the close of audit.

Further as per the orders issued by the Government in G.O.Ms.No. 57 MA&UD (G1) Dept, Dt: 25.1.2000, permission was accorded to the Municipalities t cess collected in those Municipalities subject to condition that the library cess retained be utilised for the improvement of the libraries in the Municipi Rs.836.23 lakhs 125.43 lakhs may be deducted and the remaining amount i.e. Rs.710.08 lakhs may be remitted to ZGS, Kakinada treating that the ce buildings were met from out of those 125.43 lakhs with held amount.

Therefore immediate action would need to be taken to remit the amount to the ZGS, Kakinada and report the compliance to audit.

Para Number : 43

NON-REMITTANCE OF DEDUCTIONS/RECOVERIES FROM WORK BILLS/PAY BILLS/CONTIGENT BILLS ETC. (Code : 10) Rs : 14349622

DEDUCTION / RECOVERIES OF INCOME TAX NOT REMITTED OR PARTLY REMITTED (code :10 [2])

M.C, RAJAMAHENDRAVARAM FOR THE YEAR 2015-16

6.3WORKS- INCOME TAX,SALES TAX, SEIGNORAGE CHARGES AND NAC ETC--.. DEDCTED FROM THE WORK BILLS- BUT CONCERNED HEAD OF ACCOUNT: Rs.1,43,49,622-00

The works were executed by the M.C, Rajamahendravaram for the year 2015-16 under General funds & Grants work sales tax, seignorage charges and NAC were deduction from the work bills, But the same were not remitted to the concerned Department. Early action would need to be taken to get the amount remitted to concerned Department.

General Funds:

Month	Seignorage	NAC	QC	CMRF	IT	VAT	Total
Apr-15	234534	10455	0	15689	0	0	260678
May-15	104238	1751	6290	2628	0	0	114907
Jun-15	152517	32	26417	48	0	0	179014
Jul-15	127430	0	18383	0	0	0	145813
Aug-15	61569	0	46413	0	0	0	107982
Sep-15	333051	17	14489	28	0	0	347585
Oct-15	113180	0	17506	0	0	0	130686
Nov-15	72119	12	0	18	0	0	72149
Dec-15	61788	0	0	0	0	0	61788
Jan-16	190619	0	78472	0	0	0	269091
Feb-16	177214	0	7962	0	0	0	185176
Mar-16	312261	0	48451	0	582251	1414060	2357023
Total	1940520	12267	264383	18411	582251	1414060	4231892

Puskaralu:

Month	Seignorage	NAC	QC	CMRF	IT	VAT	Total
Apr-15	215652	14458	25345	21733	0	0	277188
May-15	756023	7790	443890	2685	0	0	1210388
Jun-15	971653	540	423156	810	0	0	1396159
Jul-15	298617	0	201368	0	0	0	499985
Aug-15	401623	0	120254	0	0	0	521877
Sep-15	1349181	0	507766	0	0	0	1856947
Oct-15	303823	0	19662	0	0	0	323485
Nov-15	522009	0	159991	0	27762	69406	779168
Dec-15	58148	0	0	0	0	0	58148
Jan-16	79248	0	24800	0	0	0	104048
Feb-16	0	0	0	0	593539	1483848	2077387
Mar-16	61174	2274	0	3409	93745	253267	413869
Total	5017151	25062	1926232	28637	715046	1806521	9518649

LRS

Month	Seignorage	NAC	QC	CMRF	IT	VAT	Total
Apr-15	26994	0	0	0	0	0	26994
May-15	28221	5652	0	8477	0	0	42350
Jun-15	17532	0	0	0	0	0	17532
Jul-15	0	0	0	0	0	0	0
Aug-15	0	0	0	0	0	0	0
Sep-15	0	0	0	0	0	0	0
Oct-15	139680	0	0	0	0	0	139680
Nov-15	4060	0	0	0	0	0	4060
Dec-15	20800	0	0	0	0	0	20800
Jan-16	0	0	0	0	0	0	0
Feb-16	0	0	0	0	0	0	0
Mar-16	58349	0	56553	0	36814	184068	335784
Total	295636	5652	56553	8477	36814	184068	587200

SC&ST subplan

Month	Seignorage	NAC	QC	CMRF	IT	VAT	Total
Apr-15	2340	132	0	197	2632	6580	11881

Funds	Seignorage	NAC	QC	CMRF	IT	VAT	Total
General Funds:	1940520	12267	264383	18411	582251	1414060	4231892
Pushkram (13th FC)	5017151	25062	1926232	28637	715046	1806521	9518649
LRS	295636	5652	56553	8477	36814	184068	587200
SC&ST subplan	2340	132	0	197	2632	6580	11881
Total:	7255647	43113	2247168	55722	1336743	3411229	14349622

Details	Subsidiary Register			AS per ERP			Difference	Remarks
	Receipt	Payment	Balance	Receipt	Payment	Balance		
2025	19956774	18747285	1209489	19997587	15821716	4175871	-2966382	Payment for Rs.29,45,097-00 (13thFC for 9/2015) not posted and mis posted for Rs.19528/- in ERP said account code. Difference may be rectified.
2025	43779246	41269513	2509733	43644276	34407172	9237104	-6727371	Payment for Rs.68,62,341-00 (13thFC for 9/2015) not posted in ERP said account code. Difference may be rectified.

7.1 ADVERTISEMENT TAX - DEMAND REGISTER FOR 2015-16,AREAR DEMAND REGISTER AND OTHER RECORDS NOT PR

As per annual account a sum of Rs.1,35,15,393/- was collected and remitted to Municipal Corporation funds during the year 2015-16 under Adv Advertisement tax demand register for the year 2015-16,arear demand register and other connected records were not produced to audit for verification.

In the absence of the same the correctness of the Advertisement tax collected during 2015-16 could not be verified in audit. Early action would be tak current and arear demand registers of Advertisement tax and other connected records for verification to audit.Thus non production of registers and re scope for non detection of irregularities which cause huge loss to the income of the ULBs.

Code No:11

7.2 ENCROACHMENT FEE- DEMAND REGISTER FOR 2015-16,AREAR DEMAND REGISTER AND OTHER RECORDS NOT PR

As per annual account a sum of Rs.12,67,320/- was collected and remitted to Municipal Corporation funds during the year 2015-16 under theencroachment fee demand register for the year 2015-16,arear demand register and other connected records were not produced to audit for verification.

In the absence of the same the correctness of the encroachment fee collected during 2015-16 could not be verified in audit. Early action may be tak current and arear demand registers of encroachment fee and other connected records for verification to audit.Thus non production of registers and record t for non detection of irregularities which cause huge loss to the income of the ULBs.

Code No:11

7.3 TOWN PLANNING ENCROACHMENT - LISTS OF NEW ENCROACHMENTS BOOKED - NOT PRODUCED:

The yearly list of new encroachments booked during the year 2015-16 by town surveyor were not made available for verification in audit. It was stated in aud were booked during the year under report.The town planning surveyor has to book all the new encroachments and submit them to T.P.O., for clarification. All su objectionable have to be taken to demand and collected the encroachment fee. But this was not done during the year 2015-16. The amount foregone by the ascertained in audit. Action needs to be taken to assess the loss and recovered the same from the person or persons responsible.

CODE NO:11

7.4 TOWN PLANNING - LAYOUT REGISTERS NOT PRODUCED TO AUDIT

Layout Registers of municipal corporation for the year 2015-16 were not produced to audit. Due to non submission of these registers the correctne compared with other statements and registers is difficult.

Due to aforesaid reasons, if any loss in this regard the loss should be sustained to the Municipal funds would need to be made good from the pers intimation to audit

Code No:11

7.5 CELL TOWERS - TAX ON CELL TOWERS -RECORDS NOT PRODUCED:

As per GO. Ms No.183 Municipal Administration & Urban Development (M Department Dt. 27.02.2008 All the Commissioners of Municipalities, and Vice Chairmen of Urban Development Authorities in the State shall accord permission to all the existing and proposed cell tower insta and rooftop installations, as per rules, subject to fulfilling the following conditions by the applicants namely:

- i). The applicant shall obtain necessary approval of the Air Traffic Controller, Airport Authority of India (where applicable).
- ii). The applicant shall take special precaution for fire safety and lightening etc.
- iii).The applicant shall furnish a legally valid undertaking that they are solely responsible for any damage to the building and for public safety.

In this connection, the Commissioner hasto give notices to the property owners in whose premises the towers were installed duly fixing for each half/

But, the related records connected towards cell tower fees not furnished to audit. The Executive authorities shall instruct to maintain and produce the

7.6 REGULATION AND PENALISATION OF BUILDINGS - RECORDS NOT MAINTAINED - IRREGULAR.

As per G.O.Ms.No. 128, Dt: 22-5-2015 of MA & UD (M) Dept., the notification for regularization and penalization of buildings constructed un-authorizedly and in deviation of the sanctioned plans was issued. It was noticed that as per ERP Receipt and payments an amount of Rs. 1,04,77,659-00 was collected by the MC, Rajamahendravaram towards BRS, but as per the available online information furnished by the total no. of 2923 applications were submitted through online by the building applicants during the year 2015-16. As per G.O Only applications were received during the financial year 2015-16, the regularization was done later. But connected manual records were not maintained by the town planning authorities and also they explained in audit that the entire scheme was implemented through online. The correctness of the amounts received by the MC, Rajamahendravaram towards BRS could not be verified in audit. Therefore action would need to be taken to produce the manual records to audit for verification. This regard would need to be recovered from the persons responsible.

7.7

DEPOSITS-DEPOSITS REGISTER NOT PRODUCED-IRREGULAR-NEEDS ACTION

During the course of audit, it was noticed that the Municipal Corporation has been recovered several amounts towards deposits. Such as EMD and FSD and auction deposits which are refunded after completion. Details have to be maintained on the deposit of register. But the deposit register was not produced to audit for verification. Due to the same how much amount received on deposits and how much amount refunded were not known to audit. Hence, action would need to be taken to produce the same and loss if any sustained in this regard would need to be recovered from the persons responsible.

7.8

INVESTMENTS-REGISTER OF INVESTMENTS NOT PRODUCED-IRREGULAR

During the course of audit it was noticed that the Register of Investments together with investments for the year 2015-16 was not produced. Following amounts were drawn from General funds and invested in several banks as FDR-s. But the investment register was not produced for verification. In the absence of the same the Institution having worth of investments would need to be explained otherwise, the loss of funds of the institution in this regard would need to be made good from the persons responsible.

SN	Vr.No & Date	Particulars	Amount
1	227/5-2015	Andhra Bank, Vidyuth Colony, RJY	10000000.00
2	228/5-2015	Andhra Bank, Main Branch, RJY	10000000.00
3	229/5-2015	Andhra Bank, Innispeta, RJY	10000000.00
4	230/5-2015	Punjab & Sind Bank, RJY	10000000.00
5	231/5-2015	Union Bank of India, RJY	20000000.00
6	232/5-2015	Indian Bank, Prakashnagar, RJY	20000000.00
7	233/5-2015	Corporation Bank, T Nagar, RJY	20000000.00
8	1218/10-2015	Syndicate bank, AVA Road, RJY	10000000.00
9	1219/10-2015	Union Bank of India, Danvaipeta	10000000.00
10	1220/10-2015	Union Bank of India, TNagar	10000000.00
11	1221/10-2015	Andhra Bank Innispeta	10000000.00
12	2062/3-2016	Chaitanya Godavari Gramina Bank, AVA Road	2500000.00
13	2063/3-2016	HDFC Bank, AVA Road	2500000.00
		Total	1,45,000000.00

7.9

Para No.

Code No.11

MUTATION REGISTER NOT PRODUCED

During the course of audit the register containing all the permanent changes made either by the Commissioner or by the Appellant Authority in the assessment of house and land taxes after the demand registers filed up for the year was not maintained and produced, in the absence of the same whether the procedure prescribed in arriving at the changes in the assessments were made and recorded properly or not could not be verified. The register may be maintained and produced to audit.

7.10 REGISTER OF BUILDINGS EXEMPTED FROM THE PAYMENT OF PROPERTY TAX - NOT MAINTAINED AND PRODUCED TO AUDIT.

The register of buildings exempted from payment of property tax during the year 2015-16 was not maintained and produced to audit for verification. In the absence of the same it could not be ensured in audit whether such buildings were assessed to other taxes/charges such as water tax, drainage tax and primary service charges etc.

Early action would, therefore, need to be taken to get the register written up and maintained up to date.

7.11

Para No.

Code No.11

TAXES - PROPERTY TAX COLLECTED THROUGH E-SEVA CENTRES - DETAILS NOT PRODUCED:

As verified from the Annual Account it was observed that property tax was collected and adjusted through E-Seva, Cheques to the P.D. Account of Municipality towards collection of Property tax from the details i.e. date of collection, Assessment No.s, classification of arrear and current year amounts etc., were not produced for verification in audit. In the absence of the same it could not be verified in audit whether the tax payers under property tax were remitted to Municipal funds or not. As a result the correctness of the receipts realized under this head of account could not be certified in audit. The Executive authority should take early action. Loss if any caused due to the above omission would need to be made good from the person or persons responsible.

Para No.7.12

Code No.11

TAXES - ARREAR DEMAND REGISTERS ALONG WITH OUTSTANDING BILLS NOT PRODUCED:-

In respect of the following taxes, arrears demand registers along with outstanding bills were not produced for verification in audit. In the absence of the same, the genuineness of the taxes actually collected on 31-3-2012 could not be ascertained in audit.

1. Water tax.
2. M.V. Tax
3. Advertisement tax.
4. Vacant land tax.
5. Property tax
6. Leases, rents and fees etc.,

Immediate action may be taken to produce the same.

