

**Audit Report**  
**Audit Report**  
on the accounts of  
on the accounts of  
**MUNICIPAL CORPORATION**  
**VIJAYAWADA**  
for the year 2014-15

GOVERNMENT OF ANDHRA PRADESH  
STATE AUDIT DEPARTMENT

From	To
<b>Sri G.Satyanarayana,</b> Regional Deputy Director State Audit, Zone II, ELURU.	The Commissioner, Municipal Corporation, VIJAYAWADA, Krishna District.

AR. S.A.No. 236 /2017-18, Dated 26/02/2018

Sir,

Sub : Audit –Audit Report on the accounts of Municipal Corporation, Vijayawada  
for the year 2014-15 – Sent –Regarding.

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The Audit Report on the accounts of Municipal Corporation, Vijayawada for the year 2014-15 is forwarded herewith in duplicate. I am to request that, replies to the Audit Report may be furnished to this office within three months from the date of receipt of the Audit Report duly rectifying the defects pointed out therein in accordance with Section 9 of A.P. State Audit Act, 1989 and Rule 8 (1) of the Rules issued under G.O.Ms.No.130, Fin. &Plg. (FW Admn. II) Department, dated 8-9-2000.

Yours faithfully,

sdxxxxxxxxxxxxxx

REGIONAL DEPUTY DIRECTOR  
STATE AUDIT, ZONE II, ELURU

Enclosure : Audit Report in duplicate.

Copy to the Commissioner and Director of Municipal Administration,  
A.P., Hyderabad.

Audit Report on the accounts of Municipal Corporation, **VIJAYAWADA**, Krishna

District for the year

2014-15

Name of the Auditor : 1. Sri K.N.VenkateswaraRao, AAO  
2. Smt.K.Satyavathi, AAO  
3. Sri.S.Dharma Raju, AAO  
4. Sri Y.Surya Bhaskara Rao, AAO  
5. Sri T.Srinivasa Rao, AAO

Time taken for audit : 18.4.2016 TO 10.06.2016

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The office of the **Commissioner** was held by the following persons during the year 2014-15.

Sri Veera Pandian 01.04.2014 to 31.03.2015

The office of the **Additional Commissioner** was held by the following persons during the year 2014-15.

Sri R.M.J.NAYAK. 01.04.2014 to 14.12.2014

Sri.G.NAGA RAJU 15.12.2014 to 31.03.2015

The office of the **Superintending Engineer** was held by the following persons during the year 2014-15.

Sri .SHUKUR 01.04.2014 to 31.03.2015

The office of the **City Planner** was held by the following persons during 2014-15.

Sri S.CHAKRA PANI 01.04.2014 to 31.03.2015

The office of the **Municipal Health officer** was held by the following persons during the year 2014-15.

Smt. P. RATNAVALI 01.04.2014 to 21.10.2014

**Scope of Audit-Non maintenance of various vital and important records –scope of audit reduced – misappropriations ,defalcations ,irregular drawls and other irregularities could not be pointed out-needs immediate action:**

During the course of audit for the year 2013-14, 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 reports of previous years, the Executive Authorities did not evince any interest and not taken any effective steps to maintain the records mentioned here under. The non maintenance and non production of records and irregular maintenance of the registers without tallying with the 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 that direction by the present executive authority.

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

1. P.T and W.T demand and ADRs Manual Registers not maintained and produced ( Objection raised in this report vide Para NO.20,21 Of this audit report)
2. 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 produce them. In this regard half margin letters also served to municipal authorities. ( Objection raised in this report vide Para NO.89 Of this audit report)
3. Time bared taxes and fees year wise balances not arrived ( Objection raised in this report vide Para NO.16 Of this audit report)
4. Property Tax & Water Tax collections made through E-seva and the E-seva authorities sending /crediting the amounts by deducting library cess, user charges ect. But these amount were not exhibited in account of Municipal Corporation as expenditure Vide ( Objection raised in this report vide Para NO.38 Of this audit report)
5. EMD & FSD refunds made to the contractors –Original credits not pointedout Vide Para No 66

**COMPLIANCE OF AUDIT OBJECTIONS BY THE COMMISSIONER:**

The Number of Audit Objections pending at the beginning of the year, the No. of Audit Objections added during the year, the No. of Audit Objections Settled during the year and the balance left at the close of year along with the amount involved as detailed below:

SL.NO	DETAILS	NO.OF OBJECTIONS	AMOUNT INVOLVED	REMARKS
1	2	3	4	5
1	Total No. of Objections outstanding  Upto:2014-2015	3369	15157300252.00	

The audit of Municipal Council prior to the year 2010-11, was completed and the objections of these years were communicated through the concerned Audit Reports. The Audit Objections relating to the year 2014-15 are communicated through this Report.

According to the orders issued in G.O.Ms.No.874, M.A., Dated: 13-11-1987, the audit reports and the replies shall be placed before the Municipal Council and the replies submitted to the Government through the Director of State Audit, A.P.Hyderabad with a copy of resolution approving the replies for consideration of the waiver of the objections. The records of the Municipal Council do not reveal the observance of the orders. The Commissioner did not evince much interest in rectifying the defects pointed out in the Audit Reports to settle down the objections. It would need to be taken necessary steps to reduce the pendency.

**(2) BUDGET:**

The annual financial statement (budget) containing the estimated receipts and expenditure of the corporation, Vijayawada for the year **2014-15** was placed before Corporation through the Standing Committee and the same was approved by the Corporation Vide **C.R.No 266, dated 26.03.2014** required under section 182 of Hyderabad Municipal Corporation Act, 1955. The Budget was prepared duly considering the requirements of different wings of the Corporation and the obligatory civic amenities of the city.

Every item of receipt or payment categorized 'ordinary' or capital is governed by the following sectoral classification of the Accounts.

- A. General Account
- B. Lighting Account
- C. Elementary Education Account
- D. Drainage and Water Supply Account
- E. Town Planning Account
- F. Deposits and Advance Account

**ORDINARY RECEIPTS AND EXPENDITURE:**

The ordinary receipts and payments are of recurring nature. Taxes, Fees, Charges, Leases, Rents on Markets and Shops etc., come under ordinary receipts. The expenditure incurred out of the ordinary receipts of the Corporation towards pay and allowances of the establishment, contingencies, repairs towards buildings, maintenance of vehicles, pension payment, postal charges and other miscellaneous expenses come under ordinary expenditure.

**CAPITAL RECEIPTS AND EXPENDITURE:**

The receipts of non-recurring nature such as grant-in-aid received from State/Central Government, loans borrowed, sale proceeds of assets and the amount transferred from ordinary receipts etc., are the capital receipts.

The expenditure incurred on developmental activities, acquisition of assets, expenditure met from the grant-in-aid released by Government for specific purposes, expenditure incurred towards personal advances, stock accounts etc., constitutes capital expenditure.

### **DEPOSITS AND ADVANCES:**

Remittances of Income Tax, Sales Tax, refund of the deposits to the contractors, suppliers, sanction of provident fund loans, payment of library cess constitutes this head.

### **RECEIPTS:**

The Receipts and Charges as per **Budget Estimates** and as per **Annual Account** for the year 2014-15 as per approved Budgets are as detailed below.

Obviously there is a gap between the budget estimate and actuals. Ultimately, almost all the items under receipts and expenditure were found projected at higher/lesser rate by violating the rules laid down in the Hyderabad Municipal Corporation budget estimate rules, 1968. Some of the items are given below for example.

Sl. No.	Head of Account	As per the budget estimate for the year 2014-15	Actuals as per the annual account	Difference		% of deviation
				Actuals <b>higher</b> than the budget estimates	Actuals <b>lesser</b> than the budget estimates	
<b>RECEIPTS</b>						
1	Entertainment Tax (120-10-02)	100000000.00	28157843.00	----	71842157.00	72%
2	Property Tax (110-01-01)	693140000.00	746923445.00	53783445	---	8%
3	Water tax (property tax component) (110-02-01)	260000000.00	194570421.00	----	65429579.00	25%
4	Rent from slaughter houses (140-11-04)	10000.00	7588.00	----	2412.00	24%
5	Sewerage Tax (Property Tax component) (110-03-01)	189000000.00	104009408.00	----	84990592.00	45%
6	Shopping complex rents (130-10-01)	140000000.00	131135154.00	----	8864846	6%
<b>CHARGES</b>						
1	Consultancy charges	0.00	4096652.00	409665200	---	100%

	(220-52-01)					
2	Legal charges (220-51-01)	0.00	1228654.00	1228654.00	---	100%
3	Repairs to heavy vehicles (230-53-01)	8500000.00	6924736.00		1575264.00	18.5%
4	Wages to workers (PH) (210-10-11)	87719000.00	449838189.00	362119189.00	---	413%
5	Power charges of street lighting/water supply and vmc buildings (230-10-02 &220-11-01)	134400000.00 &0.00	319126254.00	184726254.00	---	137%
6	Vehicle hire charges (230-40-02)	10850000.00	6896133.00	---	3953867.00	36%
7	Maintenance of Parks (230-51-01)	300000.00	910943.00	610943.00	----	204%
8	Maintenance of Playground (230-51-04 &05)	100000.00	360714.00	260714.00	----	260%
9	Entertainment Tax (120-10-02)	1000000.00	4165889.00	3165889.00	---	316.5%

As could be seen from the above details the percentage of excess over the estimated receipt was 8% in respect of 'Property Tax (110-01-01)' and percentage of receipt lesser than the estimated receipts in respect of 'Entertainment Tax (120-10-02)' is 72%.

Similarly, the excess over budgetary provision in expenditure was 316% excess over the budget estimate in respect of 'Entertainment Tax (120-10-02)' and the percentage of short fall over the estimated expenditure was 36% in respect of 'Vehicle hire charges (230-40-02)'.

This shows that the budget was not given its due importance while estimating receipts and expenditure.

#### **GENERAL REVIEW OF THE FINANCIAL POSITION :**

As verified from the cash books relating to all funds, it was noticed that receipts side of the cash books are not being written up and cash books are not being closed at any stage. The cash books of all the funds for the year 2014-15 were not closed even at the close of the financial year, closing balances not arrived at as on 31-3-2015 and not got reconciled with the balances of the concerned pass books. Due to the above defect, the correctness of the brought forwarding of the cash book balances could not be verified in audit. The loss if any caused in this regard would need to be recovered from the person or persons responsible.

#### **(3) 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 and own revenue generated through 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, encroachment fee, 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 registers were not produced, the actual receipts in respect of revenue were taken based on the annual account figures.

Sl.	Head of Account	Code No.	Budget estimates	Actual	Difference	% of differe
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No.			Rs.	Rs.	Rs.	nce
1	Property Tax	110-01-01	693140000.00	746923445.00	(-)53783445.00	8%
2	Vacant land tax	110-01-02	77000000.00	41721730.00	35278270.00	46%
3	Entertainment Tax	120-10-02	100000000.00	28157843.00	71842157.00	72%
4	Advertisement Tax	110-11-06	93920000.00	596847.00	93323153.00	99%
5	Water Tax (Property Tax component)	110-02-01	260000000.00	194570421.00	65429579.00	25%
6	D & O Trades licence fee	140-11-01	30000000.00	87734851.00	(-)57734851.00	192%
7	Birth and Death Register Extract Fee	140-13-02	3500000.00	1510166.00	1989834.00	57%
8	Market receipts	130-10-01	140000000.00	139335343.00	8864846	6%
10	Rent from slaughter houses	140-11-04	10000.00	7588.00		
11	Surcharge on stamp duty	120-10-01	220000000.00	717139155.00	497139155.00	226%
12	Title transfers	140-40-10		45111852.00		
13	Sewerage Tax (property tax component)	110-03-01	189000000.00	104009408.00	84990592.00	45%
14	Park entry	140-60-01	12600000.00	7342812.00	5257188.00	42%
15	Tax on street lighting (Property tax component)	110-05-01	126000000.00	0.00	126000000.00	100%
16	Education Tax (Property tax component)	110-06-01	98000000.00	0.00	98000000.00	100%
17	Drainage - Direct Tax	110-03-02	46480000.00	0.00	46480000.00	100%

**(4) TAX REVENUE RAISED BY THE MUNICIPAL COUNCIL:-**

The tax revenue consists of property tax, water tax and advertisement tax etc. Tax on property is the main source which constituted 39% of revenue receipts of Municipal Council 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	Code	Collection			Increase/Decrease with ref. to previous years
			2012 - 13 Rs.	2013 -14 Rs.	2014-15 Rs.	
1	Property tax	1100101	71815724996.00	690918246-35	746923445.00	Increase
2	Advertisement tax	1101106	64446168.00	29570857.00	596847.00	Decrease
3	Vacant land tax	1100102	48370113.00	71569211.00	41721730.00	Decrease
4	Entertainment tax	1201002	33210156.00	4850125.00	28157843.00	Increase
5	Water Tax (P.T. component)	1100201	84437064.00	348444876.00	193147421.00	Decrease
6	Sewerage Tax (P.T. component)	1100301	27865099.00	22742064.00	104009406.00	Increase
	Total					

**(5) REVENUE RECEIPTS AND ITS ANALYSIS:-**

The source of revenue receipts during the year was through (1) revenue raised by the Municipal Council (2) receipts from the state government towards share of 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 above heads during the year along with corresponding figures for the preceding 2 years is given below.

Sl. No.	Item of revenue	RECEIPTS		
		2012 -13 Rs.	2013-14 Rs.	2014-15 Rs.
1	Revenue raised by Municipal Council			
	a) Tax Revenue		1133674397-35	916774318.00
	b) Non-tax revenue leases, fees and rents etc		1091149037-87	162179028.60
	<b>Total:</b>		<b>2224823435.22</b>	<b>1078953346.00</b>
2.	Receipts from Government.			
	a) Entertainment tax		4850125.00	28157843.00
	b) Surcharge on stamp duty		245242340.00	717139155.00
	c) P.T.		2737540.20	6718111.00
	d) Revenue grants		-----	-----
	e) Other Income(Miscellaneous Income)			327602967.00
	<b>Total</b>			<b>1080144076.00</b>

**(6) NON-TAX REVENUE OF THE MUNICIPAL COUNCIL:-**

Building rents, leases of markets, slaughter houses, betterment charges etc., from the non-tax revenue and constituted 15% percentage of revenue of the municipal council. 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	Code	Collection			Increase/De crease with ref. to previous years
			2012-13 Rs.	2013-14 Rs.	2014-15 Rs.	
1	Water charges	1100202	40000.00	---	940070866.00	Increase
2	Leases of markets	130 all codes	404577324.00	391748731.00	162080613.00	Decrease
3	License fees (D&O Trades)	1401101	57469671.00	29840624.00	87734851.00	Increase
4	Building license fee	1401202	3052141.00	37999583.00	30087811.00	Decrease
5	Betterment charges	1401402	628723.00	---	660.00	----
6	Advertisement fees	1404001	63710000.00	29570857.00	78249687.00	Increase
7	Property Transfer charges	1404010	30907608.00	29235420.00	45111852.00	Increase
8	Park entry fees	1406001	6603747.00	5307459.00	7342812.00	Increase
9	Road cutting and restoration charges	1407001	6693723.00	1382411.00	12461962.00	Decrease

**1. MAINTANANCE OF THE CASH BOOK – CERTAIN DEFECTS –NEEDS AN EARLY ACTION**

(i) **No postings on the receipt side of the cashbooks:** As per the codal provisions, the cash /DDs should soon after their receipt be posted in the cash book. During the audit it is found that all the receipts both cash and DDs received through online and manual collections deposited in the bank without postings in the respective cash books. Thus, there is no assurance that all the cash / DDs deposited in the bank were being fully credited to VMCs account

(ii) **Cash book not closed periodically and at the end of FY:** As per the codal provisions cash book should be closed regularly at the end of every month and at the end of financial year. The cash books maintained by the accounts section of VMC were not closed either monthly or at the end of financial year. The balances at the end of each month were not carried forward from the month of August 2011 onwards. There was no internal check by the higher official designated for. As a result the balances available under the respective accounts were not ascertainable.

(iii) **Cash book figures were not reconciled with bank statements :** As per the codal provisions , the cash book figures should be reconciled with the bank statements monthly and at the end of the financial year. During the audit it was observed that cash book figures were not being reconciled with bank statements. Cash books were not maintained properly hence reconciliation was not possible. In the absence of reconciliation the correctness of the amounts credited to the bank could not be verified.

(iv) **Chronological order was not maintained in posting the expenditure – voucher was not posted in order –vouchers inserted using suffixes:** As per the codal provisions posting of expenditure should be in chronological order and vouchers should be arranged in serial number. During the audit it was observed that some of the postings pertaining to expenditure were not posted in cash book chronologically. It was further observed that the serial number of vouchers was not maintained properly, in some of the cases serial number was altered and in some of the cases suffixes were used to insert the vouchers. Thus any financial loss occurred should make good from the persons responsible.

**FINAL ACCOUNTS – CERTAIN DEFECTS NOTICED :****2) PROPERTY TAX - DIFFERENCE BETWEEN THE RECEIPTS AS PER VMC OFFICIAL WEB SITE AND AS PER RECEIPTS AND CHARGES (Financial Statements) AND DCB - IRREGULAR :** code no:4

On verification of receipts incorporated in Receipts and Charges Statement (Financial Statements for 2014-15) with reference to the receipts as per Vijayawada Municipal Corporation official web site, the following differences were noticed. It is clear from the above, that the annual account for the year 2014-15 was not prepared correctly. Early action may be taken to reconcile the differences and for the preparation of correct annual account.

Sl.No	P.T. collection as per Annual Account	P.T. collection as per Official Website of VMC (VOICE)	P.T. collection as per DCB
	<b>746923445.00</b>	<b>772322233.00</b>	<b>750947926.00</b>
	Variation with voice figures Rs.25398788.00		Variation with voice figures Rs.21374307.00

**Para No: 3****Code No: 4****VARIATIONS IN FIGURES – VARIOUS HEADS – BETWEEN ANNUAL ACCOUNT FIGURES AND COLLECTION FIGURES OF VOICE (VMC OFFICIAL WEBSITE) – NEEDS AN EARLY ACTION**

During the verification of the accounts of the VMC for the year 2014-15 it was observed that , receipts for various heads of account incorporated in annual account varies with the figures enumerated in VOICE (VMC Official Website ) , reasons for the variation were not pointed out to audit .Hence an early action would need to be taken to rectify the difference and reconcile both the accounts ,and the same shall report to the audit

Sl.No.	Head of Account	Receipt as per Annual Account	Receipt as per VOICE(VMC Official Website )	Difference
1.	Advertisement fee	78249687.00	91930149.00	-13680462.00
2.	Water Tax	194570421.00	227874538.00	-33304117.00
3	Road Cutting	12467962.00	11045923.00	1422039.00

	Chages			
4.	External Betterment charges	3190073.00	78202125.00	-75012052.00
5.	Building Licence Fee	28553396.00	139100101.00	-1362447705.00
6.	Compounding Fee	2360670.00	40093363.00	-37732693.00
7.	Encroachments	210751.00	1179977.00	-969226.00
8.	Profession Tax	4674552.00	6614099.00	-1939547.00

**4(a).PROPERTY TAX - DIFFERENCE BETWEEN DCB AND ANNUAL ACCOUNT – NEEDS RECTIFICATION:**

**Rs.4024481.00**

**codeno: 4**

As verified from the Receipts and Charges statement furnished with the financial statements for the year 2014-15, it was noticed there was a difference of Rs. **4024481.00** between DCB and Annual Account pertaining to property tax collection for the year 2014-15 as detailed below. Immediate action may be taken for the rectification of the same. The loss if any caused in this regard would need to be made good from the person or persons responsible.

Sl.No.	Name of the Fund / Account	P.T. Collection	Variation
1	Municipal General Fund	<b>746923445.00</b>	
	Total	<b>746923445.00</b>	
3	DCB	<b>750947926.00</b>	<b>4024481.00</b>

**4(b).VACANT LAND TAX - DIFFERENCE BETWEEN DCB AND ANNUAL ACCOUNT – NEEDS RECTIFICATION:**

**Rs.35464329.00**

**code no: 4**

As verified from the Receipts and Charges statement furnished with the financial statements for the year 2014-15, it was noticed there was a difference of Rs. **35464329.00** between DCB and Annual Account pertaining to Vacant Land tax collection for the year 2014-15 as detailed below. Immediate action may be taken for the rectification of the same.

Sl.No.	Name of the Fund / Account	V.L.T. Collection	Variation
1	Municipal General Fund	41721730.00	
	Total	41721730.00	
3	DCB	<b>77186059.00</b>	<b>35464329.00</b>

**4(c).Journal Book – Opening Balance Adjustment entries passed – reasons not pointed out to audit**

**Code no:9**

As verified from the Journal Book of the VMC final accounts for the year 2014-15 number of Opening Balance adjustment entries were passed as detailed in the **Annexure I**. However reasons for the same were not pointed out to audit and connected files not produced to audit. Hence any financial loss to the VMC may be made good from the persons responsible.

**5.NON-COLLECTION OF DUES-INCLUDES CASES OF OFFICE MANAGEMENT RESULTING IN SHORT REALIZATION OF DUES**

**(Code: 7)**

**PROPERTY TAX - LESS FIXATION OF PROPERTY TAX DEMAND - NEEDS REVISION AND**

**RECOVERY:**

**Rs.55029.00**

As verified from the ML-s relating to the Property tax demand for the year 2014-15 in Circle-II of the VMC, Vijayawada, it was noticed that less fixation of Property tax demand was made in respect of the following assessments due to incorrect calculations. Action may be taken for the revision of Property tax demand besides recovering the following amounts from the persons responsible.

1. Ward No. 45, Assessment No.189525, Zone.IX Sl.No.22930

Kovelamudi vari Street, D.No.29-28/1-4

Sl.No	Particulars						
1	Owner	RCC P	02	260.76	Hospital	42.00	11/2013
2	Owner	RCC P	03	260.76	Hospital	42.00	11/2013
3	Owner	RCC O	01	260.76	Hospital	23.50	11/2013

**Property Tax already fixed:**

Property Tax	Rs.35,424.00
Education Tax	Rs. 2,443.00
Library Cess	<u>Rs.2,834.00</u>
<b>Total: <u>Rs.40,701.00</u></b>	

As per M.L.concerned, it was observed in audit in addition to above, measurements relating to Ground Floor, 1<sup>st</sup> Floor (i.e.) (first floor (2)) and 4<sup>th</sup> floor are omitted while calculating the property Tax. Consequentially, an amount of Rs.95730.00 has to be recovered towards Property Tax as against the above, an amount of Rs.40,701.00 was only worked out for half year and an amount of Rs.55029.00 was short calculated for half year as detailed below: in this regards the valid reasons if any were not forthcoming to audit for verification. Simply it was stated in audit that the above particulars were omitted. Which is not in order.

Sl.No	Particulars			
1	Owner	RCC O	0.156X255.84X23.50X12	11,255.00
2	Owner	RCC O	0.156X255.84X42.00X12	20,115.00
3	Owner	RCC O	0.156X255.84X42.00X12	20,115.00
4	Owner	RCC O	0.156X255.84X42.00X12	20,115.00
5	Owner	RCC O	0.156X255.84X42.00X12	20,115.00
6	Owner	RCC O	0.156X51.06X42.00X12	4,015.00
			<b>TOTAL</b>	<b>95730.00</b>

Hence, it is brought to the notice of the Executive Authorities concerned, the matter would need to be examined and recovery the amounts from the person or persons responsible and credited the same to the heads concerned. Further, in the light of the defects noticed, in other cases if any also the matter would need to be investigated there to and the loss in this regards would also need to be worked out and made good from the person or persons responsible besides furnishing the material facts under intimation to this department without fail.

**6.NON-COLLECTION OF DUES-INCLUDES CASES OF OFFICE MANAGEMENT RESULTING IN SHORT REALIZATION OF DUES**  
(Code: 7)

**PROPERTY TAX - LESS FIXATION OF PROPERTY TAX DEMAND - NEEDS REVISION AND**

**RECOVERY: Rs.618.00**

As verified from the ML-s relating to the Property tax demand for the year 2014-15 in Circle-II of the VMC, Vijayawada, it was noticed that less fixation of Property tax demand was made in respect of the following assessments due to incorrect calculations. Action may be taken for the revision of Property tax demand besides recovering the following amounts from the persons responsible.

1. Ward No. 26

Assessment No.114131

Sl.No.10105/C2/2014-15/2,Zone-6, Dated: 06.03.2015

Sambanmurthy Road, H.No. 24-15-11-c2, Sri.B.Subba Rao.

**Property Tax already fixed:**

Rs.11,299X22% = Rs.2,485.78/2 = Rs.1,243.00

Rs.113.00

Rs. 99.00

**Total: Rs.1,455.00**

Sl.No	Particulars						
1	Tenant	RCC O	0	66.17	Resi.	6.75	03/97
2	Owner	RCC O	2	32.49	Resi.	6.75	03/97
3	Owner	RCC O	2	17.30	Resi.	6.75	03/97
4	Owner	RCC O	1	66.17	Resi.	6.75	03/97
TOTAL:				182.13			

As per M.L.concerned, it was observed in audit in above data vide Sl.No.03, of the above, it was arrived calculation as Residential instead of Public though specified in the M.L.Form. As such an amount of Rs. 2,073.00 has to be fixed as Property tax for half year. Hence, an amount of Rs. 618.00 short collected towards Property Tax for every half year.

Therefore, it is brought to the notice of the Executive Authorities concerned. The matter would need to be examined and recover the amounts from the person or persons responsible and credited the same to the heads concerned besides furnishing the details to this department positively.

**7.NON-COLLECTION OF DUES-INCLUDES CASES OF OFFICE MANAGEMENT RESULTING IN SHORT REALIZATION OF DUES**

(Code: 7)

## **PROPERTY TAX - LESS FIXATION OF PROPERTY TAX DEMAND - NEEDS REVISION AND**

## **RECOVERY:**

**Rs.1,008.00**

As verified from the ML-s relating to the Property tax demand for the year 2014-15 in Circle-II of the VMC, Vijayawada, it was noticed that less fixation of Property tax demand was made in respect of the following assessments due to incorrect calculations. Action may be taken for the revision of Property tax demand besides recovering the following amounts from the persons responsible.

1. Ward No. 23 Assessment No.113652

Sl.No.10088/C2/2014-15/2,Zone-6, Dated: 06.03.2015

2<sup>nd</sup> Line Street, H.No. 24-15-10

Smt.D.V.L.Vsundara Devi.,

## Property Tax already fixed:

Rs.1,737.009X22% = Rs.382.14/2 = Rs.191.07

Rs.17.00

Rs 15.00

Total: Rs 223.00

Sl.No	Particulars						
1	Tenant	RCC O	0	45.24	Resi.	4.00	03/1952
TOTAL:				182.13			

As per M.L.concerned, it was observed in audit in above data, the usage was furnished as commercial, but the calculation of Property Tax was arrived as residential. The valid reasons if any were not forthcoming to audit for verification. Consequently, an amount of Rs.1,008.00 was short collected towards Property tax due to erroneous calculation of the property Tax for usage of the Building as residential instead of Commercial.

Therefore, it is brought to the notice of the Executive Authorities concerned, the matter would need to be examined and recovery the amounts from the person or persons responsible and credited the same to the heads concerned besides furnishing the details to this department positively.

**8.NON-COLLECTION OF DUES-INCLUDES CASES OF OFFICE MANAGEMENT RESULTING IN SHORT REALIZATION OF DUES**

**(Code: 7)**

**PROPERTY TAX - LESS FIXATION OF PROPERTY TAX DEMAND - NEEDS REVISION AND**

**RECOVERY:** **Rs.700.00**

As verified from the ML-s relating to the Property tax demand for the year 2014-15 in Circle-II of the VMC, Vijayawada, it was noticed that less fixation of Property tax demand was made in respect of the following assessments due to incorrect calculations. Action may be taken for the revision of Property tax demand besides recovering the following amounts from the persons responsible.

1. Ward No. 26 Assessment No.113654

Sl.No.10089/C2/2014-15/2,Zone-6, Dated: 06.03.2015

Bhavas Street, H.No. 24-15-10B, Smt.S.Kumari.,

**Property Tax already fixed:**

Rs.7,969.00X22% = Rs.1,753.18/2 = Rs.877.00

Rs.70.00

Rs. 80.00

Total: Rs.1,027.00

Sl.No	Particulars						
1	Owner	RCC O	0	29.25	Resi.	6.75	03/97
2	Owner	RCC O	1	48.75	Resi.	6.75	03/97
3	Owner	RCC O	2	48.75	Resi.	6.75	03/97

4	Owner	RCC O	4	21.45	Resi.	6.75	03/97
<b>TOTAL:</b>				<b>148.70</b>			

As per M.L.concerned, it was observed in audit, that as per the above data, the following portion was used for commercial,

4	Owner	RCC O	4	21.45	Resi.	6.75	03/97
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But, as against the same, the calculation of Property Tax was arrived as residential. The valid reasons if any were not forthcoming to audit for verification. As such, in this regards, an amount of Rs.1,727.00 has to be recovered towards property tax as against the above an amount of Rs. 1,027.00 was only recovered. Hence, an amount of Rs.700.00 was short recovered towards Property tax due to erroneous calculation of the property Tax for usage of the Building as residential instead of Commercial.

Therefore, it is brought to the notice of the Executive Authorities concerned. The matter would need to be examined and recovery the amounts from the person or persons responsible and credited the same to the heads concerned besides furnishing the details to this department positively.

**9.COMPENSATION FOR THE LOSS OF INCOME FROM TOLLS ETC., PAYABLE UNDER SECTION 123 OF THE A.P.MUNICIPALITIES ACT, 1965 – NOT RECEIVED FOR YEARS TOGETHER – LOSS NEEDS EARLY ACTION: (code:7)**

A Toll on a road is a tax on animal and vehicles coming from outside and entering the limits of Municipalities. The taxation enquiry commission has recommended the abolition of toll tax and also suggested that the loss of revenue caused by the abolition of tolls may make up by the motor Vehicle tax. The Motor vehicle tax Act,1939 took away the power of Local bodies to levy taxes on propelled vehicles Municipalities claimed some share in these tax on the ground that vehicles are using the Municipal roads which are constructed and maintained by the Municipalities. Government accepted the demand of the Municipal Councils and decided to compensate the loss of revenue caused by deprivation to levy this tax to such of the Municipalities are given in Schedule VIII (Part A.B& C) appended to the A.P.Municipal Act,1965.

Under Section 123 (II) (a )iii) of A.P.Municipalities Act,1965, compensation for the loss of income due to abolition of fees on licenses granted to Motor Vehicles, which was deriving under Section 10(1) (a) (iv) of the Andhra Pradesh (Andhra Area) Motor Vehicles taxation Act,1931, shall be paid by government. The amount payable to Municipal Councils as compensation in lieu of loss of income due to abolition of levy of fees should be disbursed in two instalments. 1<sup>st</sup> instalment on or after 16<sup>th</sup> July and 2<sup>nd</sup>

installment on or after October of every year and for this no authorization of accountant general is necessary as per G.O.Ms.No.1465 M.A., Dated: 17-12-1965 and Govt.Memo.NO.1139/H1/66-4, M.A, Dated: 15-09-1966.

As per the schedule VIII (Part-c) appended to the act, an amount of Rs.1, 800/- per annum has to be received towards compensation towards loss of income from fees or licenses granted to motor vehicles, to this municipality. But, no such amount was received from years together. Therefore, action would need to be taken to assess the year from which it was pending and obtain the same from Government.

**10.NON COLLECTION OF DUES:** **CODE.NO.07**  
**ADVERTISEMENT TAX – ADVERTISE MENT TAX ON CABLE T.V.OPERATORS – DEMAND NOT POROPERLY ARRIVED – LOSS OF REVENUE TO THE MUNICIPALITY – NEEDS EARLY ACTION:**

As per the Notification No.86/2000, Dated: 14.11.2000 and as per the G.O.Ms.No.266, M.A.Dept, Dated: 05-05-2000, the Advertisement Tax ha to be levied @10% of the fees collected by the Cable T.V. Operators from the persons for which Advertisements made in the Cable T.V.Operators regarding the amount of fees collected by the Operators for broad casting advertisements in their cable T.V. and advertisement tax has to be fixed @10% on that amount.

But, the Municipal authorities have not followed the above procedure during the year 2014-15, which constitutes loss to the revenue of the Municipality.

Therefore, action would need to be taken to fix the demand as per the rules and collect the same. Or else the loss sustained would need to be made good from the person or persons responsible and credited to general funds under intimation to audit.

**11.PROPERTY TAX - CONNECT BUILDING APPLICATIONS NOT PRODUCED TO AUDIT:** **code no:11**

As verified from the ML registers for the year 2014-15 property tax was fixed on newly constructions as per measurements recorded in ML registers. But the connected building applications were not produced to audit. In the absence of the same the correctness of the measurements recorded in ML registers could not be verified in audit. Early action would need to be taken to produce the same to audit for verification.

**12.NON-COLLECTION OF DUES-INCLUDES CASES OF OFFICE MANAGEMENT RESULTING IN SHORT REALIZATION OF DUES**

(Code: 7)

**PROPERTY TAX - LESS FIXATION OF PROPERTY TAX DEMAND - NEEDS REVISION AND**

**RECOVERY:** **Rs.819.00**

As verified from the ML-s relating to the Property tax demand for the year 2014-15 in Circle-II of the VMC, Vijayawada, it was noticed that less fixation of Property tax demand was made in respect of the

following assessments due to incorrect calculations. Action may be taken for the revision of Property tax demand besides recovering the following amounts from the persons responsible.

1. Ward No. 23

Assessment No.113830

Sl.No.845/C2/2014-15/1,Zonme-6, Dated: 05.08.2014

Andhra Ratna Road, H.No. 24-10-8

Property Tax already fixed:

Rs.56,208X22% = Rs.12,365.00/2 = Rs. 6,183.00

Rs. 562.00

Rs. 4953.00

Total: Rs.7,240.00

Sl.No	Particulars						
1	Owner	RCC O	0	7.02	Resi.	6.75	08/2013
2	Owner	RCC P	0	106.25	Resi.	7.65	08/2013
3	Owner	RCC P	0	106.25	Resi.	7.65	08/2013
4	Owner	RCC P	1	106.25	Resi.	7.65	08/2013
5	Owner	RCC P	2	106.25	Resi.	7.65	08/2013
6	Owner	RCC P	2	106.25	Resi.	7.65	08/2013
7	Owner	RCC P	3	106.25	Resi.	7.65	08/2013
8	Owner	RCC P	3	106.25	Resi.	7.65	08/2013
9	Owner	RCC P	4	106.25	Resi.	7.65	08/2013
10	Owner	RCC P	4	106.25	Resi.	7.65	08/2013

As per M.L.concerned, it was observed in audit in addition to above, one measurement relates to 1<sup>st</sup> Floor (i.e.) (first floor (2) ) one portion was only calculated and another one is omitted. Consequentially an amount of Rs.819.00 was short calculated for half year as detailed below:

Rs.6,828X22%=Rs.1,502/2=      Rs. 751.00

Rs. 60.00

Rs. 8.00

Total:      Rs.819.00

Hence, it is brought to the notice to the Executive Authorities concerned, the matter would need to be examined and recovery the amounts from the person or persons responsible and credited the same to the heads concerned.

13.VEHICLES –MAINTANANCE OF VEHICLES BY THE DEPOT –ISSUE OF OIL TO THE VEHICLES – VIOLATED THE RULES –IRREGULAR –NEED RECTIFICATION:      ( code no:9)      1,72,21,640-00

As verified from the records of Vehicle depot with reference to the expenditure verified to the following selected months in audit , the following payments were made to the various fuel supply agencies like M/s Basaveswara Filling Station, Vijayawada and others towards supply of fuel to the vehicles and Engine oil and other material s maintained by the Municipal Corporation, Vijayawada in the Vehicle depot.

