



**GOVERNMENT OF TELANGANA
STATE AUDIT DEPARTMENT**

**CONSOLIDATED AUDIT AND REVIEW REPORT
ON THE ACCOUNTS OF
PANCHAYAT RAJ INSTITUTIONS
MUNICIPAL CORPORATIONS
MUNICIPAL COUNCILS /
NAGAR PANCHAYATS
AGRICULTURAL MARKET COMMITTEES AND
ZILLA GRANDHALAYA SAMSTHAS
FOR THE YEAR 2016-17**

**DIRECTOR OF STATE AUDIT
TELANGANA, HYDERABAD.**

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FOR THE YEAR 2016-17**

**DIRECTOR OF STATE AUDIT
TELANGANA, HYDERABAD**

PREFACE

The Telangana State Audit Act, 1989 passed by the Legislature has empowered the Director of State Audit to conduct the audit of accounts of Panchayat Raj Institutions (PRIs), which he was doing earlier also as per Government orders.

The Director, State Audit conducts post audit of all Local Bodies in the subsequent financial year. The Director, State Audit (DSA) conducts the audit of these Panchayat Raj Institutions through the District Audit Offices headed by the District Audit Officer (DAO). The District Audit Officer is the District Administrative Head of the Department. There are two Regional Offices in the State in each of the two zones headed by Regional Deputy Director (RDD).

The Audit Reports of Gram Panchayats and Mandal Parishads are approved by the District Audit Officer. The Audit Reports of Zilla Parishads are approved by the Regional Deputy Director, State Audit of the Zone concerned.

Institution wise audit reports containing various audit objections are issued to the Executive Authorities of the concerned Local bodies for follow up action i.e., rectification of defects pointed out in the audit reports and to submit approved replies after approval by the General Body of the authority concerned.

Under the Telangana State Audit Act, the Director is vested with the power of disallowing any item of the expenditure incurred contrary to the law and surcharge the same on the person incurring or authorizing the incurring of such expenditure.

Under Section 11 of State Audit Act, 1989, the Director, State Audit is required to submit annually a Consolidated Audit and Review Report on the accounts of the Local Bodies to the Government for laying of such report on the table of the Legislative Assembly and the Legislative Council.

Accordingly the Consolidated Audit and Review Report for the year 2016-17 is placed in the Legislative Assembly and Legislative Council of Telangana.

The Annual Consolidated Audit and Review Report (Annual CARR) of PRIs namely Zilla Parishads, Mandal Parishads, Gram Panchayats and also that of Municipal Corporations, Municipalities / Nagara Panchayats, Agricultural Market Committees and Zilla Grandhalaya Samasthas whose accounts for the year 2016-17 were audited during the year 2017-18 are included in this Report.

FOREWORD

The **CONSOLIDATED AUDIT AND REVIEW REPORT** for the year 2016-17 compiled in FIVE parts.

- Part - I: PANCHAYAT RAJ INSTITUTIONS
- Part - II: MUNICIPAL CORPORATIONS
- Part - III: MUNICIPALITIES & NAGARA PANCHAYATS
- Part - IV: AGRICULTURAL MARKET COMMITTEES AND
- Part - V: ZILLA GRANDHALAYA SAMSTHAS

All parts are designed independently and comprehensively.

Part-I deals with the **Panchayat Raj Institutions** and contains a few selected audit objections under each category and connected account statements.

Part-II deals with the **Municipal Corporations** and contains a few selected audit objections under each category and connected account statements.

Part-III deals with the **Municipal Councils & Nagara Panchayats** and contains a few selected audit objections under each category and connected account statements.

Part-IV deals with the **Agricultural Market Committees** and contains a few selected audit objections under each category and connected account statements.

Part-V deals with the **Zilla Grandhalaya Samsthas** and contains a few selected audit objections under each category and connected account statements.

OVER VIEW

During the year under report the Director could audit the institution as listed below:

Sl. No.	Name of the Institution	Demand	Completed	Balance
1	Zilla Parishads	9	9	0
2	Mandal Parishads	443	433	10
3	Gram Panchayats	8673	8614	59
4	Municipal Corporations	6	6	0
5	Municipal Councils / Nagara Panchayats	62	62	0
6	Agricultural Market Committees	173	173	0
7	Zilla Grandhalaya Samsthas	10	10	0
	Total	9376	9307	69

AUDITED AMOUNTS:

The total Receipts and Payments of all of the above institutions in the State for the year 2016-17 were **Rs.5,44,349.80 Lakhs** and **Rs.4,95,186.45 Lakhs** respectively. The details of Receipts and Payments Institution wise are as follows:

(Rs.in Lakhs)

Sl. No.	Name of the Institution	Receipts	Payments
1	Zilla Parishads	9844.26	12843.56
2	Mandal Parishads	15124.99	13354.29
3	Gram Panchayats	132406.16	101595.83
4	Municipal Corporations	281191.60	265713.44
5	Municipal Councils / Nagara Panchayats	66516.02	62219.85
6	Agricultural Market Committees	34775.38	34705.43
7	Zilla Grandhalaya Samsthas	4491.39	4754.05
	Total	544349.80	495186.45