Para No. 7.13

CodeNo.11

REGISTER OF REVENUE YIELDING PROPERTIES NOT MAINTAINED AND PRODUCED

In order to guard any item of Municipal revenue being left out in the M.D.R., a register of Revenue yielding properties and other miscellaneous sources of revenue of the municipality will have to be maintained. The items shown in this register with the exception of those that are managed departmentally are entered in the M.D.R. for watching the realization of the revenue due. The register also helps in watching the years and also to make investigations, if necessary.

However, this important register was not maintained. As a result it could not be fully ascertained in audit, whether revenue from all sources was being recorded or there were any leakages. It could not be ascertained whether all sources of revenue were included in the M.D.R. due to non-maintenance of the above register. Immediate action may be taken to maintain the register and produce the same to audit.

Para No.7.14

Code No.11

MUNICIPAL CORPORATION - RAJAHMUNRY - REVENUE SECTION - COMPUTERISATION OF PROPERTY TAX IN MUNICIPAL CORPORATION - RECORDS PRIOR TO COMPUTERISATION NOT MADE AVAILABLE TO AUDIT - COULD NOT BE ARRIVED - NEEDS ACTION:

On verification of Property tax computer generated Arrear Demand Register it was noticed that the computerization of A.D.R has taken place from 1983-84 on wards and the same were furnished to audit. But Manual Arrear Demand Registers of Property tax prior to 1983-84 it could not be ascertained that all the demand pertaining to Property tax has been taken to computers or not. If any assessment or assessments were not computerized to that extent corporation may incur loss. Hence the manual Arrear Demand Register prior to 1983-84 would need to be produced to audit to verify to correctness of the Demand.

7.15 REGISTER OF REVISION PETITIONS AND APPEALS ALONG WITH FILES NOT FURNISHED.

The records relating to the revision petitions received and allowed were not produced to audit. Hence it could not be verified in audit whether RI allowed whether the same was done as per rules and eligibility or not could not be verified. Further it was noticed that the window for modification was closed on 30th April by the e-Suvidha for a predetermined period and there was no assurance in audit that in the said period only RPs allowed by the Commissioner were allowed. The Commissioner will allow modification of any of the assessments there was scope for misuse of the facility more so when the DEO was operating all the three logins of the Commissioner. The Executive Authority would need to produce the same to audit for verification.

7.16 REGISTER OF REMISSIONS AND WRITEOFFS NOT PRODUCED

The records relating to the remissions and write offs allowed were not produced to audit. It was not made known as to how much was allowed as per the provisions of the Act for the financial year 2015-16. In the absence of the same the quantum of remission and write off and whether the same was allowed as per the provisions of the Act was not verified in audit. The same would need to be produced immediately.

Code No:11

7.17 TOWN PLANNING - BUILDING PERMISSIONS ISSUED THOUGHUP TO DATE PROPERTY TAX/VACANT LAND TAX RECEIPTS NOT PRODUCED - ACTION.RS.49412

Audit reveals that the following Building Applications were made towards Building Permissions. But, the connecting up to date property tax/vacant land tax receipts were not produced to audit along with the following building applications. In the absence of the said receipts whether the building applicants paid up to date tax or not was not verified in audit. The Executive Authorities should take steps to produce the said records to audit. Or else, the loss any sustained in this regard would need to be borne from persons responsible and credited to Municipal funds under intimation to audit.

Sl. No.	B.A.No.	PT/VLT PAID UP TO	TO BE PAID UP TO	TAX PER HALF YEAR, Rs.	TOTAL AMOUNT TO BE PAID. Rs
1	240/2015/G2	2014-15/2	2015-16/2	1638.00	3276.00
2	369/2015/G2	2014-15/1	2015-16/2	580.00	1740.00
3	382/2015/G2	2014-15/2	2015-16/2	2251.00	4502.00
4	404/2015/G2	2014-15/2	2015-16/2	7701.00	15402.00
5	509/2015/G2	2014-15/1	2015-16/2	1650.00	4950.00
6	563/2015/G2	2012-13/1	2015-16/2	694.00	4858.00
6	04/2016/G2	2014-15/1	2015-16/2	240.00	720.00
7	48/2016/G2	2014-15/2	2015-16/2	983.00	1966.00
8	550/2015/G1	2014-15/2	2015-16/2	5999.00	11998.00
			TOTAL		49412.00

Non-Production of Records Code No. 11

7.18 INVESTMENTS - FUNDS OF THE CORPORATION INVESTED IN THE SHAPE OF FDRS IN VARIOUS BANKS - CONNECTED REG ORIGINAL FDRS NOT PRODUCED - WHETHER RENEWED WITHIN TIME NOT KNOWN.

During the course of audit basing on the information available with the previous registers it was noticed that the funds of this Corporation were FDRs in various Banks as detailed in the statement appended. But the connected Register along with Original FDRs was not produced to audit. It was also said FDRs were renewed within time or kept idle. Hence the loss if any caused by means of variation in rate of interest could not be found in audit.

SL NO	FDR NO	DATE OF INITIAL DEPOSIT	INITIAL VALUE	DATE OF LATEST RENEWAL	FACE VALUE ON RENEWAL	PERIOD OF DEPOSIT	RATE OF INT	MATURITY DATE	MATU VALI
	Andhra Bank, ARYAPURAM BRANCH								
1	002320100017450	08-09-2010	20,00,000	13-09-2014	23,78,754	365 DAYS	9%	13-09-2015	26,00,176
2	002320100057883 BPS INT	02-05-2013	2,11,281	02-05-2014	2,30,948	365 DAYS	9%	02-05-2015	2,52,445
3	002320100040999	26-12-2011	10,00,000	22-12-2014	10,00,000	91 DAYS	8%	23-03-2015	10,00,000
4	002320100057874 LRS INT	02-05-2014	1,01,079	02-05-2014	1,01,079	365 DAYS	9%	02-05-2015	1,10,488
	AB, DEVI CHOWK BRANCH								
1	011720100016220	05-01-2010	15,00,000	18-09-2014	16,00,858	180 DAYS	8.50%	18-03-2015	16,00,858
2	011720100043190 INT FOR 16220	15-11-2011	58,352	18-09-2014	59,676	6 MONTHS	8.50%	17-03-2015	73,662
3	011720100022799	29-09-2010	10,00,000	19-08-2014	13,06,260	1 YEAR	9%	19-08-2015	14,27,851
4	011720100027882	31-12-2010	10,00,000	01-07-2014	12,29,533	9 MONTHS	8.50%	01-04-2015	13,09,593
5	011720100043206 - INT FOR 27882	15-11-2011	31,749	18-09-2014	32,469	6 MONTHS	8.50%	17-03-2015	40,080
6	011720100041448	29-09-2011	40,00,000	22-02-2015	43,85,245	46 DAYS	7%	09-04-2015	43,85,245
7	011720100047220	29-03-2012	20,00,000	29-09-2014	24,55,773	1 YEAR	9%	29-09-2015	24,55,773
8	011720100050543	28-08-2012	20,00,000	28-02-2015	24,54,435	9 MONTHS	8.5	28-11-2015	24,54,435
9	011720100049583	16-07-2012	20,00,000	12-01-2015	23,79,643	91 DAYS	8%	13-04-2015	23,79,643
10	011720100053887	31-12-2012	20,00,000	06-01-2015	21,94,761		7.50%		21,94,761
11	011720100051366	28-09-2012	25,00,000	28-09-2014	29,62,730	6 MONTHS	8.50%	28-03-2015	30,89,984
12	011720100055371	30-03-2013	1,00,00,000	18-02-2015	1,14,10,551	46 DAYS	7.75%	05-04-2015	1,14,10,55
	AB, KANDAKAM ROAD BRANCH / MAIN BRANCH								
1	046520001000398	31-10-2008	20,00,000	07-05-2013	20,00,000	2 YEARS	9%	07-05-2015	20,00,000
2	046520100160600 INT FOR FDR 1000398	10-03-2015	6,98,208	10-03-2015	6,98,208	1 YEAR	8.75%	10-03-2016	7,61,422
3	046520100044551	29-03-2012	40,00,000	29-09-2014	40,00,000	1 YEAR	9%	29-09-2015	40,00,000
4	046520100160442 INT FDR 44551	10-03-2015	8,13,800	10-03-2015	8,13,800	1 YEAR	8.75%	10-03-2016	8,87,378
5	O 046520100007611 - N 046520100048355	04-12-2009	20,00,000	16-01-2014	26,43,519	120 DAYS	8.50%	16-05-2015	27,57,062
6	046520100070042	31-12-2012	60,00,000	06-01-2015	60,00,000	1 YEAR	8.75%	06-01-2016	65,42,479
7	046520100160424 - INT FDR 70042	10-03-2015	8,68,472	10-03-2015	8,68,472	1 YEAR	8.75%	06-01-2016	9,46,993
8	046520100166376	11-05-2015	50,00,000		50,00,000	1 YEAR	8.50%	11-05-2016	54,38,740
9	046520100166367	11-05-2015	50,00,000		50,00,000	1 YEAR	8.50%	11-05-2016	54,38,740
10	046520100175480	08-10-2015	1,00,00,000		1,00,00,000	91 DAYS	7.00%	07-01-2016	
	AB, INNEPETA BRANCH								
1	023120100056158	23-07-2012	12,80,502	23-07-2012	12,80,502	3 YEARS	9.40%	23-07-2015	16,92,133
2	023120100036862	17-03-2011	10,00,000	22-03-2013	10,00,000	3 YEARS	8.5	22-03-2016	12,87,019
3	023120100079247 - INT FDR 36862	17-12-2014	1,07,179	17-12-2014	1,07,179	3 YEARS	8.5	17-12-2017	1,37,941
4	023120100082445	12-05-2015	50,00,000		50,00,000	1 YEAR	8.5	12-05-2016	54,38,740
5	023120100082454	12-05-2015	50,00,000		50,00,000	1 YEAR	8.5	12-05-2016	54,38,740
	AB, LALACHERUVU BRANCH								
1	100520100057698	31-12-2012	15,00,000	31-12-2014	17,88,295	1 YEAR	8.75%	31-12-2015	19,49,980
2	100520100060869	28-03-2013	25,00,000	28-03-2014	27,38,057	1 YEAR	9.00%	28-03-2015	29,92,924
3	100520100036561	05-04-2011	10,00,000	26-05-2014	10,91,635	1 YEAR	9.00%	26-05-2015	11,93,248
4	100520100046443	18-11-2014	25,00,000	22-02-2015	25,00,000	95 DAYS	8.00%	29-05-2015	25,00,000
5	100520100054886	26-09-2012	50,00,000	26-09-2014	59,88,091	1 YEAR	9.00%	26-09-2015	65,45,482
6	100520100025237	08-09-2010	10,00,000	13-09-2012	10,00,000	3 YEARS	9.25%	13-09-2015	13,15,662
7	100520100025246	08-09-2010	10,00,000	13-09-2012	10,00,000	3 YEARS	9.25%	13-09-2015	13,15,662
8	100520100017487	03-12-2009	20,00,000	28-07-2012	20,00,000	3 YEARS	9.40%	28-07-2015	26,42,921
9	100520100078798	23-01-2015	1,00,00,000	23-01-2015	1,00,00,000	6 MONTHS	8.50%	23-07-2015	1,04,29,510
10	Details not known		2,00,00,000		2,00,00,000				
	AB, VEERABHADRAPURAM BRANCH								
1	62620100073508	03-01-2012	10,47,893	30-12-2014	12,83,343	91 DAYS	8%	31-03-2015	12,83,343
2	062620100073571	03-01-2012	25,37,808	30-12-2014	31,12,769	91 DAYS	8%	31-03-2015	31,12,769