<b>Voucher Date</b>	<b>Voucher No.</b>	<b>Account Code</b>	<b>Particulars of payment</b>	<b>Amount paid</b>
01/11/2014	MJC-4840493/2014-2015	2203003	Fuel (Petrol and Diesel)	3,33,455
01/11/2014	MJC-4840850/2014-2015	2203003	Fuel (Petrol and Diesel)	9,06,211
17/11/2014	MJC-5421953/2014-2015	2203003	Fuel (Petrol and Diesel)	12,52,918
17/11/2014	MJC-5421968/2014-2015	2203003	Fuel (Petrol and Diesel)	4,45,073
	Total:			29,37,657

<b>Voucher Date</b>	<b>Voucher No.</b>	<b>Account Code</b>	<b>Particulars of payment</b>	<b>Amount paid</b>
23/04/2014	MJC-4263359/2014-2015	2301004	Fuel to Heavy Vehicles	8,47,073
09/07/2014	MJC-4487018/2014-2015	2301004	Fuel to Heavy Vehicles	1,58,982
24/07/2014	MJC-4532185/2014-2015	2301004	Fuel to Heavy Vehicles	3,30,195
24/07/2014	MJC-4602760/2014-2015	2301004	Fuel to Heavy Vehicles	11,37,567
17/09/2014	MJC-4710118/2014-2015	2301004	Fuel to Heavy Vehicles	10,93,191
07/01/2015	MJC-4800760/2014-2015	2301004	Fuel to Heavy Vehicles	10,55,094
11/01/2015	MJC-4833160/2014-2015	2301004	Fuel to Heavy Vehicles	3,19,537
10/03/2015	MJC-5413261/2014-2015	2301004	Fuel to Heavy Vehicles	13,23,433
	Total:			62,65,072

<b>Voucher Date</b>	<b>Voucher No.</b>	<b>Account Code</b>	<b>Particulars of payment</b>	<b>Amount paid</b>
11/04/2014	MJC-4298632/2014-2015	2301005	Fuel to Light Vehicles	9,31,655
19/04/2014	MJC-4298542/2014-2015	2301005	Fuel to Light Vehicles	3,92,610
01/07/2014	MJC-4463415/2014-2015	2301005	Fuel to Light Vehicles	8,16,765
02/03/2015	MJC-5554631/2014-2015	2301005	Fuel to Light Vehicles	3,08,377
05/03/2015	MJC-5554668/2014-2015	2301005	Fuel to Light Vehicles	26,07,979
23/03/2015	MJC-5554753/2014-2015	2301005	Fuel to Light Vehicles	14,36,230
27/03/2015	MJC-5554841/2014-2015	2301005	Fuel to Light Vehicles	2,83,822
	Total:			67,77,438
<b>Voucher Date</b>	<b>Voucher No.</b>	<b>Account Code</b>	<b>Particulars of payment</b>	<b>Amount paid</b>
14/07/2014	MJC-4499161/2014-2015	2301006	Fuel supply for the Vehicles of Field Staff	9,01,160
10/09/2014	MJC-4679271/2014-2015	2301006	Fuel supply for the Vehicles of Field Staff	3,40,313
	Total:			12,41,473

#### ABSTRACT

<b>S.No.</b>	<b>Account Code</b>	<b>Purpose of payments</b>	<b>Amount paid</b>
01	2203003	Fuel (Petrol and Diesel)	29,37,657
02	2301004	Fuel to the Heavy Vehicles	62,65,072
03	2301005	Fuel to the Light vehicles	67,77,438
04	2301006	Fuel supply to the staff vehicles	12,41,473
	Total:		1,72,21,640

During the course of audit, the following observations noticed and needs rectification and produced to the audit for verification.

1. As verified from the records i.e. register of vehicles engaged in day wise, No. of vehicles , issue of trip sheets and token for loading the HSD Oil for maintenance not shown properly and the original usage, certification of the supervising officers not signed in the register. But finally the bill claimed by the supply of fuel agency and same was certified by the motor vehicle inspector and chief medical officer public health section relating to the PH Section vehicles, the utilization of the fuel not reconciled with the vehicle trip sheet and not certified.
2. It is also noticed that the Log books of the vehicles are not maintained and produced by the executive authority till the close of audit.
3. The estimation of the yearly consumption to the vehicles maintained by the Mpl.corporation is not prepared and expenditure was incurred based on the regular practice of the vehicles engaged.
4. It is observed that, the vehicle depot of the public health, the vehicle maintained without proper supervision and oil consumption of the old vehicles which will be burden to the corporation, because the maintenance of the vehicles will be more expensive than the engage of hired vehicles , Hence the same needs to be rectified by the executive authority.
5. As verified from the register of the vehicles, the issue of oil coupons to the vehicles, the register is not maintained properly and the day wise abstract and monthly abstract are not prepared and payment towards supply of fuel could not be verified due to above defects , Hence the same would need to be rectified .
6. It is observed that, the journey performed by the staff and the tour diary in every month not furnished in respect of the fuel issued to their vehicles and the consumption charges for the distance of executive duties not certified by the concerned authority.

In view of the above, the above expenditure is not admissible in audit and is held under objection. Hence, action would need to be taken and produce the same to audit for verification.

14. MAINTANANCE OF VEHICLES –ADVANCES PAID TO THE AGENCIES FOR SUPPLY OF FUEL – NOT ADJUSTED PROPERLY – NEEDS TO BE RECTIFICATON: code no :11

As verified from the records relating to the maintenance of vehicles and supply of fuels, Advance amount paid to the fuel supply agency, i.e. M/s IOCL, Kondapalli towards supply of fuel to the vehicle depot , and same was adjusted to the preceding month in a regular practice, but during course of audit, as verified from the connected file, the amounts not properly adjusted by the concerned authority and balances not brought forwarded to the next bill claimed by the agency. In the absence of the same, the balance of amounts not reconciled with the invoice issued by the fuel supply agency and causes loss to the municipal corporation.

Statement showing the advances paid to the Fuel supply agency and balance available after adjustment

Advance paid in voucher no./date	Opening Balance available during the month	Advance paid	Total	Amount adjusted as per bill/invoice of the concerned agency.	balance available as on 31.3.15

83/6-14	60923	1480891	1541814	0	1541814
262/7-14	1541814	158982	1700796	1540738	160058
327/7-14	160058	1414433	1574491	1538089	36402
390/8-14	36402	1652190	1688592	1524102	164490
443/9-14	164490	1378492	1542982	1494029	48953
458/10-14	48953	1481727	1530680	1380301	150379
524/11-14	150379	1252918	1403297	1343415	59882
486/12-14	59882	1343415	1403297	1280524	122773
543/1-15	122773	1217633	1340406	1251184	89222
552/2-15	89222	2477239	2566461	2534614	31847
594/3-15	31847	2607979	2639826	2598451	41375
Balance available as after adjustment during the year as on 31.3.15					41375

Hence action would need to be taken to rectify the above defect from the beginning of the practice performed by the executive authority, and finally the difference amount will be adjusted to the future payment at an early date.

15. VEHICLE DEPOT- EXPENDITURE INCURRED TOWARDS MAINTANANCE OF VEHICLES- VIOLATION OF RULES – IRREGULAR: Rs: 6564183.00 (code no:9)

As verified from the records of Vehicle depot with reference to the expenditure verified to the following selected months in audit, the following expenditure Incurred towards maintenance of the vehicles under the control of vehicle depot of the Mpl.corporation, Vijayawada as detailed below.

1.

Date	Voucher No.	Account Code	Particulars of payment	Amount paid
01/09/2014	MJC-4622037/2014-2015	2204002	Vehicles maintenance charges	199587
16/03/2015	MJC-5554742/2014-2015	2204002	Vehicles maintenance charges	131443
26/03/2015	MJC-5493926/2014-2015	2204002	Vehicles maintenance charges	44482
07/07/2014	MJC-4482116/2014-2015	2204002	Vehicles maintenance charges	104965
	Total:			480477

2.

Voucher Date	Voucher No.	Account Code	Particulars of payment	Amount paid
10/04/2014	MJC-4234570/2014-2015	2304002	Vehicles maintenance charges	0
16/04/2014	MJC-4614689/2014-2015	2304002	Vehicles maintenance charges	12527
23/04/2014	MJC-4263352/2014-2015	2304002	Vehicles maintenance charges	8094
01/07/2014	MJC-4464135/2014-2015	2304002	Vehicles maintenance charges	49250
01/07/2014	MJC-4557070/2014-2015	2304002	Vehicles maintenance charges	99576
01/07/2014	MJC-4557091/2014-2015	2304002	Vehicles maintenance charges	34200
01/07/2014	MJC-4557116/2014-2015	2304002	Vehicles maintenance charges	25340
01/07/2014	MJC-4603497/2014-2015	2304002	Vehicles maintenance charges	52227
01/07/2014	MJC-4603515/2014-2015	2304002	Vehicles maintenance charges	52227
01/07/2014	MJC-4603538/2014-2015	2304002	Vehicles maintenance charges	51185
01/07/2014	MJC-4603550/2014-2015	2304002	Vehicles maintenance charges	51185
02/07/2014	MJC-4606605/2014-2015	2304002	Vehicles maintenance charges	75000
16/07/2014	MJC-4504494/2014-2015	2304002	Vehicles maintenance charges	75000
22/07/2014	MJC-4637588/2014-2015	2304002	Vehicles maintenance charges	23815
22/07/2014	MJC-4637607/2014-2015	2304002	Vehicles maintenance charges	21940
22/07/2014	MJC-4637621/2014-2015	2304002	Vehicles maintenance charges	22773
22/07/2014	MJC-4637635/2014-2015	2304002	Vehicles maintenance charges	22773
22/07/2014	MJC-4637676/2014-2015	2304002	Vehicles maintenance charges	23815
22/07/2014	MJC-4637709/2014-2015	2304002	Vehicles maintenance charges	43896
22/07/2014	MJC-4637948/2014-2015	2304002	Vehicles maintenance charges	21940
22/07/2014	MJC-4638016/2014-2015	2304002	Vehicles maintenance charges	28016
30/07/2014	MJC-4545306/2014-2015	2304002	Vehicles maintenance charges	44808
30/07/2014	MJC-4545324/2014-2015	2304002	Vehicles maintenance charges	32710
01/09/2014	MJC-4662855/2014-2015	2304002	Vehicles maintenance charges	11662
01/09/2014	MJC-4662877/2014-2015	2304002	Vehicles maintenance charges	7944
01/09/2014	MJC-4662900/2014-2015	2304002	Vehicles maintenance charges	33155
02/09/2014	MJC-4663556/2014-2015	2304002	Vehicles maintenance charges	3193
02/09/2014	MJC-4663584/2014-2015	2304002	Vehicles maintenance charges	13289

02/09/2014	MJC-4696700/2014-2015	2304002	Vehicles maintenance charges	3604
04/09/2014	MJC-4710232/2014-2015	2304002	Vehicles maintenance charges	23184
10/09/2014	MJC-4679378/2014-2015	2304002	Vehicles maintenance charges	100000
15/09/2014	MJC-4701926/2014-2015	2304002	Vehicles maintenance charges	311432
15/09/2014	MJC-4717436/2014-2015	2304002	Vehicles maintenance charges	46065
15/09/2014	MJC-4717535/2014-2015	2304002	Vehicles maintenance charges	25249
15/09/2014	MJC-4717553/2014-2015	2304002	Vehicles maintenance charges	25560
15/09/2014	MJC-4717564/2014-2015	2304002	Vehicles maintenance charges	25560
29/09/2014	MJC-4767712/2014-2015	2304002	Vehicles maintenance charges	50000
01/11/2014	MJC-4840273/2014-2015	2304002	Vehicles maintenance charges	16695
01/11/2014	MJC-4840284/2014-2015	2304002	Vehicles maintenance charges	3620
01/11/2014	MJC-4840914/2014-2015	2304002	Vehicles maintenance charges	10377
01/11/2014	MJC-4840959/2014-2015	2304002	Vehicles maintenance charges	26814
01/11/2014	MJC-4840984/2014-2015	2304002	Vehicles maintenance charges	11614
01/11/2014	MJC-4841499/2014-2015	2304002	Vehicles maintenance charges	52060
01/11/2014	MJC-4841513/2014-2015	2304002	Vehicles maintenance charges	17668
01/11/2014	MJC-4841532/2014-2015	2304002	Vehicles maintenance charges	25560
10/11/2014	MJC-4839126/2014-2015	2304002	Vehicles maintenance charges	35817
10/11/2014	MJC-4839129/2014-2015	2304002	Vehicles maintenance charges	75000
10/11/2014	MJC-4839135/2014-2015	2304002	Vehicles maintenance charges	125000
20/11/2014	MJC-4828047/2014-2015	2304002	Vehicles maintenance charges	25000
28/11/2014	MJC-4828091/2014-2015	2304002	Vehicles maintenance charges	17655
29/11/2014	MJC-4824516/2014-2015	2304002	Vehicles maintenance charges	560
29/11/2014	MJC-4834073/2014-2015	2304002	Vehicles maintenance charges	10432
08/01/2015	MJC-4822061/2014-2015	2304002	Vehicles maintenance charges	17247
08/01/2015	MJC-4822087/2014-2015	2304002	Vehicles maintenance charges	9116
08/01/2015	MJC-4822326/2014-2015	2304002	Vehicles maintenance charges	23174
08/01/2015	MJC-4822382/2014-2015	2304002	Vehicles maintenance charges	10924
08/01/2015	MJC-4822467/2014-2015	2304002	Vehicles maintenance charges	12071
08/01/2015	MJC-4822519/2014-2015	2304002	Vehicles maintenance charges	12444

08/01/2015	MJC-4822564/2014-2015	2304002	Vehicles maintenance charges	16157
08/01/2015	MJC-4822589/2014-2015	2304002	Vehicles maintenance charges	2000
08/01/2015	MJC-4822617/2014-2015	2304002	Vehicles maintenance charges	4826
08/01/2015	MJC-4822640/2014-2015	2304002	Vehicles maintenance charges	23936
08/01/2015	MJC-4822684/2014-2015	2304002	Vehicles maintenance charges	22605
08/01/2015	MJC-4822706/2014-2015	2304002	Vehicles maintenance charges	5664
01/03/2015	MJC-5391221/2014-2015	2304002	Vehicles maintenance charges	22940
01/03/2015	MJC-5391232/2014-2015	2304002	Vehicles maintenance charges	47740
01/03/2015	MJC-5391247/2014-2015	2304002	Vehicles maintenance charges	40840
01/03/2015	MJC-5391270/2014-2015	2304002	Vehicles maintenance charges	38508
01/03/2015	MJC-5391291/2014-2015	2304002	Vehicles maintenance charges	45500
01/03/2015	MJC-5391367/2014-2015	2304002	Vehicles maintenance charges	40590
01/03/2015	MJC-5391386/2014-2015	2304002	Vehicles maintenance charges	53370
01/03/2015	MJC-5391414/2014-2015	2304002	Vehicles maintenance charges	25444
01/03/2015	MJC-5391427/2014-2015	2304002	Vehicles maintenance charges	27810
01/03/2015	MJC-5391447/2014-2015	2304002	Vehicles maintenance charges	25000
01/03/2015	MJC-5392118/2014-2015	2304002	Vehicles maintenance charges	24440
01/03/2015	MJC-5392123/2014-2015	2304002	Vehicles maintenance charges	12144
01/03/2015	MJC-5392130/2014-2015	2304002	Vehicles maintenance charges	25192
01/03/2015	MJC-5392141/2014-2015	2304002	Vehicles maintenance charges	25560
01/03/2015	MJC-5392154/2014-2015	2304002	Vehicles maintenance charges	27810
01/03/2015	MJC-5392168/2014-2015	2304002	Vehicles maintenance charges	25560
01/03/2015	MJC-5392202/2014-2015	2304002	Vehicles maintenance charges	26106
01/03/2015	MJC-5392208/2014-2015	2304002	Vehicles maintenance charges	25560
01/03/2015	MJC-5392222/2014-2015	2304002	Vehicles maintenance charges	20166
01/03/2015	MJC-5392237/2014-2015	2304002	Vehicles maintenance charges	38340
01/03/2015	MJC-5392261/2014-2015	2304002	Vehicles maintenance charges	51120
01/03/2015	MJC-5392272/2014-2015	2304002	Vehicles maintenance charges	51120
01/03/2015	MJC-5392276/2014-2015	2304002	Vehicles maintenance charges	17466
01/03/2015	MJC-5392283/2014-2015	2304002	Vehicles maintenance charges	16882

01/03/2015	MJC-5392293/2014-2015	2304002	Vehicles maintenance charges	28096
01/03/2015	MJC-5392300/2014-2015	2304002	Vehicles maintenance charges	23440
01/03/2015	MJC-5392316/2014-2015	2304002	Vehicles maintenance charges	32157
16/03/2015	MJC-5414485/2014-2015	2304002	Vehicles maintenance charges	7822
16/03/2015	MJC-5414493/2014-2015	2304002	Vehicles maintenance charges	21669
16/03/2015	MJC-5414507/2014-2015	2304002	Vehicles maintenance charges	12100
16/03/2015	MJC-5418348/2014-2015	2304002	Vehicles maintenance charges	8509
28/03/2015	MJC-5555021/2014-2015	2304002	Vehicles maintenance charges	50060
	Total:			3105291

3.

Voucher Date	Voucher No.	Account Code	Particulars of payment	Amount paid
26/04/2014	MJC-4275953/2014-2015	2305301	Maintenance of Heavy vehicles	81
26/04/2014	MJC-4356928/2014-2015	2305301	Maintenance of Heavy vehicles	150000
02/07/2014	MJC-4467333/2014-2015	2305301	Maintenance of Heavy vehicles	96259
17/07/2014	MJC-4509487/2014-2015	2305301	Maintenance of Heavy vehicles	135598
01/09/2014	MJC-4612099/2014-2015	2305301	Maintenance of Heavy vehicles	23000
01/09/2014	REA-4724238	2305301	Maintenance of Heavy vehicles	100043
01/11/2014	MJC-4833919/2014-2015	2305301	Maintenance of Heavy vehicles	410000
01/11/2014	MJC-4834030/2014-2015	2305301	Maintenance of Heavy vehicles	425550
01/11/2014	MJC-4834050/2014-2015	2305301	Maintenance of Heavy vehicles	441400
01/11/2014	MJC-4840362/2014-2015	2305301	Maintenance of Heavy vehicles	665828
01/11/2014	MJC-4840749/2014-2015	2305301	Maintenance of Heavy vehicles	136560
01/11/2014	MJC-4840771/2014-2015	2305301	Maintenance of Heavy vehicles	123970
02/03/2015	MJC-5554637/2014-2015	2305301	Maintenance of Heavy vehicles	156028
	Total:			2864317

4.

Voucher Date	Voucher No.	Account Code	Particulars of payment	Amount paid
01/04/2014	MJC-4342839/2014-2015	2305302	Maintenance of light vehicles	109550
04/09/2014	MJC-4684209/2014-2015	2305302	Maintenance of light vehicles	4548
	Total:			114098

### ABSTRACT

S.No.	Account Code	Purpose of payments	Expenditure incurred during the year 2014-15
01	2204002	Maintenance of Vehicles	480477.00
02	2304002	Maintenance of vehicle	3105291.00
03	2305301	Maintenance of Heavy vehicles	2864317.00
04	2305302	Maintenance of light vehicles	114098.00
		Total Expenditure:	6564183.00

During the course of audit, the above expenditure incurred providing technical sanction of the estimated work from the concerned towards maintenance of the vehicles relating to the Public Health and all vehicles owned by the Corporation and inviting quotation from the contractors and work order issued and payment made after completion of the work as per rules. But, some of the expenditure incurred in piece meal towards cost of spare parts and miscellaneous expenditure towards maintenance of the Municipal Corporation without obtaining the technical sanction and estimate. The concerned executive authority not maintained the record relating to the maintenance of the vehicles and the condition of the vehicles not certified by the concerned technical persons. In the absence of the same, the correctness of the expenditure not verified in audit is held under objection.

It is also observed that, the some of the vehicles running without fitness, when they are to be condemned as per the Government rules. Due to this reason the expenditure for the maintenance of these vehicles is wasteful and the consumption of the fuel is very high and causes increases the fuel expenditure. Hence action would need to be taken to minimize the expenditure towards maintenance.

#### 16. PURCHASES MADE WITHOUT FOLLOWING THE RULES LAID DOWN FOR THAT PURPOSE: code no:9

For invitation and disposal of tenders relating to the supply of materials, goods, etc., there shall be prepared annually an estimate of items like stationery, printing articles required for public health sections for sanitation purposes, clothing to be supplied to the members of the P.H. establishment, articles for engineering section, lighting articles and food for live stock and the estimate shall be approved by the competent authority before tenders are invited.

Under Rule 5 of the said rules the Commissioner shall arrange for the proper maintenance of a stock account in such form as may be prescribed by the Government from time to time and for such form as may be specified in the headings therein as well as for all forms of tickets printed for use in departmental collection of revenue. The correctness of the stock account of forms shall be verified at the end of every half year by the Commissioner.

But, during the course of audit, it was noticed that the prescribed procedure was not followed in as much as the preparation of estimates for the annual consumption of various items and the stock accounts were either not maintained or maintained improperly. The Commissioner did not verify the stocks at the end of half year or at the end of the financial year and the annual physical verification certificate was not forth coming in audit. The files relating to purchases were also not produced to audit in full shape. The executive authority would need to take effective steps to comply with the said rules for all purchases to be made and produce the connected records to audit for verification.

17.SALARY SAVING SCHEME-L.I.C. MONTHLY PREMIUM RECOVERED FROM THE SALARIES OF THE GENERAL, PUBLIC HEALTH AS NON-GOVT. DEDUCTION-DELAY IN REMITTANCE TO L.I.C OF INDIA - LOSS TO INDIVIDUALS - NEEDS ACTION

During the course of audit, it is noticed that the LIC Monthly premiums recovered from the Salaries of the General and Public Health Staff. But the recovered amount is kept under DDO A/c for months. Without any cause and remit the amount with a delay of 1 month to 5 Months which is irregular. This is loss to the individuals. The details are hereunder.

Month	DD No	Amount	Remittance Date	Delay
3-2014	485341 & 485334 of SBI, VMC BRANCH	7,19,176/- (GL) 5,17,511/- (PH)	20-07-2014 08-07-2014	3M 19 DAYS 3M 7 DAYS
4-2014	485355	12,30,669/- (GL+PH)	08-09-2014	4M 7 DAYS
5-2014	485362	12,33,161/-	18-09-2014	3M 17 DAYS
6-2014	215499	12,55,848/-	03-11-2014	4M 2 DAYS
7-2014	215499	11,74,974/-	03-11-2014	3M 2 DAYS
8-2014	215505	12,14,875/-	27-11-2014	2M 26 DAYS
9-2014	215511	11,99,562/-	20-12-2014	2M 19 DAYS
10-2014	215521	11,97,037/-	25-02-2015	3M 24 DAYS
11-2014	215534	11,88,851/-	02-03-2015	3M 1 DAY
12-2014	215534	11,87,014/-	02-03-2015	2M 1DAY
1-2015	215545	12,29,447/-	19-04-2015	2M 18 DAYS
2-2015	215553	11,61,380/-	08-06-2015	3M 7 DAYS
STRIKE PERIOD				
8-2013	215498	2,36,614/-	01-11-2014	1YR 2 MONTHS
9-2013	215498	2,55,517/-	01-11-2014	1YR 1 MONTH
10-2013	215498	2,43,273/-	01-11-2014	1 YR

Hence an early action would need to be taken to be taken to remit the deducted premium amount in the following month and report the same to audit.

18. ANDHRA PRADESH STATE EMPLOYEES GROUP INSURANCE SCHEME MONTHLY PREMIUM AMOUNTS DEDUCTED FROM THE SALARIES OF THE INDIVIDUALS - BUT, NOT REMITTED TO GOVT. HEAD INTIME - IRREGULAR- NEEDS EARLY REMITTANCE.

During the course of audit, it is noticed that the APSE GIS Monthly premium amount were deducted from the Salaries of the Individuals. But, deducted amounts were not remitted to state funds with in time. The amount is kept under DDO A/c for long standing which is irregular and this is loss to the individuals. The details are hereunder.

Months	Amount Deducted	Remitted Date	Challan No.	Delay
1-2014 to 4-2014	1,41,853/-	24-9-2014	69738	4M 23 days to 7M 23 days
5-2014 to 8-2014	1,38,723/-	5-1-2015	110402	4M 4 days to 7M 4days
9-2014 to 12-2014	1,33,959/-	13-3-2015	138905	2M 12 days to 5M 2days
1-2015 to 3-2015	1,04,295	4-7-2015	42166	3M 6days to 5M 6days
4-2015 to 7-2015	1,31,715/-	18-9-2015	72727	1M 17 days to 8M 17 days
8-2015 to 9-2015	65,385/-	24-11-2015	105585	1M 23dyas to 2M 23 days
10-2015 to 1-2016	1,45,250/-	4-4-2016	585	2M 3days to 5M 3days remitted by (2016-17 on Fyr)

Hence, early action would need to be taken to remit the Deducted Monthly premium amount in the following Month and report compliance to Audit.

19. APSE GIS 1984 - GIS MONTHLY SUBSCRIPTIONS LESS/EXCESS RECOVERED FROM THE SALARIES OF THE INDIVIDUALS WIHTOUT FOLLOWING THEIR ELIGIBILITY - GIS MONTHLY SUBSCRIPTION NOT RECOVERED FROM THE SALARIES OF CERTAIN EMPLOYEES - IRREGULAR - NEEDS IMMEDIATE ACTION.

As per G.O.Ms.No.225 for (Admn-II) Dept. dt. 22-06-2010 the Govt implemented the Revised slab rates from the salaries 6/2010 paid by 7-2010.

During the course of Establishment Audit, it is noticed that the following individuals are remitted Less/Excess, Monthly Subscription under APSEGIS 1984 Scheme without following the Govt. Guidelines which is irregular. The same may be recovered from the salaries of the individuals and remitted to state funds and report compliance to Audit.

S.No.	Name & Designation	T.S.	Already recovered	To be recovered	dept
<b>ACCOUNT SECTION</b>					
1	Sri D.Venkateswara Rao, Sr.Asst., Code : 3475	2440-71510	30/-	60/-	30/-
2	Sri I. Madhu Jagan Mohan Rao- Jr. Asst., Code : 4758	17890-53950	15/-	30/-	15/-
3	Sri G.Prakash Sagar- Jr. Asst., Code : 5811	18400-55410	15/-	30/-	15/-
<b>CITIZEN CHARTER CENTER</b>					
4	Smt. S.Vijayalakshmi, Supdt., Code 3501	28940-78910	30/-	60/-	30/-
5	Sri A.V.Prasadha Rao, Jr.Asst., Code 3819	17890-53950	15/-	30/-	15/-
6	Sri T.V.Prasad, Jr. Asst, Code : 6448	16400-49870	15/-	30/-	15/-
7	Smt M. Hemalatha, Jr.Asst., Code : 4344	16400-49870	15/-	30/-	15/-
<b>CENTRE PRO SECTION</b>					
8	Sri G.Siva Ramakrishna Jr. Asst., Code No : 5110	16400-49870	15/-	30/-	15/-
9	Sri P.V.N.Muralikrishna Jr. Asst., Code No : 6168	17890-53950	15/-	30/-	15/-
10	Sri G.V.Maruthi Sarma, Bill Collector, Code No : 4503	16400-49870	15/-	30/-	15/-
<b>CENTRE : DEPT. STAFF OF RGMS</b>					
11	Sri V.Sivaiah, Work Inspector, Code No.: 3781	24440-71510	15/-	60/-	45/-
12	Sri R.S.S.Prasad, Work Inspector, Code No.:4313	16400-49870	15/-	30/-	15/-
<b>CENTRE : CHEMIST -CUM SUPDT.</b>					
13	Sri J. Ramakoteswara Rao Chemist-cum-Supdt. Code : 3646	40270-93780	60/-	120/-	60/-
<b>CENTRE : CIRCLE OFFICE-I (Out door)</b>					
14	Smt. I.Vijayalakshmi Supdt. Code No.: 0015	28940-78910	30/-	60/-	30/-
15	Sri V. Srinivas Jr.Asst., Code No.:4778	17890-53950	15/-	30/-	15/-
<b>CENTRE ; 348 AE-12 (PUBLIC WORK)</b>					
16	Sri Ch. Ramakoteswara Rao Work Inspector,Code No.:3772	23100-67990	15/-	60/-	45/-
17	Sri M.Pothu Raju Work Inspector, Code No.:4413	16400-49870	15/-	30/-	15/-

CENTRE 423 : CIRCLE OFFICE-I (OUT DOOR)					
18	Sri P.V.Nanchara Rao Bill-collector, Code No.: 1516	16400-49870	15/-	30/-	15/-
19	Sri D.Rambabu, Jr. Asst. Code No.:2045	16400-49870	15/-	30/-	15/-
CIRCLE 432 : HORTICULATURE SECTION					
20	Smt V. Sri uma Maheswari, Jr. Asst. Code No.: 5184	18400-55410	15/-	30/-	15/-
21	Sri M.Durga Prasadha Rao, Park Supervisor Gr-II, Code No.:4289	16400-49870	15/-	30/-	15/-
22	Sri M.Venkateswalu, Park Supervisor Gr-II, Code No.:1803	21230-63010	15/-	30/-	15/-
23	Sri G.Ramana, Park Supervisor Gr-II, Code No.:3925	21230-63010	15/-	30/-	15/-
CENTRE 422: CIRCLE OFFICE -I (OUT DOOR)					
24	Sri G.Ramesh Babu Work Inspector, Code No.:1734	23100-67990	30/-	60/-	30/-
25	Sri G.Ch. Apparao, Work Inspector, Code No.: 4665	18400-55410	15/-	30/-	15/-

Further, the following Employees were remitted excess subscription from their salaries. This is Loss to the individuals, They are not eligible for 'C' group. They eligible 'D' group only i.e., Rs. 15/- Subscriptions per month.

A.E.-II (WATER SUPPLY)					
26	J.Srinivasa Rao, Watch Man, Code No.: 4194	13780-42490	30/-	15/-	15/-
27	K.Nageswara Rao Fountain Cleaner, Code No.: 4321	13780-42490	30/-	15/-	15/-
28	K.Tata Rao, Fountain Cleaner, Code No.: 4323	13780-42490	30/-	15/-	15/-
29	N.Srinivasa Rao Fountain Cleaner, Code No.: 4324	13780-42490	30/-	15/-	15/-
30	K.YeduKondalu, Fountain Cleaner, Code No.: 4367	13780-42490	30/-	15/-	15/-
31	K.Durga Rao, Meter reader, Code No.: 4325	15460-40330	30/-	15/-	15/-
32	P.Dhanaiah, Gr-II Pipeline fitter, Code No.:4117	13390-41380	30/-	15/-	15/-
CENTRE 458 : PH OUT DOOR S.I.,					
33	N.Venkata Ramana Code No.:3698		15/-	30/-	15/-

34	Syed Surajuddin, S.I., Code No.:3754		15/-	30/-	15/-
35	T.Brahmaiah, S.I., Code No.: 3755		15/-	30/-	15/-
36	K.Venkateswara Rao, S.I., Code No.:		15/-	30/-	15/-
37	Kandhula Venkateswarlu S.I., Code No.: 4449		15/-	30/-	15/-
38	T.Prasadha Rao, S.I., Code No.: 4449		15/-	30/-	15/-
39	N.Balaji Srinivasamurthy S.I., Code No.:5210		15/-	30/-	15/-
40	P.Krupanandham, J.A., Code No.: 5501		15/-	30/-	15/-
41	I.Jagadeeswara Prasad J.A., Code No.: 6427		15/-	30/-	15/-
42	K.Srinivasa Rao J.A., Code No.: 5155		15/-	30/-	15/-

The GIS Monthly Subscription was not remitted from the salaries of following individualy

43.	Sri P.Madhu Kumar	Asst. City Planner	Code No : 7211 Centre : 445
44.	Sri A.Rama Krishna	Deputy Executive Engineer Centre : 360	Code No : 7061
45.	Sri B.Narasimha Rao	Deputy Executive Engineer Centre : 360 (EEIV under	Code No : 7154 ground Lain)
46.	Sri D.Venkatalaxmi	Deputy Commissioner	Code No : 7152 Centre : 487
47.	Sri Gudise Victor Babu	Estate Officer	Code No :7216 Centre : 469
48.	Sri G.S.V.V.S.V.N.V.Prasad	Deputy Exe.Engineer (EEV)	Code No : 6995 Centre : 363
49.	Sri P.Police	Dy.Exe.Engineer	Code No : 7244
50.	Sri K.Rama Mohan Rao	Executive Enginner	Code : 7242
51.	Sri A.Nooka Raju,	Biologist	Code No. : 7057
52.	Sri K.Koteswara Rao	Dy.Exe.Engineer	Code No : 4384
53.	Sri S.V.Choudary	Regional fire officer	Code No.:
54.	Sri Ch. Dhanunjaya	Executive Engineer	Code No.: 6353
55.	Sri Md.Imam Mohiddin	Superintending Engineer	Code No : 7190

20. CHEQUE/DD AMOUNT RS 100000 .00 DEPOSITED NOT REALISED NEEDS RECTIFICATION      code no.9

On verification of Cheque/DD received details in computer system for the year 2014-2015 it is observed that an amount of Rs 100000=00 was sent to bank for clearing but the amount was deposited in bank and amount was not realized. Therefore Early action would need to be taken to realize the Cheque amount early and fact intimated to audit.

Type of Receipt	Bank and Branch	paid Name	DD/Cheque NO	DD/Cheque date
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Non-Taxes	City Bank	ATC Telecom	089574	3-2-2015
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Tower

Status	Amount	Bank Account No
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Deposited	100000	SBI, VMC Branch
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10442746881

21. CHEQUES /DDS RETURNED WITHOUT REALISATION-NEEDS RECTIFICATION.      Code no.9

On verification of Cheques /Demand drafts received details in computer System for the year 2014-2015 it is observed that 16227 Cheques /DDs received and realized in concerned bank accounts amounting to Rs 149,28,24,437.47 towards Taxes ,Non –Taxes ,Markets. It could not be verified whether all the cheques/DDs were credited in concerned bank, since the connected Scrolls not produced to audit.

The following 170 number of Cheques/DDs were bounced amounting to Rs 63, 91,407.00 in respect of Taxes, Non Taxes and Markets .But the bounced Cheque amounts recovered from the parties/institutions and credited particulars were not shown in audit and connected files were also not produced to Audit .Therefore Early action would need to be taken to credit the returned cheques/DDs to concerned bank accounts and fact intimated to audit.