3	20070373 / N 06262000200440	25-04-2006	10,58,463	25-04-2012	16,11,076	3 YEARS	9.4	25-04-2015	21,28,973
	AB, KATARINGAR BRANCH								
1	025120100051366	21-04-2012	16,11,727	17-01-2015	16,11,727	91 DAYS	8	18-04-2015	16,11,727
2	025120100085877 - INT FDR 51366	10-03-2015	1,59,687	10-03-2016	1,59,687	1 YEAR	8.75	10-03-2016	1,74,125
	AB, ALCOT GARDENS BRANCH								
1	002120100010563	29-09-2010	10,00,000	19-08-2014	10,00,000	2 YEARS	9	19-08-2016	11,94,831
2	002120100057926 INT FDR 563	04-03-2015	1,85,000	04-03-2015	1,85,000	1 YEAR	8.75	04-03-2016	2,01,726
3	002120100017007	02-04-2011	10,00,000	29-09-2014	10,00,000	2 YEARS	9	29-09-2016	10,00,000
4	002120100057917 - INT FDR 7007	04-03-2015	2,03,000	04-03-2015	2,03,000	1 YEAR	8.75	04-03-2016	2,21,354
5	002120100035128	30-03-2013	25,00,000	08-02-2015	25,00,000	46 DAYS	7	05-04-2015	25,00,000
6	002120100057892 - INT FDR 128	04-03-2015	3,49,631	04-03-2015	3,49,631	1 YEAR	8.75	04-03-2016	3,81,242
7	2120100029905	13-10-2012	25,00,000	03-09-2014	25,00,000	1 YEAR	9	03-09-2015	27,32,708
8	2120100057908 - INT FOR FDR 905	04-03-2015	3,52,468	04-03-2015	3,52,468	1 YEAR	8.75	04-03-2016	3,84,336
	ANDHRA BANK, VIDYUT COLONY								
1	225520100003110	11-05-2015	50,00,000		50,00,000	1 YEAR	8.5	11-05-2016	54,38,740
2	225520100003110	11-05-2015	50,00,000		50,00,000	1 YEAR	8.5	11-05-2016	54,38,740
	AXIS BANK, T NAGAR BRANCH								
1	914040012000643	04.04.2014	1,00,00,000	09.03.2015	1,07,94,110	113 DAYS	7.50%	30.06.2015	1,10,44,740
2	914040012001141	04.04.2014	1,00,00,000	09.03.2015	1,07,94,110	113 DAYS	7.50%	30.06.2015	1,10,44,740
3	914040052497803	03.06.2014	6,00,00,000	01.12.2014	6,25,37,571	180 DAYS	8.25%	30.05.2015	6,51,25,810
	BOB, HUKUMPETA BRANCH								
1	O 03/4900 - N 16720300004900	30-03-2013	25,00,000	18-02-2015	28,25,447	46 DAYS	6.5	05-04-2015	28,48,592
2	O 03/3384 - N 16720300003384	08-09-2010	15,00,000	04-02-2015	19,12,302	46 DAYS	6.5	22-03-2015	19,27,967
	BOB, VENKATESWARANAGAR BRANCH								
1	(671012) '98390300003140	03-06-2014	1,00,00,000	01-12-2014	1,03,84,315	181 DAYS	7.75%	31-05-2015	1,07,83,400
	BOB, MAIN BRANCH / FORT GATE BRANCH								
1	06790300007651	02.04.2013	25,00,000	18.02.2015	28,25,447	46 DAYS	6.5	07.03.2015	28,48,592
2	06790300007078	27-03-2012	47,00,000	18.02.2015	56,16,506	46 DAYS	6.5	05.04.2015	56,62,515
3	06790300008325	03.06.2014	1,00,00,000	01.12.2014	1,03,84,315	6 MONTHS	7.75	31.05.2015	1,07,83,400
	BOI, INNEPETA BRANCH								
1	865441110000239	02-04-2011	10,00,000	26-02-2015	10,00,000	1 YEAR	8.75	26-02-2016	10,90,413
2	INT FOR 239 - 865441110000239			05-02-2015	92,637	1 YEAR	8.75	05-02-2016	1,01,007
3	865441110000311	25-08-2012	50,00,000	13-01-2015	50,00,000	91 DAYS	7.3	14-04-2015	50,00,000
4	INT FOR 311 - 865445110003366			05-02-2015	1,84,493	1 YEAR	8.75	05-02-2016	2,01,174
5	INT FOR 311 - 865445110003165			12-08-2014	3,55,273	1 YEAR	9.05	12-08-2015	3,88,533
	BOI, SEETHAMPETA BRANCH								
1	869341110000214	08-09-2008	15,00,000	10-02-2015	15,00,000	46 DAYS	6.50	28-03-2015	15,00,000
2	869341110000359	04-08-2010	10,00,000	15-02-2015	10,00,000	46 DAYS	6.50	02-04-2015	10,00,000
3	869341110000562	31-03-2012	20,00,000	22-02-2015	20,00,000	46 DAYS	6.50	09-04-2015	20,00,000
4	869341110000563	31-03-2012	20,00,000	22-02-2015	20,00,000	46 DAYS	6.50	09-04-2015	20,00,000
5	869341110000717	28-03-2013	20,00,000	16-02-2015	20,00,000	46 DAYS	6.50	03-04-2015	20,00,000
6			1,00,00,000		1,00,00,000				
	BOI, SVG MARKET BRANCH								
1	869441110000047	2-Mar-2010	15,00,000	22-Jan-2015	15,00,000	46 DAYS	6.50	9-Mar-2015	15,00,000
	BANK OF MAHARASHTRA, RJY								
1	60094596209	29-03-2012	20,00,000	20/02/2015	23,47,809	46 DAYS	7.25	07-04-2015	23,69,261
2	60050037444	23/08/2010	10,00,000	29/01/2015	12,10,069	46 DAYS	6	15/03/2015	12,19,219
	CANARA BANK, GANDHIRPURAM								
1	O 2457301000062/1 / N 2457301000062	31-03-2012	10,00,000	22-02-2015	12,00,923	46 DAYS	7.00%	09/04/2015	12,04,930
	CENTRAL BANK OF INDIA								
1	A 3152207171	14-11-2011	50,00,000	26-10-2014	63,17,244	6 MONTHS	8.5	26-04-2015	65,88,580
3	A O 3172838262 / N 3302727136	27-03-2012	25,00,000	26-11-2014	30,84,727	1 YEAR	9	26-11-2015	33,71,864
3	A O 3189617391/ N 3302736627	11-07-2012	50,00,000	26-11-2014	60,22,208	1 YEAR	9	26-11-2015	65,82,775
4	A 3152207295	28-09-2011	50,00,000	26-10-2014	63,17,244	6 MONTHS	8.5	26-04-2015	65,88,580
5	A 3227345471	31-12-2012	20,00,000	30-12-2014	23,33,214	6 MONTHS	8.5	30-06-2015	24,33,429
6	A 3247392700	28-03-2013	50,00,000	28-09-2014	56,35,043	6 MONTHS	8.75	28-03-2015	58,84,273
	CHAITANYA GODAVARI GRAMEENA BANK, AVA ROAD								
1	715120100006108	27-03-2013	20,00,000	15-02-2015	22,99,766	46 DAYS	8.5	02-04-2015	23,21,191
2	715120100001811	31-12-2012	20,00,000	21-02-2015	23,37,502	46 DAYS	8.5	08-04-2015	23,58,927
3	715120100029428		1,00,00,000		1,00,00,000				
	CORPORATION BANK								
1	KCC/01/150337	11-05-2015	75,00,000		75,00,000	1 YEAR	8.6	11-05-2016	81,66,101
2	KCC/01/150338	11-05-2015	50,00,000		50,00,000	1 YEAR	8.6	11-05-2016	54,44,067
3	KCC/01/150336	11-05-2015	75,00,000		75,00,000	1 YEAR	8.6	11-05-2016	81,66,101
	DENA BANK								
1	117461011089 / N 117461011290	06-09-2010	15,00,000	24-02-2015	18,59,191	46 DAYS	7	11-04-2015	18,59,191
2	117461011088 / N 117461011291	06-09-2010	15,00,000	24-02-2015	18,59,191	46 DAYS	7	11-04-2015	18,59,191
3	117461011114	18-07-2011	1,98,85,040	28-01-2015	2,58,82,303	61 DAYS	7.25	30-03-2015	2,61,95,900
	HDFC BANK LTD, DANAVAIPETA BRANCH, RJY								

7	O9600310012543	03.10.2011	15,00,000	20.12.2014	19,27,500	90 DAYS	7.5	20.03.2015	19,63,147
8	O9600310014578	28.03.2012	30,00,000	28.01.2015	37,35,262	90 DAYS	7.5	28.04.2015	38,04,339
	UBI, MAIN BRANCH / T NAGAR								
1	O 323/356 - N 349703230000356	06-09-2010	15,00,000	02-02-2015	19,48,814	46 DAYS	6.5	20-03-2015	19,64,778
2	O 323/357 - N 349703230000357	06-09-2010	15,00,000	02-02-2015	19,48,814	46 DAYS	6.5	20-03-2015	19,64,778
3	O 323/373 - N 349703230000373	29/09/2010	10,00,000	26-01-2015	12,96,985	46 DAYS	6.5	14-03-2015	13,07,841
4	349703230000545	28-03-2012	10,00,000	19-02-2015	12,11,687	46 DAYS	6.5	06-04-2015	12,21,613
5	349703230000617	28-03-2013	25,00,000	07-02-2015	28,08,276	46 DAYS	6	22-03-2015	28,28,126
6	349703230000833	08-10-2015	50,00,000		50,00,000	91 DAYS	6.75	07-01-2016	50,84,144
7	349703230000834	08-10-2015	50,00,000		50,00,000	91 DAYS	6.75	07-01-2016	50,84,144
	UBI, DANAVAI PETA BRANCH/ AVA ROAD								
1	573003230000300	02-04-2011	10,00,000	11-07-2014	12,31,654	1 YEAR	9	11-07-2015	13,46,300
2	573003230000482	27-09-2012	50,00,000	03-07-2014	56,38,336	1 YEAR	9	03-07-2015	61,63,171
3	673003030001751	03-06-2014	20,00,000	03-12-2014	2,08,33,508	6 MONTHS	8.25	03-06-2015	2,17,01,75
4	573003003030002087	11-05-2015	75,00,000		75,00,000	12 MONTHS	8.55	11-05-2016	81,62,105
5	573003003030002085	11-05-2015	75,00,000		75,00,000	12 MONTHS	8.55	11-05-2016	81,62,105
6	573003003030002086	11-05-2015	50,00,000		50,00,000	12 MONTHS	8.55	11-05-2016	54,41,403
7	573003230000482	08-10-2015	1,00,00,000		1,00,00,000	90 DAYS	6.5	06-01-2016	1,01,60,27
	VIJAYA BANK								
1	O 403502021000104 / N 403503311002223	31.12.2009	10,00,000	09-03-2015	10,00,000	1 YEAR	8.75	09-03-2016	10,90,413
2	403503311002224 - INT FOR 11002223	09-03-2015	2,57,108	09-03-2015	2,57,108	1 YEAR	8.75	09-03-2016	2,80,354
3	O 403502021000121 / N 403503311002198	30-03-2012	10,00,000	09-02-2015	11,72,028	1 YEAR	8.75	09-02-2016	12,77,995
4	403503311002185	19.01.2015	50,00,000	19.01.2015	50,00,000	6 MONTHS	8.25	19-07-2015	52,08,377
	Total								76,42,54,6

Para Number : 45

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 117300000

7.19 AMOUNT PAID TO E.E., PUBLIC HEALTH, RAJAMAHENDRAVARAM TOWARDS CONTRIBUTION FOR WORKS - CONNECTED FILE AND UTILISATION CERTIFIC/ 11,73,00,000.00

In Vr. No. 888/9-2015, Dated 03-09-2015 an amount of Rs. 11,73,00,000-00 was given to the Executive Engineer, Public Health, towards contribution for works. But, connected file was not produced to audit for verification. In the absence of the same, the details of genuineness of the administrative and technical sanctions, correctness of the payment of the municipal corporation share etc., could not be verified. Early action may be taken to produce the files and subsidiary records along with the utilisation certificates duly countersigned by the concerned persons for verification to audit.

Para Number : 46

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 0

7.20 STOCK REGISTER OF MEASUREMENT BOOKS NOT PRODUCED :

The Stock register of measurement books for the year 2015-16 was not produced to audit for verification. In the absence of the same, the details of date of issue of return of M. Books by the A.Es., etc., could not be verified during the course of audit. Action may be taken to produce the register of Measurement Books for verification. Loss, if any, caused due to non maintenance/production of register of M. Books may be estimated and made good by the responsible persons.

7.21 SPECIAL AND SCHEME ACCOUNTS - RECORDS NOT PRODUCED:

Cash books, pass books, cheque book counterfoils, vouchers, sub-vouchers, stock registers etc., relating to the special and scheme accounts for the year 2015-16 were not produced to audit for verification. In the absence of the same, the genuineness of the transactions made during 2015-16 could not be verified in audit.

7.22 PUBLIC HEALTH - CONSERVANCY ARTICLES - INDENT ORDER/ LETTERS NOT OBTAINED AND PRODUCED :

As verified from the Public Health Conservancy Articles Stock Register many articles were issued to the Sanitary Inspector/ Maistry of Public Health Section. But, the Indent orders/letters were not obtained and produced to audit for verification.

In the absence of the above indent orders / letters the correctness of the issue and utilisation of the articles could not be established. Loss, if any, caused in this regard may be estimated and made good from the person or persons responsible.

Para Number : 47

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 58556287

7.23 MAINTENANCE OF VEHICLES - REGISTERS (RELEVANT) NOT PRODUCED. LOG BOOKS NOT PRODUCED - EXPENDITURE INCURRED Rs. 5,85,56,287/-

The following are the important registers to be checked in audit of bills relating to maintenance of vehicles.

1) Log Books 2) Registers showing the repairs, replacements etc., 3) Register showing the cost of petrol, Oil etc., 4) Register of inventory or equipment 5) Hire charges payment register 6) Register of old parts collected after replacement 7) Register of accidents.

1) Log Book: During the course of audit due to non-production of these books, it could not be verified in audit whether the following procedure was followed.

1. That all the entries in the relevant columns in the Log Books were made.
2. That the entries in log books were noted by the officer who used the vehicle in his own hand writing the mileage at the start and at the completion of the journey verifying kilometers.
3. That sufficient particulars were recorded regarding movement and purpose to indicate that the journeys were on official business.
4. That the log book in respect of each vehicle was closed at the end of the month and a summary prepared in the log book showing details of the journey performed during the month in the prescribed proforma.
5. That the quantity of petrol diesel oil purchased has been entered in the log book of the respective vehicle.
6. That the hire charges collected as per hire charges payment register have been entered in the concerned log books.
7. That the log book was scrutinized personally by the authority concerned once in a month and his signature appended there in.
8. That the log books were written in the prescribed proforma with full details.

A) REGISTER SHOWING THE REPAIRS, REPLACEMENTS, SPARE PARTS Etc.

Due to non-production of these registers, it could not be verified in audit whether the following prescribed procedure was followed.

- a) That the voucher No. and date and nature of repairs etc. together with amount were noted in the appropriate columns of the register.

- b) That in the case of replacement etc. the old parts were disposed off in public auction noted and the sale proceeds credited to municipal fund
c) That in case of purchase of spare parts, the rules relating to the invitation and disposal of tenders have been observed.

A. REGISTER SHOWING THE COST OF PETROL, OIL, ETC.,

Due to non-production of this register, it could not be verified in audit whether the following prescribed procedure was followed or not.

- a) That the details of expenditure incurred towards cost of petrol etc. have been entered with reference to the voucher No. and date and the same.
b) That the consumption of the petrol, oil etc. date wise has been entered therein.
c) That in respect of the contingent bills for the supply of petrol/diesel oil, the following certificates have been recorded by the authority concerned.

Certified that the quantities purchased have been entered in the log book of the respective vehicle.

Certified that necessary recoveries under rules have been made from the parties concerned using the vehicles for non-duty journeys and the same.

- d) That the mileage run by the vehicle during a particular period as per log book was in accordance with the issues of petrol and oil shown in the log book.
e) That the propulsion charges or cost of fuel etc., received if any from the persons who used the vehicle on non-duty have been entered in this register to that effect has been issued to the parties.
f) That the register was periodically checked by the concerned authority and a certificate to that effect has been recorded.

B. REGISTERS OF INVENTORY OF EQUIPMENT

Due to non-production of this register, it could not be verified in audit whether the following prescribed procedure was followed or not.

- a) That the nature of equipment purchased has been entered in this register together with the date of purchase and price etc, as per voucher.
b) That the inventory of equipment has been checked by the concerned authority every month and a certificate to that effect has been recorded.
c) That the loss if any, arising out of negligence or fault of any person has been recovered and credited to the funds.

An amount of Rs.5,85,56,287/- was incurred towards Petrol/Diesel oils during the year as detailed below since the connected aforesaid records were not produced, the genuineness of the expenditure incurred could not be admitted in audit.

Abstract

Code No.	Amount
2203003	6485061
2204002	1266042
2305301	1068594
2305302	412066
2304002	49324524

Total 58556287/-

Para Number : 48

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 21522372

GENERAL FUNDS:

7.24 WORKS - EXECUTION OF WORKS - CONNECTED ESTIMATES, M. BOOKS, WORK FILES ETC., NOT PRODUCED- EXPENDITURE INCURRED HELD UNDER OBJECTIVE

During the course of audit, the estimates, connected measurement books, work files etc., pertaining to works executed as detailed below were not made available for verification in audit to certify the genuineness of the expenditure incurred though the same might have been pre audited and records available. It was only the lack of effort of the author that resulted in non production of records to such a huge extent.

The connected measurement books as prescribed in the paras 290 to 292 of A.P.P.W.D. Code and Articles 171 to 174 of A.P. Financial code volume-I would have been produced for verification in audit to certify the genuineness of the expenditure incurred in the absence of the connected measurement books as prescribed above, detailed designs as per Para No.173 of A.P. PWD Code and completion report as specified vide Article 181 of A.P. Financial Code Vol. I and Para 216 to 218 of A.P. P.W.D code, the genuineness of the expenditure incurred and payment made could not be certified and admitted in audit. Hence, the same would need to be produced for verification in audit.

S.No.	Vr.No.&Dt	Particulars	Amount
1	1226/10-2015	Supply and delivery of Motorola VHF Digital Hand held sets with charges adaptor at Municipal Corporation, RJY, MB No.207A/2010-11	2229849
2	1207/10-2015	Supply of plant materials for development of Landscape work (Beautifications) at Pushkarams during 2015-16 RJY(Left side bit) MB No.228B/15-16	495962
3	1299/10-2015	Providing 250mm dia M,S Pipe opposite Nalla Vhannel on Godavari bund in MCR, MB 172A/15-16	370373
4	1313/10-2015	Maintenance and Repairs to Man holes covers along the Godavari Bund Road , MB No.244B/15-16	285600
5	1158/10-2015	Manufacturing supply and erection of 2 HP Geared motor and Flocculation peddles for MS clarifier Bridge 2.8 MGD 1&2) at HWW	498200
6	1184/10-2015	Providing Paintings and repairs to Seetampeta Library in 39th Division, MB No.180A/15-16	392807
7	2106/3-2016	Const.of 300mm size CC Drain and CC Road at D.No.17-32-22 oppo. Siva Rama Subrahmanyam house in 38th Division MB No.119/15-16	364296
8	2085/3-2016	Providing SDBC Road to Oak Royal Appartment road in Srinivasa Gardens 2nd Division, MB No.241A/15-16	888936
9	2012/3-2016	Providing CC Drain road from main road towards est side at weavers colony, MB No.243A/15-16	492248
10	2081/3-2016	Const.of storm water drain from High Tech Bus station to	2014602

		Electrical (Transform office) GNT Road MB No. 212/15-16	
11	356/5-2015	Providing BT Surface to Baba Nagar cross 1st Divn. MB No.43A/14-15	550190
12	84/4-2015	Restoration of damaged storm water drain from Lalitha Nagar main road Baji Road in Lalithanagar 2nd cross road in 37th divn	655312
13	367/5-2015	providing CC Road and CC Drain in Reddy Gari Layout (Park road) at Balajipeta in 16th Divn.	658953
14	369/5-2015	Supply and engage of 2 nos 10,000 Its capacity water tanks mounted on lorry in hire basis for water transportation MBNO.177B/13-14	521093
15	361/5-2015 P	Providing CC Road at Endowment Gusest House North side roadin Bhaskar Nagar at 50 th Divn. MBNo. 27/12-13	193786
16	382/5-2015	Const.of Store Room at Head water work 33rd ward, MB No. 22A/10-11	549607
17	384/5-2015	Providing CC steps at Sivalayam back side godireddy nagar in 45th ward, MB No.70A/14-15	423718
18	388/5-2015	Prov alluminium glass partation and sliding windows and providing furniture at Dr. B.R Ambdekar Community Hall at 39th Divn.MB No.86A/14-15	475765
19	351/5-2015	Const.of CC Culverts from PH Office road junction to Bypass road at Gorakshna peta main road in 14th Divn. MB No.21/14-15	578678
20	890/9-2015	Supply and delivery of 16% Ferric Aluminium raw water treatment Head water works, MB No.42A/12-13	650074
21	1001/9-2015	Fabrication and supply of SS Bridge for 10 MLD water treatment plant at Dowleswaram , ;MB No82A/12-13	1235925
22	982/9-2015	Const.of CC Drain and CC Culvert to cross roads on Road No.7A and 8 at Adarsha Nagar in 16th Divn. MB No.15/14-15	464376
23	980/9-2015	Supply and Delivery of RCC Z shaped interlocking kerb stones for protection of cuddapah slabs at Kotilingala peta Ghat	326756
24	1108/9-2015	Manning, Operation and maintenance of Sewage treatment plant of 30MLD capacity, MB No.129/14-15	983550
25	1145/9-2015	Providing road safety intervention to A.V.Appa Rao, Road second road 1300 mts in MCR	549250
26	1144/9-2015	Providing Road safety intervention to A.V.Appa Rao Road Ramalayam junction in Nh5 junction in MCR	519060
27	1151/9-2015	Paintings to 1.80 filter bed pumping house and sitampeta pump house 2.80 pump house in Head Water Works in MCR MB. No.148A/15-16	669958
28	946/9-15	Supply delivery and fixing 12 nos of 5 HP Diesel Engine MCR MB. No. 70B/14-15	442869
29	1100/9-2015	Providing enamel paint for pipes doors white wash and ceiling and other repairs to HWW MB No.85/156-16	798442
30	862/9-2015	Const.of ground floor and 1st floor building for senior citizens at A.V.Nageswarao park in 39th ward MB No.78/14-15	1271261
31	1098/9-2015	Providing storage water tank in 15 nos various places in MCR MB No. 133A/15-16	970876
		Total:	21522372

Para Number : 49

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 968680

7.25 Expenditure on Capital Project Fund (FDR--s) Particulars Not Produced Rs 9,68,680.00

During the course of audit as seen from the register it was noticed that an amount of Rs 968680.00 was drawn from the various banks as FD head of Account 4218001 shown in the day wise register as d were not produced to verification. In the absence of same the correctness of the Expenditure would not be verified , therefore immediate action would need to be taken to produce the Vouchers along with dt sustained Should be received from person or persons responsible and credited to Corporation funds under intimation to audit.

Sl.No	Head of Account	Particulars	Amount
1	4218001	Contingent bill	14183
2	4218001	Contingent bill	350236
3	4218001	Contingent bill	14290
4	4218001	Contingent bill	255098
5	4218001	Contingent bill	16198
6	4218001	Contingent bill	302340
7	4218001	Contingent bill	16335
		Total	968680

Para Number : 50

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 0

7.26

Non Production of Records

Code:11

AMOUNT RECEIVED TOWARDS INTEREST ON LATE PAYMENTS - CONNECTED RECORDS NOT PRODUCED -NEEDS EARLY ACTION:

As verified from the records relating to the amount received from the public on various aspects , the municipal corporation collected towards Penalty/Interest on late payment of Taxes and Non taxes amounts on various assets owned by the Municipal Corporation during financial year 2015-16.But, the connected records, files also not produced in audit for verification in audit.

As verified from the annual accounts, an amount of Rs.1,90,95,837.00 was collected towards for the above purpose under head of 1718001 (Statement enclosed) during the year .But, the correctness of t due to non production of the said records. Hence action would need to be taken to produce the records in audit, if any loss sustained due to above, the same would need to be recovered from the person or persons i

**STATEMENT SHOWING THE RECEIPTS DURING THE YEAR 2015-16
Rajahmundry-Municipal General Fund from 01/04/2015 to 31/03/2016**

1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	40138
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	55665
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	30171
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	56580
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	19349
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	18726
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	15632
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	10951
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	55034
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	53498
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	66181
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	40780
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	24750
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	17910
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	13943
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	28315
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	12865
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3495
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	6185
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	20030
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	18389
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	7617
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	33551
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	5618
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	6642
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	12725
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	22160
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	13336
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	1298
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	7721
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	54337
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	6188
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	10672
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	26614
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	1118
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	717
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	13097
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3345
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	5808
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3906
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	1585
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	574
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	1675
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3951
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	1122
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	38041
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	11419
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3824
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	8094
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	41089
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	10889
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3517
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	6255
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	5327
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	9299
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	2196
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	10837
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	7000
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3581
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	565
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	23161
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	10273
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	16964
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	11471
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	17873
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	8286
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	2086
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	27155
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	4238
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	88
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	10912
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	1901
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	4510
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3356
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	4516

1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	6,30,615
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3,21,313
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	69729
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	84379
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	4,13,291
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	2,88,673
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3,04,887
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	1,99,917
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	1,06,517
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	70999
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	2,56,468
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3,39,912
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	2,61,601
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	4,82,069
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	4,29,610
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	2,47,511
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	1,98,507
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	6,11,860
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	4,25,375
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	5,30,144
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	3,84,166
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	2,15,472
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	2,93,325
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	1,24,443
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	5,82,865
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	6,09,028
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	5,85,395
1718001	Interest On Late Payment	OTHER RECEIPTS - RECEIPT	19,76,476
		TOTAL:	19095837

7.27 Non Production of Records

Code:11

AMOUNT RECEIVED TOWARDS ROAD CUTTING CHARGES - CONNECTED RECORDS NOT PRODUCED-NEEDS EARLY ACTION:

During the course of audit, an amount of Rs.25, 84,572.00 was received towards compensation from the public and Net work cable operating agencies for cutting of road during their work under the head i But no demand was arrived and the connected records, files also not maintained by the corporation. In the absence of the same, the correctness of the receipt could not be verified due to non production would need to be taken to up to date the records and produce the same in audit, if any loss sustained due to above, the same would need to be recovered from the person or persons responsible.

STATEMENT SHOWING THE AMOUNT RECEIVED TOWARDS ROAD CUTTING CHARGES DURING THE YEAR 2015-16

Rajahmundry-Municipal General Fund- from 01/04/2015 to 31/03/2016

1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	1050866
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	1512646
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	500
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	11460
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	1000
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	1000
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	1200
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	500
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	1000
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	1000
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	1100
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	1000
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	700
1407001	Road Cutting And Restoration Charges	OTHER RECEIPTS - RECEIPT	600
	TOTAL:		2584572

7.28 DEPOSITS-EMD,FSD AND SECURITY DEPOSITS RECEIVED AND PAYMENTS MADE-DETAILS NOT PRODUCED

During the audit for the year 2015-16, as verified from the account of M.C.Rajahmundry the following amounts were received as EMD-s & FSD-s and the same were paid during the year as deposits register was not produced to audit for verification. Due to the same the correctness of the receipt and expenditure could not be verified in audit.

		<u>Receipt</u>	<u>Expenditure</u>
3401001	EMD	19230997.00	1790919.00
3401003	FSD	59076799.00	574101.00
3402002	Security Deposit	604400.00	00

Hence action would need to be taken to produce the details of receipts and expenditure at an early date. And the loss if any sustained in need to be recovered from the persons or persons responsible.

7.29 CASH FLOW STATEMENTS - NOT FURNISHED AND APPENDED TO THE BOOKS OF ACCOUNTS PRODUCED TO AUDIT :

As per the guidelines issued under Double Entry system, all ULB-s shall prepare a statement of cash flows apart from Income and Expenditure statements and Balance sheet.

Cash flow statement is prepared in order to have information about the cash flows of the ULB useful in providing the users of financial statements ability of the ULB to generate cash and cash equivalents and the needs of the ULB to utilize those cash flows.

But the same was not furnished and appended to the Books of accounts produced to audit. Action would need to be taken to produce the same to audit.

7.30 PH- GROUP INSURANCE SUBSCRIPTIONS ENTRIES, SERVICE VERIFICATION LEAVES NOT RECORDED P.H WORKERS ESTT IN SI IRREGULAR:

As verified from the Service Registers of the P.H workers the service verification entries, leave entries, GIS entries, Annual Increment, Progs. C period up to 31-3-2015 were not recorded. Early action would need to be taken to record the service verification and produced for verification in next audit.

7.31 RENTAL COLLECTIONS FROM MUNICIPAL GUEST HOUSE - CONNECTED BOOKS NOT PRODUCED TO AUDIT:

In respect of rental collections from Municipal Corporation Guest House, connected records and receipts books for the year 2014-15 were not verification. The bye-laws prescribing the tariff of rent were also not made available for verification.