TAXES

SL.No	Cheque /DD No	Date	Amount
1	000171	31-3-2014	16527
2	423477	11-8-2014	450
3	602322	16-6-2014	487
4	659607	10-5-2014	560
5	659606	10-5-2014	560
6	000003	20-1-2015	35109
7	330307	25-11-2014	7197
8	064800	16-3-2015	26148
9	009432	31-3-2015	4662
10	031428	31-3-2014	8246
11	001251	20-10-2014	17259
12	778059	24-3-2015	2035
		Total	119240
	NON-		

	TAXES		
13	885808	25-3-2014	19000
14	000001	24-4-2014	4215
15	016543	9-7-2014	223250
16	000122	9-7-2014	222000
17	000123	9-7-2014	222000
18	000167	16-7-2014	4761
19	571207	25-6-2014	2411266
20	893144	21-7-2014	620
21	888194	18-6-2014	800
22	090032	5-8-2014	71033
23	119917	20-8-2014	47342
24	249155	5-5-2014	72000
25	995916	22-12-2014	33000
26	165611	26-8-2014	142100
27	936602	31-10-2014	244000
28	465884	15-11-2014	200
29	465885	15-11-2014	200
30	195104	1-2-2015	361
31	165092	21-2-2015	1208
32	007187	23-2-2015	361
33	000052	24-2-2015	1810
34	159542	25-2-2015	9480
35	934730	23-2-2015	18951
36	930560	26-2-2015	1810
37	263232	26-202015	746
38	153281	26-2-2015	47342
39	005444	26-2-2015	361
40	005445	26-2-2015	361
41	005446	26-2-2015	361
42	005447	26-2-2016	361
43	005448	26-2-2016	361
44	005449	26-2-2016	361
45	005450	26-2-2015	361
46	005451	26-2-2015	361
47	005452	26-2-2016	361
48	005453	26-2-2015	361
49	005436	26-2-2015	361
50	052346	26-2-2015	9502
51	693086	27-2-2015	29698
52	936616	24-2-2016	244000
53	015682	16-3-2015	265307
54	181476	5-2-2015	702
55	001113	6-2-2015	702
56	002203	30-3-2015	625
57	449596	10-2-2015	702
58	156298	12-2-2015	14225
59	000001	12-3-2015	372
60	679867	14-3-2015	14221
61	098510	25-2-2015	757
62	413521	21-2-2015	2271
63	567245	28-2-2015	25243
64	100478	28-2-2015	1000
65	022364	28-2-2015	746

66	256864	28-2-2015	14232
67	259669	28-2-2015	47342
68	116495	15-2-2015	746
69	078367	2-3-2015	9502
70	490046	28-2-2015	757
71	490047	2-3-2015	504
72	472163	28-2-2015	504
73	345246	2-3-2015	47342
74	000201	11-3-2015	23680
75	034699	20-3-2015	39455
76	062274	27-3-2015	47342
77	167607	26-3-2015	746
78	248995	31-3-2015	71000
79	000169	22-11-2014	1626
80	000155	22-11-2014	1043
81	157144	12-2-2015	757
82	016544	9-7-2014	223000
		Total	4943478
	MARKETS		
83	000037	2-4-2014	8088
84	601042	2-1-2014	7200
85	000359	1-4-2014	2900
86	015874	1-4-2014	2900
87	052321	1-4-2014	7489
88	564730	31-3-2014	8388
89	951667	2-5-2014	2496
90	852722	2-5-2014	5004
91	852723	2-5-2014	5004
92	816896	1-6-2014	1659
93	499895	11-3-2014	7974
94	354578	1-6-2014	8613
95	816909	1-7-2014	1659
96	177911	30-6-2014	1659
97	816911	1-7-2014	2900
98	815090	1-7-2014	7105
99	000097	1-8-2014	4495
100	000096	1-8-2014	7676
101	985156	1-8-2014	5993
102	030052	1-8-2014	1448
103	033433	5-8-2014	6257
104	000109	6-8-2014	21560
105	558360	10-7-2014	5000
106	558361	10-8-2014	5000
107	000113	22-8-2014	21560
108	742097	15-7-2014	42630
109	000476	1-9-2014	8388
110	601964	1-9-2014	4495
111	601965	1-9-2014	2503
112	000666	1-9-2014	8388
113	985157	2-9-2014	5995
114	091973	1-10-2014	5004
115	780318	1-10-2014	5993
116	000109	10-10-2014	2496
117	098266	15-10-2014	125412

118	001591	1-11-2014	7489
119	112732	1-12-2014	5004
120	564742	2-12-2014	8388
121	081375	2-12-2014	1659
122	001149	8-12-2014	4458
123	000240	1-1-2015	1423
124	000059	28-12-2014	5993
125	879411	7-4-2014	26292
126	339621	28-5-2014	48690
127	214301	5-5-2014	2931
128	214302	5-5-2014	2931
129	493961	5-5-2014	12360
130	440747	4-1-2014	15730
131	468501	29-5-2014	13000
132	596106	4-7-2014	11615
133	891254	8-7-2014	10186
134	770642	21-7-2014	12130
135	000128	26-7-2014	47822
136	197473	1-8-2014	10495
137	624501	4-8-2014	8390
138	616575	4-8-2014	16105
139	622721	3-9-2014	5600
140	589803	4-9-2014	12000
141	123908	30-9-2014	47822
142	000132	30-9-2014	47918
143	000070	20-9-2014	35840
144	000299	30-9-2014	70669
145	271329	17-10-2014	62104
146	456704	31-10-2014	30102
147	259548	3-11-2014	44944
148	504997	1-11-2014	30000
149	504998	1-11-2014	35000
150	000124	4-11-2014	8389
151	618191	25-10-2014	11425
152	000071	27-10-2014	2111
153	023913	5-11-2014	23910
154	516128	1-9-2014	300
155	501942	27-10-2014	46641
156	501943	28-10-2014	41458
157	782113	3-12-2014	2908
158	000140	5-12-2014	23959
159	000083	5-12-2014	17920
160	078616	5-1-2015	8778
161	000141	5-1-2014	23959
162	001159	26-2-2015	5396
163	386188	28-2-2015	5993
164	182433	26-2-2015	2996
165	069214	27-2-2015	5604
166	182503	27-2-2015	3505
167	001168	27-2-2015	3505
168	001166	27-2-2015	5604
169	505317	5-3-2015	7407
170	669345	16-3-2015	10509
		Total	1328689

**22. CHEQUES REALISED BUT NOT CREDITED IN CONCERNED BANK ACCOUNT code no.9**

As verified from the Cheques/DDs received details in computer System for the year 2014-2015 it is observed that the following cheques/DDs amounts were shown as realised but the details of bank accounts in which the amounts credited were not noted in concerned column. In the absence of the same the amounts credited in which bank could not be verified in audit .Therefore early action would need to be taken to show the bank account number in which Cheques /DDs credited in concerned column. The loss if any caused in this regard would need to be made good from the person or persons responsible.

Sl No	Cheque/DD No	Cheque Status Date	Amount
1	500828	12-4-14	5004
2	002510	16-4-14	2496
3	853241	17-5-14	1423
4	614600	15-5-14	7489
5	502412	21-5-14	2697
6	087147	21-2-15	9759
7	181705	9-2-15	5058
8	181638	21-2-15	5376
9	128722	21-11-14	1500
10	679478	29-12-14	5100
11	172048	27-11-14	6732
12	996899	23-3-15	13134
13	996349	21-2-15	33000

**23. CHEQUE AMOUNTS SHOWING AS REALISED – NOT TRACED IN CONNECTED BANK SCROLLS code no.9**

On verification of cheques/Demand drafts received details in Computer system for the year 2014-15, it is observed that the following cheques showing as realized in concerned bank accounts. But the cheque amounts were not traced in connected bank scrolls. The loss if any sustained to the Municipal Corporation funds would need to be recovered from the person or persons responsible.

Particulars of cheque	Cheque No	Amount	Cheque date	Cheque status (realization)	Bank account No.
BSNL	887648	109452	26-03-2014	03-04-2014	10442746881
Commissioner of Police	502230	103054	23-02-2015	27-02-2015	10442742934
N.srihari Rao, IOB	108570	86609	30-09-2014	30-10-2014	10442742934
Tummalapalli Annapurnamma Students Home Trust	820403	100000	24-03-2015	31-03-2015	10442742934
Siddhartha Medical College	824349	285826	12-03-2015	20-03-2015	10442742934
Karur vysya Bank GHN Babu	924138	76422	27-03-2014	15-04-2014	10442746881
Durga Enterprises	502014	40000	02-05-2014	12-05-2014	220/778

**24.TOWN PLANNING – NON PRODUCTION OF BUILDING APPLICATIONS AND ENCROACHMENTS AND OTHERS RECORDS – NEEDS IMMEDIATE ACTION.** **Code no.9**

All the functions would be reflected on the record when they were accounted for as per the provisions contained in AP Accounts Code, which comprises the Comptroller and Auditor General (C&AG) rules together with the local rulings relating to Local variation in accounts procedure. These initial accounts are to be kept ready and should have to be produced to Audit for verification. Then only the transparency in incurring of public money and their utility to the General Public can be reasonably judged.

Such an important function on the part of the Drawing and Disbursing Officers in the maintenance and production of records to audit is not properly being discharged. Thereby the main access to clear the doubt of transparency in public expenditure has not been availed. In spite of all these guidelines and instructions the DDOs have failed to maintain the records and to produce the same to Audit whenever the local teams visited their institutions. Further it is surprising to note that the heads of the institutions could not explain why the records could not be maintained in the office and produced whenever they are being demanded by the audit parties and other agencies during their local visits.

The financial health of an institution depends upon the quality of the records that are being maintained to show the accountability of the financial transactions that occur in the institution. Though several half margin letters issued for production of the required record, the Executive Authorities did not comply which resulted in inaccessibility to the records and raising of paras to that extent.

Due to non production of the following records in Town Planning Section the correctness of the collections made and balance left cannot be ascertained in audit. The loss if any sustained due to this omission would need to be made good from the person or persons responsible and credited to Municipal Corporation funds under intimation to this department without fail.

- In Vijayawada Municipal Corporation there are around 3000 building applications files, only 50 files were produced to audit. Hence the maintenance and production of records is very poor in corporation.
- The lists of encroachments in the municipal area was not got prepared by the municipal outdoor staff / Building inspector and verified by the Commissioner. The encroachments were not got classified as objectionable or non objectionable by the municipal commissioner and got approved by the Municipal Corporation and the District Collector all the objectionable encroachments should be removed and the unobjectionable encroachments licensed under Section 193 of the Municipal Act, 1965, duly collecting the requisite fee.
- Town Planning Assets Register.
- Due to Non production of layout register there is a chance for disposal of layouts.

There is every chance for fraud and misappropriation of funds. As stated in Rules 5 and 6 of the State Audit Rules framed under State Audit Act 1989, the Executive Authorities are responsible for preparing and production of Annual Accounts and produce records for audit. The failure of the Executive Authorities in discharging the above function defeated the very purpose of audit and thereby there is chance for fraud and misappropriation of the funds of the institution.

**25. TOWN PLANNING – EXPIRY OF LICENSE PERIOD – NOT RENEWED BY LICENSE CIVIL ENGINEER – NEEDS ACTION.**

**Code no.9**

During the audit of Town Planning Wing of Vijayawada Municipal Corporation, it is noticed that, the License Civil Engineer Sri S. Siva Prasad, whose License No. 7/2008 was expired by the date: 31-03-2011. But the License Civil Engineer has not renewed his license and is being certifying the Plan (Blue Print) as notified in B.A No. 01309/2014 of Smt B. Chittemma which is highly irregular and loss to the funds of the Corporation. Moreover the Plans cannot be treated as certified by the license civil engineer without renewals of the license No. of the License Civil Engineer.

Hence, immediate action is called for by the concerned authorities to trace out such un-authorized License Civil Engineers and to take appropriate action against such persons under intimation to audit. The loss if any occurred in this regard would need to be made good from the person or persons responsible.

**26. BUILDING PERMIT / LICENSE FEES – REJECTED – BUILDING APPLICATION – RESUBMITTED – IRREGULARITIES NOTICED.** **Code no.9**

During the course of audit, it is noticed that one Sri P. Naga Raju has submitted building application to the corporation and he has paid the initial building permit / license fees of Rs. 10,000/- vide challan No. 17502444, dated: 24-12-2013, this application was rejected for the reason that, the set back measurements in submitted plans are not tallied vide Letter Dis No. G-6, BA No. 2784/2013, dated: 02-01-2014. Again the individual has paid an amount of Rs. 150/- for building application resubmission fees vide Challan No. 15006070, dated: 03-04-2014. But the individual has not paid the building permit / license fee of Rs. 10,000/- due to foregone of Rs. 10,000/- already paid which is contrary to the provisions laid down at Para 19 (a) of G.O Ms. No. 168 Municipal Administration and Urban Development (M) Department, dated: 07-04-2012 are here under which is highly irregular.

Again the building application was returned due the TDR Bonds are under litigation in the Court. Again the individual has paid an amount of Rs. 250/- for building application resubmission fees vide Challan No. 17503066, dated: 18-01-2014, later the building permission was accorded with a condition of payment of Vacant Land Tax for the year 2014 as Vacant Land Tax was already paid upto 2013.

As seen from the above case the following irregularities are noticed.

1. An amount of Rs. 10,000/- was not paid towards Building Permit / License Fees on resubmission of Building Application.
2. The Building Application was approved inspite of Court Litigations and other lapses in the Building Application.

Furthermore, out of 3274 building applications around 50 building applications were produced to audit. In the absence of production of all files audit cannot pointed out the irregularities that may occur in the remaining files. Hence, immediate action is called for to produce the all files to audit and to take appropriate action against the municipal authorities for the above stated irregularities under intimation to audit.

**27.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 (M) Department, dated: 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 may be by way of registered gift deed. The award would be in 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 of development 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 conservation and development of lakes / water bodies / nadas foreshores & Recreational buffer development with greenery,

etc: equivalent to 100% of built up area of such recreational buffer area developed at his cost.

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

(c) The TDR may be arrived at on the basis of relative land value and equivalent amount in both export and import areas, as per the Registration Department records. The Competent Authority shall have the discretion in the matter of applicability of TDR. The TDR shall not be allowed in unauthorized buildings / structures / constructions and shall be considered only after the land is vested with the local authority / UDA. The TDR certificate issued would be valid or utilized / disposed only within the concerned local body area and as per guidelines and conditions prescribed.

**(d) 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 as per the provisions of these Building Rules. In the event the owner doesn't take up any construction, the owner is entitled for TDR which can be used / disposed depending on convenience.

(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 its sale / disposal 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 columns in the register and that 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 to enter relevant details in the register and also to enter utilization details in the TDR. When TDR Certificate is sold / utilized totally, the same shall be surrendered by the owners and the custodian shall take possession of the Certificate and make necessary entries in the register. As per Government Orders, TDR award is to be arrived on the basis of relevant land value at both export and import areas 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 subject to compliance of other norms.

(vi) Every TDR sold or disposed shall be accompanied by a prescribed agreement on Rs. 100/- non-judiciary stamp paper between the person disposing the TDR and the person who intend to utilize the TDR. Draft agreement as per **Annexure - XI**.

**(e) 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 permitted and utilized, 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.

Inspite of above specific instructions on Transferable Development Right, during audit of Vijayawada Municipal Corporation one case is noticed in which the above procedures were not followed. The details of the case are here under.

Applicant Name: Sri Cherukuri. Murali Mohan, B.A No. 1102/2014.

**T.D.R Bond Details:** Smt Gadde Sarojini – 132.22 Sq.Yds of Maruthi Nagar, D. No. 31-23-1A, Karlmarx Road, Eluru Road.

**Bond Transfer Details:**

1. Smt Gadde Sarojini to Sri Poonam Venkata Dheeraj.
2. Sri Poonam Venkata Dheeraj to Sri Varada Sridhar.
3. Sri Varada Sridhar to Smt Yalamanchili Swathi.
4. Smt Yalamanchili Swathi to Sri R. Srinivasa Rao
5. Sri R. Srinivasa Rao to Sri Cherukuri Murali Mohan.

Further, there may be several such cases since the entire files relating to TDR for the year 2014-15 could not be produced to audit. In the absence of production of records, audit could not point out the any other irregularities that might have been occurred. Hence, immediate action is called for to produce all the related records relating to TDR to audit and also to take immediate action against the Municipal Authorities for the lapses in the above pointed out case under intimation to audit.

General works

28. PAYMENT MADE TO THE CONTRACTOR, EVEN THOUGH 3 RD PARTY QUALITY CONTROL CERTIFICATE WAS NOT PRODUCED.RS.1,33,943.00 code no.9

As verified from the work file relating to work “ Providing MS Collapsible gate at east, west side and also at TP Section in Vijayawada municipal corporation ” work was entrusted to the contractor sri A.Nageswara rao.

The payment was made to the contractor even though he did not submit the 3<sup>RD</sup> party quality control certificate, the contractor and Engineer in charge are responsible for the quality of construction. The external agency if any engaged should conduct the Quality control test as per the standard procedure mentioned in G.O.Ms.No.94 ,I& CAD dept. Dated. 01-07-2003. The observations of the external agency on the quality of the work should be obtained by the engineers, then only the payment should be made . But the same was not done , which is irregular.There fore it is held under objection.

Hence early action would need to be taken to produce the quality control certificate for verification in audit. The loss if any sustained in this regard would need to be recovered from the person or persons responsible.

Vr.no 2417/9-7-2014	WORK: Providing MS Collapsible gate at east,west side and also at TP Section in Vijayawada municipal corporation	Fileno EE1 Rc E6 - 120726/2012 M.Book no.22/2012-13.	RS. 133943.00
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29. SHORT COLLECTION OF EMD AND FSD FROM THE CONTRACTOR -IRREGULAR. RS 22,557.00 code no.9

As verified from the work files relating to the work "Supply of drinking water with tankers to G+3 beneficiaries at Gangireddula dibba , it was noticed that EMD &FSD amounts were less collected from the contractor.

EMD at the rate of 1% of ECV is to be collected at the time of sale of tender documents from the each tenderor and also EMD at the rate of 1½% is to be collected from the successful tenderor at the time of concluding the agreement. For the works above Rs.1,00,000.00 in value FSD will be withheld at the rate of 2.5% of value of work done from each running account bills of the contractor to ensure due performance of the contract. The EMD and FSD shall be refunded to the contractor after the end of the defect liability period of 24 months.

EMD has to be collected from the contractor 15348.00

EMD collected from the contractor 3700.00

Less EMD Collected 11648.00

FSD has to be collected from the contractor 10909.00

FSD collected from the contractor 0.00

Less FSD Collected 10909.00

Vr.no 44/-4-2014	WORK: Supply of drinking water with tankers to G+3 beneficiaries at Gangireddula dibba.	File no RC E12 - 130909/2013, EST. Rs.7,67,413.00, M.Book no.77/11-12.	Net amount paid. 4,36,357.00
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30. WORK ENTRUSTED TO THE CONTRACTOR AT LESS RATE – NECESSARY FORMALITIES NOT OBSERVED- NEEDS ACTION: code no.9

As verified from the work file relating to work "Supply and delivery of Ferric alum for maintenance of head waterworks" at the estimates cost of 18,40,000.00 was entrusted to M/S SWATHI INDUSTRIES at 16% less.

But as per G.O.Ms.No.17 1& CAD (pw Code) Department date 6-2-2004 a Bank guarantee or a DD has to obtain From the contractor for the difference between the tendered amount and 85% of the estimated value, so that if the tenderer leaves the work in midway and the municipal corporation is forced to call for tenders for the work once again, the bank guarantee or the demand draft shall be used to finance the retendered work. But the same was not obtained and produced for audit. Hence it is irregular to entrust the work without observing the formalities required as per Government instructions.

The loss if any in this regard would need to be recovered from the person or persons responsible and made good to MPL Funds.

Vr.no 4450/11-2013	WORK: Supply and delivery of Ferric alum for maintenance of head waterworks	M.Book no.22/2012-13. Est. 18,40,000.00	Net amount paid Rs.11,18,260.00
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31. EXECUTION OF WORKS AND PAYMENTS MADE – CERTAIN IRREGULARITIES AND PROCEDURAL Lapses –  
NEEDS RECTIFICATION. Code no.9

On verification of M Books and relevant work files, the following irregularities and procedural lapses have been noticed while making payment to the works executed. The defects pointed out are as follows.

1. The balance of materials purchased after utilization in each work are not being accounted for or transferred to any other work.
2. Bills are being passed separately for labour and material Components.
3. 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 is being laid and passed 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.
4. 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. Hence the utilization of the materials purchased could not be verified.
5. Empty cement bags are not disposed off in sales and the sale and the sale proceeds are not being accounted for.

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

**32. GENERAL WORKS – DELAY IN EXECUTION OF WORK – NO PENALTIES IMPOSED IRREGULAR: (code no.9**

All the works awarded to contractors should be completed within the stipulated period of time as per the agreement conditions. The Primary concern is that the work should be completed within the agreed period and fulfilled the very purpose for which it is intended and this should be given the primary importance which is not followed by the Contractors. In respect of delays in commencement or progress or neglect of work the penalty of forfeiture of his earnest money (EMD), Security deposit and with holding of amounts need to be implemented, but it was not done by the Municipal authorities in any of the works where the agreement conditions were floated.

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

**Example**

1. Name of the Work	:	providing 150 w Hpsv lamp fittings at srinivasa nagar bank Colony in 2 <sup>nd</sup> division
2. Name of the Contractor	:	Sri Ch.Venkata ramana
3. Estimate Value	:	4,48,900.00
4. M.book no	:	4/2010-11
5. Due Date for Completion of work	:	13-9-2011
6. Date of Completion of work	:	04-01-2012
7. Excess time taken	:	3 months and 21 days.
8. Vr. No. & Date	:	5731/11-14

**33.Pensionery benefits were paid to retired employees, subsequently they were rejoined to duty due to enhancement of age of superannuation by the Government, but pensioner benefits paid are not remitted back by the rejoined employe -action not taken by the municipal Authorities-irregular.(code no.9)**

During the course of audit it was found that the pensioner benefits were paid to retired employees, who were retired between the periods 31-1-2015 to 31-7-2015. Subsequently they were rejoined to duty since Government has issued orders vide Go Ms no 191,MA&UD (D1) Dept.dt 31-8-2015,extending the enhancement of age of superannuation from 58 to 60 years in Andhra Pradesh employment amendment Act 2014 to the employees of Vijayawada municipal corporation w.e.f. 02-06-2014 and orders were issued with retrospective effect i.e. 02-06-2014. Rejoined employees have to remit back the drawn pensionery benefits, but they did not remit it so far , which is irregular the municipal authorities have not taken any action to recover the pensionery benefits from the rejoined Employees.

Therefore immediate action would need to be taken to recover the pensionery benefits from the rejoined employees and credited to municipal funds.

SI No	Name of the employee& designation	Date of retirement	Date of rejoining	PPO NO	Pension drawn period	Total amount of Pensionery benefits drawn
1.	Sri j.Venkateswara rao, driver	30-6-14	1-9-15	3131	9/14 to 8/15	1378250
2	Sri M.Aruna Kumari, social worker	31-7-14	1-9-15	3138	9/14 to 8/15	187061
3	Sri Mohammad Baid, PFL	31-8-14	1-9-15	3141	9/14 to 8/15	212026
4	Sri D.Rajendra Prasad,Electrition	30-6-14	1-9-15	3147	9/14 to 8/15	335950
5	Sri V,Venkateswarlu, J.A	30-9-14	1-9-15	3152	10/14 to 8/15	118085
6	Sri D.Krishna, F,B.O	28-2-15	1-9-15	3164	3/15 to 8/15	135324
7	Sri M,Venkateswarlu, Line man	31-1-15	1-9-15	3167	4/15 to 8/15	125475
8	Sri U.Sivaiah, W.I	30-4-15	1-9-15	3171	5/15 to 8/15	81692
9	Sri N.Someswara rao, W.I	31-5-15	1-9-15	3172	6/15 to 8/15	59595
10	Sri J.Nagendra rao, Supdt.	31-1-15	1-9-15	3178	7/15 to	55722

					8/15	
11	Sri B.S.S.Kumar, S.A	30-4-15	1-9-15	3181	7/15 to 8/15	50190
12	Sri V.Jaya ramudu, R.A	30-4-15	1-9-15	3182	7/15 to 8/15	28672
13	Sri S.Surya kumar,Bill collector	30-4-15	1-9-15	3189	8/15	14822
14	Sri CH.Veeraiah,W.I	30-6-15	1-9-15	3191	8/15	25095
	<b>TOTAL</b>					<b>2807959</b>

**34. Pensions-Register of Pension payment orders and register of commutations- Not properly maintained -  
Pension paid could not be certified. Code no.9**

During the course of audit on the accounts of pensions for the year 2014-15, it was noticed that the Register of pension payment orders and register of commutations were not properly maintained. And hence the following checks could not be made in Audit.

1. For the Family pensioner, the date of death of the employee and the date of enhanced Family pension reduced to normal Family pension was not recorded along with the sanctioned proceedings. Therefore the Family pension amount paid could not be certified.
2. The date on which commutation amount was paid was also not entered. Due to this, from which date reduced pension will be affected, could not be verified and hence the service pension amount paid could not be certified.

Therefore action would need to be taken to maintain the Register properly. The loss due to non availability of above information if any sustained that would need to be recovered from the person or persons responsible.

35.PROVIDENT FUND – SUBSCRIPTIONS – DEPOSITED IN SAVINGS BANK ACCOUNT – BANKER INTEREST NOT CREDITED – NOT CONVERTED AS FDR – IRREGULAR code no.9

As per Verified from the provident fund records in audit, the Municipal Authorities have credited the Employees provident fund subscription in Corporation Bank, Main Branch, Vijayawada in Account no. SB/01/018237. As verified from the bank account foils and particulars the account is opened on 22/2/2011 and the opening balance as on 01.04.2014 is Rs. 1,53,29,289/- and closing balance as on 31.03.2015 is Rs. 7,09,85,336/-. The previous year's PF balance particulars i.e., on before 22/2/2011 was not shown for verification to audit. The banker has collected cheque book issue charges from Municipal Corporation.

Huge amounts i.e., provident fund subscription were credited to the bank account monthly to the Municipal Corporation, Vijayawada. But the bank has not credited the interest single paisa to the above account. The Municipal Authorities have neither observed nor watched or not taken any follow-up action for non credit of interest to the bank account. Action would need to be taken to receive the interest amount from the banker to the provident fund account and the fact may be intimated to audit. The Municipal authorities are requested convert amounts to FDR for generate interest to the provident fund account.

CODE No. 11

36. PROVIDENT FUND SUBSCRIPTIONS – PAID TO OTHER DEPARTMENTS – CONNECTED FILE AND PARTICULARS – NOT PRODUCED. Rs. 1,30,683/-

The following amounts were drawn and paid to the Secretary, PF Trust, APSRTC, Bus Bhavan, and Hyderabad towards provident fund Contribution of Sri, M. Radha Krishna, A.E, who is working on Foreign Service as AE, Vijayawada, Municipal Corporation. But the connected file and remittance particulars were not shown for verification to audit. Hence the correctness of Transfer of the provident fund subscription remittance particulars could not be verified in audit. Hence the expenditure is held under objection. The loss if any sustained in this regard would need to be made good from the person or persons responsible.

S.NO	Vr. No/Date	Particulars	Amount (Rs.)
1	5863/22.11.2014	Secretary PF Trust APSRTC, Bus Bhavan, Hyderabad towards foreign Employees contribution of PF of Sri. M. Radha Krishna, working as AE, VMC from 01.01.2012 to 31.10.2012	32,883.00
2	5990/29.11.2014	Secretary PF Trust O/o. V.C.G. MD. APSRTC, Hyderabad towards, PF Contribution for 18.10.2008 to 31.12.2011.	97,800.00
		<b>TOTAL</b>	<b>1,30,683.00</b>

**VIOLATION OF RULES:****CODE.NO09****37.RETENSTION OF EDUCATION CESS AMOUNT IN GENERAL FUNDS – IRREGULAR – NEEDS EARLY ACTION:**

According to the .G.Ms.No.409, Education, Dept, Dated: 08-11-1994, the element of the Education Cess collected as component of Property tax shall have to remit to the Education funds P.D.Account maintained with treasury. The reports in this regards have to be furnished to the Education department to enable that dept to release the funds towards grants to meet the expenditure for payment of salaries to the teaching and non teaching staff in the Municipal Schools. As per the specified section in the A. Municipal Act, Education Cess @4% of the Property tax collected shall be transferred to education fund. But, from the year 1.4.2009, the salaries of the teaching & Non Teaching staff under education fund were met by the Govt directly through treasury under the Head of 010 Salaries without releasing any grant by DEO (Dist. Education Officer). A separate account maintained in this Municipality by the name of Education cess amount for transferring the Property tax component to that account in 002P.D.Account.

Further, it was noticed expenditure relating to VMC General Fund is admitted in the 002 accounts without allocating to the Education cess component as per G.O. cited above. The valid reasons if any were not forthcoming to audit. The reconciliation or proper rectification of education cess account was not pointed out.

Therefore, it is bought to the notice of the higher authorities concerned for taking necessary steps in this regards at an early date.

**VIOLATION OF RULES:****CODE.NO:09****38. PENSION – PENSION FUND NOT CONSTITUTED:**

According to rules relating to Pension – cum gratuity rules,1969 incurred in G.O.MS/No.799, M.A., Dated: 17-10-1969, every municipality shall constitute and maintain pension – cum gratuity fund by virtue of the orders issued in G.O.Ms.No.444, M.A.,Dated: 05-07-1967 and amended in Memo.no.595/Rules /69, Dated: 19-07-1968. /The funds shall from as an earmarked fund. As per rules 4 to 9 pension – cum gratuity rules of Municipal employees 1969, pension –cum- gratuity fund to be framed within the full enjoy entering of receipts.

1. The Gratuity formulated under clause (b) of sub rule-7 of rule 5 of the A.P.Liblerlized Pension rules.
2. Pension contribution payable by the Municipal council on behalf of employees & 9.5% of the Maximum of the Pay.
3. Contribution already paid by the Municipalities towards P.F @ 61/4%
4. Constitution from municipal council under which the pension eligible for benefit of the previous employees.
5. The interest derived from the interest of employee's fund.

After establishing Pension – cum – Gratuity fund with the above receipts to Municipal shall maintain separate cash books per rule-14 exhibiting all transaction made during watch the receipts and payment. But no such funds was constituted with the above receipt and operated as per rules. The monthly pension and after pensioner's benefits of the retired persons are being paid from the municipal funds. Therefore, effective steps would need to be taken for constitutes of pension –cum –gratuity fund with the above amount and operated as per rules.

**VIOLATION OF RULES:****CODE NO.9****39. PROPERTY TAX - COLLECTION OF PROPERTY TAX AFTER 30 DAYS OF THE EVERY YEAR - LOSS IF ANY SUSTAINED BY THE INSTITUTION - EXECUTIVE AUTHORITY IS HELD RESPONSIBLE:**

**The property tax shall be levied for every half year and it is the duty of the assesses to pay it within 30 days after the commencement of each half year i.e. 30th April/31st of October (Section 91).**

**Loss if any sustained by the institution due to non-collection of tax within time specified as per Section 238 and 266 of the Hyderabad Municipal Corporation Act, 1955 read with A.P. Municipal Corporation Act, 1994, the Executive Authority will have to be held responsible.**

**NON REMITTANCE OF RECOVERIES:**

**CODE.NO:10**

**40.NON REMITTANCE OF SEIGNORAGAND CESS CHARGES RECOVERED FROM THE WORK BILLS – NOT REMITTED TO THE GOVERNMENT ACCOUNTS- IRREGULAR NEEDS EARLY ACTION CALLED FOR:**

**Rs.50,69,480.00**

As seen from the Cash Books and other related records relating to the V.M.C, Vijayawada for the year 2014-15, it was noticed that an aggregate amount of **Rs.50,69,400.00** was recovered up to 18.03.2015 towards **SEIGNORAGAND CESS CHARGES** recovered from the Work Bills concerned during the year under audit and the same was not remitted to the respective Government Account till the close of audit.

Further, as could be verified from the Cash Books operated for all the Grants / Funds received from the GOAP / GOI / WB and Own sources during the year 2014-15, it was noticed that the amounts were retained in the heads concerned without remitting the same to the heads concerned. Which is not in order. Hence, necessary action would need to be taken for remittance of the same at an early date and furnish the remittance particulars to audit for verification without fail.

**NON REMITTANCE OF RECOVERIES:**

**CODE.NO:10**

**41.NON REMITTANCE OF SEIGNORAGAND CESS CHARGES RECOVERED FROM THE WORK BILLS – NOT REMITTED TO THE GOVERNMENT ACCOUNTS- IRREGULAR NEEDS EARLY ACTION CALLED FOR:**

As seen from the Cash Books and other related records relating to the V.M.C, Vijayawada for the year 2014-15, it was noticed that an aggregate amount of **Rs.17,00,53,470.00** was recovered from 1987-88 to 2014-15 (up to 18.03.2015) towards **SEIGNORAGAND CESS CHARGES** recovered from the Work Bills concerned during the year under audit and the same was not remitted to the respective Government Account till the close of audit.

Out of the above, an amount of Rs.21,93,362.00 was only remitted during the year 2001-2002 and leaving a balance of Rs.16,78,60,108.00 was retained in the funds as detailed below.

Seigniorage dues pending period	Seigniorage dues amount	Paid Amount	Balance Amount yet to be paid	Remarks
1	2	3	4	5
1987-1988 To 2014-15 (up to 18.03.2015)	17,00,53,470.00	21,93,362.00	16,78,60,108.00	

In this regard it is also noticed the Asst. Director of Miness & Geology, Vijayawada in his Letter.No.11/OD/C/2005, Dated: 28.02.2015 and stated that the Government of India have issued instructions that the Seigniorage Charges shall be recovered from the contractor work bills as per the rates prescribed by the Government from time to time for minerals consumed in the execution of the civil works by the consuming department and to remit the amounts to the concerned head of account.

He is further informed that a special drive has been initiated by their office for speedy remittance of the amounts which were recovered and held up with the consuming department, as the financial era is coming to end. Prompt remittance of Seigniorage cess by the consuming department is a statutory obligation. In this connection it is informed that instructions are issued from Government to impose **interest @24% per annum for belated remittance of the amount under Rule 19 of A.P. Mino Mineral Concession Rules, 1986.**

Though specific instructions are being issued from the departments concerned, and also informed against the imposing of **interest @24% per annum for belated remittance of the amount under Rule 19 of A.P. Mino Mineral Concession Rules, 1986, the executive authorities have not yet remitted the due amounts.** Further, as could be verified from the Cash Books operated for all the Grants / Funds received from the GOAP / GOI / WB and Own sources during the year 2014-15, it was noticed that the amounts were retained in the heads concerned without remitting the same to the heads concerned. Which is not in order.

Hence, effective steps would need to be taken for remittance of the same at an early date and furnish the remittance particulars to audit for verification without fail, further, the interest if any imposed against **belated remittance of the amounts the same will be recovered from the person or persons responsible besides furnishing the material facts to this department positively.**

42.PROFESSION TAX RECOVERED - NOT REMITTED TO GOVT. HEAD - HUGE AMOUNT IS PENDING REMITTANCE  
- IRREGULAR - NEEDS EARLY REMITTANCE RS. 42,97,679/- code no.10

During the course of audit it is noticed that the profession tax was recovered from the salaries of the employees based on slab rates. But the recovered amount is not remitted to Govt. head for the period from 3/2014 to 2/2015 which is irregular. An amount of Rs. 42,97,679/- is still pending remittance to Govt. head.

Hence, early action would need to be taken to remit the pending PT amount at an early date and challan produced to Audit.

The details are hereunder:

<b>Month</b>	<b>Amount</b>
3/2014	3,51,250-00
4/2014	3,56,010-00
5/2014	3,61,245-00
6/2014	3,66,100-00
7/2014	3,56,279-00
8/2014	3,57,616-00
9/2014	3,61,890-00
10/2014	3,50,220-00
11/2014	3,62,940-00
12/2014	3,50,040-00
1/2015	3,58,320-00
2/15	3,65,760-00
<hr/>	
<b>Total</b>	<b>42,97,679-00</b>

**43.NON-REMITTANCE OF DEDUCTIONS/RECOVERIES FROM WORK BILLS/PAY BILLS/CONTIGENT BILLS ETC.**

**(Code : 10)**

**DEDUCTION / RECOVERIES OF INCOME TAX NOT REMITTED OR PARTLY REMITTED-NON-REMITTANCE OF EDUCATION CESS TO THE EDUCATION DEPARTMENT**

According to section 37 to 39 of A.P. Education Act, 1982, the education cess collected has to be remitted to the Education Department to enable them to release the education grant to VMC, VZA every year.

As verified from the annual account it is noticed that no amount pertaining to the period 2014-15 was collected nor remitted to the education department so far. Hence it is construed that the amount so collected was diverted for other purposes which is irregular. Non-remittance of the amounts was also reiterated by the Commissioner and Director of Municipal Administration, Hyderabad Vide Circular Memo Roc No.10285/2006-E1 Dated 26-6-06.

The education cess may be collected along with collections for the year 2014-15 may be remitted to the Education Department at the earliest.

**Code No.11**

**44.FDR- REGISTER NOT WRITTEN UP AND CONNECTED FILES- NOT PRODUCED – IRREGULAR NEEDS EARLY ACTION.**

As verified from the annual account for the year 2014-15 it was noticed that an amount of Rs.45,00,00,000-00 was shown as Expenditure to invest in FDR. But the FDR Register was not produced to audit to verify the correctness of the payment and the transactions if any due to purchase of new F.D.Rs. Further the FDRs if any available were not produced in original for physical verification in audit. The loss if any in this regard would need to be recovered from person or persons responsible and made good to Municipal Corporation Funds.

Further it was noticed that the amounts relating to grant funds were invested in short term for which FDR receipts were not produced to audit.

But it is violation of rules to lodge the funds relating to specific grants without utilizing the same towards the execution of works. Hence early action would need to be taken to utilize the grant amount for the purpose for which they were sanction and Utilization Certificates may also be furnished for countersignature.