In the absence of the same the correctness of the rental charges collected and accounted for could not be ensured in audit. Loss, if any, caused it to be recovered from the person or persons responsible.

7.32 EARMARKED MUNICIPAL FUNDS FOR THE WELFARE OF S.Cs S.T-s AND W& C.W. -PARTICULARS NOT POINTED OUT :

In G.O.Ms No.265 MA, dt. 19-07-2004, instructions were issued to earmark the municipal funds @15%, 7.5% and 5% for the welfare of S.C.s a Child Welfare respectively. It was also classified that the welfare schemes for the S.Cs., S.Ts., and women & Child welfare contained in the aforesaid Government at the proportion specified above from out of the developmental expenditure of the Corporation. But the details of amount earmarked at 15%, 7.5% developmental expenditure apportioned by the Rajamahendravaram Municipal Corporation for the year 2015-16 and the expenditure incurred were similar defects having been pointed out in the Audit Reports of the Previous years and this year also.

Action would therefore need to be taken immediately to maintain a separate register furnishing the particulars therein to watch whether the funds S.Ts and W & C.W., were earmarked and utilized properly for their welfare as envisaged in the Government orders referred to above.

7.33 PROPERTY TAX ASSESSMENT FILES NOT PRODUCED

Property tax of all assessments were fixed through MLs in respect of all the new and additional assessments etc., Elaborate procedure was prescribed Circular instructions issued in Cir.-1 in Roc.No.11646/2006-F1-1 Dated 12-12-2006 of CDMA, AP, Hyderabad The measurements entered in the MLs with assessed by the Bill Collectors were to be verified by the RI/RO and finally approved by the Commissioner and orders to be passed. The assessment files not produced to audit to verify the correctness of the same.

7.34 TITLE DEEDS OF OPEN SPACES OWNED BY THE MUNICIPAL CORPORATION NOT PRODUCED:

During the course of audit, it was stated that the Municipal Corporation is having 97 open spaces measuring 258680 Sq. Mts., at various places. If open spaces were not produced audit were not produced to audit for verification. Action may be taken to produce the title deeds to audit for verification.

7.35

Para No.

Code No.11

REGISTER OF BUILDINGS EXEMPTED FROM THE PAYMENT OF PROPERTY TAX - NOT MAINTAINED AND PRODUCED TO AUDIT.

The register of buildings exempted from payment of property tax during the year 2015-16 was not maintained and produced to audit for verification. In the absence of the same, it could not be ensured in a assessed to other taxes/charges such as water tax, drainage tax and primary service charges etc.

Early action would, therefore, need to be taken to get the register written up and maintained up to date.

7.36 WATER SUPPLY - NEW CONNECTIONS APPLICATIONS NOT PRODUCED:

During verification of the water supply, donations received register maintained relating to the water supply new connections, the individual applications along with sanction proceedings were not produced to audit. In the absence of the connected applications and sanction proceedings along with all relevant files new connections, fee collected could not be verified in audit. Loss, if any, sustained on this count would need to be recovered and remitted to the municipality to audit.

7.37 PUBLIC HEALTH - D & O TRADES - DELETIONS LIST NOT PRODUCED TO AUDIT - NEEDS ACTION :

As verified from the D&O Trade license fees register (computer-generated), division wise during the year 2015-16 many new licenses were sanctioned how many licenses were renewed and how many licenses were cancelled, were not produced to audit for verification. The deletion lists duly enclosing the traders along with council resolution were not produced for verification. It would need to be produced early. In the absence of the deletion lists, loss if any would need to be made good from the person or persons responsible.

7.38 D & O TRADES - ORDER COPIES OF NEW LICENSES ISSUED DURING THE YEAR 2015-16 NOT PRODUCED TO AUDIT - NEEDS ACTION :

During the course of audit, it was informed that many new licenses have been issued to the traders during the year under report. But, the connected request applications, sanction orders and copies of licenses issued etc., were not produced to audit for verification. In the absence of the same, the correctness in the Demand registers regarding new licenses could not be ascertained in audit. Action would need to be taken to produce the relevant files for verification.

7.39 D & O TRADES- MONTHLY LISTS - NOT PRODUCED IRREGULAR:-

During the course of audit for the year 2015-16 under D&O trades, the monthly lists in respect of all Divisions were not produced for verification sustained due to non production of the monthly lists would need to be made good to the Municipal funds.

7.40 HALF MARGIN LETTERS ISSUED - INFORMATION NOT FORTHCOMING:

During the course of audit of the Municipal Corporation, Rajamahendravaram for the year 2015-16, several half margin letters were issued to the he officers also requesting them to arrange for production of the records under their control for audit scrutiny. But, no action was taken by the heads of t arrange for the records sought for. The administrative authorities also failed to cause for the production of the said records. In view of this several record: audit and several objections involving substantial amounts had to be raised in the audit report. Non production of records speaks ill of the preparedn audit. Action would need to be taken by the executive authority to avoid such instances in future and records required for audit is produced.

7.41 MONEY VALUE FORMS - STOCK REGISTER NOT PRODUCED :

The money value forms stock register for the year 2014-15 was not produced. In absence of the same, the opening balance of the money value balance as on 31.03.2015 and as on the date of audit could not be verified in audit. In the absence of the same it could not be verified in audit as to who money value forms and the procedure adopted in issuing the M.V.forms and the watch kept over the return of the bill books.

Further the amount collected, credited to municipal funds by using the money value forms could not be certified in audit.Loss, if any, noticed later, th made good from the person(s) responsible and remitted to municipal funds under intimation to audit.

Para Number : 51

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 13309846

PUSHKRAM (13th FINANCE COMMISSION) :

7.42 PURCHASES - PURCHASE OF STATIONERY, CONTINGENCIES PUBLIC HEALTH CONTINGENCIES ETC., CONNECTE QUOTATION NOT PRODUCED - IRREGUALR.

The following amounts were drawn from Puskaralu Funds (13th Fin) and paid towards purchase of stationary articles: general contingencies and Public Health contingencies etc., But the connected Tender files, Quotations, agreements stoc: produced to audit for verification. In the absence of the same the correctness of the produce followed for purchase and the not be verified. Hence the expenditure incurred in the regard is held under objection.

Vr.No & Date	Details	Amount .
720/21-8-2015	Purchase of Stationery	15376-00
258/4-7-2015	Payment for supply on delivery of 23,000 Mts Nylon net (PH Section) Contractor Sri M.Ramachandra Rao	487050-00
259/4-7-2015	Payment for supply on delivery of 50 lts King Fog to PH Section Contractor Sri M.Ramachandra Rao	116275-00
262/6-7-2015	Payment for supply on delivery of Coconut Brooms 24,200 Kgs to PH Section Contractor Sri Ravikula Engineering Works	514400-00
263/6-7-2015	Payment for supply on delivery of Knives 500 Nos. to PH Section Contractor Sri Ravikula Engineering Works	73500-00
290/7-7-2015	Payment for supply on delivery of 4000 lts P. Oils .E to PF Section	2201472-00
338/9-7-2015	Payment of supply and delivery of 3000 No.s Plastic Tubs to PF Section Contractor Sri Ramalakshmi	2301750-00
344/10-7-2015	Payment of supply and delivery of Herbal Floor Cleaning 3000 Lts to PH Section Contractor M/s Varapu Herbal Pvt Ltd,	405760-00
345/10-7-2015	Payment of supply and delivery of Rock lime 494280 Kgs to PH Section Contractor Sri M.Ramachandra Rao	768258-00
346/10-7-2015	Payment of supply and delivery of Plastic Round crates to PH Section Contractor Sri M.Ramachandrao	465260
382/14-7-2015	Payment of supply and delivery of 200 Nos Rose Water canes to PH Section Contrator M. Suresh	60606-00
383/14-7-2015	Payment of supply and delivery of 1000 Nos Malaram Chepurulu Contractor M.Suresh	57865-00
384/14-7-2015	Payment for supply and delivery 900 Kgs Binding Wire to PH Section M.Ramachandrao	70389
847/3-9-2015	Payment of supply and delivery of 25,000 Lts White Jasmine Scented Phynoil M/s Sakthi Traders Company	334425-00
906/9-9-2015	Payment of supply and delivery of 25,000 Lts Scented Phynoil M. Ramachandra Rao	568012-00
1129, 1130/24-9-2015	Payment of supply and delivery of 1,98,000 Kgs Bleaching and 1,43,500 Kgs Bleaching	4869448-00
	Total	1,33,09,846-00

Para Number : 52

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 18712173

PUSHKRAM (13th FINANCE COMMISSION) :

7.43 PUBLIC HEALTH - SANITATION WORK ON CONTRACT BASIS CONNECTED FILE NOT PRODUCED - IRREGULAR:

The following amounts were drawn and paid towards Sanitation work. But the connected files, Tenders, Agreements w audit for verification. In the absence of the same no. of labour engaged and their attendance, No. of vehicles engaged and their License daily trip stench, sanitary Inspector Supervision, Health Office sanitary could not be verified. Hence the expenditure regard is held under objection.

Vr.No.& Date	Details	Amount
436/30-7-2015	Supply of workers	3217462.00
437/30-7-2015	-do-	4746930.00
441/30-7-2015	-do-	3278688.00
447/30-7-2015	-do-	3086681.00
449/30-7-2015	-do-	2233689.00
451/30-7-2015	-do-	2148723.00
	Total	1,87,12,173-00

Para Number : 53

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 31196949

PUSHKRAM (13th FINANCE COMMISSION) :

ENGINEERING SECTION:

7.44 PURCHASES - SUPPLY OF DRINKING WATER AND BUTTER MILK SACHETS, ETC., CONNECTED FILES TENDERS PRODUCED - IRREGULAR.

The following amounts were drawn from Puskaralu Funds (13th Fin) and paid toward supply of Drinking water and Butter. But the connected Tender files, Quotations, agreements stock Register etc., not produced to audit for verification. In the absence of the correctness of the produce following for purchases and the amounts paid to could not be verified. Hence the expenditure regard is held under objection.

Vr.No & Date	Details	Amount .
515/5-8-2015	Storage of water packets	502769.00
568/7-8-2015	Drinking water packets supply	432498.00
619/12-8-2015	Drinking Water Packets supply	2043263.00
765/25-8-2015	Providing Drinking Water	3650000.00
768/25.8.2015	Providing Drinking Water	3325000.00
964/11-9-2015	Drinking water packets	925050.00
968/11-9-2015	Payment of supply of Butter Milk Packets for Purskarams M/s Heritage Foods Ltd,	6761706.00
969/11-9-2015	Payment of supply of Butter Milk Packets for Purskarams M/s Heritage Foods Ltd,	995288.00
970/11-9-2015	Payment of supply of Butter Milk Packets for Purskarams M/s Heritage Foods Ltd,	10161375.00
1210/30.9.2015	Payment of supply of Butter Milk Packets for Purskarams M/s The Krishna District Milk Produce Mutually Aided Coop Union Ltd	2400000.00
	Total:	3,11,96,949-00

Para Number : 54

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 20795000

PUSHKRAM (13th FINANCE COMMISSION) :

7.45 AMOUNT PAID TO E.E., GODAVARI HEAD WORKS DIVISION, DOWLAISWARAM TOWARDS CONTRIBUTION FOR WORKS - CONNECTED FILE AND UTILISATION PRODUCED: Rs. 2,07,95,000-00

In Vr. No. 985 Dated 31.7.2015 an amount of Rs. 2,07,95,000-00 was given to the Executive Engineer, Godavari Head Works Division, Dowlaiswaram towards B.T roads at Rajamahendravaram town limits. But, connected file was not produced to audit for verification. In the absence of the same, the details of the

administrative and technical sanctions, correctness of the payment of the municipal corporation share etc., could not be verified in audit. Early action may be taken subsidiary records along with the utilization certificates duly countersigned by the competent authority for verification to audit.

Para Number : 55

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 2200000

PUSHKRAM (13th FINANCE COMMISSION) :

7.46 AMOUNT PAID TO E.E.P.H. RAJAMAHENDRAVARAM TOWARDS CONTRIBUTION FOR WORKS - CONNECTED FILE AND UTILISATION CERTIFICATES NOT PRODUCE

In Vr. No. 401 Dated 17.7.2015 an amount of Rs. 22,00,000-00 was given to the Executive Engineer, Public Health, Rajamahendravaram towards Providing Additic to Nalla Canal at Rajamahendravaram. But, connected file was not produced to audit for verification. In the absence of the same, the details of the works, genuineness technical sanctions, correctness of the payment of the municipal corporation share etc., could not be verified in audit. Early action may be taken to produce the fi along with the Utilization Certificates duly countersigned by the competent authority for verification to audit.

Para Number : 56

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 44808000

PUSHKRAM (13th FINANCE COMMISSION) :

7.47 AMOUNT PAID TO ASSISTANT PAY AND ACCOUNTS OFFICER, WORKS & PROJECT PH WING ,DOWLAI SWARAM TOWARDS RIVER WATER PURIFICATION WOR/ UTILISATION CERTIFICATES NOT PRODUCED: RS. 4,48,08,000-00

In Vr. No. 4 Dated 16.04.2015 an amount of Rs. 4,48,08,000-00 was given to the Assistant Pay And Accounts Officer, works & project PH wing ,DOWLAI SWARAM towards -Munising Pollution of River Godavari of Rajamahendravaram. But, connected file was not produced to audit for verification. In the absence of the same, genuineness of the administrative and technical sanctions, correctness of the payment of the municipal corporation share etc., could not be verified in audit. Ear produce the files and subsidiary records along with the utilization certificates duly countersigned by the competent authority for verification to audit

Para Number : 57

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 24550000

PUSHKRAM (13th FINANCE COMMISSION) :

7.48 AMOUNT PAID TO ASSISTANT PAY AND ACCOUNTS OFFICER, WORKS & PROJECT GUNTURU TOWARDS ELECTRICAL WORKS - CONNECTED FILE AND UTILIS/ PRODUCED: RS. 2,45,50,000-00

In Vr. No. 342,343 Dated 9.07.2015 an amount of Rs. 2,45,50,000-00 was given to the Assistant Pay And Accounts Officer, works & project Gunturu toward connected file was not produced to audit for verification. In the absence of the same, the details of the works, genuineness of the administrative and technical sar payment of the municipal corporation share etc., could not be verified in audit. Early action may be taken to produce the files and subsidiary records along with the u countersigned by the competent authority for verification to audit

Para Number : 58

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 65063275

Code No.11

PUSHKRAM (13th FINANCE COMMISSION) :

7.49 WORKS - EXECUTION OF WORKS - CONNECTED ESTIMATES, AGREEMENTS M. BOOKS, WORK FILES ETC., NOT PRODUCED- EXPENDITURE INCURRED HELD UND

During the course of audit, the estimates, connected measurement books, Agreements, work files etc., pertaining to works executed as detailed below we verification in audit to certify the genuineness of the expenditure incurred though the same might have been pre audited and records available. It was only the lack concerned which had resulted in non production of records to such a huge extent.

The connected measurement books as prescribed in the paras 290 to 292 of A.P.P.W.D. Code and Articles 171 to 174 of A.P. Financial code volume-I would verification in audit to certify the genuineness of the expenditure incurred in the absence of the connected measurement books as prescribed above, detailed designs a vide Para No.173 of A.P. PWD Code and completion report as specified vide Article 181 of A.P. Financial Code Vol. I and Para 216 to 218 of A.P. P.W.D code, the genu incurred and payment made could not be certified and admitted in audit. Hence, the same would need to be produced for verification in audit.

S.No..	Vr.No.&Dt	Particulars	Amount
1	1236/10-15	Providing dress changing room at Chintala ghat in 40 th ward MB No. 176A/15-16, Est. 5-00 lakhs.	520881.00
2	759/8-15	Restoring of B.T Road from Timber yard road to Ambedkar Statue junction in 40th Divn. MB No. 43/15-16, Est. 20-00 lakhs.	1998339
3	762/8-15	Maintenance of BT Road with Hot mix process from Kailasa Bhoomi to Ambedkar Statue at Kotilingala peta in 41st ward in MCR Est. 10-00 lakhs MB No. 19A//15-16	731185
4	1369/11-15	Providing Traffic Signals at 11th Junction Rajahmundry City Est. 39,15000-00, MB No.150A/15-16	3709083
5	212/6-15, 1398/12-15	Restoration to Sivalayama shooter bath at by replacing submersible pumps and pipes, cables and panel boards etc., in MCR Est. 22-50 lakhs, MB No.66/14-15	2066278
6	882/9-15	Laying of SDBC Road from Subhramanyapuram road to ELSR Junction in 38th Divn. Est 48-00 lakhs, MB No.68/15-16	3870388
7	5/4/2015	Imdprovements of China Gandhi Statue at Aryapuram in 34th Divn. Est. 31-00 lakhs, MB 76/14-15	2833903
8	373/7-15	Providing of 500 KVA Generator at Puskara Ghat and 100 MLD Head Water Works in MCR Est. 2-80 Crores, MB No.68/14-15	24849841
9	85/6-15	Manufacturing supply and delivery of 500 KVA Transformers (5 Nos) in MCR , Est 49-25 lakhs, MB No.80A/14-15	4371031

10	929/9-15	Development of Landscaping work along GNT Road from Lala Cheruvu Junction (500 Mts) in MCR Est.32-00 lakhs, MB No.4A/10-11	2521788
11	960/9-15	Maintenance of AVA Road Gorakshna peta Junction to Ramalayam Junction in Syamala Nagar, 12th Divn., Est. 40-lakhs, MB No.141/14-15	2536560
12	40/5-15	Maintenance of Srinagar Main Road and Cross Road 10th Divn., Est.38-56 lakhs, MBNo. 27A,33B/14-15	2826282
13	1085/9-15	Development of Landscaping work along GNT Road from Y Junction (250 Mts) in MCR Est.17-50 lakhs, MB No.74A/15-16	1219394
14	1084/9-15	Development of Landscaping work along GNT Road from SP Office towards Arts College (560 Mts) in MCR Est.30-00 lakhs, MB NO.68A/15-16	2060183
15	Vr.3/4-2015	Construction of Drain from Awa Channel in outlet in Satyanarayanapuram and S. Drain in city under 13th FC 12-13 , Est.1-775 Crores MB No. 22/14-15	3645640
16	51/5-15	Providing B.T Road (SDBC) Road to Anand Regency Road from N. Ganiraju Junction to Y. Junction 5th wards Est.25-00 lakhs,MB No.33/14-15	1621996
17	422/7-15	Maintenance of BT Road from Income Tax Office to Sulabha Complex in 38th Division, Est.23-10 lakhs, MB No.18/15-16	1650087
18	76/6-15, 1407/12-15	Raising of Existing CC Road at Kotilingala peta near Syamalamba Temple cross road in 41st Divn. Est. 40-lakhs, MB No.84A/14-15	2030416
			65063275.00

Para Number : 59

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 0

Code No:11

7.50TOWN PLANNING - CONNECTED BUILDING APPLICATIONS NOT PRODUCED - NEEDS EARLY ACTION FOR PRODUCTION:

Audit reveals that the following Building Applications were made towards Building Permissions. But, the connecting Building Applications were not produced and correctness of Permissions issued and Collection of Fee as per Notification rates could not be verified in audit. The Executive Authorities should take records to audit. Or else, the loss any sustained in this regard would need to be assessed and recovered from persons responsible and credited to Municipality to audit.

BA No & date
471/2015/G1
483/2015/G1
499/2015/G1
549/2015/G1
552/2015/G1
556/2015/G1
557/2015/G1
560/2015/G1
561/2015/G1
592/2015/G1
595/2015/G1
614/2015/G1
249/2015/G2
252/2015/G2
285/2015/G2
313/2015/G2
327/2015/G2
344/2015/G2
351/2015/G2
370/2015/G2
384/2015/G2
385/2015/G2
389/2015/G2
403/2015/G2
407/2015/G2
412/2015/G2
414/2015/G2
421/2015/G2
422/2015/G2
498/2015/G2
505/2015/G2
525/2015/G2
567/2015/G2
570/2015/G2
575/2015/G2
602/2015/G2
603/2015/G2
3/2016/G2
11/2016/G2
19/2016/G2
20/2016/G2
36/2016/G2
47/2016/G2
52/2016/G2
55/2016/G2

7.51

VACANCY REMISSION REGISTERS-NOT -PRODUCED

During the course of audit, the register of vacancy remissions were not produced for verification in audit. In absence of the same, it could not be verified in audit whether the remission of property tax could be granted were fulfilled.

- i) The buiding should be vacant and unlet for considerable period of 36 or more days in the half year.
- ii) There should be a notice of vacancy from the owner either in that half year or in the proceeding year indicating the period of vacancy.
- iii) There should be a demand for remission of tax either in that half year or in the succeeding half year.
- iv) The amount of remission shall be proportional to the priod of vacancy and it shall not exceed half of the amount of tax.

Hence the above register would need to be written up and produced to audit for verify whether the above conditions were fulfilled.

Para Number : 60

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 1343624

Code No.11

7.52 LAW CHARGES PAID - CONNECTED SUIT REGISTER-NOT PRODUCED - EXPENDITURE INCURRED
OBJECTION:

During the year 2015-16, an amount of Rs. 13,43,624-00 (Code No.2205101) was paid towards legal charges. But, the connected suits register advocate acco were not made available for verification.

Date of Payment	Amount
17/04/2015	27700
21/04/2015	15000
07/05/2015	70800
12/05/2015	15000
12/05/2015	9000
12/05/2015	7000
12/05/2015	7500
22/05/2015	5000
06/06/2015	200000
06/06/2015	86670
11/06/2015	250000
11/06/2015	66000
22/06/2015	9000
08/07/2015	2500
08/07/2015	5500
07/09/2015	1500
07/09/2015	1500
15/09/2015	75000
22/09/2015	26476
27/11/2015	3500
17/12/2015	6000
13/01/2016	5000
13/01/2016	3000
31/01/2016	48000
06/02/2016	6000
06/02/2016	6000
06/02/2016	4000
16/02/2016	20000
23/02/2016	200000
23/02/2016	66000
29/03/2016	94978
Total:	1343624

Due to non-production of suit registers, advocate account (Pleaders khatha) could not be verified in audit whether the following procedure prescribed for mainte followed or not.

1. That all the suits to which the institution was a party were entered in the register.
2. That separate pages were allotted for each suit and that appeals were entered separately giving a cross reference to the original suit.
3. That the expenditure incurred on a suit was entered with full details in the appropriate columns of the register.
4. That advances made to advocates and their adjustments on receipt of detailed bills was written up against the suit concerned.
5. That particulars regarding, results of the suits, the sum decreed towards suit, costs etc were noted in the appropriate columns of the register.
6. That recoveries made were also noted in it.
7. That decrees were not allowed to become time barred and that execution petitions have been filed in time.
8. That the progress of suits, execution of decrees and recoveries of amounts decreed were watched through this register by the institution.
9. That half yearly returns showing the number of suits pending relating to previous year, number filed during the half year, the number dispo pending at the end of the half year have been obtained from the pleaders and checked with reference to the entries in this register.
10. That amounts decreed have been noted in the miscellaneous demand register with a view to watch their recovery.

Para Number : 61

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 98955995

7.53 FDRs Not Produced -Rs 9,89,55,995-00

On verification of the records relating to Municipal Corporation, it was noticed that an amount of Rs 9, 89, 55,995-00 was invested in the shape of FDRs in various Banks as detailed below. But the cc produced to audit in the absence of the same the correctness of the expenditure incurred, whether the investments were made or not could not be verified in audit. Therefore immediate action would need to be taken by the auditor else said amount may be treated as misappropriated and should be recovered from the person or persons responsible.

Sl.No	Date	Head of Account	Particulars	Amount of FDR
1	04/05/2015	4218001	FDR	24905571.00
2	04/05/2015	4218001	FDR	24905571.00
3	04/05/2015	4218001	FDR	23740497.00
4	04/05/2015	4218001	FDR	25388356.00
5	03/07/2015	4218001	FDR	16000.00
			Total	98955995.00

Para Number : 62

NON-PRODUCTION OF RECORDS (Code : 11) Rs : 1344884

7.54 FDR--s interest Particulars Not Produced Rs 13,44,884.00

During the course of audit as seen from the register it was noticed that an amount of Rs 13,84,884.00 was received as FDRs interest from banks in head of Account 1701001 shown in the day wise register as particulars and Original FDRs were not produced to verification. In the absence of same the correctness of the receipt would not be verified whether the rate of interest noted in the FDR was actually credited; could not be known to audit, therefore immediate action would have to be taken to produce the original FDR along with Connected Bank Statement are else the loss with any sustained due to less rate of interest authorities and credited to Corporation funds under intimation to audit.

Sl.No	Date	Head of Account	Particulars	Amount
1	11/04/2015	1701001	Fixed Deposit with Banks	16402
2	27/05/2015	1701001	Fixed Deposit with Banks	14183
3	27/05/2015	1701001	Fixed Deposit with Banks	10480
4	27/05/2015	1701001	Fixed Deposit with Banks	4667
5	27/05/2015	1701001	Fixed Deposit with Banks	26459
6	30/05/2015	1701001	Fixed Deposit with Banks	350236
7	11/07/2015	1701001	Fixed Deposit with Banks	14290
8	30/07/2015	1701001	Fixed Deposit with Banks	255098
9	06/08/2015	1701001	Fixed Deposit with Banks	9335
10	06/08/2015	1701001	Fixed Deposit with Banks	4698
11	27/08/2015	1701001	Fixed Deposit with Banks	16198
12	05/09/2015	1701001	Fixed Deposit with Banks	9397
13	05/09/2015	1701001	Fixed Deposit with Banks	4729
14	29/09/2015	1701001	Fixed Deposit with Banks	302340
15	12/10/2015	1701001	Fixed Deposit with Banks	16335
16	19/10/2015	1701001	Fixed Deposit with Banks	800
17	30/03/2016	1701001	Fixed Deposit with Banks	289237
			Total	1344884

Para Number : 63

EXCESS PAYMENTS (Code : 13) Rs : 128092

Excess payments Code No.13

8.1 WORKS - SHORT RECOVERY OF VAT AND CESS -IRREGULAR: Rs.128092-00

On verification of the M.Books, Estimates and Agreement files etc., it is noticed that the short recovery of Vat and Cess (after the less tender percentage in the Total Value of Work Done). But the Vat and Cess was not recovered from the done of work bills. Hence the short Vat and cess amount is to be worked out and recover from the Bills. The amount to be head of a/c and remittance particulars may be produced for audit.