Code No.8

45. ADVANCES – ADVANCES LONG PENDING VARIOUS PURPOSES OF ADVANCES –  
NOT ADJUSTED – NEEDS EARLY ACTION

RS.1,10,61,049-00

The following amounts were drawn and paid as advances towards various purposes by the Commissioner Municipal Corporation Vijayawada during the year 1998-99 to 2014-15. But the Long Pending advance amounts were not adjusted till the last date of audit. Early action would need to be taken to adjust the advance amounts and the fact intimated to audit.

S.No.	Advance Registet No. & Dt.	Nature of Advance	Amount Rs.
1	34/2-5-1998	R.Srinivasa Rao J.A Purchases of Postal Stamps EE3-7450/97	500-00
2	46/25-4-2000	K.Surendra Kumar J.A to attend Mtm to census work G4-3786/2000	300-00
3	51/28-11-2000	K.Surendra Kumar J.A to go Mtm District Level Training charges for 2 days G15-12019/2000	5,000-00
4	57/23-3-2001	K.Surendra Kumar J.A to go to Hyd on census work G15-12349/01	600-00
5	91/3-5-2005	Y.N.Kamalakar S.I to go awareness camp for Dengue Epidemic for 2 days	1,000-00
6	92/19-5-2005	Y.N.Kamalakar S.I to go awareness camp for Dengue Epidemic Training Class for 2 days	5,000-00
7	93/20-5-2005	Y.N.Kamalakar S.I to go purchase of Brake Oil	5,000-00
8	94/24-5-2005	Advance paid to Tailors towards Uniform P.H	1,73,604-00
9	95/25-5-2005	K.Surendra Kumar J.A towards House passport Photos	61,415-00
10	96/16-7-2005	K.A.Raj Kumar S.I towards transport chares for vehicle delivery	5,000-00
11	97/7-2-2006	Y.N.Kamalakar S.I towards Malaria spayers repairs	5,000-00
12	99/16-9-2006	Y.N.Kamalakar S.I towards Purchase of kerosene	36,100-00
13	101/29-9-2006	D.Roselin J.A towards P.H workers prc Advance 152 No's	1,91,500-00
14	103/23-11-2006	K.Venkateswarlu S.I towards 16 health centres programme material	2,260-00
15	106/12-3-2007	B.Krishna Rao S.I towards 610 G.O verification	2,000-00
16	107/12-3-2007	G.D.V.Malleswararao S.I towards 610 G.O verification	2,000-00
17	108/12-3-2007	K.A.Rajkumar S.I towards 610 G.O verification	2,000-00
18	111/16-6-2007	K.Venkateswarlu S.I towards antilarwa preparation of oil bals	2,000-00
19	113/14-6-2007	Y.N.Kamalakar S.I towards antilarwa preparation of oil bals	2,800-00
20	116/30-2-2008	G.Jagadeeswari Social worker towards ucd arrangements	5,700-00
21	117/21-2-2008	K.Venkateswarlu S.I towards purchase malaria 10 power spares	45,000-00
22	121/9--2008	P.Salomi Social worker towards ucd arrangements	3,000-00
23	122/20-9-2008	M.Ramesh babu S.I towards purchase of store material basket bomsticks	60,000-00
24	123/19-12-2008	K.Venkateswarlu S.I towards material transport charges from vsk to wza	15,000-00
25	124/19-1-2009	S.Durga Prasad J.A towards purchase of memontos and certificates to 26-1-2009	9,000-00
26	125/3-4-2009	S.Ramamohanrao SI towards transport charges	2,500-00
27	129/25-7-2009	SVS.Sridhar SI towards engaging bulldozer in srirama energy plant	50,000-00
28	130/1-8-2009	S.Ramamohanrao SI towards transport charges	19,000-00
29	142/9-7-2010	Iqbal Ahamed Hussain Vas towards repairs to doors in rajiv Gandhi park	7,250-00

30	143/23-7-2010	G.Ajay kumar JA towards ta,da,for ucd section	1,000-00
31	144/9-8-2010	G.Ajay kumar JA towards Conduct of identification camp at Dr indore stadium	10,000-00
32	146/21-8-2010	Iqbal Ahamed Hussain Vas towards purchase ofprocess cocks,water tubes at rajiv park	10,000-00
33	147/23-8-2010	Dr.ch.Babu srinivas Biologist towards preparation banners,playcards,cassetts	3,000-00
34	148/2-9-2010	A.V.Narasimha rao PS towardsherbal garden developing in cvr Gmh school	18,100-00
35	151/22-9-2010	IOPC,Kondapalli A.E (vehicles) towards purchase of engine oil and lubricants	1,93,322-00
36	157/11-10-2010	G.Ramana PS towards to get polythin covers for nursery	54,955-00
37	163/24-1-2011	A.Venkateswararao SI towards tricycles repairs	2,150-00
38	165/24-1-2011	B.Krishna rao SI towards tricycles repairs	4,200-00
39	167/24-1-2011	Ch.Anjaneyulu SI towards tricycles repairs	7,200-00
40	169/24-1-2011	D.Pullarao SI towards tricycles repairs	7,200-00
41	176/24-1-2011	K.Venkateswararao SI towards tricycles repairs	7,600-00
42	177/24-1-2011	M.Ramesh babu SI towards tricycles repairs	6,550-00
43	180/24-1-2011	Murali Krishna HA towards tricycles repairs	2,850-00
44	181/24-1-2011	N.Balaji Srinivasa murthy SI towards tricycles repairs	3,800-00
45	183/24-1-2011	Nagendra reddy SI towards tricycles repairs	4,500-00
46	184/24-1-2011	P.Jaya surya SI towards tricycles repairs	8,250-00
47	185/24-1-2011	P.V.Satyannarayana SI towards tricycles repairs	2,100-00
48	189/24-1-2011	P.Venugopala rao SI towards tricycles repairs	6,500-00
49	187/24-1-2011	R.Obeswara rao SI towards tricycles repairs	9,350-00
50	189/24-1-2011	S.Panduranga rao SI towards tricycles repairs	6,700-00
51	190/24-1-2011	Saleem Ahmed SI towards tricycles repairs	4,600-00
52	191/24-1-2011	Seshu kumar SI towards tricycles repairs	8,100-00
53	192/24-1-2011	T.Brahmaiah SI towards tricycles repairs	7,250-00
54	193/24-1-2011	T.Jaya raju SI towards tricycles repairs	7,250-00
55	194/24-1-2011	V.D.V.Malleswrrao SI towards tricycles repairs	7,700-00
56	195/24-1-2011	V.Nagabhushanam SI towards tricycles repairs	5,450-00
57	196/24-1-2011	V.Ramakrishna SI towards tricycles repairs	2,400-00
58	197/4-2-2011	B harat petroleum T.sivakumar SA towards purchase of MI oil 1000 Ltrs	64,200-00
59	199/28-2-2011	G.Ajaykumar JA towards Minor repairs for fashion Desiners in Brahmanandareddy Complex	20,000-00
60	200/5-3-2011	G.Ajaykumar JA towards to meet expenditure on repairs the machines	30,000-00
61	203/21-4-2011	G.Ajaykumar JA towards Minor repairs for fashion Desiners in 2 sections	10,000-00
62	204/25-4-2011	G.Ajaykumar JA towards 2 training centres with furniture	50,000-00
63	206/28-5-2011	T.Veerendra prased JA towards Documentation and regn work	62,863-00
64	207/2-6-2011	T.Veerendra prased JA towards Documentation and regn work	21,000-00
65	209/20-6-2011	T.Veerendra prased JA towards User charges for regn of houses allotment under bsup	50,000-00
66	210/5-7-2011	T.Veerendra prased JA towards User charges for regn of houses allotment under bsup	1,00,000-00
67	211/15-7-2011	CBS.Reddy CDO towards User charges for regn of plots	50,000-00
68	212/15-7-2011	M.Durga Prasad cdo towards User charges for regn of plots	50,000-00
69	213/15-7-2011	T.Veerendra prased JA towards User charges for regn of plots	13,000-00
70	219/30-9-2011	M.Durgaprasad ps towards greenery work main canal in Vmc office	28,450-00
71	221/1-10-2011	M.Durgaprasad ps towards procurement of plants at jakkampudi housing colony	29,040-00

72	223/10-10-2011	M.Durgaprasad ps towards Devolopment of greenery at H.B.colony	42,775-00
73	226/10-10-2011	M.Durgaprasad ps towards user charges for regn	95,800-00
74	227/10-10-2011	T.Veerendra Prasad J.A towards expenditure on thumb impression	21,076-00
75	229/20-10-2011	M.Durgaprasad CDO towards conduct job mela	30,000-00
76	230/21-10-2011	CBS Reddy CDO towards Conducting grama sabha	18,000-00
77	231/21-10-2011	M.Durgaprasad CDO towards conducting grama sabha	21,000-00
78	234/3-11-2011	G.Ajay kumar J.A towards purchage of Stationary work of abaya hastam scheme	20,000-00
79	235/9-11-2011	M.Durgaprasad PS towards development of greenery at HB colony park	29,396-00
80	237/22-11-2011	CBS Reddy CDO towards printing of formats remuneration	30,000-00
81	238/22-11-2011	M.Durgaprasad PS towards printing of formats remuneration	30,000-00
82	241/9-12-2011	M.Durgaprasad PS towards greenery work beside Fly over adjustment to Milk project	97,578-00
83	242/31-12-2011	M.Durgaprasad PS towards Registration of 653 plots housing project jakkampudi	63,500-00
84	243/31-12-2011	T.Veerendra Prasad J.A towards Zerox, ID proofs, thumb Impressionat 653 plots	30,477-00
85	244/31-12-2011	T.Veerendra Prasad J.A towards Zerox copies of title deeds	5,500-00
86	247/7-2-2012	CBS Reddy CDO towards	1,50,000-00
87	248/7-2-2012	M.Durgaprasad PS towards	1,50,000-00
88	250/22-2-2012	B.V.Surendranath SI towards providing to lunch for Anti larva Staff	10,000-00
89	251/22-2-2012	T.Nageswararao SI towards providing to lunch for Anti larva Staff	10,000-00
90	252/29-2-2012	IOCL,Kondapalli towards purchage of KSD Oil	15,82,068-00
91	256/24-3-2012	Krishna zilla samakya towards hanorium to computer operors for the month of 1/2012	2,91,884-00
92	257/26-3-2012	SK.Basha Social worker, towards speed post charges in citizen charter	5,000-00
93	259/8-5-2012	G.Ajay kumar JA towards attend awairence programe at Hyd on 8-5-2012	2,000-00
94	262/21-5-2012	Krishna Zilla samakya towards payment of wages data entry operators 4/2012	2,88,609-00
95	263/28-5-2012	K.Venkateswarulu SI towards purchage of woodern dust bins with gunny bags,oilballs	1,00,000-00
96	270/25-6-2012	Ap Agro Inds.Devp.Corpn.Ltd Vijayawada towards supply of various tyres and tubes to vechiles	9,90,912-00
97	274/25-6-2012	Krishna Zilla samakya towards computer operators salaries for the month of 5/2012	3,45,275-00
98	272/13-8-2012	Steel authority of India Ltd. Towards repairs to damaged dumperbins	4,82,845-00
99	275/10-9-2012	President Krishna silla samyka towards data entry operators 6/2012 salaries	3,15,350-00
100	276/12-9-2012	M/s ApSCSI Vijayawada towards purchase of kirosen	5,53,500-00
101	282/2-11-2012	EPTRI EE -7 towards site for scientific land fill agiripalli	7,00,000-00
102	283/3-11-2012	EPTRI EE -7 towards environment facilites and serve test K.Pothavaram village	5,00,000-00
103	300/4-7-2013	J.Phani srinivasrao AE-2 towards O&MUGD system at H.B colony	16,800-00
104	301/4-7-2013	IOCL.Vijayawada towards purchase of transformer oil and greese	1,30,553-00



46.LAW CHARGES CONNECTED FILES AND KHATHA EXTRACTS NOT PRODUCED.

Rs.29,82,239-00

During the course of audit of Municipal Corporation, Vijayawada for the year 2014-2015, it is noticed that an amount of Rs 29,82,239-00 has been drawn and paid to the advances towards Law Charges for the various purposes.

S.No	Vr.No & Dt	Details	Amount (Rs)
1	36/4-2014	Payable to 2nd Additional District Court, Vijayawada towards deposit as per High Court Order ASMP No.2832/2013, ASMP No. 223/13,731/13 dt 18-3-2014	2000000
2	299/4-2014	Sri T.BalaSwamy, MSC towards the payment of advocate fees in 74 cases	100195
3	3408/9-2014	Smt G.Janshi, MSC towards the payment of advocate fees for 68 disposed cases and 341 transferred cases	444462
4	3847/9-2014	Sri G.Gopala Sastry, MSC towards the payment of advocate fees for 14 cases	36828
5	5309/11-2014	Sri G.Gopala Sastry, MSC towards the payment of advocate fees for 14 cases	90754
6	5415/11-2014	Smt G.Janshi, MSC towards the payment of advocate fees for the purpose Central Excise Service Tax.	310000
		<b>TOTAL</b>	<b>2982239</b>

Due to non-production of suit registers, advocate account (Pleaders khatha) could not be verified in audit whether the following procedure prescribed for maintenance of suit register was 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. Those half yearly returns showing the number of suits pending relating to previous year, number filed during the half year, the number disposed of and the number pending at the end of the half year have been obtained from the pleaders and checked with reference to the entries in this register.

That amounts decreed have been noted in the miscellaneous demand register with a view to watch their recovery.

47.OUTSOURCING STAFF- WAGES PAID- CONNECTED FILES NOT PRODUCED -NEEDS ACTION -Rs 13,11,29,958

As verified from the vouchers, the following amounts were drawn and paid to the following contractors towards wages for supply of contract workers for maintenance of various type of sections during the year 2014-2015. But the connected files and other relevant records were not produced to audit for verification. In the absence of the same the correctness of the expenditure incurred could not be verified. Hence the incurred amount is held under objection. Hence early action would need to be taken to produce the connected files to audit for verification.

S.No	Vr. No & Dt	Details	Amount (Rs)
1	1/4-2014.	Wages to DWCWA/CMEY Groups for the month of 1/2014	15101466
2	4/4-2014.	Wages to DWCWA/CMEY Groups-22 No's of Horticulture section for 1/2014	749644
3	7/4-2014.	M/s Sri Shiridi Saibaba DWCWA Group towards Raajev Nagar PHC wages for the month of 1/2014	22691
4	26/4-2014.	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 1/2014	311760
5	275/4-2014.	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 11/2013	309162
6	276/4-2014.	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 12/2013	312948
7	383/4-2014	Paid to Sri D.Srinivasarao, Contractor towards salaries of contract staff working in EE-VI for the month of 12/2014	91539
8	482/4-2014	wages to 17 Urban Health Centres for the monthe of 12/2013 & 1/2014	1105419
9	483/4-2014	Wagess to Paramedical staff for the month of 1/2014	143308
10	484/4-2014	Wagess to Paramedical staff for the month of 12/2013	142177
11	1790/7-14	Paid to Sk.liyakhat Ali Ahamed, Sr.Software Engineer towards remuneration for the month of 3/2014	35100
12	1825/7-14	Monthly remuneration to Contract coaches for 1/14 to 3/14	200051
13	1826/7-14	Smt R.P.Kumari represented by M/s Gurkha Security Services,VZA towards supply of Gurkhas/Watchman/Secuurity Staff for 03/2014	136152

14	1827/7-14	M.Anil Kumar, contractor towards supply of contract workers for maintenance of Civil works and STP's for EE-IV Section from 11/13 to 2/14.	794070
15	1828/7-14	Paid to Sri D.Srinivasarao, Contractor towards supply of skilled electricians on contract basis for maintenance of Tumanapalli Kalakshetram for the month of 1/2014	103543
16	1829/7-14	Paid to Sri D.Srinivasarao, Contractor towards supply of skilled electricians on contract basis for maintenance of Tumanapalli Kalakshetram for the month of 2/2014	92859
17	1830/7-14	Paid to Sri D.Srinivasarao, Contractor towards supply of skilled electricians on contract basis for maintenance of Tumanapalli Kalakshetram for the month of 3/2014	103543
18	1831/7-14	Paid to Krishna Zilla Samakya towards remuneration of Sri D.Kranthi DEO from 4/13 to 10/13	55238
19	2055/7-14	Wages to DWCWA/CMEY Groups for the month of 4/2014	19291997
20	2056/7-14	Wages to DWCWA/CMEY Groups-22 No's of Horticulture section for 4/2014	755846
21	2057/7-14	M/s Sri Shiridi Saibaba DWCWA Group towards Raajev Nagar PHC wages for the month of 4/2014	22691
22	2114/7-14	Paid to Krishna Zilla Samakya towards remuneration of DEO's for 3/14	399124
23	2115/7-14	Paid to Krishna Zilla Samakya towards remuneration of DEO's for 4/14	401027
24	2167/4-14.	Wages to Paramedical staff for the month of 4/2014	142260
25	2169/7-14	Smt R.P.Kumari represented by M/s Gurkha Security Services,VZA towards supply of Gurkhas/Watchman/Security Staff for 04/2014	136152
26	3319/9-14	Paid to Krishna Zilla Samakya towards remuneration of Sri D.Kranthi DEO from 11/13 to 4/14	47204
27	3321/9-14.	wages to 17 Urban Health Centres for the month of 05/2014	549717
28	3322/9-14	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 4/2014	300577
29	3323/9-14	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 5/2014	322416
30	3410/9-14	Paid to Sk.liyakhat Ali Ahamed, Sr.Software Engineer towards remuneration for the month of 6/2014	38610

31	3411/9-14	Paid to Sk.liyakhat Ali Ahamed, Sr.Software Engineer towards remuneration for the month of 7/2014	38610
32	3579/9-14	Wages to DWCWA/CMEY Groups-22 No's of Horticulture section for 10/2014	674032
33	3695/9-14	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 4/2014	332054
34	3696/9-14	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 5/2014	314294
35	3708/9-14	Wages to Paramedical staff for the month of 6/2014	143430
36	3777/9-14	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 6/2014	308157
37	3893/9-14	Wages to DWCWA/CMEY Groups for the month of 7/2014	19041722
38	3894/9-14	Wages to DWCWA/CMEY Groups-22 No's of Horticulture section for 7/2014	685276
39	5401/11-14	Paid to Sk.liyakhat Ali Ahamed, Sr.Software Engineer towards remuneration for the month of 8/2014	38610
40	5402/11-14	-do-- fot 9/2014	38610
41	5589/11-14	Paid to Sri D.Srinivasarao, Contractor towards for supply of Technical and Non-Technical work inspectors for the month of 04/2014	33857
42	5590/11-14	Paid to Sri D.Srinivasarao, Contractor towards for supply of Technical and Non-Technical work inspectors for the month of 05/2014	42016
43	5591/11-14	Paid to Sri D.Srinivasarao, Contractor towards for supply of Technical and Non-Technical work inspectors for the month of 06/2014	39980
44	5592/11-14	Paid to Krishna Zilla Samakya towards remuneration of DEO's for 7/14	393838
45	5593/11-14	Paid to Krishna Zilla Samakya towards remuneration of DEO's for 8/14	389748
46	5717/11-14	Wages to DWCWA/CMEY Groups for the month of 9/2014	18725379
47	5718/11-14	Wages to DWCWA/CMEY Groups-22 No's of Horticulture section for 9/2014	667832
48	5719/11-14	M/s Sri Shiridi Saibaba DWCWA Group towards Raajev Nagar PHC wages for the month of 7/2014	22691
49	5720/11-14	M/s Sri Shiridi Saibaba DWCWA Group towards Raajev Nagar PHC wages for the month of 8/2014	22691
50	5721/11-14	M/s Sri Shiridi Saibaba DWCWA Group towards Raajev Nagar PHC wages for the month of 9/2014	22597

51	5723/11-14	Paid to Sri D.Srinivasarao, Contractor towards supply of skilled electricians on contract basis for maintenance of Tumanapalli Kalakshetram for the month of 4/2014	99586
52	5724/11-14	---do- for the month of 5/2014	102753
53	5725/11-14	---do- for the month of 6/2014	99191
54	5855/11-14	Paid to Sri D.Srinivasarao, Contractor towards supply of skilled electricians on contract basis for maintenance of Tumanapalli Kalakshetram for the month of 7/2014	144918
55	5856/11-14	---do- for the month of 8/2014	144918
56	5943/11-14	Smt R.P.Kumari represented by M/s Gurkha Security Services,VZA towards supply of Gurkhas/Watchman/Security Staff for 12/2014	134313
57	6041/11-14.	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 8/2014	319093
58	6042/11-14.	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 9/2014	293320
59	6043/11-14.	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 8/2014	325926
60	6044/11-14.	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 9/2014	309380
61	6045/11-14.	Wages to DWCWA/CMEY Groups for the month of 10/2014	18552278
62	6046/11-14.	Wages to DWCWA/CMEY Groups-22 No's of Horticulture section for 10/2014	656111
63	7705/1-15	Paid to Sri D.Srinivasarao, Contractor towards supply of skilled electricians on contract basis for maintenance of Tumanapalli Kalakshetram for the month of 9/2014	89377
64	7706/1-15	Paid to Sri D.Srinivasarao, Contractor towards supply of skilled electricians on contract basis for maintenance of Tumanapalli Kalakshetram for the month of 10/2014	93762
65	7707/1-15	Paid to Sri D.Srinivasarao, Contractor towards supply of skilled electricians on contract basis for maintenance of Tumanapalli Kalakshetram for the month of 11/2014	90052
66	7708/1-15	Paid to Sri D.Srinivasarao, Contractor towards supply of contract labour for water supply pipeline leakages at Circle-I for the month of 11/2014	236543

67	7709/1-15	Paid to Sri D.Srinivasarao, Contractor towards supply of contract labour for maintenance of head water works in Circle-I for the month of 11/2014	470552
68	7710/1-15	Paid to Sri D.Srinivasarao, Contractor towards supply of contract labour for maintenance of water supply in Circle-I for the month of 11/2014	293376
69	7116/1-15	Paid to M/s Sri Renukha Sakshi Security Service Private Ltd, towards contract staff working in Cir-III for water supply & UGD in AE-VI for month of 11/2014	330970
70	7246/1-15	M.Nageswararao, contractor towards supply of contract labour on daily wages in Cir-IV for 10/2014 & 11/2014	351826
71	7493/1-15.	Sri D.Srinivasarao, contractor for supply of contract labour for maintenance of Municipal Guest house in Cir-3 for 7/2014	21416
72	7494/1-15	--do-- 8/2014	27376
73	7495/1-15	Sri D.Srinivasarao, contractor for supply of contract labour for 10/2014	244468
74	7496/1-15	--do-- 10/2014	300237
75	7760/1-15	wages to 17 Urban Health Centres for the monthe of 10/2014 & 11/2014	1080261
76	8519/3-15	Paid to Sri D.Srinivasarao, Contractor towards for supply of Technical and Non-Technical work inspectors ffor supervising the works in Proj Division-III for the month of 11/2014	40223
77	8520/3-15	Paid to Sri D.Srinivasarao, Contractor towards for supply of Technical and Non-Technical work inspectors ffor supervising the works in Proj Division-III for the month of 12/2014	41623
78	8521/3-15	Paid to Sri D.Srinivasarao, Contractor towards for supply of contract labour and amaintenance of Mpl. Corporation Guest House in Cir-3 for the month of 09/2014	27376
79	8522/3-15	Paid to Sri D.Srinivasarao, Contractor towards for supply of contract labour and amaintenance of Mpl. Corporation Guest House in Cir-3 for the month of 10/2014	27376
80	8523/3-15	Paid to Sri D.Srinivasarao, Contractor towards for supply of contract labour and amaintenance of Mpl. Corporation Guest House in Cir-3 for the month of 11/2014	27376
81	8524/3-15	Paid to Sri D.Srinivasarao, Contractor towards for supply of contract labour and amaintenance of Mpl. Corporation Guest House in Cir-3 for the month of 12/2014	27376
82	8337/3-15	Sri M.Venkateswararao for supply of contract workers for maintenace of Autonagar & Ramalingeswara nagar STP's for 10/2014	95373

83	8338/3-15	Sri M.Venkateswararao for supply of contract workers for maintenance of Autonagar & Ramalingeswara nagar STP's for 11/2014	82598
84	8339/3-15	Sri M.Venkateswararao for supply of contract workers for maintenance of Autonagar & Ramalingeswara nagar STP's for 12/2014	93142
85	8340/3-15	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 12/2014	318498
86	8341/3-15	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 1/2015	311396
87	8342/3-15	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 12/2014	355798
88	8343/3-15	M/s Sri Renuka Sakthi Security Services Pvt. Ltd., towards supply of contract labour for maintenance of water supply & UGD in AE-V Cir-3 for 1/2015	357957
89	8344/3-15	Sri M.Venkateswararao for supply of contract workers for maintenance of Autonagar & Ramalingeswara nagar STP's for 9/2014	94031
90	8355/3-15	Wages to DWCWA/CMEY Groups-22 No's of Horticulture section for 1/15	667683
91	8488/3-15	Paid to Krishna Zilla Samakya towards remuneration of DEO's for 11/14	358850
92	8489/3-15	Paid to Krishna Zilla Samakya towards remuneration of DEO's for 12/14	373887
93	8492/3-15	Smt R.P.Kumari represented by M/s Gurkha Security Services,VZA towards supply of Gurkhas/Watchman/Security Staff for 12/2014	134313
94	8493/3-15	Smt R.P.Kumari represented by M/s Gurkha Security Services,VZA towards supply of Gurkhas/Watchman/Security Staff for 01/2015	133220
95	8525/3-15	Sri V.Kishor Kumar, CMEY worker towards wages for 7/13 to 6/14	68076
96	8747/3-15	Wages to DWCWA/CMEY Groups for the month of 1/2015	18393459
97	9959/3-15	Paid to Sri D.Srinivasarao, Contractor towards supply of skilled electricians on contract basis for maintenance of Tumanapalli Kalakshetram for the month of 12/2014	94609
			TOTAL 131129958

The Cheques Received Registers and connected bank Scrolls in Manual for the year 2014-2015 not produced to audit. In the absence of the same the particulars regarding date of encashment, bank commission if any charged, the amount realized and date of credit and attestation of concerned Executive Authority could not be verified in Audit. Therefore Early Action Would need to be taken to produce the records to audit.

(Code No.11)

49 EMPLOYEES PROVIDENT FUND - AMOUNT RECOVERED FROM THE CONTRACT WORKERS- CONNECTED FILESAND REMITTANCE PARTICULARS TO THE CONCERNED HEADS NOT PRODUCEDRs. 3, 20, 19,288-00

During the course of audit, it is noticed that an amount of Rs.3, 20, 19,288-00 was deducted from contract workers and paid to Regional Commissioner, Employees Provident Fund, Guntur towards provident fund recoveries noted against each voucher. But the connected files and remittance particulars of deducted amounts in the shape of challans were not produced to audit. If any loss sustained would need to be recovered from the person or persons responsible and made good to the municipality funds.

S.No	Vr.No & Dt	Details	Amount (Rs)
1	3/4-2014.	towards EPF recovery from wages of DWCUA/CMEY workers for the month of 1/2014	4523668
2	6/4-2014.	---do--	225302
3	16/4-2014	towards EPF recovery for CMEY groups and contract workers from 03/2013 to 10/2013	384269
4	9/4-2014.	towards EPF recovery from wages to Rajiv Nagar PHC workers	6659
5	27/4-2014.	towards EPF recovery for supply of workers in water supply in Cir-III for the month of 1/2014	79646
6	43/4-2014.	towards EPF recovery for maintenance of Fire prevention wing from 1/2014 to 3/2014	3329
7	46/4-2014	towards EPF recovery for supply of drivers/cleaners to vehicle depot for the month of 1/2014	130524
8	50/4-2014	towards EPF recovery for supply of Gurkhas for 1/14 & 2/14	78125
9	65/4-2014	towards EPF recovery for supply of workers in water supply in Cir-I for the month of 9/2014	121251
10	266/4-2014	--do-- in Cir-II for the month of 12/2013	121317
11	267/4-2014	---do--- 12/2013	117480
12	268/4-2014	---do-- 11/2013	81452
13	270/4-2014	towards EPF recovery for supply of skilled electricians for 12/13	23338

14	277/4-2014	towards EPF recovery for supply of workers in water supply in Circle-III for the month of 11/2013	79123
15	279/4-2014	---do--- 12/2013	77816
16	385/4-2014	towards EPF recovery for supply of workers in EE-VI for 12/13	23324
17	498/4-2014	towards EPF recovery for supply of workers in water supply in Circle-III for the month of 10/2013	71421
18	500/4-2014	--do--11/2013	74909
19	502/4-2014	--do--12/2013	73740
20	1734/7-2014	towards EPF recovery for supply of drivers/cleanars to vehicle depot for the month of 02/2014	41870
21	1853/7-2014	towards EPF recovery from Gurkhas wages for the 3/2014	39952
22	1854/7-2014	towards EPF recovery for maintenance of Civil works and STP's for EE-IV section from 12/2013 to 2/2014	217624
23	1855/7-2014	towards EPF recovery for supply of skilled electricians for 3/14	15003
24	1856/7-2014	towards EPF recovery for supply of skilled electricians for 2/14	15003
25	1857/7-2014	towards EPF recovery for supply of skilled electricians for 1/14	15003
26	1858/7-2014	towards EPF recovery for CMEY groups and contract workers from 04/2013 to 10/2013	11531
27	2025/7-2014	towards EPF recovery for maintenance of water supply and UGD in AE-III at Circle-III for the month of 2/2014	71917
28	2026/7-2014	--do-- 3/2014	68157
29	2027/7-2014	--do-- 3/2014	77594
30	2028/7-2014	--do-- 3/2014	76952
31	2029/7-2014	towards EPF recovery for maintenance of water supply and UGD in Circle-I for the month of 3/2014	69751
32	2030/7-2014	towards EPF recovery for supply of workers in headwater works in Circle-I for the month of 03/2014	108122
33	2031/7-2014	towards EPF recovery for maintenance of water supply and UGD in Circle-I for the month of 3/2014	58275
34	2032/7-2014	towards EPF recovery for contract staff in EE-IV for 3/2014	23324
35	2033/7-2014	towards EPF recovery for supply of technical and non technical work inspectors for 3/2014	16650
36	2034/7-2014	towards EPF recovery for maintenance of water supply and UGD in Circle-II for the month of 3/2014	113099
37	2035/7-2014	--do--	115069
38	2061/7-2014	towards EPF recovery from wages of DWCUA/CMEY workers for the month of 04/2014	4783220

39	2062/7-2014	towards EPF recovery for contract workers in Horiticulture for the month of 04/2014	226815
40	2063/7-2014	towards EPF recovery from wages of M/s Sri Shiridi Saibaba DWCUA Group for the month of 4/2014	6659
41	2036/7-2014	towards EPF recovery for maintenance of Fire prevention wing for 3/2014	3329
42	2195/7-2014	towards EPF recovery for supply of skilled electricians for 3/14	81114
43	2196/7-2014	towards EPF recovery from water supply for the month of 4/2014	81201
44	2197/7-2014	towards EPF recovery from Gurkhas wages for the 4/2014	39952
45	3343/9-2014	towards EPF recovery from wages of water supply for the month of 4/2014	77528
46	3345/9-2014	towards EPF recovery for supply of drivers/cleanars to vehicle depot for the month of 05/2014	125431
47	3346/9-2014	towards EPF recovery from wages of DWCUA Group for the month of 6/2014	6652
48	3347/9-2014	towards EPF recovery from wages of DWCUA/CMEY Group for the month of 6/2014	4601995
49	3583/9-2014	--do-- for 5/2014	72048
50	3584/9-2014	towards EPF recovery from wages of DWCUA/CMEY workers for the month of 6/2014	203591
51	3822/9-2014	towards EPF recovery from water supply&UGD Cir-3 for the month of 6/2014	79711
52	3903/9-2014	towards EPF recovery for maintenance of water supply and UGD in AE-III at Circle-II for the month of 6/2014	134166
53	3904/9-2014	--do--	123900
54	3905/9-2014	towards EPF recovery from wages of DWCUA/CMEY workers for the month of 7/2014	4730050
55	3906/9-2014	--do--	207441
56	3907/9-2014	towards EPF recovery for supply of mechanics and helpers to vehicle depot for the month of 5/2014	39871
57	3909/9-2014	--do--	36489
58	3908/9-2014	--do-- for 4/2014	39634
59	3910/9-2014	--do--	36014
60	5141/11-2014	Payment of 34 death cases 11/2011 to 01/2013	148180
61	5830/11-2014	towards EPF recovery for supply of DEO's depot for 8/2014	77034
62	5831/11-2014	towards EPF recovery from wages of M/s SriShiridi Saibaba DWCUA Group for the month of 7/2014	79668

63	5832/11-2014	--do--	6659
64	5833/11-2014	--do- 8/2014	6659
65	5834/11-2014	--do- 9/2014	6863
66	5835/11-2014	towards EPF recovery for supply of skilled electrician of Tumalapalli Kalakestram for the month of 4/2014	15003
67	5836/11-2014	towards EPF recovery for supply of skilled electrician of Tumalapalli Kalakestram for the month of 5/2014	15003
68	5837/11-2014	--do- for 6/2014	15003
69	5838/11-2014	towards EPF recovery from Gurkhas wages for the 8/2014	39952
70	5839/11-2014	towards EPF recovery from wages of DWCUA/CMEY workers for the month of 9/2014	5687488
71	5840/11-2014	--do--	202842
72	5841/11-2014	towards EPF recovery for supply of Technical and Non-technical work inspectors for the month of 6/2014	6659
73	5842/11-2014	--do-- for 5/2014	6659
74	5843/11-2014	--do-- for 4/2014	6659
75	5923/11-2014	towards EPF recovery for supply of mechanics and helpers to vehicle depot for the month of 8/2014	40450
76	5924/11-2014	---do---	36080
77	5925/11-2014	towards EPF recovery for supply of skilled electrician for 7/2014	21671
78	5926/11-2014	---do--- for 8/2014	21671
79	6048/11-2014	Payment of penal damage on 54 members death cases from 1/4/2010 to 31/01/2013	112915
80	7692/1-2015	towards EPF recovery for supply of workers in headwater works in Cir-I for the month of 10/2014	151057
81	7693/1-2015	--do-- 9/2014	143143
82	7694/1-2015	towards EPF recovery for maintenance of water supply and UGD in AE-III at Circle-II for the month of 10/2014	178437
83	7695/1-2015	---do--	151283
84	7696/1-2015	towards EPF recovery for supply of electricians for the 9/2014	39952
85	7697/1-2015	---do-- for 10/2014	41181
86	7698/1-2015	towards EPF recovery for supply of workers to Mpl. Office Guest House for the 7/2014	8314
87	7699/1-2015	--do-- for 8/2014	8315
88	7700/1-2015	towards EPF recovery for maintenance of water supply and UGD in Circle-I for the month of 10/2014	74233
89	7701/1-2015	---do--	91170

90	7702/1-2015	towards EPF recovery for supply of drivers/cleanars to vehicle depot for the month of 11/2014	161744
91	7786/1-2015	towards EPF recovery for wages for 9/2014 to 11/2014	103037
92	7746/1-2015	towards EPF recovery for supply of workers in water supply and UGD in AE-IV section in Circle-II	148041
93	7747/1-2015	---do-- for 8/2014	77034
94	7748/1-2015	towards EPF recovery for supply electricians for the 9/2014	27147
95	7749/1-2015	---do--- for 10/2014	28478
96	7750/1-2015	---do--- for 11/2014	27351
97	7751/1-2015	towards EPF recovery for supply of workers in water supply and UGD in Circle-I for the month of 11/2014	71871
98	7752/1-2015	towards EPF recovery for supply of workers in headwater works in Cir-I for the month of 11/2014	142915
99	7753/1-2015	--do--	89137
100	7754/1-2015	towards EPF recovery for supply of 23 No's contract drivers/helpers to vehicle depot for the month of 11/2014	47953
101	7755/1-2015	towards EPF recovery for supply of mechanics and helpers to vehicle depot for the month of 11/2014	53952
102	7756/1-2015	towards EPF recovery for maintenance of water supply and UGD in AE-II at Circle-III for the month of 10/2014	113921
103	7757/1-2015	--do--	105350
104	7758/1-2015	--do-- for 11/2014	92228
105	7759/1-2015	--do--	100526
		TOTAL	32019288

(Code No.11)

50.EMPLOYEES STATE INSURANCE SCHEME - AMOUNT RECOVERED FROM THE CONTRACT WORKERS-  
CONNECTED FILES AND REMITTANCE PARTICULARS TO THE CONCERNED HEADS NOT PRODUCED  
Rs. 87,33,293-00

During the course of audit, it is noticed that an amount of Rs.87,33,293-00 was deducted from contract workers and paid to Joint Director, ESI, Vijayawada towards Employees State Insurance recoveries noted against each voucher. But the connected files and remittance particulars of deducted amounts in the shape of challans were not produced to audit. If any loss sustained would need to be recovered from the person or persons responsible and made good to the municipality funds.