Some examples are given below:

S.No.	Vr.No.&Dt	Details	T.V.W.D	To be recovered		Already Recovered		Short Recovery
				VAT	Cess	VAT	Cess	
1	2091/3-2016	Const.of compound wall to Sai Chaitanya Nagar part in 10th Divn. Est.9-98 lakhs, Contractor Sri G.Ratnamraju, M.B.No.205A/2015-16	992970	44649	8930	38996	7799	6784
2	858/9- 2015	Const.of Major Drain and culvert along Morampudi Road on north side from D.No. 41-2-23 to Bypass Road Junction in the 1 4th &15th Divn. Est. 15-50 lakhs, Contractor PRSST Naidu, MB No.106A/15-16	1531679	76574	15315	67806	13561	10522
3	1994/3-2016	Const.of 300 mm CC Drain at Waivers Colony area in 43rd Divn. Est. 9-95 lakhs, Contractor M/S Lasya Granite Metals RJY	889685	44484	8897	36726	7345	9310
4	2005/3-2016	Providing 110mm Dia HDPE pipe line from RTC Complex Road to Ayyappa Nagar, Near Rahmath Nagar Park, 15th Divn. Est. 3.25 lakhs, MB No.269A/15-16	304054	15203	3041	12343	2469	3432

5	1999/9-2016	Laying of CC Road at Sadanam street in 22nd ward, Est 8-00 lakhs Contractor P.Rambabu, MB No.94/12-13 & 180B/13-14	718472	35924	7185	34706	6941	1462	
6	1664/1-2016	Providing CC Road to approach main road including drain of Simhachalam Nagar School backside in 49th Divn. Est. 6-70 lakhs, MB No.166A/15-16	608981	30449	6090	26256	5251	5032	
7	1741/1-2016	Providing BT Surface to Valgelic margin road in 19th Divn. Est.9-9 lakhs, MB 229A/15-16	918982	45949	9190	36107	7221	11811	
8	1731/1-2016	Providing CC Road from Eletrical PoleNo.5/47/AB in Prakash Class Lane in 18th Divn. Est. 3.50 Lakhs MB No.144A/12-13	310154	15508	3102	12718	2544	3347	
9	1735/1-2016	Re construction of 300 MM Size CC Moulded Drain to Ramalayam Street From D.No.50-8-31 to 50-6-14 in Nehru Nagar In 3rd Divn. Est. 4-00 lakhs MB No. 135A/12-13	337358	16868	3374	14103	2821	3317	
10	1733/1-2016	Const.of CC Road & CC Drain at NRCP Road Appala Scanning Opp Street at VV Garden 2nd gate opp street in 39th Divn. Est.9-50 lakhs, A.V.Prasad Contractor MB No.170/15-16	891022	44551	8910	40863	8173	4425	
11	1758/1-2016	Providing SDBC Road (With Hot Mix p;rocess) at LB Sastry Road from Brother and Church to Paper Mill Road in 41st Divn. Est. 49-00 lakhs, Contractor K.Murali Mohanroa,	4397390	219870	43974	201840	40368	21635	
12	2089/3-2016	Providing 110mm Dia HDPE Pipe Line in area street (Bhaskar Nagar Chowdeswara Nagar) in 50 Divn. Est. 3-00 lakhs, Contractor M/s Manikanta Engg works RYJ MB NO.256A/15-16	271292	13565	2713	12196	2439	1643	
13	2008/3-2016	Maintenance of Rajendranagar main road from GNT Road to RajendraNagar Saibaba Temple Junction 3rd and 4th Divn, Est 11-59 lakhs, K.Murali Mohan Contractor MB No.240A/15-16	984968	49248	9850	44328	8866	5904	

14	2076/3-2016	Const.of CC Drain and Culvert at Madhura Krishna Murthy Street Road in 39th Divn, Est. 9-40, Contractor M/s Lasya Granite Merchants ,MB NO.60/15-16	859892	42995	8599	33832	6766	10996
15	2002/3-2016	Supply of Chairs Tables, Curtains, Water Drums, mikes etc. Janmabhoomi programme 1 to 50 wards in MCR, Est. 5-00 lakhs, Contractor M/s Ramanjaneyya supply company, MB NO.210A/15-16	374530	0	3745	0	2622	1123
16	2017/3-2016	Providing 200mm dia, 110mm dia HDPE Pipe line of Ananda Nagar from D.No.6630-1 to 64-2-13 and D.NO66-31-10 to 64-3-4/3 in 46th Divn. Est. 7-40 lakhs MB No.258A/15-16	689240	34462	6892	25840	5168	10346
17	2018/3-2016	Prov. 110mm dia HDPE - 100 grade pipe line from D.No.17-11-20/2 to D.No.17-12-7 Near Amrutha Hospital in 38 Divn. Est. 5-20 MB No.256/15-16	443059	22153	4431	16610	3322	6652
18	2117/3-2016	Providing CC & Drain in Reddygaru Layout (Park Road) Balaji peta in 16th Divn. Est.9-65, Contractor PL Ramana MB 8/14-15	863006	43150	8630	34525	6905	10350
Total								128092

Para Number : 64

EXCESS PAYMENTS (Code : 13) Rs : 168359

PUSHKRAM (13th FINANCE COMMISSION) :

8.2WORKS - SHORT RECOVERY OF VAT AND CESS -IRREGULAR: Rs.1,68,359-00

On verification of the M.Books, Estimates and Agreement files etc., it is noticed that the short recovery of Vat and recovery after the less tender percentage in the Total Value of Work Done). But the Vat and Cess was short recovered from the done of work bills. Hence the Vat and cess amount is to be work out, and recover from the Bills. The amount to be remitted a/c and remittance particulars may be produced for audit.

Some examples are given below:

S.No.	Vr.No.&Dt	Details	T.V.W.D	To be recovered		Already Recovered		Short Recovery
				VAT	Cess	VAT	Cess	
1	929/9-2015	Development of Landscaping work along GNT Road from Lala Cheruvu Junction (500 Mts) in MCR Est.32-00 lakhs, MB No.4A/10-11	2529829	126491	25298	118978	23796	9016
2	40/5-2015	Maintenance of Srinagar Main Road and Cross Road 10th Divn., Est.38-56 lakhs, MBNo. 27A,33B/14-15	3593881	179694	35939	133351	26670	55612
3	50/5-2015	Maintenance and repairs to SDBC road to Addapalli colany in 2nd Divn.Est.28,00,000/-,MB No.34/14-15	2367516	118376	23675	80034	16007	46010

4	1369/11-2015	Providing Traffic signal at 11 junction in Rjy city in MCR. Est.39,15,000/-,150A/15-16	3683300	184165	36833	174957	34992	11049
5	Vr3/4-15	Cont. of Sullage drain from Awa channel in outlet in Satyanaranapuram and sullage drains in City under-13th FC Grant 2012-13,Est 1,77,50,000/- MB.No.22/14-15	3738735	186937	37387	182282	36456	5586
6	422/7.2015	Maintenance of BT road from Income Tax Office to Sulabh Complex in 38th Divn.Est.23,10,000/- MB.No.18/2015-16	2142156	107108	21422	77878	15576	35075
7	1407/12-2015	Raising of existing CC road at Kotilingalapeta near Syamalambatemple cross road in 41st divn. Est.40,00,000/-, MB.No.84A/14-15	2015665	100783	20157	95774	19155	6011
Total								168359

Para Number : 65

OTHERS (Code : 18) Rs : 0

OTHERS CODE NO.18

9.1DRAWAL OF SALARIES - OFFICE COPIES OF PAY BILLS AND ACQUITTANCES NOT PROPERLY MAINTAINED - LOSS IF ANY NEEDS REC

As verified from the acquaintance register, disbursement certificates for every establishment under SR (4) (d) of Treasury Rule 32 was not recorded I voucher number and date of drawal were not recorded in the acquaintance Register. The loss if any caused due to in proper maintenance of acquaintance R recovered from the person or persons responsible.

9.2 ESTABLISHMENT - PUBLIC HEALTH WORKERS - ABSENT FROM DUTY - ABSENCE PERIOD NOT REGULARISED - IRREGULAR:

The public health workers in the municipalities are treated as Class-IV Employees with effect from 1-4-81 and they were made eligible for time sca other benefits on par with other last grade employees. The public health workers in the Municipal Corporation, Kakinada were frequently absent from dut marked as absent even for one day but they were paid the pay and allowances for the days of absence without regulating the period of absence which is high also being taken to regularize the unauthorized absence which constitutes break in service. The sanction of periodical increment without regularizing the workers is also irregular. Action may be taken to regularize the break period either by sanction of eligible leave or by the extra - ordinary leave and the A persons shall be sanctioned only after regularization of such leave without regularizing the break period and allowing to continue is highly irregular and act for regularization immediately .

Others Code No. 18.

9.3REVEIEW OF BANK ACCOUNTS MAINTAINED BY THE MPL. CORPORATION, RAJAMAHENDRAVARAM

During the review of bank accounts and connected cash books maintained by the Municipal Corporation, it was noticed that 54 savings bank 13 Banks.

In this connection, it is stated that out of 54 bank accounts 32 accounts were non-operative. No transactions were recorded in the cash books pass books the banks are giving interest and charged bank charges only.

The Works allotted under respective schemes were completed and only the unspent balances were lying in these accounts (or) the grant allot these accounts without utilizing for the purpose for which the grant released.

Hence, it was held in audit that all the accounts may be closed by transfer / remitting the unspent balances to the grant releasing authority un & Audit.

9.4

Para No. Others: code:18
COLLECTION OF USER CHARGES TOWARDS GARBAGE & DEBRIS COLLECTION CHARGES FROM THE PUBLIC- CONNECTED RECORDS NOT MAINTAINED -NEEDS EARLY ACTION:
As verified from the records relating to the amount received from the various aspects , the municipal corporation collected towards user charges from the public for which they conducted f choultries and shopping malls and remitted to the funds. But no demand was arrived and the connected records, files also not maintained by the corporation.
Ass verified from the annual accounts, an amount of Rs.3, and 80,536.00 was collected towards Debris collection charges and an amount of Rs. 10, 84,225.00 was collected towards Garbage Collection ct enclosed. But, the correctness of the receipt could not be verified due to non maintenance of the said records. Hence action would need to records to up to date the records and produce the same in audit, if any same would need be recovered from the person or persons responsible.

STATEMENT SHOWING THE AMOUNT RECEIVED TOWARDS GARBAGE COLLECTION CHARGES DURING THE YEAR 2015-16

1.Rajahmundry-Municipal General Fund-from 01/04/2015 to 31/03/2016

	(User Charges)		
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	5000
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	4000
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	2500
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	4000
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	2500
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	2500
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	4000
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	400
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	3000
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	1625
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	2500
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	2500
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	5000
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	5700
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	2879
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	2500
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	12500
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	11000
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	2500
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	2000
1405006	Littering And Debris Collection (User Charges)	OTHER RECEIPTS - RECEIPT	1000
	TOTAL:		380536

9.5

D&O TRADES - CERTAIN DEFECTS NOTICED IN MAINTENANCE OF RECORDS

During the course of audit it was noticed that the Demand Register of the D&O Trades for both divisions was not properly maintained. As per Registers and Miscellaneous License Register under D & O Trades during the year 2015-16. The additions and deletions for the previous years were not in previous year Demand Register was not produced it could not be possible in audit to verify the additions and deletions if any occurred.

1. In the demand register it is noticed that demand was not fixed for certain trades as notified in the notification issued by the municipality in respect of the D&O objection was raised.
2. The collection figures shown in the demand register though traced out in the Chitta but not tallied with the account figure
3. The Balances not arrived and page wise Totals were not prepared along with page wise abstract at the end duly get certification of the Commissioner.
4. According to G.O.Ms.No.111 of Vigilance & Enforcement Dept. License fee should be lived on the @ 1% on the excise rental value paid by the trades. But no the head of Wine shops and Bars in the Demand Register through there are large no traders excise in the Municipal limit which ultimately License heavy loss to
5. As per the Gazette Notification the rates was revised for the canteens rooming of cinema halls at the rate of Rs. 300/- per canteen. But no entries was mad under the above head. Similarly many of the items notified in the Gazette were not levied fees. The authority were not informed to Audit, whether they have i which are not entered in the demand register and doing business in the Municipal limits which is irregular and causes loss to Municipal Funds action would need demand of the trades doing the business according with the various kinds of business published in the Gazette Notification and take necessary steps for collec facts to audit, the loss sustained in this regard would need to be assured by conducting enquiry immediately and made good from the person or persons re Municipal Funds.

The following are the other defects noticed

a) License Fees Collected But Licenses not Issued: The counter foils of the licenses issued to the traders i.e. form No. 8 for the year 2015-16 were not made in audit. The license fees collected through challans were only produced to audit for verification. It was irregular to allow the traders to conduct the license even though they had paid the fees.

b) Advance Collection of D&O Trade License Fees taken as Collection of this year instead of shown under Deposit Head in Income & Expenditure account the ULBs with regard to the collections of D & O trade fees was to collect the same in advance for the subsequent year i.e., before February of an year. Till February are to be made along with collection of belated fees. The advance collection made shall be kept under deposit for this year and adjusted to General year. But during the course of verification of account it was noticed that the said distinction was not observed and the collections made were not classified they pertain. As a result of which the entire amount collected is reflected as income in the Income and Expenditure statement for the year 2015-16 though pertains to the year 2016-17. The correctness of the Income and Expenditure statement to that extent suffered due to the above defect pointed out.

d) Deletion lists not produced: For verification of the D&O Trade license fees register, division wise during the year 2015-16 the previous year D produced to audit. Due to this the details of how may licenses were renewed and how may licenses were cancelled, could not be found in audit. The deletion stoppage letters from the traders along with council resolution were not produced for verification. It would need to be produced early. In the absence of this caused in this regard would need to be made good from the person or persons responsible.

Therefore immediate action would need to be taken to get the defects rectified and produce the connected records to audit. Or else the loss if any would need to be assessed and made good from the person or persons responsible and credited to Municipal Funds under intimation to audit.

9.6 ANNUAL REPORTS ON LOSSES/THEFTS/MISAPPROPRIATION OF FUNDS, CASES OF UNPROFITABLE OUTLAY IF ANY CAUSED DUE TO NEGLIGENCE OR MISCONDUCT NOT SENT TO AUDIT - IRREGULAR:

The executive authority of the Municipal Corporation should annually report in respect of losses, thefts and misappropriation of funds, if any, to audit as required by the instructions issued with G.O.No.686, Municipal Administration Department, dated 30-7-1968.

Such reports are not being sent to audit despite this defect was being pointed out in the earlier audit reports due to which the serious irregularities, if any, of such nature in audit as the audit is confined to the transactions in the prime record such as cash book and other registers.