S.No	Vr.No & Dt	Details	Amount (Rs)
1	2/4-2014.	ESI revocery (both share)for Wages of DWCUA/CMEY workers for the month of June-14	1162206
2	15/4-2014.	ESI recovery from Pandu Yuvajana Sangam Rajiv Swimming Pool CMEY Groups from 3/13 to 12/2013	98803
3	47/4-2014	Supply of Contract Drivers to Vehicle Depot for 03/2014	34777
4	64/4-2014.	Supply of contract workers for maintenance of water supply and UGD in AE-II in Cir-I for 8/2014	34373
5	264/4-2014	Supply of contract workers for maintenance of water supply and UGD in AE-III in Cir-II for 12/2013	38914
6	265/4-2014	AE-IV --do--	37393
7	1733/7-2014	ESI recovery from Ch.Venkateswararao, contractor for 2/2014	142558
8	1847/7-2014	ESI recovery for Gurkha Security Services	10446
9	1848/7-2014	ESI recovery for staff of Civil works,sumps and STP's for EE-IV section from 12/2013 to 02/2014	60769
10	1849/7-2014	supply of skilled electeician on cantract basis	7472
11	1850/7-2014	supply of skilled electeician on cantract basis	6749
12	1851/7-2014	supply of skilled electeician on cantract basis	7472
13	1852/7-2014	supply of skilled electeician on cantract basis	4099
14	2013/7-2014	Supply of contract workers for maintenance of water supply and UGD	19766
15	2014/7-2014	--do--	21693
16	2015/7-2014	--do--	23574
17	2016/7-2014	--do--	19855
18	2017/7-2014	Supply of contract workers for maintenance of head water works & Boosters	18978
19	2018/7-2014	--do--	30248
20	2019/7-2014	--do--	15765
21	2020/7-2014	supply of skilled electeician on cantract basis	6918

22	2021/7-2014	--do--	4866
23	2022/7-2014	Supply of contract workers for maintenance of head water works & Boosters	35081
24	2023/7-2014	--do--	36050
25	2192/7-2014	Supply of Data entry Operators on contract basis	29508
26	2193/7-2014	--do--	29636
27	2194/7-2014	Supply of Gurkhas/Watchmans	10446
28	2058/7-2014	for Wages of DWCUA/CMEY workers for the month of Apr-14	1453837
29	2059/7-2014	---do---	58182
30	2192/7-2014	Supply of Daa entry Operators for the month of Mar-2014	29508
31	2193/7-2014	--do-- April-2014	29636
32	3339/11-14	for Wages of DWCUA/CMEY workers for the month of June-14	1373858
33	3340/9-2014	Supply of Contract Drivers to Vehicle Depot for 08/2014	33960
34	3581/11-14	ESI recovery from pay bills of Civil works,sumps and STP's for EE-IV for 3/2014	20362
35	3897/9-2014	for Wages of DWCUA/CMEY workers for the month of July-14	1435251
36	5828/11-14	for Wages of DWCUA/CMEY workers for the month of Sep-14	1443524
37	5829/11-14	---do---	51483
38	7681/1-2015	Supply of contract workers for maintenance of head water works & Boosters in Cir-I for 09/2014	38338
39	7682/1-2015	--do-- 10/2014	36334
40	7683/1-2015	Supply of contract workers for maintenance of water supply and UGD in AE-III	45288
41	7684/1-2015	----do---	38396
42	7685/1-2015	Supply of skilled electrician on contract basis for Sep-2014	10140
43	7686/1-2015	Supply of contract workers for maintenance of water supply and UGD in AE-II in Cir-I for 10/2014	18848
44	7687/1-2015	Supply of skilled electrician on contract basis	2110
45	7688/1-2015	Supply of skilled electrician on contract basis	2110
46	7689/1-2015	Supply of skilled electrician on contract basis	18848
47	7690/1-2015	Supply of contract workers for maintenance of water supply and UGD in AE-II in Cir-I for 10/2014	23146
48	7691/1-2015	Supply of contract Drivers	41051
49	7714/1-2015	Supply of contract workers for maintenance of water supply and UGD in AE-VI for 04/2014	25198
50	7732/1-2015	Supply of contract workers for maintenance of water supply and UGD in AE-IV for 11/2014	37574

51	7733/1-2015	Supply of contract workers for maintenance of water supply and UGD in AE-III for 11/2014	43514
52	7737/1-2015	Supply of contract workers for maintenance of water supply and UGD in AE-II in Cir-I for 11/2014	18216
53	7738/1-2015	Supply of contract workers for maintenance of head water works & Boosters in Cir-I for 11/2014	36279
54	7739/1-2015	Supply of contract workers for maintenance of water supply and UGD in AE-I in Cir-I for 11/2014	22594
55	7740/1-2015	Supply of Contract Drivers & Helpers to Vehicle Depot for 11/2014	12171
56	7741/1-2015	Supply of Mechanics & Helpers to Vehicle Depot	13693
57	7742/1-2015	Supply of contract workers for maintenance of water supply and UGD in electrical Cir-III for 11/2014	28915
58	7743/1-2015	--do--	267399
59	7744/1-2015	Supply of contract workers for maintenance of water supply and UGD in AE-V for 11/2014	23408
60	7745/1-2015	Supply of contract workers for maintenance of water supply and UGD in AE-VI for 11/2014	25514
61	7785/1-2015	Supply of Daily wage workers for Sep & Nov-2014	26193
		TOTAL	8733293

51.GENERAL FUND - AMOUNT PAID - CONNECTED FILES NOT PRODUCED -NEEDS ACTIONRs 81,67,172-00

As verified from the vouchers, the following amounts were drawn and paid to various type of expenditure incurred under General Fund during the year 2014-2015. But the connected files and other relevant records were not produced to audit for verification. In the absence of the same the correctness of the expenditure incurred could not be verified. Hence the incurred amount is held under objection. Hence early action would need to be taken to produce the connected files to audit for verification.

S.No	Vr.No & Dt	Details	Amount (Rs)
1	300/4-2014	Paid VijayaKrishna Super Bazar, Vijayawada towards supply of 100 No.of knaprack hard sprayers	143778
2	301/4-2014	Paid to VijayaKrishna Super Bazar, Vijayawada towards supply of 36 No.of haritha power sprayers with highpower engine	183665
3	1838/7-2014	Paid to M/s Krishna Pumps Private Ltd towards supply of 2 No. Control panel board 40 HP submercible pump at V.N.Colony	85600
4	1887/7-2014	Paid to M/S Sri Krishna Chemical Enterprizes, Vijayawada for supply of delivery of stable bleaching powder for maintenance of water supply and health section	531067
5	1900/7-2014	Paid to M/s Sri Sowbagya Press, Vijayawada for supply & Delivery of printing items to VMC, Vijayawada	120426
6	2168/7-2014	Paid to Addl., director, E-Seva, Vijayawada towards transaction charges for the month of 12/2012 & 1/2013	395945
7	2190/7-2014	M/s Padmaraju Broom Sticks manufacturing unit, Adavipalem towards cost of Eatha Baskets	56851
8	3776/9-2014	Paid to Project Director,APSHCL,Machilipatnam, Krishna towards reimbursement of salaries for the period from 1/10/2011 to 31/3/2012 of Sri K.vijay Kumar,DE and G.V.Visweswararao,AE	492201
9	3883/9-2014	M/s NSP Sports towards supply of sport item for swimer coaching camp	30550
10	3897/9-2014	paid to Branch Manager, SBI,VMC towards 50% contribution from 1/13 to 4/13 & 40% contribution from 5/13 to 11/13 to be paid to 16 RWA'S	1217484
11	3998/9-2014	M/s Sri Sowbagya Press, Vijayawada for supply of printing forms	26834

12	3999/9-2014	M/s Sri Sowbagya Press, Vijayawada for supply & Delivery of notice books and others	176431
13	4001/9-2014	Sri N.Sekhar Babu,JA towards purchase of 4 No. of colour catridges	36957
14	5276/11-14	Sri Vijaya saradhi Enterprizes, Vijayawada for supply of Aluminuam Baskets for 1647 Nos	343745
15	5278/11-14	M/s Sri Balaji Office & Automachines, Vijayawada for purchase of Richo Photostart machine to PRO section	61150
16	5300/11-14	Alibaig Civil, Mechanical & Ele. Contractor, Vijayawada for repairs of pipe line	38811
17	5307/11-14	M/s Sri Sowbagya Press, Vijayawada for supply & Delivery of Rajiv Gandhi Park Tickets, T.V.Raghavayya Park Entrance ticket	75861
18	5310/11-14	Payable to Asst., Commisioner of Customs, Central Excise and Service Tax Dept., Vijayawada towards Service Tax for the 2011-12	2869117
19	5398/11-14	M/s Vijay Krishna Super Bazar, Vijayawada towards supply and delivery of stationary items to VMC	41235
20	5411/11-14	Paid to R.Subbarao, DEE &ADH for purchase of cutting tools due to HUDHUD cyclone relief work at Vizg	25938
21	5867/11-14	Paid to M/s Varma, electricalfor providing temparory Mike Servicesof NTR Sujala Sravanthi R.O. water plant at LBS Nagar	77230
22	5868/11-14	Paid to M/s Varma, electricalfor providing temparory Mike Servicesof NTR Sujala Sravanthi R.O. water plant at LBS Nagar	86322
23	5909/11-14	Paid ti M/s Vijaya Krishna, Super Bazar, Vijayawada towards supplyof a4 and legal computer paper bandles	200356
24	5911/11-14	Paid to M/s Srilakshmi Ganapathi Agencies for providing two coats of silver colour painting to Center Divider,tubular poles from Dabha kottula road Jn to paipula road Jn. Inaguration of NTR Sujala Sravanthi R.O Water Plant	36468
25	5942/11-14	M/s Sri Balaji Office & Automachines, Vijayawada for repairs to xerox machine	34291
26	5976/11-14	Paid to District Manager, Civil Supplies Corporation Ltd., W.G.Dt towards supply of packed bitumen to circle-I	267241
27	6012/11-14	Paid to M/s Srilakshmi Ganapathi Agencies for providing Electrification to NTR Sujala Sravanthi R.O Water Plant	91342
28	7244/1-15	M/s Sri Sowbagya Press, Vijayawada for supply & Delivery of printing items to VMC, Vijayawada	203237
29	7448/1-2015	Sri Ganesh Enterprizes, Vijayawada for supply of Catridges tunner and filling	92731

30	7449/1-2015	Sri N.Sekhar Babu,JA towards purchase of colour cartridges	14952
31	7450/1-2015	Sri N.Sekhar Babu,JA towards purchase of colour cartridges	36957
32	7548/1-2015	SRRE City, Vijayawada towards purchase of apple I phone	72399
		TOTAL	
		8167172	

Code No11

52.HORTICULTURE SECTION – AMOUNT PAID TOWARDS WATERING, GREENERY AT CENTRAL DIVIDERS–  
CONNECTED FILES – NOT PRODUCED–NEEDS ACTION Rs.3,70,512-00

An amount of Rs. 3,70,512-00 was paid to Sri Ch.Rambabu,Contractor, Kesarapalli towards supply of 4 No's water transport vehicles for watering, greenery at Central dividers, traffic islands etc., in 3 circles as detailed below. But the connected files and other relevant records were not produced to audit for verification. In the absence of the same the correctness of the expenditure incurred could not be verified. Hence the incurred amount is held under objection. Hence early action would need to be taken to produce the connected files to audit for verification.

Vr.No & Dt	Details	Amount (Rs.)
297/4-2014	Supply of 4 No's water transport vehicle for watering, greenery at central dividers, traffic island etc, for the month of 12/2013	207902.00
5308/11-2014	--do-- from 1/6/14 to 23/6/2014	162610.00
	Total	370512.00

53. PUBLIC HEALTH – CONSERVANCY ARTICLES – INDENT ORDER/ LETTERS NOT OBTAINED AND PRODUCED :

As verified from the records relating to the Public Health Section, during the year 2014-15, the connected stock registers and the files along with the Indent orders/letters were not produced to audit for verification.

In the absence of the above, the correctness of the expenditure, issue and utilisation of the articles could not be established. Loss, if any, caused in this regard would need to be made good from the person or persons responsible.

54. MAINTENANCE OF VEHICLES – REGISTERS (RELEVANT). LOG BOOKS NOT PRODUCED –HELD UNDER OBJECTION :

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 their trips after verifying kilometers.
- 3) Those 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 duty and non-duty 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 scrutinised personally by the authority concerned once in a month and his signature appended there in.
- 8) That the log books was 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 funds.
- c) That in case of purchase of spare parts, the rules relating to the invitation and disposal of tenders have been observed.

**B) 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 amount covered for 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 on the bills.

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 amounts credited to the institution.

- 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 this register.
- 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 and a receipt 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

#### **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 there in.
- c) That the loss if any, arising out of negligence or fault of any person has been recovered and credited to the funds.

55.HALF MARGIN LETTERS ISSUED – INFORMATION NOT FORTHCOMING:

During the course of audit of the Municipal Corporation, Vijayawada for the year 2014-15, several half margin letters were issued to the heads of sections and other 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 the sections concerned to 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 records could not be verified in audit and several objections involving substantial amounts had to be raised in the audit report. Non production of records speaks ill of the preparedness of the institution for audit.

Action would need to be taken by the executive authority to avoid such instances in future and records required for audit be produced.

56.ESTABLISHMENT AUDIT REGISTER NOT MAINTAINED:-

The Establishment Audit Register for the year 2014-15 was not maintained and produced to audit for verification.

In the absence of the same, the correctness of the expenditure incurred could not be verified in audit.

Action would need to be taken to get the Establishment Audit Register written up will all particulars (i.e.) scale of Pay, Basic Pay, Personal Pay, F.P., D.A., H.R.A., C.C.A., etc at each individual from time to time and supplementary claims etc (along with voucher NO . & Date and amount paid Gross and Net) and produced to audit for verification.

57.WORKS WERE ENTRUSTED TO THE CONTRACTOR ON NOMINATION BASIS,  
THE STANDING COMMITTEE NOT PRODUCED.(code no.11)

APPROVAL ORDERS OF

RS.3,27004.00

As verified from the work files relating to the works 1) " Providing MS ghats at east side of sanitary office and north side of E-Seva at municipal corporation main office and 2) Providing MS Collapsible gate at east,west side and also at TP Section in Vijayawada municipal corporation.

The above works were executed on nomination basis. Without inviting tenders, awarding of works on nomination basis is clearly a contrary to the AP Municipal tender rules 1967 made under the A.P Municipalities Act 1965. Urgent works may be entrusted on nomination basis But the approval of the standing committee is necessary. Since the approval orders of the standing committee are not produced to audit for verification ,it is not possible to verify under which circumstances the works were taken up on nomination basis. Hence it is held under objection.

Hence early action would need to be taken to produce the approval orders of the standing committee for verification in audit. The loss if any sustained in this regard would need to be recovered from the person or persons responsible.

1.Vr no.1896/7-14	WORK:1) " Providing MS ghats at east side of sanitary office and north side of e-seva at municipal corporation main office  2) Providing MS Collapsible gate at east,west side and also at TP Section in Vijayawada municipal corporation.	Fileno EE1 Rc E6 - 120726/2012 M.Book no.22/2012-13.  Fileno EE1 Rc E6 - 120727/2012	Net amount paid RS.1,93,061.00  Net amount paid RS. 1,33,943.00
2.Vr.no.2417/7-14			

58.REGISTER OF WORK BILL RECOVERIES NOT WRITTEN UP AND PRODUCED, REMITTENCE CHALLANAS ALSO NOT PRODUCED. Code no.11

The register of work bill recoveries for the year 2014-15 has not been written up and produced for verification in audit. In the absence of the work bill recoveries register and remittance challanas ,the amount of deductions like VAT,QC,IT,LC and NAC etc.made from the work bills and whether they were properly remitted to concerned head of account or not could not be verified in audit.

Therefore immediate action would need to be taken to written up the register of work bill recoveries and to produce the challanas. Or else the loss if any sustained in this regard due to non production of above records would need to be recovered from the person or persons responsible

59. VOUCHERS NOT PRODUCED. Code no.11

During the course of audit on the accounts of Municipal corporation vijayawada for the year 2014-15, the following vouchers(statement enclosed) not produced in audit .The vouchers were not produced in audit even after several half margin letters were issued to municipal authorities vide 1)Lr sa no 2/2016-17 dt 4-5-2016 and 2)Lr sa no 3/2016-17 dt 4-5-2016.In the absence of the vouchers and connected files the correctness of the expenditure could not be verified in audit .

Therefore action would need to be taken to produce the vouchers and connected files to audit for verification . The loss due to non production of above records if any sustained that would need to be recovered from the person or persons responsible

CODE NO:11

60.GENERAL STAFF PROVIDENT FUND VOUCHER AND CONNECTED SANCTION ORDERS – NOT PRODUCED Rs. 95,000/-

During the course of audit it is noticed that an amount of Rs. 95,000/- was drawn and paid vide vr. No. 237/dt. 27/9/2014 to Sri. G.V. Maruthi Sarma, BC towards sanction of GPF part final. But the connected voucher and sanction orders were not made available,for verification in audit. The same was brought to the notice of the authorities. Through half margin letter during the audit. But those records were not produced till the close of audit. In the absence of the same the correctness of the expenditure incurred could not be certified in audit and is held under objection. Therefore action would need to be taken to produce the same to audit or else the loss if any sustained would need to be assessed and made good from the person or persons responsible and credited to General Staff PF account under intimation to audit.

61.PROVIDENT FUND – LOAN/PART FINAL AMOUNT PAID TO ELEMENTARY EDUCATION EMPLOYEES –  
CONNECTED SANCTION ORDERS TOGETHER WITH REGISTER OF TEMPARARY ADVANCES/PART FINAL  
WITHDRAWL – NOT PRODUCED (code no.11) Rs. 3,80,000/-

During the year under audit, it was noticed that an amount of Rs. 3,80,000/- was paid to the Elementary Education Employees of this Municipal Corporation. But the connected sanction orders together with Register of temporary advance/part final withdrawal was not produced to audit.

In the absence of the above records the following observations could not be made in audit.

1. The purpose of the amount paid was not known
2. As per the GPF rules the amount sanctioned towards temporary advance should be recovered but the same could not be found.
3. Whether the amount sanctioned in accordance with the rules and limits prescribed under GPF rules not known.

Hence the amount paid as detailed below is held under objection. Therefore action would need to be taken to produce the above records to audit or else the loss sustained if any would need to be made good from the person or persons responsible and credited to PF account under intimation to audit.

Vr. No/Date	Discription	Amount (Rs.)
10-7/14	Smt. M. Siva Parvathi, H.M-Part final	1,00,000.00
11-9/14	Sri. Ch. Subbarao, H.M – Part final	1,50,000.00
13-3/15	Sri. B. Hanumantha Rao, H.M- PF Loan	50,000.00
14-3/15	Smt. D. Sita Madhavi, H.M – PF part final	80,000.00
	<b>TOTAL</b>	<b>3,80,000.00</b>

62.PROVIDENT FUND – LOAN/PART FINAL AMOUNT PAID TO SECONDARY EDUCATION EMPLOYEES –  
CONNECTED SANCTION ORDERS TOGETHER WITH REGISTER OF TEMPARARY ADVANCES/PART FINAL  
WITHDRAWL – NOT PRODUCED

Rs.16,64,660/-

During the year under audit, it was noticed that an amount of Rs. 16,64,660/- paid to the Secondary Education Employees of this Municipal Corporation. But the connected sanction orders together with Register of temporary advance/part final was not produced to audit.

In the absence of the above records the following observations could not be made in audit.

1. The purpose of the amount paid was not known
2. As per the GPF rules the amount sanctioned towards temporary advance should be recovered but the same could not be found.
3. Whether the amount sanctioned in accordance with the rules and limits prescribed under GPF rules not known.

Hence the amount paid as detailed below is held under objection. Therefore action would need to be taken to produce the above records to audit or else the loss sustained would need to be made good from the person or persons responsible and credited to PF account under intimation to audit.

Vr. No/date	Description	Amount
23-7/14	Smt. E. Rose Marry, Rtd. School Asst.- GPF final	2,66,660.00
24-7/14	Smt. P. Krishnaveni, SGT, GPF- Part final	1,30,000.00
26-9/14	Smt. V.S. Manmadha, School Asst. – GPF part final	1,20,000.00
27-9/14	Sri. P.V. Ravindranadh, School Asst- GPF part final	1,70,000.00
28-9/14	Sri. S. Santha Rao, School Asst. – GPF part final	75,000.00
29-9/14	Sri. Ch. Venkata Rao, School Asst.- GPF part final	95,000.00
30-9/14	Smt. B.V. Nagaraja Kumari, School Asst.- GPF Par final	75,000.00
319/14	Smt. P. Neeraja, H.M, School Asst. – GPF part final	1,00,000.00
32-9/14	Smt. K. Vijaya Bharathi, School Asst.- GPF part final	1,50,000.00
33-9/14	Sri. M. Srinivasa Reddy, School Asst.- GPF part final	1,30,000.00
56-24.1.15	Sri. D. Prasada Rao, SGT- GPF loan	45,000.00
57-24.1.15	Sri. M.A. Kuddus khan, GPF Loan	1,20,000.00
60-24.1.15	Sri. G. Vijaya kumar, PET- GPF part final	68,000.00
69-3/15	Sri. P.S. RamaKrishna, PET-GPF part final	1,00,000.00
	<b>TOTAL</b>	<b>16,64,660.00</b>

63.PROVIDENT FUND – LOAN/PART FINAL AMOUNT PAID TO GENERAL EMPLOYEES – CONNECTED SANCTION ORDERS TOGETHER WITH REGISTER OF TEMPARARY ADVANCES/PART FINAL WITHDRAWL – NOT PRODUCED

Rs.52,83,000/- (code no.11)

During the year under audit, it was noticed that an amount of Rs. 52,83,000/- paid to the General Employees of this Municipal Corporation. But the connected sanction orders together with Register of temporary advance/part final was not produced to audit.

In the absence of the above records the following observations could not be made in audit.

1. The purpose of the amount paid was not known
2. As per the GPF rules the amount sanctioned towards temporary advance should be recovered but the same could not be found.
3. Whether the amount sanctioned in accordance with the rules and limits prescribed under GPF rules not known.

Hence the amount paid as detailed below is held under objection. Therefore action would need to be taken to produce the above records to audit or else the loss sustained would need to be made good from the person or persons responsible and credited to PF account under intimation to audit.

Vr.No/Date	Discription	Amount (Rs.)
132-7/14	Sri. Ramaswamy W.M – PF part final	60000.00
133-7/14	Sri. Lakshmanarao – PF part final	30000.00
189-9/14	Sri. M. Durga Rao, PHW- PF loan	43000.00
190-9/14	Sri. V. Anil Kumar PHW – PF loan	18000.00
191-9/14	Smt. V. Vani KUMari, PHW-PF loan	48000.00
192-9/14	Smt. Ch. Savithri, PHW-PF loan	48000.00
193-9/14	Smt. K. Appayyamma, PHW-PF loan	36000.00
194-9/14	Smt. N. Nookamma, PHW- PF loan	49000.00
195-9/14	Sri. V. Venkateswara Rao, PHW- PF loan	32000.00
196-9/14	Smt. Ch. Veeramma, PHW – PF loan	32000.00
197-9/14	Sri. G. Raju, PHW-PF loan	42000.00
198-9/14	Smt. Bandi Kamala, PHW-GPF part final	47000.00
199-9/14	Smt. M. Venkayyama, PHW – GPF part final	54000.00
200-9/14	Sri. S.Rama Koteswara rao, PHW-GPF part final	51000.00
201-9/14	Sri. G. Pavan Kumar, SM-PF loan	50000.00
202-9/14	Sri. K. Ramulu, RGM-PF loan	35000.00
203-9/14	Sri. CH. Lazar, WM- PF loan	50000.00
204-9/14	Smt. S. Karuna, PF loan	25000.00
205-9/14	Smt. G. Nageswaramma, Gardiner-PF loan	35000.00
206-9/14	Smt. P. Laxmi, Gardiner-PF loan	35000.00
207-9/14	Smt. G. Varalaxmi, Gardiner, PF loan	45000.00
208-9/14	Sri. M. Samba siva rao, RGM- GPF part final	90000.00
209-9/14	Sri. G.J. Anand, B.C-GPF part final	65000.00
210-9/14	Sri. B. Sambasiva rao-GPF part final	70000.00
211-9/14	Sri. T. Jaya Raju, SI-GPF part final	100000.00
212-9/14	Sri. S. Surya kumar, BC-GPF part final	50000.00
213-9/14	Sri. T. Yacob, Jr. Mazdor-GPF part final	65000.00
214-9/14	Sri. T. Srinivasarao, Gardiner-GPF part final	85000.00
215-9/14	Sri. K. Rajagopala Rao, OS-GPF part final	95000.00
216-9/14	Smt. CH. Anasuya devi, - GPF part final	100000.00
217-9/14	Sri. A. Prasada Rao, Typist- GPF part final	40000.00

218-9/14	Sri. M. Mehar baba, Typist- GPF part final	85000.00
219-9/14	Sri. Sk. Sardar, Driver- GPF part final	80000.00
220-9/14	Sri. D. Pentamma, PHW- GPF PF loan	37000.00
221-9/14	Smt. G. Tirupathamma, PHW PF loan	37000.00
222-9/14	Sri. B. Srinu, PHW PF loan	33000.00
223-9/14	Sri. G. Johan, PHW PF loan	42000.00
224-9/14	Smt. Santhakuamri, PHW-PF loan	47000.00
225-9/14	Sri. Appala Rao, PHW-PF loan	51000.00
226-9/14	Sri. T. Venkateswaralu, PHW PF loan	47000.00
227-9/14	Sri. B. Issac, PHW-PF loan	31000.00
228-9/14	Sri. P. Balaswamy, PHW-PF loan	33000.00
229-9/14	Smt. M. Appalamma, PHW – PF loan	42000.00
230-9/14	Smt. A. Bangaramma, PHW- GPF part final	80000.00
231-9/14	Sri. A. Apparao, PHW-GPF part final	66000.00
232-9/14	Smt. V. Laxmi, PHW-GPF part final	91000.00
233-9/14	Sri. B. Guravayya, Lab Boy- GPF part final	65000.00
234-9/14	Sri. K. Mani Raju, BC-GPF part final	75000.00
235-9/14	Smt. D.M.V. Laxmi, GPF part final	45000.00
236-9/14	Sri. Y. Ganapathi Reddy, Wireman- GPF part final	65000.00
248-11/14	Smt. K. Jansi Rani, Jr. Steno, GPF part final	105000.00
249-11/14	Sri. Y. Yesudasu, RGM- GPF part final	44000.00
251-11/14	Smt. B. Laxmi, PHW- GPF LOan	50000.00
254-11/14	Sri. V. Durga Rao, PHW-GPF part final	50000.00
256-11/14	Sri. M. Sambaih, PHW-GPF part final	34000.00
257-11/14	Sri. J. Yebelu, PHW-GPF part final	50000.00
258-11/14	Sri. K. Ramna, PHW – GPF part final	70000.00
259-11/14	Sri. R. Narasimha rao, Cleaner, GPF part final	100000.00
260-11/14	Sri. K. Jaya rao, WM-GPF part final	100000.00
261-11/14	Sri. K. Jeeva Ratnam, FC- GPF part final	100000.00
263-11/14	Sri. S.S. Bhadoor, Attender-GPF part final	89000.00
264-11/14	Sri. T. Ranga paul, RO-GPF part final	30000.00
265-11/14	Sri. G. Nageswara rao, PHW-GPF part final	57000.00
266-11/14	Sri. SIL. Narasimha rao, GPF part final	120000.00
267-11/14	Sri. N.Yedukondalu, GPF part final	50000.00
268-11/14	Sri. M.V. Ramana, PHW-GPF part final	50000.00
269-11/14	Sri. K. Subba Rao, PHW- GPF part final	90000.00
270-11/14	Sri. K. Venkata laxmi, PHW-GPF part final	87000.00
271-11/14	Smt. S. Sivamma, PHW- GPF part final	34000.00
272-11/14	Sri. P. Chennaiah, Mazdoor-GPF Loan	30000.00
306-11/14	Sri. N.V.D. Prasad, Sr. Asst-GPF part final	150000.00
307-11/14	Smt. K. Kanakadurga, Gardner-GPF part final	30000.00
308-11/14	Sri. M. Sambasiva rao, Driver-GPF part final	54000.00
309-11/14	Sri. K. Venkateswara tao, Driver-GPF part final	63000.00
310-11/14	Sri.M.D. Malleswara rao, SI, -GPF part final	120000.00
311-11/14	Sri. CH. Srinivasa rao, Typist-GPF part final	80000.00
312-11/14	Sri. D. Venkateswara rao, Jr. Asst.-GPF part final	64000.00
313-11/14	Sri. Jabal Hussain, Medical Officer-GPf part final	200000.00
314-11/14	Sri. P. Chainaiah, RGM-GPF part final	40000.00
315-11/14	Sri. U. Parandamaiah-WM-GPF part final	50000.00
320-11/14	Sri. P. Sampathkumar, Supdt. –GPF part final	250000.00
322-11/14	Sri. N.Koteswara rao, Sr. Asst.-GPF part final	50000.00
324-11/14	Sri. N. Sastry, BC-GPF part final	100000.00
<b>TOTAL</b>		<b>52,83,000.00</b>

**64.DEPOSITS - REFUND OF DEPOSITS - ORIGINAL CREDIT NOT POINTED OUT AND CONNECTED FILES NOT PRODUCED – NEEDS ACTION.(code no.11)**

As seen from the cash book and Annual account for the year 2014-2015 an amount of Rs. 28,35,386.00 (as per R&P statement) was incurred as expenditure towards refund of deposits, amounts to contractors, connected deposits register files approval orders and their original Deposits. But the credit to Municipal Corporation funds was not available for verification, in the absence of the same, the correctness of the expenditure could not be verified and is held under objection. Therefore action would need to be taken to produced the Deposits register, and connected files etc., to audit for verification properly.

Further the Deposit register was not maintained Properly and objection was also raised in the previous audit reports. But not action has been taken to rectify the defects pointed out in audit till to date.

Account Code	Details	Amount
3401001	Ernest Money Deposits	1517594-00
1801101	Ernest Money Deposits	36,159-00
3401003	Further Security Deposits	1281633-00
	Total	2835386-00

**NON – PRODUCTION OF RECORDS:**

**CODE.No.11**

**65.REGISTER GRANTS AND GRANTS APPROPRIATION REGISTER NOT MAINTAINED – IRREGULAR NEEDS  
EARLY ACTION:**

The Register of Grants and Grants Appropriation Register was not maintained and produced by the following Executive Agencies to Audit for verification. In the absence of the said register, it is very difficult to ascertain the flow of expenditure from the Grants – in – aid received with particulars of Unspent Balance of the grant to be refunded to State Funds and also to ensure that no excess expenditure is incurred over and above the grants appropriated. The Grants in Aid Register which is a dependable record to watch the Grants in aid received by the Executive Authorities concerned would need to be maintained as A.P.Financial Code read with A.P.Treasury Code and produced to Audit for verification at the time of local Audit.

**NON PRODUCTION OF RECORDS:****CODE.NO.11****66.NON SUBMISSION- NON SUBMISSION OF ANNUAL ACCOUNTS TO AUDIT – IRREGULAR – NEEDS EARLY ACTIN CALEED FOR:**

According to the Rule 14 of A.P.Municipalities (Preparation and submission of Accounts & Abstracts) Act, 1970 Municipalities should complete the Annual Accounts and forwards of the same to the Audit not later than 15<sup>th</sup> June of every succeeding Year. But, it was received during the course of audit. It should be assured that the Annual account is submitted to State Audit department within the statutory period.

The purpose of preparation of Annual Accounts is to assess the financial status of the Municipality both in terms of Revenue Collected and the Expenditure incurred. The Expenditure incurred on various heads of accounts and Revenues Collected from various sources from both Tax and Non – Tax Revenues gives the Municipality the scope for proper planning.

**67.DEFECTIVE MAINTENACE OF CASH BOOKS, BANK PASS BOOKS / STATEMENTS, NON CONDUCTION OF RECONCILATION AND NON – PRODUCTION OF CASH BOOKS AND BANK PASS BOOKS: (code no.11)**

As of 01.04.2015, the Municipality disclosed \_\_\_\_No of bank Accounts in respect of various schemes. During the verification of Cash Books, Bank Pass Books, Bank reconciliation statements, the following observations were made:

1) Defective maintenance of Cash Books:

On verification of Cash Books made available to audit, it is observed that the Cash Books were never closed and closing balance's was not attested by the responsible Officer, receipt entries were not made only payment entries were made, there were blank pages between date to date the payment entries, monthly closings were not updated and reconciliation between bank Pass Book balance and cash Book balance of any point of time during the period covered by audit.

Due to defective maintenance of Cash Book and non – conduction of reconciliation, fraudulent drawls, and spurious remittances if any could not be verified in audit.

When this was brought to notice, it was replied that action would be taken to rectify the defects in the maintenance of Cash Books.

**NON-PRODUCTION OF RECORDS****(Code: 11)****68. PROPERTY TAX - MUTATION REGISTER NOT WRITTEN UP AND PRODUCED**

The permanent changes in the assessment of Buildings, land, lighting, water, drainage, scavenging, railway and education taxes have to be recorded in the register of mutations with reference to the register of revision petitions and monthly lists of outdoor subordinates. But the mutation register for property tax for the year 2014-15 was not written and produced for verification in audit.

In the absence of the mutation register, the correctness of the demand under property tax could not be verified. The omission, if any, would need to be included in the demand and fact reported to audit.

**69.NON-PRODUCTION OF RECORDS****(CODE: 11)****APPEALS & RP-S - REGISTER OF APPEALS AND RPS NOT PRODUCED**

The said register was not maintained in VMC, VZA to verify the appeals and RPs received and its disposal along with the concerned files. In the absence of the same, the tax if any was reduced due to genuine reasons could not be verified.

**NON-PRODUCTION OF RECORDS****(CODE: 11)****70.WATER TAX - DEMAND REGISTER FOR BULK & SEMI BULK SUPPLY- METER****READING REGISTERS NOT PRODUCED - NEEDS ACTION.**

As verified from the books and other records relating to Water Tax of bulk & semi bulk consumers, it is noticed that the meter reading registers have not been maintained, which are the basis for fixation of demand of bulk and semi bulk water supply to Commercial & Industrial concerns. In the absence of the said registers the correctness of the collections made could not be verified. It is also not possible to analyses the water drawn from the Municipal Source and supplied to the customers. Surprisingly an insignificant amount was shown in the annual account towards excess water charges, Rs. 3690/- the amount shown is a nominal collection figure. Reasons for such nominal collection were not given during the course of our audit. Hence early steps would need to be taken to maintain such registers and made available to Audit for verification under proper attestation, the loss if any, in this regard would need to be recovered from the person are persons responsible and made good to VMC, VZA Funds.

The Water Supply Section has maintained only the Demand Registers for Bulk and Semi Bulk water users only. This section was fully dependent on the information available from Saukaryam collections, but not on meter reading registers. The statement is enclosed, for perusal. We have observed that Major Dues in Water supply on the basis of information available on Saukaryam website.

**NON PRODUCTION OF RECORDS:****CODE.NO:11****71.RECORDS – CERTAIN RECORDS VIZ. , WHITE CARD HOLDERS ETC., NOT PORODUCED IN CIRCLE-2 – IRREGULAR – NEEDS EARLY ACTION CALLED FOR:**

As could verified form the Records relates to Vijaywada Municipal Corporation for the year 2014-15, it is noticed that the records relates to Tap Donations Watch Register, it was observed that the following beneficiaries were allowed for concession in connection with Tap Donations due to they are belongs to

White hold Card holders issued by the Civil Supplies Department. But, during verification of records the connected evidence were not made available to audit for verification. As such in absence of the above, the correctness of the amounts thus colleted could not be verified in audit. Though half margin letters were issued to the Executive “Authorities concerned, simply acknowledged the same only, and no efforts have been taken to furnish the same to audit.

Therefore, the losses if any sustained in this regards the same would need to be worked out and made the amounts from the person or persons responsible besides furnish the material facts to this department positively.

**NON PRODUCTION OF RECORDS:****CODE.NO:11****72.RECORDS – CERTAIN RECORDS VIZ. , METER READING BOOK AND BILLS RELATES A.E.-4 IN CIRCLE-2 – NOT PRODUCED - IRREGULAR – NEEDS EARLY ACTION CALLED FOR:**

As could verified form the Records relates to Vijaywada Municipal Corporation for the year 2014-15, it is noticed that the records relates to Meter Reading Register and Bills concerned in respect of A.E.4 in Circle-2 were not made available in audit for verification. As such in absence of the above, the correctness of the amounts thus colleted could not be verified in audit. In spite of several half margin letters were issued to the Executive “Authorities concerned, simply acknowledged the same only. But, the connected records were not furnished to audit for verification.

Therefore, in absence of the above, the losses if any sustained in this regards the same would need to be worked out and made the amounts from the person or persons responsible besides furnish the material facts to this department positively.

**NON PRODUCTION OF RECORDS:**

**CODE.NO:11**

**73.RECORDS – REMITTANCE CHALLANS VIZ., I.T - NOT PRODUCED - IRREGULAR – NEEDS EARLY ACTION CALLED FOR:**

As could be verified from the Records relates to Vijaywada Municipal Corporation for the year 2014-15, it is noticed that the following amounts were drawn and paid towards remittance of Income Tax of the department concerned. But, the connected Remittance Challan or remitted particulars etc., were not furnished to audit for verification. As such in absence of the same, the correctness of the amounts thus drawn and paid could not be verified in audit.

**Particulars:**

<b>Sl.No.</b>	<b>Particulars</b>	<b>Date</b>	<b>Amount involved</b>	<b>Remarks</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	Cheque.No.873671	08.01.2015	7,037.00	
2	Cheque.No.1746	12.05.2014	2,600.00	
3	Cheque.No.7492	11.05.2014	23,451.00	
4	Cheque.No.1750	28.05.2014	71,967.00	
5	Cheque.No.504326	20.05.2014	18,132.00	
6	Cheque.No.504336	20.05.2014	19,591.00	
7	Cheque.No.504345	28.05.2014	27,223.00	
8	Cheque.No.077493	31.05.2014	10,697.00	
9	Cheque.No.504388	31.05.2014	11,542.00	
10	Cheque.No.16560	01.07.2014	7,579.00	
11	Cheque.No.879847	22.07.2014	64,218.00	

Therefore, in absence of the above, the losses if any sustained in this regards the same would need to be worked out and made the amounts from the person or persons responsible besides furnish the material facts to this department positively.

**74.NON PRODUCTION OF RECORDS:****CODE.NO:11****RECORDS – REMITTANCE CHALLANS VIZ., P.F, GIS, LIC, APGLI, P.T AND, COURT PAYMENS ETC., NOT PRODUCED - IRREGULAR – NEEDS EARLY ACTION CALLED FOR:**

As could be verified from the Records relates to Vijaywada Municipal Corporation for the year 2014-15, it is noticed that the following amounts were drawn and paid towards remittance of P.F, GIS, LIC, APGLE ,P.T, AND COURT PAYMENTS to the department concerned. But, the connected Remittance Challan or remitted particulars or the Recoveries Register relates to the above heads etc., were not furnished to audit for verification. As such in absence of the same, the correctness of the amounts thus drawn and paid could not be verified in audit.

Therefore, in absence of the same, the correctness of the amounts thus drawn and paid could not be verified in audit. Hence, in absence of the same, the losses if any sustained in this regards the same would need to be worked out and made the amounts from the person or persons responsible besides furnish the material facts to this department positively.

**75.NON PRODUCTION OF RECORDS:****CODE.NO:11****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 Education tax and library 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 should be allocated to the 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 objective of 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 Commissioner would need to take earnest steps for allocation of property Tax as per the provisions in the Municipal Act to fulfil statutory obligation.

**NON PRODUCTION OF RECORDS:****CODE.NO:11****76.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 or part of the building. The 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. It was observed that there was no 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 rate of compounding fee shall be 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 rules issued in the said G.O by the ULB could not be checked in audit.

Further clause -g- under Rule 26 of GO.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 occupancy certificate is produced or 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 and normal tariffs are charged.

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 ULB's.

**NON PRODUCTION OF RECORDS:****CODE.NO:11****77.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, connected files along with sanction proceedings were not produced to audit. In the absence of the connected applications and sanction proceedings along with all relevant files, the correctness of the 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 municipal funds under intimation to audit.

78.GENERAL WORKS –VOUCHERS PRODUCED BUT CONNECTED FILES NOT PRODUCED.Rs.2,01,31,629.00  
code no.11

During the course of audit on the accounts of Municipal corporation vijayawada for the year 2014-15, Mbooks,estimates and connected files of fallowing vouchers(statement enclosed) not produced in audit . Mbooks ,estimates and connected files of fallowing vouchers were not produced in audit even after a half margin letter was issued to municipal authorities vide 1)Lr sa no 3 /2016-17 dt 13-5-2016 and .In the absence of the above records the correctness of the expenditure could not be verified in audit .

Therefore action would need to be taken to produce the Mbooks ,estimates and connected files of fallowing vouchers to audit for verification . The loss due to non production of above records if any sustained that would need to be recovered from the person or persons responsible.

S.No.	Voucher no/date/circle no.	Amount.Rs.
1	39/04/2014/C1	777717
2	149/04/2014/C3	527614
3	206/04/2014/C2	427240
4	259/04/2014/C2	519445
5	386/04/2014/C2	603073
6	1887/07/2014/c1	531067
7	1892/07/2014/C1	445638
8	1893/07/2014/C1	447255
9	1902/07/2014/C1	2157359
10	2006/07/2014/C2	466581
11	2017/07/2014/C2	259141
12	3580/08/2014/C2	253564
13	3870/09/2014/C2	258831
14	3880/09/2014/C2	254043
15	3886/09/2014/C2	531075
16	3872/09/2014/CI	293418
17	5217/12/2014/CI	369322
18	5396/11/2014/CI	407068
19	5410/11/2014/CI	759542
20	5584/11/2014/CI	543700
21	5906/11/2014/C1	2972626
22	5983/11/2014/CI	540000
23	6021/11/2014/CI	578000
24	6496/12/2014/CI	477075
25	6519/03/2015/C3	286934
26	7211/12/2015/CI	420000
27	8502/03/2015/C2	698582
28	7239/1/2015/CI	425311
29	8497/03/2015/C2	586077
30	8498/03/2015/C2	584284
31	8499/03/2015/C2	512106
32	8500/03/2015/C2	519359
33	8502/03/2015/C3	698582
	TOTAL	2,01,31,629

79.WORKS – SUPPLY AND DELIVERY OF FERRIC ALUM FOR MAINTENANCE OF HEAD WATER WORKS- SERIVE

TAX	NOT	DEDUCTED	—	EXCESS	PAYMENT.
Rs .1,79,096/		code no.13			

As verified from the connected work bills and Tender Fills and agreement files it is noticed that 12.36% of service tax was collected from the supplies. But the Municipal authorities was not watched/observed the agreement and the service tax was not deducted and paid the final payment form the contractor. This is irregular and an amount of Rs. 1,79,096/- was excess amount paid to the contractor. Action would need to be taken to collect the excess amount paid to the contractor and the fact may be intimated to audit.

S.no	Contractor Name & Address	Default of work	Vr.No/ Date	Payment Amount Rs.
1	M/s. Swathi Industries, nawabpet, Medak Dist.  Agreement Amount Rs. 14,49,000/-	Supply and delivery of Ferric Alum for Maintenance of Head Water works at Vijayawada Municipal Corporation. M.B. No. 118/2010-11. P.No. 33 & 38 M.B. No. 22/2012-13	1303/6/14  3572/9/14	7,29,000.00  6,51,392.00
		<b>TOTAL</b>		<b>13,80,392.00</b>

**80.FAMILY PENSIONS – ENHANCED FAMILY PENSION PAID IN EXCESS OF THE STIPULATED PERIOD,  
CONSEQUENTIAL EXCESS PAYMENTS – IRREGULAR – NEEDS RECOVERY : Rs. 5,86,039.00 (code no.13)**

During the course of audit 2014-15, it was noticed that an amount of Rs. 5,86,039.00 was paid in excess towards the payment of family pensions,.According to AP Revised pension rules 1980 Enhanced family pension should be paid to the family pensioner up to the period of 7 years from the date of death of the employee or attaining the age of 65 years of employee ,whichever is earlier,.after that normal family pension should be paid only. But in the following cases the above mentioned rule was not followed by the municipal Authorities .Enhanced family pension was not reduced to the normal family pension even after the end of the stipulated period. Therefore excess payments were paid in the fallowing family pension cases .

Therefore immediate action would need to be taken to recover the excess payments paid to the family pensioners and credit the same to municipal funds or else the loss if any sustained in this regard would need to be recovered from the person or persons responsible .

1)SMT S.Kusuma kumary,W/O late S.Visweswara rao,deceased Record Assistant. PPO NO 2309

PERIOD	DR %	PAY PAID	PAY TO BE PAID	D.R PAID	DR TO BE PAID	MEDI CAL ALLO WAN CE	IR PAID	IR TO BE PAID	GROSS AMOU NT PAID	GROS S AMO UNT TO BE PAID	DIFFERE NCE
12-9-2014	77. 896	4693	2816	3656	2194	200	1267	760	9816	5970	3846
OCT 2014	77. 896	7410	4446	5772	3463	200	2001	1200	15383	9309	6074
NOV 2014	77. 896	7410	4446	5772	3463	200	2001	1200	15383	9309	6074
DEC 2014	77. 896	7410	4446	5772	3463	200	2001	1200	15383	9309	6074
JAN 2015	77. 896	7410	4446	5772	3463	200	2001	1200	15383	9309	6074
FEB 2015	77. 896	7410	4446	5772	3463	200	2001	1200	15383	9309	6074
MAR 2015	77. 896	7410	4446	5772	3463	200	2001	1200	15383	9309	6074
APRE 2015	77.	7410	4446	5772	3463	200	2001	1200	15383	9309	6074

	896										
MAY 2015	77. 896	7410	4446	5772	3463	200	2001	1200	15383	9309	6074
JUNE 2015	77. 896	7410	4446	5772	3463	200	2001	1200	15383	9309	6074
JUL 2015	77. 896	7410	4446	5772	3463	200	2001	1200	15383	9309	6074
AUG 2015	77. 896	7410	4446	5772	3463	200	2001	1200	15383	9309	6074
<b>TOTAL</b>											<b>70660</b>

2)smt D.Ramulamma,W/O D.Lakshmsn,deceased P.H.Worker. PPO NO 2518

PERIOD	DR %	PAY PAID	PAY TO BE PAID	D.R PAID	DR TO BE PAID	MEDI CAL ALLO WAN CE	IR PAID 27%	IR TO BE PAID 27%	GROSS AMOU NT PAID	GROS S AMO UNT TO BE PAID	DIFFERE NCE
18-12-2014	77. 896	2557	1754	1992	1366	200	690	473	5439	3793	1646
JAN 2015	77. 896	5901	4047	4597	3152	200	1593	1093	12291	8492	3799
FEB 2015	77. 896	5901	4047	4597	3152	200	1593	1093	12291	8492	3799
MAR 2015	77. 896	5901	4047	4597	3152	200	1593	1093	12291	8492	3799
APRE 2015	12. 052	12177	8350	1468	1006	300	0	0	13945	9656	4289
MAY 2015	12. 052	12177	8350	1468	1006	300	0	0	13945	9656	4289
JUNE 2015	12. 052	12177	8350	1468	1006	300	0	0	13945	9656	4289
JUL 2015	12. 052	12177	8350	1468	1006	300	0	0	13945	9656	4289

AUG 2015	12.052	12177	8350	1468	1006	300	0	0	13945	9656	4289
Sept 2015	12.052	12177	8350	1468	1006	300	0	0	13945	9656	4289
Oct 2015	12.052	12177	8350	1468	1006	300	0	0	13945	9656	4289
nov 2015	12.052	12177	8350	1468	1006	300	0	0	13945	9656	4289
Dec 2015	12.052	12177	8350	1468	1006	300	0	0	13945	9656	4289
Jan 2016	12.052	12177	8350	1468	1006	300	0	0	13945	9656	4289
Feb 2016	12.052	12177	8350	1468	1006	300	0	0	13945	9656	4289
March 2016	12.052	12177	8350	1468	1006	300	0	0	13945	9656	4289
Apr 2016	12.052	12177	8350	1468	1006	300	0	0	13945	9656	4289
<b>total</b>											<b>68803</b>

3) PPO NO 2580

PERIOD	DR %	PAY PAID	PAY TO BE PAID	D.R PAID	DR TO BE PAID	MEDI CAL ALLO WAN CE	IR PAID 27%	IR TO BE PAID 27%	GROSS AMOU NT PAID	GROS S AMO UNT TO BE PAID	DIFFERE NCE
Jul 2014	77.896	7640	4584	5951	3571	200	2063	1238	15854	9593	6263
Aug 2014	77.896	7640	4584	5951	3571	200	2063	1238	15854	9593	6263
Sept 2014	77.896	7640	4584	5951	3571	200	2063	1238	15854	9593	6263
Oct 2014	77.896	7640	4584	5951	3571	200	2063	1238	15854	9593	6263

Nov 2014	77. 896	7640	4584	5951	3571	200	2063	1238	15854	9593	6263
Dec 2014	77. 896	7640	4584	5951	3571	200	2063	1238	15854	9593	6263
JAN 2015	77. 896	7640	4584	5951	3571	200	2063	1238	15854	9593	6263
FEB 2015	77. 896	7640	4584	5951	3571	200	2063	1238	15854	9593	6263
MAR 2015	77. 896	7640	4584	5951	3571	200	2063	1238	15854	9593	6263
APRE 2015	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
MAY 2015	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
JUNE 2015	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
JUL 2015	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
AUG 2015	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
Sept 2015	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
Oct 2015	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
nov 2015	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
Dec 2015	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
Jan 2016	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
Feb 2016	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
March 2016	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067
Apr 2016	12. 052	15766	9459	1900	1140	300	0	0	17966	1089 9	7067

total											148238
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4) smt J.Somamma,W/O Lakshmaiah,deceased P.H.Worker .PPO NO 2626

PERIOD	DR %	PAY PAID	PAY TO BE PAID	D.R PAID	DR TO BE PAID	MEDI CAL ALLO WAN CE	IR PAID	IR TO BE PAID	GROSS AMOU NT PAID	GROS S AMO UNT TO BE PAID	DIFFERE NCE
4-9-2013	63. 344	6178	3706	0	0	200	0	0	6378	3906	2472
OCT 2013	63. 344	6865	4118	0	0	200	0	0	7065	4318	2747
NOV 2013	63. 344	6865	4118	0	0	200	0	0	7065	4318	2747
DEC 2013	63. 344	6865	4118	0	0	200	0	0	7065	4318	2747
JAN 2014	71. 904	6865	4114	0	0	200	1854	1111	8919	5425	3494
FEB 2014	71. 904	6865	4114	0	0	200	1854	1111	8919	5425	3494
MAR 2014	71. 904	6865	4114	0	0	200	1854	1111	8919	5425	3494
APR 2014	71. 904	6865	4114	0	0	200	1854	1111	8919	5425	3494
MAY 2014	71. 904	6865	4114	0	0	200	1854	1111	8919	5425	3494
JUN 2014	71. 904	6865	4114	0	0	200	1854	1111	8919	5425	3494
JUL 2014	77. 896	6865	4114	0	0	200	1854	1111	8919	5425	3494
Aug 2014	77. 896	6865	4114	0	0	200	1854	1111	8919	5425	3494
Sept 2014	77. 896	6865	4114	0	0	200	1854	1111	8919	5425	3494
Oct 2014	77. 896	6865	4114	0	0	200	1854	1111	8919	5425	3494

Nov 2014	77. 896	6865	4114	0	0	200	1854	1111	8919	5425	3494
Dec 2014	77. 896	6865	4114	0	0	200	1854	1111	8919	5425	3494
JAN 2015	77. 896	6865	4114	0	0	200	1854	1111	8919	5425	3494
FEB 2015	77. 896	6865	4114	0	0	200	1854	1111	8919	5425	3494
MAR 2015	77. 896	6865	4114	0	0	200	1854	1111	8919	5425	3494
APR 2015	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
MAY 2015	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
JUNE 2015	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
JUL 2015	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
AUG 2015	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
Sept 2015	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
Oct 2015	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
nov 2015	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
Dec 2015	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
Jan 2016	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
Feb 2016	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
March 2016	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670
Apr 2016	12. 052	14166	8496	0	0	300	0	0	14466	8796	5670

total											136833
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5) SRI M.Venkatapathi, W/O M.Koteswaramma,deceased P.H.Worker. PPO NO 2675

PERIOD	DR %	PAY PAID	PAY TO BE PAID	D.R PAID	DR TO BE PAID	MEDI CAL ALLO WAN CE	IR PAID	IR TO BE PAID	GROSS AMOU NT PAID	GROS S AMO UNT TO BE PAID	DIFFERE NCE
9-12- 2013	63. 344	4789	2873	3034	1820	200	1293	776	9316	5669	3647
JAN 2014	71. 904	6530	3918	4695	2817	200	1763	1058	13188	7993	5195
FEB 2014	71. 904	6530	3918	4695	2817	200	1763	1058	13188	7993	5195
MAR 2014	71. 904	6530	3918	4695	2817	200	1763	1058	13188	7993	5195
APR 2014	71. 904	6530	3918	4695	2817	200	1763	1058	13188	7993	5195
MAY 2014	71. 904	6530	3918	4695	2817	200	1763	1058	13188	7993	5195
JUN 2014	71. 904	6530	3918	4695	2817	200	1763	1058	13188	7993	5195
JUL 2014	77. 896	6530	3918	5087	3052	200	1763	1058	13580	8228	5352
Aug 2014	77. 896	6530	3918	5087	3052	200	1763	1058	13580	8228	5352
Sept 2014	77. 896	6530	3918	5087	3052	200	1763	1058	13580	8228	5352
Oct 2014	77. 896	6530	3918	5087	3052	200	1763	1058	13580	8228	5352
Nov 2014	77. 896	6530	3918	5087	3052	200	1763	1058	13580	8228	5352
Dec 2014	77. 896	6530	3918	5087	3052	200	1763	1058	13580	8228	5352



Code No -13

81. RETIREMENT BENEFITS – ENCASHMENT OF HALF PAY LEAVE ONPAR WITH EARNED LEAVE-  
IRREGULAR- NEEDS RECOVERY

Rs 5,23,323.00

During the course of audit, it was noticed that the following persons half pay leave was en-cashed onpar with earned leave at the time of retirement/death as per the orders issued in G.O.Ms.No.154 (Fin.LFR-I)Dept., Dt.04-05-2010, and amount paid as noted against each.

But in Govt., Memo.No. 7380/Pe-Ser I/2012 dt 10-12-2012 of School Education Dept., it was stated that the orders issued in G.O.Ms.No.154 (Fin.LFR-I)Dept., Dt.04-05-2010 are not applicable to the employees of Panchayat Raj and Municipal Institutions.

Hence the amount paid was irregular as the said G.O was not applicable to the Municipal employees and needs recovery.

Therefore action would need to be taken to get the amount recovered and credited to Municipal General Fund .

S.No	Vr.No& Date	Name of the individual	No. of HPL encashed on per with Earned leave	Amount to be recovered
<b>PH Section</b>				
1	133/4-2014	Smt M.Appalanarasamma, Rtd PHW	107	42019
2	137/4-2014	Sri K.Venkateswararao, Rtd Driver	109	64339
3	138/4-2014	Sri K.Anjaneyulu, Rtd PHW	140	55020
4	139/4-2014	Smt K.Akkamma,Rtd PHW	42	16493
5	1721/7-2014	Sri D.Koteswararao S/oD.Samrajyam late PHW	89	19372
6	1727/7-2014	Smt K.Sujanamma w/o K.James,DeceasedPHW	95	24497
7	1729/7-2014	Smt K.Lakshmi, Rtd PHW	86	30083
8	1730/7-2014	Smt B.Chilakamma w/o Lakshman, late PHW	116	39626
9	2180/7-2014	Sri r.Narasimharao, Rtd Incharge driver	26	12777
10	5352/11-2014	Smt S.Mariyamma, Rtd PHW	120	40920
11	5356/11-2014	Sri B.Punnayyas, deceased PHW	36	9283
<b>Enginnering Section</b>				
12	136/4-2014	Sri T.Kiran Kumar, Rtd Work Inspector	10	4381
13	1722/7-2014	Smt G.Rajyalakshmi w/oG.Ramakrishana deceased work inspector	8	3706
14	1724/7-2014	Sri G.Rangaraju, Rtd work inspector	9	5451
15	1728/7-2014	Smt G.Madhavi w/o Ramu deceased cleanar	32	10341
16	1897/7-2014	Sri G.Nageswararao, Rtd fountain cleanar	29	12082
17	5355/11-2014	Sri M.Saibaba, Rtd AE	7	4958
<b>Revenue Section</b>				
18	1731/7-2014	Smt M.Anuradha w/o late M.Kiran Kumar,RA	32	8978
<b>Office section</b>				
19	135/4-2014	M.Ramana w/o late M.Srinivas, watchman	181	44103

20	3301/9-2014	Smt Shaik Runisha w/o late Mahamood Kalilulla	37	14530
21	3302/9-2014	Sri V.Paul, Rtd watchman	10	3219
22	3299/9-2014	Smt Maheejaber w/o late Md.Shakeerajahar	69	15900
23	5405/11-2014	Smt M.Vijaya Kumari w/o late M.Yesudasu,OS, Code -4520	88	34594
24	8505/3-2015	Sri B.V.S.Nagaraju,Rtd Accountant, Code -1431	7	6651
			<b>TOTAL</b>	<b>523323</b>

82.ESTABLISHMENT - SURRENDER OF EARNED LEAVE -PAID I.R NOT ADMISSIBLE -NEEDS RECOVERY  
Rs 36,609-00

As verified from Surrender of Earned Leave bills of Staff in Municipal Corporation, Vijayawada for the year 2014-2015, interim relief paid in 27% of Basic Pay. But as per G.O.Ms. No.10 Finance(PC-I) Department., dt.06-01-2014 Interim relief not admissible in surrender of earned leave bill. Therefore the excess payment worked out as detailed below would need to be recovered from the person or persons responsible and made good to Municipal Corporation Fund.

S.No	Vr.No & Dt	Name & Designation	Basic Pay	Excess Amount (Rs)
1	2326/7-2014	Smt Ch.Anasuya Devi,Supdt., Code No-0218	13150	3551
2	2327/7-2014	Sri N.Koteswararao,Sr.Asst., Code No - 3651	11520	3110
3	2331/7-2014	Sri NVDV Prasad,Sr.Asst, Code No- 0460	13150	3551
4	2341/7-2014	Sri B.Krishna,OS, C-Section	7220	1949
5	3537/9-2014	Sri V.Balasubrahmanyam,Turncock,PRO Section	7100	1917
6		Sri K.Govardhanarao,PHW, Code -3895	6505	1431
7		Sri K.Durgarao,PHW, Code -4042	3020	664
8		Sri A.Sivabrahmam,DEE, Code-3757	23040	6221
9		Sri Ch.Sambasivarao,DEE, Code-0623	21295	5750
10		Sri J.Ramakoteswararao,CCS, Code -3646	21295	5750
11		Sri K.Durgaprasadarao,AE, Code -7160	10055	2715
			TOTAL	36609

## 83. ESTABLISHMENT: LEAVE SALARY DRAWN BY SRI B. SRINIVASA RAO, RGM, HRA EXCESS DRAWN IN LEAVE

SALARY PERIOD IRREGULAR NEEDS RECOVERY RS. 1348/-, VOUCHER NO.7423/1-15.

During the course of establishment Audit, it is noticed that Sri B.Srinivasa Rao, Road Gang Mazdoor, Code NO. 4391, Assistant Engineer- 12 Section, O/o EE-3 was sanctioned earn leave for 158 days from 19-12-2013 to 25-5-2014 and half pay leave for 59 days from 26-5-2014 to 23-07-2014 vide proceedings Rc.No. C4-120754/2014, dated .23-07-2014 of the commissioner, Municipal Corporation of Vijayawada and paid an excess amount of Rs. 1348/- to the individual vide Voucher No. 7423/1-15.

But the individual is eligible for drawing HRA only for first six months. i.e, 180 days. After that the individual is not eligible for drawing HRA. In this case individual was drawing HRA upto total leave period.

The details are hereunder.

Period	Pay	DA	HRA	IR	CCA	GROSS	EXCESS DRAWN
<b>EARNED LEAVE</b>							
19-12-13 TO 31-12-13 (for 13 days)	6055	3835	1211	1635	92	12,828	---
1-1-14 to 30-4-14 (for 1 Month)	14440	9147	2888	3899	220	30594 x 4M = 122376	---
1-5-14 to 25-5-14 (for 25 days)	11645	7376	2329	3144	177	24,671	---
<b>HALF PAY LEAVE</b>							
26-5-14 TO 31-5-14 (for 6 days)	1397	885	559	377	43	3261	---
1-6-14 to 30-6-14 (for 1 month) already drawn	7220	4573	2888	1949	220	16,850	---
Eligibility	7220	4573	1540	1949	220	15503	
Difference	0	0	1348	0	0	1348	1348

84. ESTABLISHMENT – SRI K.R.C. CHOWDARY, E.E. (III) (PH) – SANCTIONED HALF PAY LEAVE – IR EXCESS DRAWN – IRREGULAR – NEEDS RECOVERY  
RS. 24760/-

During the course of Audit in establishment, it is noticed that Sri K.R.C. Chowdary, EE III, Public Health, Municipal Corporation, Vijayawada was sanctioned Half pay leave in 2 spells vide Progs. No: 42111/CS4/2014, dt: 14-05-2014 of Engineer in Chief, Public Health w.e.f 1-3-2014 to 30-4-2014 and progs. No: 1282/CS4/2014, dt: 2-12-14 of Engineer in chief, public health w.e.f 1-5-2014 to 30-6-2014 and individual was also proceeded on leave from 1-7-2014 to 31-7-2014. The leave yet to be sanctioned.

During the above leave period the individual was drawing excess payment of Rs. 24760/- relating to IR. The same may be recovered from the individual and remitted to corporation funds and challan produced to Audit.

The details of are here under:

Pay @ Rs. 45,850/-

	Months	Pay	DA (63.344%)	HRA (20%)	CCA	IR (27%)	GROSS	EXCESS
Already drawn	3/14	22925	14522	8000	350	12380	58177	
Eligibility		22925	14522	8000	3500	6190	51987	
Diff. for 1month						6190	6190	

Diff. From 3/14 to 6/14 = 6190 x 4 = 24760/-

(ie. 4 months)

**85. ESTABLISHMENT – SRI Y. MURALIMOHANA RAO WORK INSPECTOR – GR. IV (UNDER SUSPENSION)  
TREATING SUSPENSION PERIOD AS EARNED LEAVE AND HALF PAY LEAVE – EXCESS PAY & ALLOWANCES  
DRAWN – IRREGULAR – NEEDS RECOVERY RS. 2859/-,**

**V.R. NO: 7958/1-2015**

During the course of establishment audit, it is noticed that the suspension period of Sri Y. Muralimohana Rao, Work Inspector, Gr. IV is treated as earned leave from 30-12-13 to 9-7-2014 i.e., 192 days and Half pay leave from 10-7-2014 to 24-9-14 i.e., 77 days. Vide progs. RC C5-147006/2014, dt: 30-10-2014 of the Commissioner, Municipal Corporation, Vijayawada.

But the individual was drawing excess pay and allowances for the period from 10-7-2014 to 31-7-2014 i.e., 22 days. The details are here under:

Pay @ Rs. 9,740/-

**Earned Leave**

period	Pay	DA (63.344%) (71.904%)	HRA (20%)	CCA	IR (27%)	GROSS	EXCESS
30-12-13 to 31-12-13 for 2days	628	398	126	10	-	1162	-
1-1-14 to 30- 6-14 (6M)	9740	7003	1948	160	2630	21481x6(M)=1,28886	-
1-7-14 to 9-7-14	2828	2033	-	36	764	5661	-

**Half pay leave**

period	Pay	DA (63.344%)	HRA (20%)	CCA	IR (27%)	GROSS	EXCESS
10-7-14 to 31-7-14 (Already drawn) for 22 days	4870	3502	-	160	1315	9847	
Eligible	3456	2485		114	933	6988	
Difference	1414	1017		46	382	2859	2859

period	Pay	DA (63.344%)	HRA (20%)	CCA	IR (27%)	GROSS	EXCESS
8/14	4870	3502	-	160	1315	9847	
1-9-14 to 24-9-14	3896	2801	-	130	1052	7879	

Hence the excess payment of Rs. 2859/- was drawn by the individual has to be recovered from the individual and remitted to corporation general funds and challan produced to Audit.

86.SCOPE OF AUDIT - NON - MAINTENANCE OF VARIOUS VITAL AND IMPORTANT RECORDS - SCOPE OF AUDIT REDUCED - MISAPPROPRIATIONS, DEFALCATIONS, IRREGULAR DRAWALS AND OTHER IRREGULARITIES COULD NOT BE POINTED OUT- NEEDS IMMEDIATE ACTION:

During the course of audit for the year 2014-15, 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 reports in previous years, the Executive 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 registers without tallying with the 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 that direction by the executive authority.

In the above circumstances there is every possibility and scope for misappropriation, defalcations and irregular drawls as the state of accounts maintenance and keeping the records is quite pandemonium situation.

Code No.18

87.ASSET MANAGEMENT – NOT PURSUED – IMMEDIATE NEED FOR PURSUASION:

All Urban Local Bodies are required to maintain separate registers for movable and immovable assets as per the orders issued in G.O.Ms.No.1512, Local Administration, and Dated 5-8-1948.

Municipal Corporation, Vijayawada is endowed with large and varied assets. It should be ensured that the resources are used in the most optimum and efficient manner. However, it was noticed in audit that the Municipal Corporation, Vijayawada failed to maintain an assets register and produce to audit.

An asset register must be maintained ensuring that all the physical assets held by it were faithfully entered in it and it will

- facilitate and secure the physical control and security of these assets
- provide information and values for insurance and accounting purposes
- Facilitate the provision of detailed statistical information like numbers, location etc.

All new purchases of assets and the value addition due to improvements should be captured in the asset register including the gifted assets that become the property of the corporation.

The external sale, write off or scrapping of any asset has to be recorded in the asset register showing the disposal of any asset.

The transfer of ownership from one section to another was done properly or not would need to be watched.

A periodical inspection of the assets by the heads of the sections would need to be conducted to check the accuracy of the details held in the asset register.

In the absence of assets registers showing all the above, it could not be held in audit that the Municipal Corporation, Vijayawada is pursuing a sound policy of asset management. The corporation has to evolve a system of asset management on a scientific basis to safe guard the assets and provide for periodical valuation of assets and to give necessary treatment in the accounts by allowing depreciation of assets as per the norms and to secure the assets from encroachment and to watch that the assets are utilized in an optimum way so as to minimize maintenance costs and realize maximum benefit from the assets owned by it.

Code No. 18

88.STAFFING PATTERN OF THE VIJAYAWADA MUNICIPAL CORPORATION NOT FURNISHED – NEEDS IMMEDIATE ACTION :

During the course of audit, it was requested to furnish the information of staff pattern of the posts of Municipal Corporation Vijayawada with details of No. of posts sanctioned, working and No.of posts vacant in respect of the revenue, engineering and accounts section for the year 2014-15 inspite of the repeated oral requests the same was not furnished to audit, to know the exact strength of the cadre working. As such immediate action would need to be taken to furnish the same without further delay.

OTHERS

(CODE:

18)89.GRANTS - GRANTS REGISTERS NOT MAINTAINED PROPERLY - GRANTS ADJUSTED TO CORPORATION NOT BROUGHT TO REGISTER - VARIATIONS IN ANNUAL ACCOUNT TO BE REVISED.

On verification of the grants Register we have observed that Accounts Section has not paid any attention in connection with the postings of grants received, amount utilized and amount left over. Abstracts were not made relating to each grant for the year 2014-15. This aspect has come to light during the verification of Annual Account with reference to the grants register. Some of the grants adjusted to municipal funds under various schemes are not brought to the register of grants maintained during the year under audit, which is highly irregular. We observed that many of the grants taken to the account do not appear in the grants register.

Compensatory grants received are being taken only on the basis of the receipts received but the details of actual calculation of the amounts receivable from various departments is not being done.

OTHERS

(CODE: 18)

90.VACANT LAND TAX - DEMAND REGISTER - NOT PROPERLY MAINTAINED – NEEDS ACTION

As verified from the Vacant Land Tax demand register it is noticed that Vacant Land Tax postings were not properly updated and before arriving at the balances. Further ward wise and final abstract of the Vacant Land Tax Demand collection & Balance was not prepared and certified by the Dy Commissioner (R) or by the Commissioner, Vijayawada Municipal Corporation. As verified for the annual account for the year 2014-15 an amount of Rs.41721730.00 was shown as receipt. But the said figure was not arrived at in the final abstract.

OTHERS

(CODE: 18)

91. MISCELLANEOUS DEMAND REGISTER-MDR NOT PROPERLY MAINTAINED – ASSETS REGISTER ALSO NOT MAINTAINED NEEDS RECTIFICATION

Miscellaneous Demand Register is the crucial register in the Vijayawada Municipal Corporation; it is the major revenue source, such as Market leases, Shop rents and other revenues. But the said register was not maintained properly duly tallying with annual account figures. The sales register along with auction files are not properly maintained to cross check the demand collection and balance shown in the MDR. Nothing was mentioned regarding the action initiated for recovery of balances shown at the end of the year in respect of the leases.

Further the assets register of VMC, VZA was not maintained and produced for audit. In the absence of the same it could not be verified whether all the assets owned by the GVMC was properly leased out or not. Further in the absence of the concerned files we could not verify whether leases were approved by the standing committee, registered agreements were obtained from lessee-s are not.

92.RECONCILIATION PROCEDURES NOT OBSERVED:

A.P.M.A.M., prescribed reconciliation procedures with an objective to ensure that the accounting information is recorded at more than one place, there are no discrepancies between the different sets of records. The procedures include the following.

- a) Bank reconciliation: aiming at reconciliation of bank, treasury balances with cash book balances.
- b) Inter Unit reconciliation: intending to identify the disputed/UN accepted inter unit transactions and to take appropriate action for rectification which is necessary in the process of consolidation of ULB at the head office level as the balances of inter unit account balances shall be nullified.
- c) Reconciliation of Deposits: Aiming at reconciliation the balance of EMD/SD etc., and any other deposits received by the ULB. The reasons for differences shall be identify and rectification entries passed whenever required by the section concerned.
- d) Reconciliation of receivables and collections : The receivables and collections shall be reconciled on a quarterly basis or such other shorter time intervals, however the procedure for reconciling outstanding balances of receivables and collections of all kinds of receivables namely viz., property tax receivables, Water tax receivables etc., is the same.
- e) Reconciliation of Advances given: Advances given shall also reconciled on a quarterly basis including advances given to employees of ULB, sections of the ULB and contractors and suppliers.  
Further A.P.M.A.M. envisaged reconciliation of loans taken, reconciliation of payables, reconciliation of ledger balances etc., also.

But during the scrutiny in audit it was observed that these procedures prescribed were not followed and no reconciliation statements were enclosed to the final accounts, in the absence of reconciliation of receivables and collections the balances shown as either receivable or collected could not be held to be correct. Urgent steps would need to be taken by the Executive Authority to cause preparation of the reconciliation statements as per the instructions of the A.P.M.A.M.