9.7 SCOPE OF AUDIT - NON MAINTAINENCE OF VARIOUS VITAL AND IMPORTANT SCOPE OF AUDIT REDUCED - MISAPPROPRIATIONS, DEFALCATIONS, IRREGULAR DRAWALS AND OTHER IRREGULARITIES COULDN'T Warrant IMMEDIATE ACTION:

During the course of audit for the year 2015-16, it was noticed that certain vital and important records are not being maintained or partly maintained. In spite of several objections raised in the audit report, the authorities did not evince any interest and not taken any effective steps to maintain the records mentioned hereunder. The non maintenance and non production of records and irregular maintenance of the records account figure leads to all sorts of irregularities such as misappropriations, defalcations and other major financial losses. The situation has not been improved anymore and no steps appear to have been taken towards executive authority.

In the above circumstances there is every possibility and scope for misappropriation, defalcations and irregular draws as the state of accounts maintenance and keeping the records is in quite a pandemonium as noted below.

1. P.T and W.T Demand and A.D.R-s Manual Registers not maintained and produced (objection raised in this report Vide Para No 14(1) and 14(2) of this audit report.
2. Register of Security Deposits not maintained. Vide Para No 17(9) of this audit report
3. General fund amount kept in bank as FDR-s without prior permission and not encased on the date of maturity. Loss of interest (objection raised in this audit report).
4. Vouchers obtained from account section and distributed to concerned sections to produce the same to audit along with files records and stock registers, but they did not regard Half margin letters also served to Municipal Authorities. Vide Para No 14(11) of this audit report.
5. Time barred taxes and fees year wise balances not arrived Vide Para No 10(1) of this report.
6. Property Tax & Water Tax collections made through e-Seva, and the e-Seva authorities sending/crediting the amounts by deducting library cess, user charges etc., but not exhibited in account of Municipal Corporation as expenditure Vide Para No 12(2) and 12(3) of this report.
7. EMD & FSD:- Refunds made to the contractors - Vouchers not produced Vide Para No.17(1)

9.8 PAID VOUCHERS - COUNCIL RESOLUTION- NUMBER WAS NOT NOTED ON THE PAID VOUCHERS :

As verified from the paid vouchers for the year 2015-16, It was noticed that the -Council Resolution- number was not noted on the vouchers. In the absence of the council resolution for the payment made could not be verified in audit. Action may be taken for noting the council resolution number and date for every paid voucher.

9.9 NON-CONDUCTING OF PHYSICAL VERIFICATION OF STORES & STOCK:

Rule 116 (1) of Fundamental Rules & Article 143 of AP Financial Code Vol. I stipulates that physical verification of stores, stock of live stock, stationary, furniture, machinery & equipment, tools & plants, library books etc., shall be conducted once in a year by the Head of the Office or by any responsible person for this purpose. A Certificate of physical verification shall be recorded in the stock registers indicating the excess / shortage / obsolete / un-serviceable etc. such verification.

When the records of latest physical verification of stores & stock along with stock registers were called for, the authorities stated that the physical verification was not conducted. No record for such physical verification was not prepared for the period 2014-15.

Hence, it is instructed to conduct the physical verification of stores & stock periodically as per the instructions of the AP Financial Code.

9.11 GRANTS RELEASED TO MUNICIPAL CORPORATION FOR VARIOUS PURPOSES - GRANTS APPROPRIATION REGISTER NOT MAINTAINED

During the year under audit several grants both statutory and non-statutory were sanctioned and adjusted to Municipal Corporation. A separate Register of Grants was not maintained and produced to audit. In the absence of which, it could not be verified in audit, whether the grants released to corporation were for the purposes for which they were sanctioned without diversion and within the time allowed for utilization. Action would need to be taken to maintain the Register and the un-utilized balance, if any, would need to be refunded to Government and remittance challans produced for audit.

9.12 PROPERTY TAX - GOVERNMENT OFFICES LOCATED IN PRIVATE BUILDINGS AND PAYING RENT TO OWNERS - REGISTERS NOT PRODUCED TO AUDIT.

Information relating to Govt. Offices located in private buildings was not available to verify whether property Tax was levied as per the rents paid to the building owners. A register containing Government offices located in private buildings should be maintained so as to verify whether Property Tax was paid by the Government Offices or not and in order to prevent leakage of revenue to the Council similarly a register containing Central and State Government buildings also needs to be maintained so as to verify the correctness of levy of Property Tax as per rules relating to levy and collection of buildings.

9.13 REGISTER OF SECURITY DEPOSITS NOT MAINTAINED:

During the year under audit it was noticed that the register of security deposits containing the securities obtained from the municipal employees and other sections planning section not paid to the municipality namely deposits in savings bank, Govt. promissory notes, Indemnities Bonds, Bank Guarantees etc., was not maintained. In the absence of the same, the following points could not be verified in audit.

1. The securities fixed in each case and the securities have been taken in full to the extent of the sum fixed by the council
2. Securities obtained are in the form specified in rules relating to Deposits, loans investments.

In the absence of the same, the correctness of the securities obtained or not could not be certified in audit and held under objection. Action would need to be taken to maintain the same and produced to audit for verification. Or else the loss if any sustained would need to be made good from the person or persons responsible. General funds under intimation to audit.

9.14 CODE:18

REGISTER OF BILL BOOKS AND MONEY VALUE FORMS NOT MAINTAINED

During the course of Audit, It is observed that the Bill Books for collection of Taxes & miscellaneous Receipts books for collection of Non Tax revenue have not been maintained. Register of Money Value Forms not maintained for the bill books/miscellaneous receipts shall be recorded in the Register of Money Value Forms and the Balance struck at the end of the financial Year.

Therefore, action may be taken to maintain the Register of Bill Books and Money Value Forms so as to ensure the correct use of M.V. Form in future.

9.15

Para No.

Code No.18

IMPROPER MAINTENANCE OF ASSESSMENT BOOKS AND ML REGISTERS

According to the Rule 3 of schedule II to the AP Municipalities Act 1965, the capital value of the land and building has to be entered in Assessments/ML Registers maintained by the Revenue Wing and the An based on these factors for levy of Property Tax. Scrutiny of the records it was found the above details were missing and also ARV not mentioned in some cases and entries were made with pencil in some of the case:

Para No.9.16

Code No.18

REGISTER OF UNAUTHORISED CONSTRUCTIONS NOT MAINTAINED IRREGULAR

During the course of audit for the year 2015-16, it was noticed that the register of unauthorized constructions was not maintained in town planning section. Whereas on verification of records relating that, a huge number of unauthorized buildings were constructed during 2015-16 and house tax was imposed with 100% penalty as per G.O.Ms.No.49 M.A dt.30-7-98.

Para No.9.17

Code No. 18SPECIAL NOTICES ISSUED - RECORD NOT MAINTAINED

In case of all the new and additional assessments made during the financial year were entered in the e-Suvidha package and the special notices of demands fixed were obtained from the package and the sa through the bill collectors concerned to the property owners. But there was no assurance in audit that all the notices were issued in time by the bill collectors concerned. The special notice number and the date of at Col.No.45 and 46 respectively but the details were not being entered in the MLs in majority of the cases. Further the revenue section of the ULB did not maintain the copies of the special notices obtained from t same the correctness of the demand fixed and timely issuance of the same could also be not verified in audit.

Para No:9.18

Code No.18

REGISTER OF LIBRARY CESS NOT MAINTAINED

A. As per G.O.Ms No 68 dt.12.9.2009, under Section 85(2) of the AP, Municipality Act read with Section 20 of Andhra Pradesh Libraries Act 1960, the Municipal Council is req amount of Library Cess @ 8 paise for every rupee on the property Tax collected and transfer the same to Zilla Grandhalaya Samstha (ZGS) concerned to provide library serv library Cess was not maintained in this municipality. As such it could not be known how much the amount was pending to remit to ZGS towards library cess in audit. The exe to work out and arrive at the remitted Library Cess which was pending prior to 26-10-2009 and same would need to be remitted to ZGS early.

B. Government issued orders vide GO. No 122 Education (PE Prog.I)

Department Dt:26.10.2009 para 5 of (II) directing of Library Cess @ 8 percent on property tax collected, at e-seva center level and remit the same to City/Zilla Grandhalaya through e-seva. However it was observed from the copies of statements furnished by Administrative Officer, e-seva RAJAHMUNRY that library cess was not collecte Government i.e @ 8 percent. The executive authorities would need to take good steps to collect library cess as per Government norms.

Para No.9.19

Code No.18

NON EXCHANGE OF INFORMATION BETWEEN TOWN PLANNING AND REVENUE SECTION:

The Revenue Wing of the Municipality did not have access to the Building Approvals plans form the town Planning wing as there was no system to furnish copies of approvals by the Town plannin monitoring of the buildings and asses it under PT in accordance with the details therein. The Revenue wing similarly did not follow the procedure to bring to the notice of the Town Planning Wing in res constructed unauthorized for taking further necessary action. Details of visits made by the Building inspectors for verification of the status of the buildings for which permissions were given were not forthco maintained showing the details of the notices given for the deviations noticed and the unauthorized constructions against which action was taken were not produced to assess the work of the town planning wing of

9.20 REGISTER OF IMMOVABLE PROPERTY NOT MAINTAINED:

According to the rules relating to maintenance of Register in municipalities, the register of immovable property is intended to show all immovable municipalities with the value of each. The original cost of the properties as well as that of any additions made to it from time to time should be noted in the depreciation for the assests.

But this Municipal Corporation has not maintained that register. Hence the properties so far owned by the municipality and their value could not be under Possession of the municipality or occupied by any person could not be verified in audit.

Action would need to be taken to maintain the same or else loss if any sustained in this regard would need to be assessed and made good from responsible and credited to municipal funds under intimation to audit.

9.21 ESTABLISHMENT - ESTABLISHMENT AUDIT REGISTER NOT MAINTIANED - IRREGULAR.

The establishment is working is the municipality. But the establishment audit register for recurring charge entry the register and orders san maintained is the municipality. On the absence same it could not be verified in audit. The excess amount of any paid without post sanction and Tempora sanction scales of pay etc.

Action would need to be taken to maintain the establishment audit register and excess amounts. If any paid due to non receipt of post sanction etc wo from person or persons responsible.

9.22 REGISTER OF POST SANCTION NOT MAINTIANED - IRREGULAR

The register of post sanction both for the permanent and temporary posts were not maintained and produced for verification any amount. In correctness of the posts sanction could not be verified during audit. Whether the posts are continuing with the sanction or not may be produced for verifica to be taken to maintain the register post sanction and produced for audit together with the post sanction order. Further the expenditure it any incurro orders during the year need recovery from the person or persons responsible.

10Result of Audit: The General Result of Audit is considered as satisfactory.

Para Number : 66

RECEIPTS & CHARGES (Code : 20) Rs : 0

11.RECEIPTS AND CHARGES:-

The receipts and Charges during the year 2015-16 are as furnished below.

Receipts: Rs. 673411044.81
Payments: Rs. 1268195299.42

Para Number : 67

STATUS OF OBJECTIONS (Code : 19) Rs : 0

12. STATUS OF AUDIT OBJECTIONS:- (CODE NO.19)

2787 no. of objections involving amount of Rs. 86,03,54,406.00 were pending settlement at the close of the year. Early action and effective steps would settlement.

Sl. No.	Year	Objections pending	Amount Involved
1	1963-64	1	9,066-26
2	1967-68	1	3,559-49
3	1968-69	6	1,60,943-60
4	1969-70	1	--
5	1971-72	6	1,14,510-87
6	1972-73	2	7,377-50
7	1973-74	6	25,786-91
8	1974-75	3	1,14,722-60
9	1975-76	2	1,69,074-60
10	1976-77	6	2,05,077-64
11	1977-78	3	2,19,571-47
12	1978-79	2	1,07,070-86
13	1979-80	25	9,93,715-56
14	1980-81	3	1,26,748-07
15	1981-82	6	1,48,434-47
16	1982-83	5	43,178-00
17	1983-84	9	4,56,609-93
18	1984-85	13	23,66,912-88
19	1985-86	14	15,96,966-31
20	1986-87	54	23,64,399-61
21	1987-88	58	1,91,802-14
22	1988-89	85	29,15,827-56
23	1989-90	59	8,09,483-00
24	1990-91	49	12,61,519-11
25	1991-92	32	52,08,649-00
26	1992-93	53	34,67,307-25
27	1993-94	77	1,10,06,234-58
28	1994-95	78	2,73,22,430-15
29	1995-96	100	1,05,45,120-13
30	1996-97	90	1,02,30,406-50
31	1997-98	57	95,40,429-63
32	1998-99	82	8,17,64,544-00
33	1999-00	45	91,46,027-00
34	2000-01	59	33,70,760-00
35	2001-02	126	11,23,99,656-00
36	2002-03	103	9,45,84,035-65
37	2003-04	148	25,21,91,611-00
38	2004-05	89	10,43,02,302-00
39	2005-06	90	4,51,12,,211-00
40	2006-07	117	26,45,94,039-00
41	2007-08	87	6,77,93,336-00
42	2008-09	118	21,58,60,694-00
43	2009-10	158	13,29,38,305-00
44	2010-11	131	13,21,29,755-00
45	2011-12	119	36,93,73,823.00
46	2012-13	115	16,42,83,572.00
47	2013-14	141	2,65,45,202.00
	Total	2509	2,06,74,50,059.00
48	2014-15	110	21,65,04,837.00
	TOTAL	2619	2,28,39,54,896.00
49	2015-16	168	576399530.00
	TOTAL	2787	860354406.00

Enclosures :-

I. [Employee Particulars Report](#)

II. [Inventory Report](#)

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This Report is Electronically Generated, So Signature is not required