**VIOLATION OF RULES:****CODE NO.9****93. INFORMATION NOT FURNISHED REGARDING PROPERTY TAX- NEEDS MAINTAINED**

The Revenue Officer/Revenue Inspectors and the Bill Collectors shall in their capacities undertake field visits within their jurisdiction for detection of any un-authorized constructions and other properties which were yet to be identified and brought under the Property Tax net. The property tax shall be levied for every half year and it is the duty of the assesses to pay it within 30 days after the commencement of each half year i.e. 30th April/31st of October. In this regard the records of such visits or any details of properties identified were not maintained in this municipality. Loss, if any sustained by the institution due to non-collection of tax within time specified as per Municipal Act, the Executive Authority will have to be held responsible.

**NON PRODUCTION OF RECORDS:****CODE NO:11****94. PROPERTY TAX - GOVERNMENT OFFICES LOCATED IN PRIVATE BUILDINGS AND PAYING RENT TO OWNERS - REGISTERS NOT MAINTAINED AND 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 by Government offices to the building owners. A register containing Government offices located in private buildings should be maintained so as to verify whether Property Tax was being levied as per the rent 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 Offices located in their own 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 the P.T on Government buildings.

**OTHERS:****CODE NO.18****95. INCONSISTENCIES IN THE E-SUVIDHA PACKAGE RESULTING IN LOSS TO THE MUNICIPAL CORPORATION:**

Certain inconsistencies were noticed in the e-Suvidha package during the course of audit which had a bearing on the correctness or otherwise of the PT fixed and collected accordingly. The package was not levying the deviation penalties even when there were deviations from permitted extent as per building permission. It only levied penalty for unauthorized construction penalty. There was no assurance in audit that the calculations of PT were correct in the system. The special notice generated by the package was being used and the copy of the same was not made available in audit. There was no assurance in audit that the three logins were not misused as it was noticed that the DEO was using all the three logins freely and there was no check on the use of the logins. There was no assurance in audit that the Special demand notice was compared properly before the facsimile of the Commissioner was appended.

**96.NON CONDUCTION OF DEPARTMENTAL INSPECTIONS: code no.9**

According to Govt. Orders in G.O.Ms.No.247, GAD, Dated: 08-02-1962 and instructions issued from time to time, District Officers and their subordinate Officers are required to be inspected by the Heads of the Departments periodically and furnish the Inspection Reports in firm of questionnaire prescribed therein the need for lapses of Govt Offices periodically was also emphasized in the Govt. Memo.

When details of the Departmental Inspection of the Municipality were conducted if any or copy of reports if any was not pointed out to audit for verification. Effective steps would be taken for furnishing of the same to next audit.

**NON PRODUCTION OF RECORDS:****CODE.NO:11**

**97.VOUCHER – PAID VOUCHER AND CONNECTED FILES NOT FURNISHED TO AUDIT – IRREGULAR – NEEDS  
EARLY ACTION CALLED FOR: Rs.80,61,969.00**

As could be verified the Cash Book relates to 001 Account and 002 Account of the Vijaywada Municipal Corporation, Vijaywada for the year 2014-15, it was noticed that the following paid Voucher along with the connected files etc., were not made available to audit for verification. Though several half margin letters were issued during the course of audit, the connected records were not furnished to audit for verification. As such, in absence of the same the correctness of the expenditure thus incurred could not be verified in audit. Hence, the entire expenditure for Rs.2,93,59,945/-{ i.e. 001 Account for Rs.1,26,21,970+ 002 Accounts for Rs. 1,67,37,975/-} is held under objection in audit.

**STATEMENT SHOWING THE PARTICULARS OF PAID VOUCHERS OR CONNECTED FILES NOT FURNISHED RELATES TO  
GENERAL FUNDS OF THE V.M.C., VIJAYWADA FOR THE YEAR 2014-15**

Sl. No.	Voucher. No.	Date	Particulars	Amount Involved	Remarks
1	2	3	4	5	6
1	3326	01.09.2014	Towards Supply of Hire Vehicle to E.A on 30.06.2014	3604.00	
2	3421	06.07.2014	towards MogalRaj Puram Disp vide C.N.506	93035.00	
3	3426	06.09.2014	towards Mutyamlapadu Disp vide C.N.511	19001.00	
4	3345	06.09.2014	towards Circle-II Engg vide C.N.327	414854.00	
5	3346	06.09.2014	towards C.C.S , E.E.-II vide C.N.328	32009.00	
6	3471	6.09.2014	towards Sec. Cell vide C.N.401	116111.00	
7	3480	06.09.2014	towards Circle-II, Rev vide C.N.419	226833.00	
8	3484	06.09.2014	towards Circle-III, Rev vide C.N.424	650633.00	
9	3570	09.09.2014	towards Laying of 150 MM M.S.Piple line for by pass arrangement of fixing of 15 HP Suberling pump set at Srinivasa Nagar Bank Colony	15000.00	
10	3573	09.09.2014	Towards General Maintenance of Commissioner Bungalow in Circle-3 area	25780.00	
11	3678	09.09.2014	Towards Construction of Central division to Ambedakar road from Fly over junction to Raju Nagar in 29th Division	304000.00	

12	3688	12.09.2014	towards Honorium for 57 No. of Corporatists and 05 No. of Corporate Members for th month of August,2014	233805.00	
13	3869	20.09.2014	towards supply and delivery of 19600KG's Broomsticks	300000.00	
14	3874	20.09.2014	towards cost of 2nd floor e techno Trng. School building in 20th division	150000.00	
15	3875	20.09.2014	towards construction of function hall at Arul Nagar in Christu rajapuram in 3rd division	600000.00	
16	3878	20.09.2014	towards repairs to 5HP sub mirasable plumpest at R.L.Nagar D.P.Station	35812.00	
17	3887	23.09.2014	Towards supply and delivery of 03 No. of Desalting Machines	2000000.00	
18	4005	26.09.2014	towards supply of Contract Labour for maintenance of W.S. of V.G.D in A.E. VI Circle-3 Wages for the month of June,2014	323093.00	
19	4006	26.09.2014	towards Reconstruction of Collapsed steps and retain wall at D.NO.2-3/7-4, near C.S.I. Church in four pillar areas in 33rd Davison	300000.00	
20	4128	P.NO.174/09-2014	towards Circle-I Engg C.NO.326	472793.00	
21	4129	P.NO.174/09-2014	towards Circle-II Engg C.NO.327	414913.00	
22	4159	P.NO.182/09-2014	towards Circle-II REV. C.NO.419	174474.00	
23	4162	P.NO.182/09-2014	towards Circle-I REV C.NO.422	502220.00	
24	4164	P.NO.183/09-2014	towards Circle-III REV C.NO.424	653999.00	
<b>TOTAL:</b>				<b>8061969.00</b>	

**VIOLATION OF RULES****(CODE:9) RECEIPTS****98.NON REALIZATION OF TAXES & NON TAXES COLLECTED FOR VMC,VZA THROUGH E -SEVA CENTERS- NEEDS ACTION**

E-Seva centers were entrusted with the collection of various Taxes and Non taxes payable to VMC, VZA. E-Seva Centre is only service providers and they have to remit the collection every day to the participating departments. But as seen from the E-Seva Centre records it is noticed that an amount of Rs.65472925.00 of the year 2014-15 was not remitted to VMC, VZA.

Further, presently an amount of Rs. 4.0 crores approximately is lying with E-Seva centers as suspense amount relating to VMC, VZA. But VMC, VZA has not made any efforts to realize the said amounts. Further the Corporation is taking loans from commercial banks to meet the expenditure for developmental activities and paying interest. Hence it is clear that VMC, VZA is loosing interest on Rs. 4.0 crores which are VMC, VZA amounts lying with E-Seva Centers. Hence early action would need to be taken to realize the said amount immediately.

**NON COLLECTION OF DUES:****Code No.7****99.PROPERTY TAX - NO ADDITIONAL TAX WAS IMPOSED ON THE OWNERS OF BULDINGS WHO HAVE ALLOWED THE INSTALLATION OF CELLTOWERS - NEEDS 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 Municipal authorities to collect additional Property tax from house owners who have allowed the installation of cell towers on their premises. No such property tax was imposed and collect from the 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 from the owners.

**100.TAXES - PROPERTY TAX - DEMAND NOT FIXED:**

As per annual account an aggregate amount of Rs.603467555.00 was realized under property tax and water tax during the year under audit. But the Demand for the current financial year was not fixed and ward wise register was also not produced to audit for verification in audit. An amount of Rs.603467555.00 collected during the year 2014-15 was treated as Demand, which is 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 done. In the absence of 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 with reference to ward 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, sustained by municipal funds due to non-preparation of D.C.B. would have to be made good from the person or persons responsible.

**NON REMITTANCE OF RECOVERIES: CODE.NO:10**  
**101.REMITTANCES – NON REMITTANCES OF P.T RECOVERIES - IRREGULAR – NEEDS EARLY**  
**ACION CALLED FOR: Rs.3,420/-**

As could be verified from the Cash Book relates to General Funds of the V.M.C.Vijayawada during the year 2014-15, it was noticed that the following Recoveries towards Profession Tax Amounts recovered from the paid Vouchers aggregate amounting to Rs.3,420/- during the year under audit. But, the same were not remitted to the heads concerned. Which is not in order. And the same were retaining to the funds. Hence, early action would need to be taken for remittance of P.T Amounts to the heads concerned at an early date and furnish the remittance particulars to audit for verification without fail.

<b>SL.NO.</b>	<b>Month</b>	<b>Amount Involved</b>	<b>Remarks</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
1	04/2014	3,56,010.00	
2	05/2014	3,61,245.00	
3	06/2014	3,66,100.00	
4	07/2014	3,56,279.00	
5	08/2014	3,57,616.00	
6	09/2014	3,61,890.00	
7	10/2014	3,50,220.00	
8	11/2014	3,62,940.00	
9	12/2014	3,50,040.00	
10	01/2015	3,58,320.00	
11	02/2015	3,65,760.00	
12	03/2015	3,63,560.00	
<b>Total:</b>			

Further, as could be verified from the register concerned, the following observation was noticed:

1. Since none of the executive authority or the competent authority concerned are certified the connected register.
2. Gross amount of the bill of the individual concerned were not pointed out, as such in absence of the same the correctness of the P.T Recovered could not be verified in audit.

Therefore, in the light of the above it brought to the notice to the higher authorities concerned effect steps would need to be taken for rectification of the same besides reemitting the amounts to the heads and furnishing the details to audit for verification positively.

**VIOLATION OF RULES:** CODE.NO:09  
**102.REMITTANCES – REMITTANCE OF VMC EMPLOYEES CO.OP CREDIT SOCIETY LTD., ABNORMAL DELAY REMITTANCE AND CERTAIN DEFECTS - IRREGULAR – NEEDS EARLY ACTION CALLED FOR: Rs.42,68,035.00**

As could be verified from the Cash Book relates to the General Funds of the V.M.C.Vijayawada during the year 2014-15, it was noticed that an aggregate amount of Rs.42,68,035.00 was drawn and paid by way of Cheque bearing No.4933, Dated: 30.03.2015 to the President ,VMC, Employees Cooperative Credit Society Ltd., Vijayawada towards Employees cooperative Credit Loan recovery amount for the month of March,2012.

In this regards, reasons for the abnormal delay in remittance of the same was not pointed out. Further, the connected payees acknowledgements etc., was also not pointed out.

About to that, as could be verified from the file.No.B6-7214/10 and the connected note file vide page.No.23etc., it was observed that the above amounts of Rs.42,68,035.00 was already approved by the Examiner of Accounts / Commissioner on 03.05.2012 for payment and vide.Bill.No.1287/04.05.2012. But, during the year 2014-15 in the month of March, 2015 was again claimed. The valid reasons are material information if any were not made available to audit for verification. As such, in absence of the same the correctness of the amounts drawn and paid could not be verified in audit.

Therefore, in the light of the above, it brought to the notice to the higher authorities concerned. The same would need to be examined and effective steps would need to be taken. The loss if any sustained in this regard need to be made good from the person or persons responsible, furnish the material facts to this department without fail.

NON PRODUCTION OF RECORDS:CODE.NO:11103.RECORDS – CERTAIN RECORDS NOT PRODUCED IN CIRCLE-2 – IRREGULAR – NEEDS EARLY ACTION CALLED FOR:

As could be verified from the Records relates to Vijaywada Municipal Corporation for the year 2014-15, it is noticed that the following records were not made available to audit for verification. Though half margin letters were issued to the Executive “Authorities concerned, simply acknowledged the same only. But, the following records were not furnished to audit for verification.

Particulars:

M.L's relates to Ward No.12A., 14 & 16.

Hence, in absence of the same the correctness of the Property Tax collected could not be verified in audit. Therefore, the loss if any sustained in this regard would need to be worked out and made good from the person or persons responsible besides furnishing the material facts to this department positively.

CODE NO 9104.PROVIDENT FUND – FINAL PAYMENTS – PAID TO THE RETIRED EMPLOYEES – ALONG WITH INTEREST – IRREGULAR – NEEDS RECTIFICATION.

As verified from the provident fund final payments files of the retired employees. It is noticed that the final payments paid along with interest amount the employees GPF Subscriptions were credited to the corporation bank, But the bank was not credited any kind of interest. In this connection the employees subscription only are in bank account. But the Municipal Authorities were paid their provident fund balances along with interest amounts without receiving any kind of interest from any other source. Hence the interest amount was met from other employees provident fund subscription. This is irregular. Action would need to be taken to recover the interest amount already paid to the retired employees and the fact may be intimated to audit.

CODE No. 9105.PROVIDENT FUND – CASH BOOK NOT MAINTAINED PROPERLY – NOT RECONCILED – IRREGULAR.

In the course of audit, it is noticed that the provident fund cash Book was not Maintained properly. The Municipal Authorities was not followed the rules for Maintenance of Cash Book. In cash book Expenditure particulars only written/recoded but not written the receipts particulars.

The opening balances and closing balances was not arrived/concluded in cash book. The closing balances of cash book and Bank Pass book was not reconciled. Which is irregular. Action would need to be taken to rectify the defects and the fact may be intimated to audit.

CODE NO: 1

106.ACCTS – ANNUAL ACCOUNTS PROVIDENT FUND ACCOUNT- EXPENDITURE –VARIATION FROM CASH BOOK AND ANNUAL ACCOUNT NEEDS IRREGULAR.

As verified from the provident fund account along with cash book and Annual Account actual Expenditure from cash book and bank pass book is Rs. 3,59,37,083/- In annual account the provident fund Expenditure is shown as Rs. 13,75,09,091/- in this connection in annual account an amount of Rs.10,15,72,008/- Was Excess expenditure shown. The Municipal authorities are requested to rectify the variation and the fact may be intimated to audit.

Code No. 9

107.DEPOSITS - PENDING FROM YEARS TOGETHER SHOULD BE LAPSED - NEEDS ACTION:

The remaining Deposits unclaimed for three completed years after their refunds fall due and surplus proceeds of distraint property not claimed within six months from the date of sale should be lapsed and credited to the revenue Head of account. The deposits thus lapsed shall be entered in a register called - Register of Lapsed Deposits, which should be maintained in the form set out in Annexure VII to the rules relating to Deposits issued in G.O.Ms No. 519 MA dated 04-07-1970 as amended in G.O.Ms No. 385 M.A. Dt. 12-07-1974. For the claims subsequently made and admitted, the amounts concerned may be refunded from the general balance of the Municipal Corporation with the sanction of the Municipal Corporation.

**Code No.18**

**108.MAINTENANCE OF DEPOSITS REGISTER – CERTAIN DEFECTS:**

The register of deposits was not maintained in the prescribed proforma. The following defects were noticed during the course of audit.

- 1) The details of outstanding balances of the deposits to be refunded at the end of the previous financial year were not brought forward.
- 2) Monthly abstract as well as annual abstract of the receipts and refunds of the deposits were not appended to the register duly certified by the Commissioner.
- 3) Lapsed deposits if any were not adjusted to the General Funds by making suitable transfer entries.
- 4) The year wise split up of the deposits was not made.
- 5) While making refunds of the deposits, the original receipt entry made in the deposits register was not rounded off duly recording the refund particulars to avoid double payment.

In view of the above shortcomings in the maintenance of the deposits register loss if any occurred to the Municipal Corporation funds would need to be ascertained and recovered from the persons responsible.

**109. ADVANCES ADJUSTED BEING SHOWN AS ADVANCES ONLY:** **code no.9**

It was noticed that advances adjusted were not properly exhibited in the books of accounts for the year 2014-15. The advance adjusted was being shown as advance only. Further the advances originally sanctioned in previous years were totally ignored. As a result, on adjustment of advances instead of booking expenditure to the relevant head of account they were being shown as advances only. Thus the amount of advances to be adjusted was inflated and the mechanism of watching their adjustment was failed in the accounts.

6)Corpus fund not collected from successful bidders –irregular.

As for Go.m.s no 4 I&CAD user departments shall collect corpus fund @ 0.04%. of ecv with a cap of Rs 10,000 for all works with ECV up to 50 crores and 25000/- for works with ECV above 50 crores from successful bidders to sustain e-procurement initiatives, research and development of software application for automation for process in user depts, on e- procurement platform before entering into agreement to words e-procurement fund in favour of managing director, Apts, Hyderabad.

There fore action would need to be taken to collect the above corpus fund and compliance to audit.

**110. Corpus fund not collected from successful bidders –irregular.** Code No.9

As for Go.m.s no 4 I&CAD user departments shall collect corpus fund @ 0.04%. of ecv with a cap of Rs 10,000 for all works with ECV up to 50 crores and 25000/- for works with ECV above 50 crores from successful bidders to sustain e-procurement initiatives, research and development of software application for automation for process in user depts, on e- procurement platform before entering into agreement to words e-procurement fund in favour of managing director, Apts, Hyderabad.

Therefore, action would need to be taken to collect the above corpus fund and compliance reported to audit.

**111. GENERAL WORKS – EXECUTION OF WORKS – CERTAIN QUANTITIES OF WORK DONE IN EXCESS OF THE ESTIMATE PROVISION, CONSEQUENTIAL EXCESS PAYMENTS – IRREGULAR – NEEDS RECOVERY : Rs. 8431.00** **code no.13**

During the course of audit 2014-15, it was noticed that an amount of Rs. 8431.00 was incurred in excess towards the Quantities executed in excess of the work, which is over and above the estimate provision.

Work is to be completed according to the actual Quantities, which were provided in the estimate. But the same was not done, which is a breech of “condition of contract” by the contractor.

Therefore action would need to be taken to recover the excess payment form the person or persons responsible and credited to Municipal funds.

Name of the Work : construction of A.C. Sheet shed for NTR sujala padhakam  
On Nunna Road at Dabakotlu Road junction in 52 nd Division.

Estimate : 1,97,000/-

Contractor Name : M/S K.S.Reddy & co  
 M Book No. : 848/12-13  
 Voucher No. : 5576/11-2014.

Item	Quantity as per M Book	Quantity as per estimate	Difference	Rate	Excess amount
Brick Masonry in cm (1:6) with bricks traditional size 23*11*7 cms 2 nd class including cost & conveyance of all materials ,seinarage charges and labour charges for mixing of mortor wastering cutting etc.	16.80	15.10	1.7	4024.75	6842.00
Supply and delivery of Quarry dust approved Quarry for filling including cost,seinarage and conveyance of all materials and labour charges for watering for filling etc.	33.65	31.55	2	794.31	1589.00
			Total Rs :		8431-00

**112. MUNICIPAL CORPORATION, VIJAYAWADA – JNNURM – AMOUNT PAID TOWARDS CONSTRUCTION OF HOUSES UNDER 258.74 SCHEME – CONNECTED VOUCHERS, FILES, M.BOOKS, ESTIMATES AND OTHER CONNECTED RECORDS NOT PRODUCED – IRREGULAR – NEEDS PRODUCTION. Rs. 8,95,37,466.00 code no.11**

During the course of audit on the accounts of Municipal Corporation, Vijayawada for the year 2014-2015 as verified from the cash books relating to JNNURM Funds under 258.74 scheme, it was noticed that an aggregate amount of Rs.8,95,37,466.00 was drawn and paid to contractors as detailed below.

Sl.No	Voucher No	File No	Particulars	Amount Involved (Rs.)
1	48/07.06.14	E9-44504/2007	Construction of G+3 Houses in Package -I	5266033.00
2	50/07.06.14	E9-44506/2007	Construction of G+3 Houses at Machavaram	7932639.00
3	75/07.06.14	E12-127087/2010	Construction of G+3 Houses at New R.R.Peta Package 4	2669000.00
4	82/07.06.14	E12-145027/2008	Construction of G+3 Houses at Jakkampudi Package 16	3684769.00
5	83/07.06.14	E12-145029/2008	Construction of G+3 Houses at Jakkampudi Package 17	3097158.00
6	84/07.06.14	E12-145030/2008	Construction of G+3 Houses at Jakkampudi Package 18	2998836.00
7	85/07.06.14	E12-145032/2008	Construction of G+3 Houses at Jakkampudi Package 19	4639276.00
8	123/07.06.14	E12-138853/2008	Construction of G+3 Houses at Jakkampudi Package	2647577.00
9	124/20.6.14	E12-138855/2008	Construction of G+3 Houses Package 12	3638200.00
10	125/20.6.14	E12-138858/2008	Construction of G+3 Houses Package 13	2839509.00
11	126/20.6.14	E12-138864/2008	Construction of G+3 Houses Package 14	2198020.00
12	147/24.6.14	E12-161725/2010	Providing Electricity and Infrastructure Facility	4300000.00
13	150/28.6.14	E12-130994/2010	Providing Hydro Electric Systems Supply	1121000.00
14	155/7/14	E12-138838/2008	Construction of G+3 Houses Package 3	2605087.00
15	161/8/14	E12-129867/2010	Providing BT road at Y.V.Rao Estate at Jakkampudi Layout	1292989.00
16	162/5.8.14	E12-148500/2010	Providing BT road levelling at Vambay Colony	840509.00
17	173/8.14	E12-145506/2010	Construction of Model Community Hall at Jakkampudi Layout	1200000.00
18	185/8.14	RC B5-139815/2013	Construction of G+3 Houses Package 21 at Jakkampudi	2000000.00
19	210/10.14	RC B5-139815/2013	Construction of G+3 Houses Package 21 at Jakkampudi	1500000.00
20	217/11.14	E9-44503/2007	Construction of G+3 Houses	1727212.00
21	220/11.14	E12-13843/2008	Construction of G+3 Houses under BSUP at Jakkampudi	1626165.00
22	222/11.14	RC E12-135703/2010	Providing Water Sump and Pumpset to G+3 houses at Gangiredduladibba	765311.00
23	223/11.14	E12-13842/2008	Construction of G+3 Houses under BSUP at Gangiredduladibba	1172474.00
24	224/11.14	E12-119557/2008	Construction of G+3 Houses under	1108978.00

			BSUP at Gangiredduladibba	
25	225/11.14	E12-138848/2008	Construction of G+3 Houses at Jakkampudi	3261077.00
26	227/11.14	E12-138847/2008	Construction of G+3 Houses at Jakkampudi	3116713.00
27	248/11.14	E3-126779/2010	Construction of G+3 Houses at Gangiredduladibba	402670.00
28	256/12.14	E12-145034/2008	Construction of G+3 Houses	4109293.00
29	288/1.15	E-12-138855/2008	Construction of G+3 Houses Pakage 12	11897746.00
30	311/2.15	E12-153102/2009	Construction of Primary Health Centre at Jakkampudi	1897914.00
31	312/2.15	RC E12-127097/2011	Providing Double Pole Structure HT/LT 160 KVA Transformer at Jakkampudi	777685.00
32	313/2.15	E12-115182/2010	Providing Water Sump and Pumpset to G+3 houses	133626.00
33	314/2.15	E12-115562/2010	Providing UGD Sewerlines at Jakkampudi	270000.00
34	254/12.14	E12-135209/2011	Providing Water supply at jakkampudi	800000.00
			Grand Total:-	89537466.00

In this connection, the connected M.Books, Estimates, Vouchers and other files etc... were not made available to audit for verification even after repeated requests made orally and through Half Margin letter S.A NO: 07/2016-2017 Dated 03.06.2016. In the absence of the same, the correctness of the expenditure thus incurred could not be verified and certified in audit. Hence, the entire amount is held under objection. The loss if any sustained due to the above omission would need to be worked out, made good from the person or persons responsible and credited to concerned heads of account under intimation to this department without fail.

**113. MUNICIPAL CORPORATION, VIJAYAWADA – JNNURM – AMOUNT PAID TOWARDS CONSTRUCTION OF HOUSES UNDER 59.83 SCHEME – CONNECTED VOUCHERS, FILES, M.BOOKS, ESTIMATES AND OTHER CONNECTED RECORDS NOT PRODUCED – IRREGULAR – NEEDS PRODUCTION. Rs. 11,77,97,221.00 (code no.11)**

During the course of audit on the accounts of Municipal Corporation, Vijayawada for the year 2014-2015 as verified from the cash books relating to JNNURM Funds under 59.83 scheme, it was noticed that an aggregate amount of Rs. 11,77,97,221.00 was drawn and paid to contractors as detailed below.

Sl.No	Voucher No	File No	Particulars	Amount Involved (Rs.)
1	1/10.14	E3-599/2007	Providing UGD Collection Network in N.S.C Bose Nagar	6782127.00
2	7/12.14	E11-110559/2010	Providing 100 mm thick CC road and side drains in Madhura Nagar	517889.00
3	8/12.14	E3-599/2007	Providing UGD Collection Network in N.S.C Bose Nagar	1304873.00
4	9/12.14	E3-146/2007	Providing Balance water Distribution Network in Old New Rajiv Nagar	629227.00
5	10/12.14	E11- 192/2009	Providing 100 mm thick CC pavements to the road Block no 100 to 109 in A.S Nagar.	259105.00
6	11/12.14	E11- 485/2008	Providing 100 mm thick CC pavements to 32 to 38 road from Allu Appala Narayana Nagar in Old R.R Pet	370000.00
7	12/12.14	B19-146858/2014	Fixed Deposit at Central Bank of India Vijayawada for 15 days only	100000000.00
8	13/12.14	E3-362/2007	Providing U.G.D Collection Network in Singh Nagar and Vambay Colony.	6000000.00
9	19/12.14	E3-362-2007	Providing U.G.D Collection Network in Singh Nagar and Vambay Colony.	1934000.00
Grand Total:-				11,77,97,221.00

In this connection, the connected M.Books, Estimates, Vouchers and other files etc... were not made available to audit for verification even after repeated requests made orally and through Half Margin letter S.A NO: 07/2016-2017 Dated 03.06.2016. In the absence of the same, the correctness of the expenditure thus incurred could not be verified and certified in audit. Hence, the entire amount is held under objection. The loss if any sustained due to the above omission would need to be worked out, made good from the person or persons responsible and credited to concerned heads of account under intimation to this department without fail.

**114. MUNICIPAL CORPORATION, VIJAYAWADA – JNNURM – AMOUNT PAID TOWARDS CONSTRUCTION OF HOUSES UNDER 26.48 SCHEME – CONNECTED VOUCHERS, FILES, M.BOOKS, ESTIMATES AND OTHER CONNECTED RECORDS NOT PRODUCED – IRREGULAR – NEEDS PRODUCTION. Rs. 15,00,000.00(code no.11)**

During the course of audit on the accounts of Municipal Corporation, Vijayawada for the year 2014-2015 as verified from the cash books relating to JNNURM Funds under 26.48 scheme, it was noticed that an aggregate amount of Rs. 15,00,000.00 was drawn and paid to contractors as detailed below.

Sl.No	Voucher No	File No	Particulars	Amount Involved (Rs.)
1	1/11.2014	E3-600/2007	Providing Under Ground Drainage Collection Network in Prakash Nagar	1500000.00
	Grand Total:-			1500000.00

In this connection, the connected M.Books, Estimates, Vouchers and other files etc... were not made available to audit for verification even after repeated requests made orally and through Half Margin letter S.A NO: 07/2016-2017 Dated 03.06.2016. In the absence of the same, the correctness of the expenditure thus incurred could not be verified and certified in audit. Hence, the entire amount is held under objection. The loss if any sustained due to the above omission would need to be worked out, made good from the person or persons responsible and credited to concerned heads of account under intimation to this department without fail.

**115. MUNICIPAL CORPORATION, VIJAYAWADA – JNNURM – AMOUNT PAID TOWARDS CONSTRUCTION OF HOUSES UNDER 97.97 SCHEME – CONNECTED VOUCHERS, FILES, M.BOOKS, ESTIMATES AND OTHER CONNECTED RECORDS NOT PRODUCED – IRREGULAR – NEEDS PRODUCTION. Rs. 8529000.00(code no.11)**

During the course of audit on the accounts of Municipal Corporation, Vijayawada for the year 2014-2015 as verified from the cash books relating to JNNURM Funds under 97.97 scheme, it was noticed that an aggregate amount of Rs. **8529000.00** was drawn and paid to contractors as detailed below.

Sl.No	Voucher No	File No	Particulars	Amount Involved (Rs.)
1	1/11.2014	E14-166364	Construction of G+3 Houses at A.S Nagar Under Phage –II, Package 7.	2140000.00
2	2/11.2014	E14-166365	Construction of G+3 Houses at A.S Nagar Under Phage –II, Package 8.	2889000.00
3	13/11.2014	E14-166364	Construction of G+3 Houses at A.S Nagar Under Phage –II, Package 7.	1468000.00
4	14/11.2014	E14-166365	Construction of G+3 Houses at A.S Nagar Under Phage –II, Package 8.	2032000.00
			Grand Total:-	8529000.00

In this connection, the connected M.Books, Estimates, Vouchers and other files etc... were not made available to audit for verification even after repeated requests made orally and through Half Margin letter S.A NO: 07/2016-2017 Dated 03.06.2016. In the absence of the same, the correctness of the expenditure thus incurred could not be verified and certified in audit. Hence, the entire amount is held under objection. The loss if any sustained due to the above omission would need to be worked out, made good from the person or persons responsible and credited to concerned heads of account under intimation to this department without fail.

**116. MUNICIPAL CORPORATION, VIJAYAWADA – JNNURM – AMOUNT PAID TOWARDS CONSTRUCTION OF HOUSES UNDER 97.98 SCHEME – CONNECTED VOUCHERS, FILES, M.BOOKS, ESTIMATES AND OTHER CONNECTED RECORDS NOT PRODUCED – IRREGULAR – NEEDS PRODUCTION. Rs. 5964059.00(code no.11)**

During the course of audit on the accounts of Municipal Corporation, Vijayawada for the year 2014-2015 as verified from the cash books relating to JNNURM Funds under 97.98 scheme, it was noticed that an aggregate amount of Rs. **5964059.00** was drawn and paid to contractors as detailed below.

Sl.No	Voucher No	File No	Particulars	Amount Involved (Rs.)
1	1/09.2014	E14- 107076/2012	Providing Sewerage System to G+3 Houses at S.Nagar	2230059.00
2	8/11.2014	E14-143554/2013	Providing Sewerage System to G+3 Houses on North East Corner side housing blocks at A.S.Nagar	1424000.00
3	24/02.2015	143554/2013	Providing Sewerage System to G+3 Houses on North East Corner side housing blocks 42 A.S.Nagar	2310000.00
Grand Total:-				5964059.00

In this connection, the connected M.Books, Estimates, Vouchers and other files etc... were not made available to audit for verification even after repeated requests made orally and through Half Margin letter S.A NO: 07/2016-2017 Dated 03.06.2016. In the absence of the same, the correctness of the expenditure thus incurred could not be verified and certified in audit. Hence, the entire amount is held under objection. The loss if any sustained due to the above omission would need to be worked out, made good from the person or persons responsible and credited to concerned heads of account under intimation to this department without fail.

**117. MUNICIPAL CORPORATION, VIJAYAWADA – DRRP SCHEME – CONNECTED VOUCHERS, FILES, M.BOOKS, ESTIMATES AND OTHER CONNECTED RECORDS NOT PRODUCED – IRREGULAR – NEEDS PRODUCTION. Rs. 5,88,797.00 (code no.11)**

During the course of audit on the accounts of Municipal Corporation, Vijayawada for the year 2014-2015 as verified from the cash books relating to DRRP scheme, it was noticed that an aggregate amount of Rs. 5,88,797.00 was drawn and paid to contractors as detailed below.

Sl.No	Voucher No	Particulars	Amount Involved (Rs.)
1	1/17.06.14	To S.A.Sattar, City Project Co-Ordinator – VMC – towards advance for 5 days training programme from 09.06.14 to 13.04.14	91250.00
2	2/2.07.14	I.T Needs, Vijayawada – Supply of Softwares accessories to UNDP Disort Management	158123.00
3	3/02.07.14	Digital World – Vijayawada – Supply of Hard Ware Accessories to UNDP	61486.00
4	8/7.17.14	Advance to Director AMR APARD, Hyd – Towards training to Urban Volunteers in the city	25000.00
5	9/1.11.14	To S.A.Sattar, City Project Co-Ordinator, UNDP cell for conduct training	240000.00
6	10/7.11.14	Md Imam Mohiddin, S.E (Works)-VMC – T.A Bill attended to Review Meeting at Madhurai o 28.01.2014	12938.00
		Total:-	588797.00

In this connection, the connected M.Books, Estimates, Vouchers and other files etc... were not made available to audit for verification even after repeated requests made orally and through Half Margin letter S.A NO: 07/2016-2017 Dated 03.06.2016. In the absence of the same, the correctness of the expenditure thus incurred could not be verified and certified in audit. Hence, the entire amount is held under objection. The loss if any sustained due to the above omission would need to be worked out, made good from the person or persons responsible and credited to concerned heads of account under intimation to this department without fail.

**118. MUNICIPAL CORPORATION, VIJAYAWADA – OAP SCHEME – CONNECTED VOUCHERS, FILES, M.BOOKS, ESTIMATES AND OTHER CONNECTED RECORDS NOT PRODUCED – IRREGULAR – NEEDS PRODUCTION. Rs. 1,88,430.00 (code no.11)**

During the course of audit on the accounts of Municipal Corporation, Vijayawada for the year 2014-2015 as verified from the cash books relating to OAP scheme, it was noticed that an aggregate amount of Rs. **1,88,430.00** was drawn and paid to contractors as detailed below.

Sl.No	Voucher No	File No	Particulars	Amount Involved (Rs.)
1	1/20.05.14	U3- 107877/12	Towards Crystal Services, Vijayawada for printing charges of social security pension for the month of Nov-13, Dec – 13 & Jan 2014	11845.00
2	2/20.05.14	U3- 107877/12	Towards Crystal Services, Vijayawada for printing charges of social security pension for the month of Feb-2014 to May – 2014	15997.00
3	3/12.09.14	U3- 107877/12	Towards Innovations, Vijayawada, Printing of Pension Applications	36600.00
4	4/12.09.14		Towards IT recovery for Ravich Innovations	840.00
5	7/27.11.14		Towards IT recovery for Crystal Services	784.00
6	8/19.12.14	D2-143206/12	To M/s Vijaya Lakshmi Super Bazar, Vijayawada for Supply of A4 Paper Bundles	13933.00
7	9/19.12.14	D2-143206/12	To M/s Sri Ganesh Enterprises, VJA for Supply of Ricoh Toners	8293.00
8	5/27.11.14	U3- 107877/12	Towards Crystal Services, Vijayawada for printing charges of social security pension for the month of 8/2014 & 9/14	60938.00
9	6/27.11.14		Towards Crystal Services, Vijayawada for printing of Envelop Covers with A.P State Logo, C.M.Photo & N.T.R Bharosa	39200.00
Grand Total:-				188430.00

In this connection, the connected M.Books, Estimates, Vouchers and other files etc... were not made available to audit for verification even after repeated requests made orally and through Half Margin letter S.A NO: 07/2016-2017 Dated 03.06.2016. In the absence of the same, the correctness of the expenditure thus incurred could not be verified and certified in audit. Hence, the entire amount is held under objection. The loss if any sustained due to the above omission would need to be worked out, made good from the person or persons responsible and credited to concerned heads of account under intimation to this department without fail.

**119. MUNICIPAL CORPORATION, VIJAYAWADA – M.P.LADS SCHEME – CONNECTED VOUCHERS, FILES, M.BOOKS, ESTIMATES AND OTHER CONNECTED RECORDS NOT PRODUCED – IRREGULAR – NEEDS PRODUCTION. Rs. 29,02,56,680 code no.11**

During the course of audit on the accounts of Municipal Corporation, Vijayawada for the year 2014-2015 as verified from the cash books relating to M.P.LADS scheme, it was noticed that an aggregate amount of Rs. **29,02,56,680/-** was drawn and paid to contractors as detailed below.

SI.N o	Voucher No	File No	Particulars	Amount Involved (Rs.)
1	1/29.5.14	E11-125441/13	To Sivarama Prasad, Contractor for Construction of Community Hall in Madhura Nagar	1333552
2	7/31.5.14	E 11 111077/2013	M/s K.S. Reddy & Co towards construction Burrial Ground Compound wall near Vambe Colony	63327
3	13/9.6.14		Constuction of 1 <sup>st</sup> floor Nayee Bhrahmain community hall in Ayodhya Nagar colony	129000
4	19/28.6.14	E 11 111077/2013	Construction of Community Hall in Madhura Nagar, 45 <sup>th</sup> division	474752
5	20/9.7.14	E11-116417/13	Constuction of Community Hall in Luna Centre	787000
6	26/21.10.1 4	E 11-132643/13	Constuction of 1 <sup>st</sup> floor Nayee Community Hall in Ayodhya Nagar	185364
7	32/15.11.1 4	E – 6	R. Subbarao, Contractor, Construction of Community Hall in Harizanawada27th ward	1044000
8	360/24.9.1 4	E .V- 156749/2009	M\s Ramkey Intra Ltd, HYd towards design construction and 20 MLD Sewarage Treatment plant at Jakkampdi.	6127000
9	361/24.9.1 4	EEV- 156749/2009	M\s Ramkey Intra Ltd, HYd towards design construction and 20 MLD Sewarage Treatment plant at Jakkampdi.	14241059
10	372/29.9.1 4	B 19 – 146858/2014	The Branch Manager, Syndicate Bank, Labbipeta towards fixed deposits	200000000
11	373/5.10.1 4	E 11 – 146538/2011	S.VRamarao, Contractor providing VGD collection net work in UDA colony, Rajine nagar, 58 <sup>th</sup> Division	3000000
12	379/9.10.1 4	E 11 – 158187/10	M/S Vijaya Engineering Enterprises, Hyd towards prov 100 mm dia D.I. pavement main from UGD at Kanaka Durga nagar	3217873
13	380/9.10.1 4	E 11 – 141812/2011	M/s K.S.Reddy & Co towards Prov 100 mm thick CC pavement to block No.103 to 115, 59 <sup>th</sup> Division	1457000
14	381/9.10.1 4	E 11 – 110333/2012	M/s K.S. Reddy & Co, New colony plot No.339 to Road in NSC Bose Nagar, 59 <sup>th</sup> Division	710000
15	382/9.10.1 4	E 11 – 113666/2012	M/s K.S. Reddy & Co, road NO. 1,2 & 12 in New colony, NSL Bank 59 <sup>th</sup> division	333000
16	383/9.10.1 4	E 3 – 501/2009	B.V. Raju towards construction of UGD inlet Chamber Screen & Chamber, collection wall and pump house in Kanaka Durga Nagar	886104
17	384/9.10.1 4	E 3 – 129/2009	- Do - Rajiv nagar	413896
18	385/9.10.1 4		Ch. Chandra sekahar towards providing 100 mm thick cc pavement to Devineni Gandhi puram main road and approach in 56 <sup>th</sup> div.	1500000
19	386/9.10.1 4	E 11 – 141801/2011	M/s Vadra Construction providing 100 mm thick cc pavement to various cross roads in Santhi nagar	1264000
20	387/9.10.1 4		- Do - Cr – 14 to Cr- 18 in Ajith singh nagar, 54 <sup>th</sup> div.	898000
21	388/9.10.1	E – 11-	-Do – Cross roads 2,8,9,12 & 13 in Ajith singh nagar	338000

	4	141763 /2011	54 <sup>th</sup> div.	
22	428/10.10. 14	E – 9 – 164153/2010	M/s APR Project Private Limited Hyd, towards construction of Retaining wall in Ramalingeswara Nagar STP	8346000
23	429/10.10. 14	E – 9- 164153/2010	M/s APR Project Private Limited Hyd, towards construction of Retaining wall in R.L. Nagar STP	11028000
24	430/10.10. 14	STP – E3- 223/09	V. Ramarao, towards prov-500 mm dia VGD pumping main line flow New R.R. Peta to singh nagar	2460000
25	448/21.10. 14	E -11 139337/2010	M.Ramakrishna, Contractor, providing 100mm thick C.S. Pavement to vadder colony to old Rajiv nagar Temple north side road	600000
26	449/1.11.1 4	EE-V- 131346/2009	M/s Ramky Infrastruture Ltd, Hyd towards Design, cost and maintenance of 20 MLD, STP at RL Nagar with UASBR, Technologies	1324800
27	453/3.11.1 4	E – 11- 122946/2010	M/s Maruthi Construction Vijayawada providing 100 mm thick cc pavement and construction of cc drain to nandamuri nagar ta vasista colony and 52 and 55 divisions	5900000
28	459/11.11. 14	E 3-130/2009	B.V.Raju towards construction of UGDICS & Grit chambers collectiobn Network in UDA colony Rajive colony 58 <sup>th</sup> div.	710000
29	465/11.11. 14	E -11 – 146538/2011	V. Ramarao, Construction of UGD collection Network in UGD colony, Rajiv colony 58 <sup>th</sup> div.	1158000
30	466/17.11. 14	E – 3 -130/09	V. Ramarao, Construction of UGD inlet chambers, Screen an grit chambers and collection well pump house in A.S.Nagar	2730000
31	477/28.11. 14	E -3- 128/09	- Do- in prakash nagar	2500000
32	479/28.11. 14	E -11- 113666/2012	M\s K.S. Reddy & Co prov-100 mm thick cc pavement to road No 1,2,& 12 in new colony NSC Bose nagar 59 <sup>th</sup> div.	224470
33	490/29.11. 14	E.E.V- 150830/2011	M/s H.N.Infrastructures, Hyderabad, towards providing sewer lines to Un- Served areas to Tailorpeta, wynchi peta, Fish Market areas U.G.D Scheme in I Town	1072042
34	496/29.11. 14	E.E.V- 156749/09	M/s Ramky Infra, Hyderabad, Design, Construction, Operation and Maintenance of 20 MLD at St Peta Jakkampudi	7970000
35	497/29.11. 14		M/S AP Projects, Hyderabad Design, Construction, Operation and Maintenance of 20 MLD at Singh Nagar	2580000
36	498/30.11. 14	E.E.III- 485/09	M/S Chaitanya power systems pvt ltd, Hyderabad, providing 160 KVA, 415V.L.T Transformer with accessibility at sewage pumping station at Rajiv Nagar and N.S.C.Bose Nagar	230000
37	512/12.12. 14	E.11 – 141802/2011	To Ch.Chandra Sekhar, providing 100 mm thick C.C pavement to Devineni Gandhipuram main road and approaches in 56 <sup>th</sup> Division	131000
38	513/24.12. 14	E 9- 160676/2009	To M.Srinivasa Rao, Contractor, for providing S.W.G sever lines in Un Served areas of Circle – IV	560000
39	517/24.12. 14	E 3-129/2009	To B.V.Raju, Contractor – U.G.D Inlet Chambers Screen and Collection well cum pump house in Rajiv Nagar	105441
40	518/8.1.15	E 11 - 146538/2011	To V.Rama Rao, Contractor, Towards Providing U.G.D Collection in Rajiv Nagar, 58 <sup>th</sup> Division	2224000

			Total:-	29,02,56,680
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In this connection, the connected M.Books, Estimates, Vouchers and other files etc... were not made available to audit for verification even after repeated requests made orally and through Half Margin letter S.A NO: 07/2016-2017 Dated 03.06.2016. In the absence of the same, the correctness of the expenditure thus incurred could not be verified and certified in audit. Hence, the entire amount is held under objection. The loss if any sustained due to the above omission would need to be worked out, made good from the person or persons responsible and credited to concerned heads of account under intimation to this department without fail.

**120. MUNICIPAL CORPORATION, VIJAYAWADA – JNNURM – AMOUNT PAID TOWARDS CONSTRUCTION OF HOUSES UNDER 178.15 SCHEME – CONNECTED VOUCHERS, FILES, M.BOOKS, ESTIMATES AND OTHER CONNECTED RECORDS NOT PRODUCED – IRREGULAR – NEEDS PRODUCTION. Rs. 15,31,01,038.00 (code no.11)**

During the course of audit on the accounts of Municipal Corporation, Vijayawada for the year 2014-2015 as verified from the cash books relating to JNNURM Funds under 178.15 scheme, it was noticed that an aggregate amount of Rs. 15,31,01,038.00 was drawn and paid to contractors as detailed below.

Sl.No	Voucher No	File No	Particulars	Amount Involved (Rs.)
1	888/10-14	E-11-141763/11	100mm thick cc pavement 2,8,9,12 & 13 in Singh nagar 54 <sup>th</sup> ward	338000
2	428/10-14	E-9-164153/2010	Construction of Retaining wall in Road side of Ramalingeswara nagar	8346000
3	429/10-14	E9-64153/2010	- Do -	11028000
4	430/10-14	E3-223/09	500mm dia VGD pumping from new RR peta to Singh nagar	2460000
5	448/10-14	E-11-139337/2010	100 mm thick cc pavement to Vaddera colony at old Rajiv nagar	600000
6	449/10-14	EEV-131346/2009	Construction of Design construction	1324800
7	453/3-11-14	E11-122946/2010	100mm thick pavement cc drain to Nandamuri nagar	5900000
8	459/11-11-14	E3-130/2009	Construction of DGP, ICSP Grift chambers collection well cum pumphouse in NSC bose nagar	710000
9	465/11-11-14	E11-146538/2011	UGD collection network in UDA colony Ragiv nagar- 58 <sup>th</sup> div.	1158000
10	466/17-11-14	E3-130/08	Construction of UGD inlet chamber screen and gift chamber collection well pump house in A.S. Nagar.	2730000
11	477/11-14	E-3- 128/2009	Construction UGD inlet screen and Gift chamber collection well pumphouse in prakash nagar	2500000
12	478/28-11-14	E-11/141809/2011	100 mm thick cc pavement of CR to CR 32 new ELSR NSL Bose nagar	681482
13	479/28-11-14	E-11-113666/2012	100mm thick CC pavement to Rkoad No 1,2,& 12 in New colony SDL Bose nagar 59 <sup>th</sup> Div.	224470
14	490/29-11-14	EEV-150830/2011	SWG Sewarlines to unserved areas to tailorpet fish market areas	1072042
15	496/29-11-14	EEV-156749/2009	Design cost operation of maintenance of MLD , Jakkampudi	7970000
16	497/29-11-14	EEV-131347/09	- Do- Singh nagar	2580000
17	498/11-14	EE-3-485/2009	Double pole structure with 160KVA- 415V, LT Tranformers with accessories at Sewiage pumping at Rajiv nagar	230000
18	512/12-12-14	E-11-141802/2011	100mm thick cc pavement to division Gandhipuram mainraod at approaches in 56 <sup>th</sup> Div.	131000
19	513/12-14	E-9-160676/2009	SWG sewer lines in unserved areas of circle-IV	500000
20	517/24-12-14	E3-129/2009	UGD inleft chamber, screen and Gift collections well cum pump house in Rajiv nagar	105441

21	518/8-1-15	E-11-146538/2011	UGD collections Network in UDA colony 58 <sup>th</sup> div.	2224000
22	524/13-2-15	E-11-141812/2011	100mm thick cc pavement to Block 103 To 115 in prajashakthi nagar in 59 <sup>th</sup> div.	1268682
23	525/13-2-15	E-11-110333/12	100mm thick cc pavement to New colony plot No.339 road in NS Bose nagar in 59 <sup>th</sup> div.	91660
24	536/2-15	E11-221/2009	600mm dia D1 kg UGD pumping amin from prakash nagar to singh nagar.	2000000
25	542/3-15	E9-153140/09	Laying of Trank main with RCC NP3 pipes from chittinagar to Kabela road	750000
26	543/3-15	E11-139337/2010	100mm thick pavement to Vaddera colony cross road and temple back side road in rajiv nagar	742022
27	544/24-3-15	E-9/160676-2009	SWG sewer lines in unservedarea of circle IV	246581
28	545/24-3-15	E3-398/2009	Double pole structure with 160 cc 415 VLT Transformer	12586
29	546/23-3-15	E11-141763/2011	100mm thick cc pavement to cross road in 2,8,9,12 & 13 in singh nagar 54 <sup>th</sup> Div.	193000
30	547/3-15	E11-141730/11	100mm thick cc pavements in Sundaraiah nagar 180 ground in prakash nagar at 57 <sup>th</sup> div.	338413
31	548/3-15	E11-141735/11	100 mm thick cc pavement 69 to 125 in Radha nagar at 58 <sup>th</sup> div.	
32	549/3-15	EEV-110643/11	Compound wall to UGD pumping station in 1 town Market area	551038
33	550/3-15	E9-161539/2009	Construction of compound wall and ratining wall for UGD pumping station in circle-IV	2550000
34	575/3-15	B9/146858/14	Fixed deposit for 15 days to Syndicate Bank,k Labbipet, VJA toward fixed deposite	150000000
Grand Total:-				15,31,01,038.00

In this connection, the connected M.Books, Estimates, Vouchers and other files etc... were not made available to audit for verification even after repeated requests made orally and through Half Margin letter S.A NO: 07/2016-2017 Dated 03.06.2016. In the absence of the same, the correctness of the expenditure thus incurred could not be verified and certified in audit. Hence, the entire amount is held under objection. The loss if any sustained due to the above omission would need to be worked out, made good from the person or persons responsible and credited to concerned heads of account under intimation to this department without fail

**121. VACANT LAND TAX – DEMAND FOR THE CURRENT YEAR NOT FIXED: code no.9**

In exercise of the powers conferred under Section 197, 198 and 199 of H.M.C., Act, 1955, the Municipal Council, Vijayawada, vide its notification No.1129/01/A1, dated 8-5-02 (published in the District gazette No.XLIII, Dated 13-5-02) had specified that 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 2013-14 were not made available for verification in audit. The demand under vacant land tax for the year 2013-14 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 the lists of vacant lands on the basis of the property tax assessments. An independent survey by the out door staff would need to be got done for identification of the vacant lands in the limits of the Council and there by demand fixed properly, both current and arrear

**CODE NO-9**

**122. D.C.B SUBSIDIARY REGISTERS NOT CLOSED D.C.B.PREPARED WITHOUT CLOSING THE SUBSIDIARY REGISTERS AND CERTIFIED –IRREGULAR NEEDS EARLY ACTION.**

As verified from the annual account ,it is noticed that D.C.B for the year **2014-15** was not enclosed . The subsidiary registers for each receipt viz., Property Tax ,Water Tax , D&O Trades ,Building Licence Fee, Advertisement charges ,Market Auctions etc ., were not closed and certified . It could not be understood how the figures were tken in the said D.C.B in the absence of the above registers,the figure shown in the Annual Account could not be verified. Further the arrear demand registers were also not written up and updated . Hence the year wise balances could not be verified with reference to the balances available.

**123. EARMARKED MUNICIPAL FUNDS FOR THE WELFARE OF S.Cs S.T's AND W& C.W. -PARTICULARS NOT  
POINTED OUT (code no.11)**

In G.O.Ms No.41, dt. 24-01-77, instructions were issued to earmark the municipal funds @15%, 4% and 5% for the welfare of S.Cs and S.Ts and Women and Child Welfare respectively. In Government Memo.No.3811/42/77-4,M.A. dated 02-11-78, it was also classified that the welfare schemes for the S.Cs., S.Ts., and women & Child welfare contained in the aforesaid Government order have to be met at the proportion specified above from out of the developmental expenditure of the Corporation. But the details of amount earmarked at 15%, 4% & 5% from out of the developmental expenditure apportioned by the Vijayawada Municipal Corporation for the year **2014-15** and the expenditure incurred were not furnished in spite of similar defects having been pointed out in the Audit Reports of the Previous years also.

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

**124. SERVICE TAX- DETAILS OF PAYMENT OF SERVICE TAX – NOT FURNISHED – NEEDS ACTION (code no.11)**

Every person, providing any of the specified taxable service to pay service tax, service tax being an indirect tax, its burden is to be borne by the person who receives services but it is to be collected and paid to govt exchequer by service provider.

As per the section 65(105) of the financial act 1994, renting of immovable property is taxable at the rates as detailed below.

	Rate of tax
Service tax	10%
Education. cess	2% on st
Secondary and higher education cess	1% on st

On verification of the annual account for the year 2013-14 an aggregate amount of Rs.36,10,40,767/- was received as rents / leases of immovable property such as shopping complex, markets lands etc., but the lesser amount of Rs.167348 was collected as service tax. Service tax is mandatory to be paid the total value of service provided by service provider / exceeds 10 lakhs rupees.

Inspite of half margin letter issued during the course of audit concerned file and registers maintained by the corporation were not produced to audit. In the absence of the non production of particulars relating to service tax, how much of amount collected and paid during the year under audit was not known to audit. Hence an early action would need to be taken to workout the service tax as per the sec 65(105) of the financial act 1994 and remitted to concerned head of account to avoid the penal interest under section 76 of the act and intimate to the audit.

CODE NO.11

**125. CONTRIBUTORY PENSION SCHEME AMOUNT NOT SHOWN IN ANNUAL ACCOUNT NEEDS**

**RECTIFICATION**

As verified from the annual Account for the year 2013-2014 it is observed that Contributory Pension Scheme amount deducted from the salary of the Employees was not shown under Receipt and Expenditure side. As per G.O.Ms.No.655 Finance(Planning-I)department Dated:22-05-2004 C P S @ 10% on Basic pay +DA should be recovered from the employee's salary and remitted to CPS Scheme. The connected CPS remittance particulars files registers were not produced to audit to FOR VERIFICATION. In the absence of the same the correctness of recovery as well as remittance particulars of CPS could not be verified in audit. Therefore early action would need to be taken to produce the records to audit and to incorporate the CPS figure in Annual Account.

**126.Recovery of HRA from those Who are residing in the Municipal Quarters details not known in audit.**

Code no.18

As verified from the Annual Account for the year 2013-2014 it is observed that no amount was shown as HRA under Receipt side for the Municipal quarters. The connected pay bill registers files were not produced to audit. In the absence of the same the recovery of H R A from the Salary of those who are provided Municipal Quarters, as per F.R.45(A) @10% on the Basic pay , could not be verified in the Audit. In the absence of the above, the loss if any sustained would need to be made good to corporation funds under intimation to Audit

**127.CELL PHONE TOWERS INSTALLATION – PERMISSION FEE NOT COLLECTED : code no.9**

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 local authority concerned 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 can also levy tax either on the 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., the Honourable High Court 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 the same standards uniformly and would not be varying 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 directed to deposit a sum of 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, Vijayawada since, it was potential revenue to the ULB, the ULB should fix the demand for such income and should collect it from Telephone companies 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 the loss caused due to non 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 structural stability, willingness of owners and neighbours etc.

**128. VACANCY REMISSION REGISTER NOT PRODUCED.****Code no.11**

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

- (i). The building should be vacant and for a considerable period of 30 days 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 half 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 period of vacancy and it shall not exceed half of the amount of tax.

Hence the above register would need to be written up and produce to audit early for verification whether the above conditions are fulfilled.

**129.TAXES OUT STANDING BILLS NOT VERIFIED DUE TO NON -PRODUCTION OF PROVISIONAL ARREAR****DEMAND REGISTERS code no.11**

According to the instructions issued in Lr. no 5481/88 as 18-2-1988 of the directors of municipal administration Andhra Pradesh, Hyderabad and Lr. rc no 3123/A2/88 as 27-5-1988 of the director of state audit ,theCommissioner should prepare provisional arrear demand register at the end of each year for the uncollected bills and produce the same for audit for verification of outstanding bills. But the provisional arrear demand register along with collection registers of all taxes were not produced to audit . in the absence of the same it is not possible to verify the out standing bills. Action would need to be taken to get the provisional arrear demand registers written up and produced to audit along with the collection registers for verification of out standing bills to prevent the possible defaulcation in tax collection. The arrear collections shown in the D.C.B statement could not be verified in the audit;due to the above reasons. In the absence of the same if any loss sustained in future would need to be recovered from the person or persons responsible.

**130.Register of investments not produced loss if any sustained to Municipal Funds – Needs recovery and suitable action needs initiated against the concerned.(code no.11)**

1. 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 this regard was followed or not could not be verified in audit and the genuineness of the transactions could not also be certified in audit.

1. Investments of sum 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 approval that particulars of investments made have been entered in the register of investments and certificate or bank receipts or other evidence in support of investments were available and that in cases where the securities were held by the accounts General, the amounts were traceable in the list published by him in the Gazette.
2. Interests due have been realised on the due dates and credited to the accounts.
3. Investments made out of earmarked funds have been re invested if the amount was not required for expenditure.
4. 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 by proper vouchers.
5. Investments have not been disposed of except for 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 and loss if any sustained to the Municipal funds in this regard and necessary action would need to be initiated against the concerned.

**131.PROVIDENT FUND – INVESTMENT OF PROVIDENT FUND SUBSCRIPTION OF THE MUNICIPAL EMPLOYEES**  
**ORDERS OF THE GOVERNMENT – NOT FOLLOWED – IRREGULAR NEEDS ACTION. Code no.9**

As per the orders of the Government in G.O.Ms No:329 NAC UD(G2) Department Dated: 15.06.2006 all the Commissioners of Municipalities /Corporations have to obtain options from the Concerned municipal employees as to whether their G.P.F. Subscription shall be kept in the general funds of the Officer, Government Securities, Government guaranteed securities in the following pattern.

1. Government Securities 50%
2. State/ Central Government Guaranteed Securities 25%
3. N.S.S and other small saving investments (if allowed) 25%

(if NSS investment is not allowed it may be invested in AAA rated bond of PSUC and FIS)

Also for allowing rates of interest on G.P.F subscriptions based on the options exercised by the Municipal employees the Government in the said G.O ordered that.

1. In case of municipal employees opted for keeping their subscriptions in General Funds of respective municipality they shall be allowed the prevailing rate of interest fixed by the Government from time to time on the G.P.F subscriptions of Government Servants.
2. In case of municipal employees opted for investing / depositing their G.P.F. subscriptions in the post office/nationalized banks/ Government. Floated loans for the rate of interest that accrued in the investments/ deposit made shall only be allowed.

But this Municipal Corporation has not followed the orders of the Government till the close of Audit. Action would need to be taken to implement the above orders immediately and report compliance to audit.

**132. SCHEME FUNDS - AMOUNTS KEPT IDLE - UNSPENT BALANCES NOT REMITTED: (code no.11)**

The CDMA Hyderabad vide circular No Roc No PD A/c /CDMA/2012 Dt:13.10.12 issued instructions to all the Municipal Commissioners in the state to close all the non-operative accounts and FDRs which were opened without any orders of the higher authorities and transfer the available balances to the PD A/c No "001" and after transferring those amounts separate cash book and other necessary record shall be maintained for reconciliation and issue of UCs. The ULBs shall maintain a Master Cash Book for the Head wise and scheme wise transactions etc., and before the transfer and closing of accounts, it shall be informed to the Municipal Corporation for recording in the Minutes.

During the course of audit, it was observed that this Municipality has opened saving bank accounts without any permission from the competent authority for depositing of funds received for implementation of the schemes sanctioned by the GOI and GoAP such as Neeru Meelu, Janmabhoomi, Adverse Seasonal conditions, School building , Drought relief, road cutting charges, school sanitation, APURMSP , C MAPP, Basic MAAP, CI component and flood relief works. The said scheme funds were kept idle with banks. No transactions were conducted during the year under audit. The Executive Authority would need to take immediate action to remit the unspent balance amounts which were kept idle with the banks, to the heads concerned and the result may be intimated to audit.

133.REGISTER OF ADVANCE – NOT PRODUCED – Details of Pending Advances not known- NEEDS ACTION(code no.11)

An aggregate amount of Rs20494846-00 was drawn and paid towards various advances during the year under audit. According to the provisions laid down in AP.Financial code all advances that are paid to the employees as well as contractors for various purpose such as tour, Festival, Education, purchases , works etc., the advances shall be adjusted through the submission of a detailed bills within a stipulated period from the date of payment of such advance. In the event of non submission of the adjustment bill within the stipulated period, the official concerned shall not be paid any further advance and the amount of advance outstanding shall be recovered in lumpsum.

Inspite of half margin letter issued during course of audit , the register of advance not produced to audit. In the absence of the above, the advance recovery and balances pending as on 31.3.2015 could not be verified Audit. The loss if any sustained would need to be made good from the person or persons responsible and intimate to audit.

The details of advances sanctioned as per annual account during the year as follows.

<u>S.no</u>	<u>Name of the Advance</u>	<u>Amount of Advance Rs</u>
1	Contractors advances	<u>5856960-00</u>
2	<u>Employes for works</u>	<u>507061-00</u>
3	<u>Imprest</u>	<u>347544-00</u>
4	Contractors Advances(Material)	<u>13783281-00</u>
	<u>Total Rs.</u>	<u>20494846-00</u>

PARA NO:

(CODE NO.09)

134. SERVICE VERIFICATION NOT RECORDED IN THE SERVICE REGISTER OF THE INDIVIDUALS – IRREGULAR.

As verified from the service registers of the individuals the service verification of the staff period up to 31.03.2015 not recorded. Early action would need to be taken to recording the service verification and produced for verification in audit

**135.Service Registers Not maintained Properly code no.9**

On verification of SRs of Public Health Section Vijayawada Municipal Corporation of the year 2014-15 is observed that the EL account of the employees is not maintained properly. The EL is credited to the individual employees account at the beginning of every half year. EOL availed in this half year, shall be taken into account to in this half year, advance credit of EL in the next half year such that 1 EL is deducted for every 10 days of EOL. But this Rule not followed and hence the EL Balance shown in the SR is not correct.

**136.M.BOOK ISSUE REGISTER NOT PRODUCED code no.11**

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While conducting the audit on the accounts of Vijayawada Municipal corporation, for the year 2013-14, it was observed that expenditure incurred towards the works conducted by the municipality. But, the M.Book issue register showing the Measurement Book numbers, and the person to whom the M.Book was issued was not produced to audit.In the absence of the same, the particulars of works for which the payment was done, could not be traced. And also, since the audit of the municipality for the years from 2004-2005 to 2008-2009 has not been taken place, it could not be verified whether the payments made during the year towards the works, were already paid previously in preceding years or not. Hence, the register would need to be maintained regularly and all the entries be noted strictly. The loss if any caused due to such non-maintenance would need to be made good from the person / persons responsible.

**137.PURCHASE OF PUBLIC HEALTH MATERIALS SUCH AS BLEACHING, LIME, BROOM STICKS AND BASKETS ETC., - CONNECTED FILES, STOCK REGISTER NOT PRODUCED Rs. 21,85,799/-{code no.11}**

As per the Annual account for 2014-15 an huge amount of Rs.21,85,799/- was spent towards purchase of Public Health materials such as Bleaching powder, Lime powder, Broom sticks and Baskets. But the connected files, stock registers were not made available for verification in audit. In the absence of the same it could not be verified in audit whether the Tenders/Quotations invited, reasonable rates were paid, stock received in good condition and utilized properly. On account of the above omissions the correctness of the payments made towards purchase of Public Health materials could not be checked in audit. Hence the expenditure could not be admitted and is held under objection.

**138.D&O TRADES – LICENSE FEE ON WINE SHOPS ETC – NOT COLLECTED – NEEDS RECOVERY (CODE NO.9)**

As per the G.O.Ms.No.111 (P.R.& IR) 98 and G.O.M.S. No 111/VUEIR/198 of the director of vigilance Enforcement , license fee under D&O trades on Brandy ,Whisky Wines etc., should be levied @ 1% on the excise rental value of the particular year in Municipal area irrespective of each shop. The Commissioner & DMA ,AP ,Hyderabad issued instructions to all municipalities in the state to take action for levy of license fee under D&O trades with immediate effect.

On the verification of the records maintained by the public health section of the Municipal Corporation , it is noticed that no action has been taken to levy the license fee @1% on annual rental value on wine shops located in the Municipal corporation area.

As the Municipality has not levied and collect the license fee under D&O trade on wine shops it constitutes clear loss of revenue to the Municipal funds. The loss would also need to be worked out and recovered from the persons responsible.

**RESULT OF AUDIT :**

The general result of audit may be considered as satisfactory.

**RECEIPTS AND CHARGES:**

The gross receipts and charges for the year 2014-15 were Rs.2873801668.00 and Rs.2191198740.66 respectively.

**Pending Audit Objections**

A total no of **3386** objections involving an amount of **Rs.15, 81, 00, 00,887.00** Pending Settlement as detailed below.

<b>Year</b>	<b>No.Of Objections</b>	<b>Amount Rs.</b>
1981-82	94	2,741,901
1982-83	177	2,697,984
1983-84	251	1,630,811
1984-85	92	4,541,120
1985-86	77	4,426,709
1986-87	82	4,271,985
1987-88	84	24,265,673
1988-89	92	3,127,448
1989-90	77	33,140
1990-91	92	2,775,987
1991-92	86	4,662,252
1992-93	78	2,041,973
1993-94	70	455,623
1994-95	129	41,535,868

1995-96	113	34,011,350
1996-97	153	121,618,790
1997-98	153	140,274,498
1998-99	119	150,475,905
1999-2K	22	391,069,411
2000-01	124	75,776,617
2001-02	22	1,439,472,179
2002-03	55	1,089,986,094
2003-04	167	350,917,978
2004-05	45	438,124,081
2005-06	73	930,161,283
2009-10	137	24,86,74,903
Total	2664	550,97,71,563
2010-11	176	6639060658
2011-12	143	91,35,22,117
2012-13	160	74,96,60,252
2013-14	105	101,94,04,965
2014-15	138	97,85,81,332.00
<b>Grand total</b>	<b>3386</b>	<b>15,81,00,00,887</b>

Approved

**REGIONAL DEPUTY DIRECTOR**

**STATE AUDIT,ZONE-II,ELURU.**

**ABSTRACT OF AUDIT OBJECTIONS OF THE AUDIT REPORT ON THE ACCOUNTS OF VIJAYAWADA  
MUNICIPAL CORPORATION FOR THE YEAR 2014-15**

<b>Sl. No</b>	<b>Para .No</b>	<b>Code. No</b>	<b>Amount Involved</b>	<b>Remarks</b>
1	2	3	4	5
1	1	9	0.00	
2	2	4	0.00	
3	3	4	0.00	
4	4(A)	4	4024481.00	
5	4(B)	4	35464329.00	
6	5	7	55029.00	
7	6	7	618.00	
8	7	7	1008.00	
9	8	7	700.00	
10	9	7	0.00	
11	10	7	0.00	
12	11	1	0.00	
13	12	7	819.00	
14	13	9	17221640.00	
15	14	9	0.00	
16	15	9	6564183.00	
17	16	9	0.00	
18	17	9	0.00	
19	18	9	0.00	
20	19	9	0.00	
21	20	9	0.00	
22	21	9	0.00	
23	22	9	0.00	
24	23	9	0.00	
25	24	9	0.00	
26	25	9	0.00	
27	26	9	0.00	
28	27	9	0.00	
29	28	9	133943.00	
30	29	9	22557.00	
31	30	9	0.00	
32	31	9	0.00	
33	32	9	0.00	
34	33	9	0.00	
35	34	9	0.00	
36	35	9	0.00	
37	36	11	130683.00	
38	37	9	0.00	
39	38	9	0.00	
40	39	9	0.00	

41	40	10	5069480.00	
42	41	10	0.00	
43	42	10	4297679.00	
44	43	10	0.00	
45	44	11	0.00	
46	45	8	11061049.00	
47	46	11	2982239.00	
48	47	11	131129958.00	
49	48	11	0.00	
50	49	11	32019288.00	
51	50	11	8733293.00	
52	51	11	8167172.00	
53	52	11	370512.00	
54	53	11	0.00	
55	54	11	0.00	
56	55	11	0.00	
57	56	11	0.00	
58	57	11	327004.00	
59	58	11	0.00	
60	59	11	0.00	
61	60	11	0.00	
62	61	11	380000.00	
63	62	11	1664660.00	
64	63	11	5283000.00	
65	64	11	0.00	
66	65	11	0.00	
67	66	11	0.00	
68	67	11	0.00	
69	68	11	0.00	
70	69	11	0.00	
71	70	11	0.00	
72	71	11	0.00	
73	72	11	0.00	
74	73	11	0.00	
75	74	11	0.00	
76	75	11	0.00	
77	76	11	0.00	
78	77	11	0.00	
79	78	11	20131629.00	
80	79	13	179096.00	
81	80	13	586039.00	
82	81	13	523323.00	
83	82	13	36609.00	
84	83	13	1348.00	

85	84	13	24760.00	
86	85	13	2859.00	
87	86	18	0.00	
88	87	18	0.00	
89	88	18	0.00	
90	89	18	0.00	
91	90	18	0.00	
92	91	18	0.00	
93	92	18	0.00	
94	93	9	0.00	
95	94	11	0.00	
96	95	18	0.00	
97	96	9	0.00	
98	97	11	8061969.00	
99	98	9	0.00	
100	99	7	0.00	
101	100	9	0.00	
102	101	10	3420.00	
103	102	9	4268035.00	
104	103	11	0.00	
105	104	9	0.00	
106	105	9	0.00	
107	106	1	0.00	
108	107	9	0.00	
109	108	18	0.00	
110	109	9	0.00	
111	110	9	0.00	
112	111	13	8431.00	
113	112	11	89537466.00	
114	113	11	117797221.00	
115	114	11	1500000.00	
116	115	11	8529000.00	
117	116	11	5964059.00	
118	117	11	588797.00	
119	118	11	188430.00	
120	119	11	290256680.00	
121	120	11	153101038.00	
122	121	9	0.00	
123	122	9	0.00	
124	123	9	0.00	
125	124	11	0.00	
126	125	11	0.00	
127	126	18	0.00	
128	127	9	0.00	

129	128	9	0.00	
130	129	11	0.00	
131	130	11	0.00	
132	131	11	0.00	
133	132	9	0.00	
134	133	11	0.00	
135	134	9	0.00	
136	135	9	0.00	
137	136	11	0.00	
138	137	11	2185799.00	
<b>TOTAL</b>	<b>138</b>		<b>97,85,81,332.00</b>	

DISTRICT AUDIT OFFICER  
 STATE AUDIT, KRISHNA  
 MACHILIPATNAM

**WORK DONE STATEMENT FOR THE YEAR 2014-15 – AUDIT ON THE ACCOUNTS OF VMC**

S.No.	Team Deatails	Work allotted
1	K.Satyavathi AAO M.Samba sivaiah SA P.V.Bhaskara Rao SA G.Syam Kiran SA G.Rama Krishna SA	Audit of All schemes ( both R&E ) And PF
2	S.Dharma Raju AAO S.Tirupati Rao SA V .V. Swamy SA G.Deva Babu SA S.N.agarjuna SA	Audit of General Funds Works (S/M) And Advances and Deposits ( both R&E )
3	Y .Surya Bhaskara Rao AAO G.Lova Kumar SA K. Surya Narayana SA G.Sita Rama Swami SA M.Narayana Rao SA	Audit of all purchases, contingencies, and establishment. Vehicle depot
4	K N Venkateswara Rao AAO R V S Prasad SA M V Bhaskar SA M Adi Sheshu SA G Srinivasa Rao SA V Lakshmi kumari SA And PA team	Property tax, VLT, AGLT, Verification of Annual account, DCB, CASHBOOK, Chitta, BAR, Tracing of vouchers with cashbook, Verification of Investments.
5	T. Srinivasa Rao AAO M Hari Krishna SA K Narendra Nath SA K H L S Kishore SA N Raghu Ram SA	Town Planning, D&O Trades, MDR, Sales, Shopping Complexes, Encroachments, Advertisement Tax.