AUDIT OBJECTIONS:

Various irregularities noticed in the course of audit are being reported to Executive Authorities under **19** categories/codes as detailed below for easier facilitation in taking follow up action:

1. Variation in Account Figures
2. Excess Utilization of Grants
3. Diversion of Grants / Funds
4. Non-utilization of Grants before lapsable date
5. Mis-Utilization of Grants / Funds
6. Non-utilization of Earmarked Funds
7. Non-collection of dues
8. Advances Pending Adjustment
9. Violation of Rules
10. Non-remittance of Deductions / Recoveries from vouchers / Pay Bills / Contingent Bills
11. Non Production of records
12. Mis-appropriations
13. Excess payments
14. Wasteful Expenditure
15. Instances of cases of unaccounted cash / stores
16. Pendency of Utilization Certificates
17. Surcharge Certificates Recovery Pending.
18. Others
19. DDs/Cheques received, but not realised within time.

A total **184443** number of audit objections involving an amount of **Rs.1,96,425.15 Lakhs** were raised during the year. The category wise and institution wise number of audit objections raised during the year are shown in Annexure-III appended to the report. Institution wise Status of audit objections and amount involved thereon for the year 2016-17 are as follows:

Status of Audit Objection and Amount involved

Rs.in Lakhs

Sl. No.	Name of the Institution	No. of Objections	Amount involved
1	Zilla Parishads	362	22484.38
2	Mandal Parishads	5785	1983.68
3	Gram Panchayats	170040	15517.79
4	Municipal Corporations	1398	131522.22
5	Municipal Councils	3523	14165.57
6	Agricultural Market Committees	3173	9812.61
7	Zilla Grandhalaya Samsthas	162	938.88
	Total	184443	196425.13

On receipt of replies to the defects pointed out in the earlier reports supported by relevant records / documents, the audit objections were settled wherever the replies were satisfactory. The DAOs and RDDs are authorized to attend the settlement of audit objections. The Audit Reports contain the details of number of audit objections pending settlement at the close of the audit.

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PART - I

**CONSOLIDATED AUDIT AND REVIEW REPORT
ON THE ACCOUNTS OF PANCHAYAT RAJ
INSTITUTIONS FOR THE YEAR 2016-17**

ANNUAL CONSOLIDATED AUDIT AND REVIEW REPORT ON
THE ACCOUNTS OF PANCHAYAT RAJ INSTITUTIONS FOR THE
YEAR 2016-17

INTRODUCTION

- 1.1 Under the Telangana State Audit Act, 1989 the Director is made in charge of the audit of the funds of Panchayat Raj Institutions as specified in the Schedule prescribed in the said Act.
- 1.2 The Department has its offices in all the districts where in the District Audit Officer, State Audit is the head at the district level.
- 1.3. The Department conducts post audit of the Panchayat Raj Institutions and Audit Reports consisting of defects noticed in audit are issued to the Chief Executive Officer of the institution concerned who has to take action for rectifying the defects pointed out in the Audit Report.
- 1.4. Under the Telangana State Audit Act, 1989 the Director is vested with the power of disallowing any item of the expenditure incurred contrary to the law and surcharge the same on the person incurring or authorizing the incurring of such expenditure and may charge against any person responsible there for, the amount of any deficiency, loss or unprofitable out lay occasioned by the negligence or misconduct of that person or of any such sum which ought to have been accounted for but is not brought into account by that person and shall, in every such case, certify the amount due from such person.

SCOPE OF AUDIT

2. The State Audit Department being one of the limbs of the Government has been statutorily entrusted with the authority to verify the following aspects during the course of post audit of the Panchayat Raj Institutions, viz., Zilla Parishads, Mandal Parishads and Gram Panchayats.
 - a. Whether the taxes, fees etc., collected by the Panchayat Raj Institutions were properly accounted for with full details in the books of accounts of the body concerned.
 - b. Whether adequate care is taken to periodically check up the funds with Treasury or Bank.
 - c. Whether expenditure incurred was provided for in the Budget of the Panchayat Raj Institution concerned and duly sanctioned by the competent authority under the Act / Rules or any executive instructions issued by the Government.

- d. Whether funds were utilized only for the permitted purposes prescribed under the Act / Rules.
- e. Whether the procedure prescribed by Government in incurring the expenditure / payments made is properly followed and accounted for with due classification in the books of accounts of the Panchayat Raj body.
- f. Whether vouchers for the expenditure incurred were maintained.
- g. Whether grants received from different sources were properly accounted for and utilised for the purposes for which they were meant.

STATUS OF AUDIT

3. The audit of the following Panchayat Raj Institutions for the year 2016-17 was conducted during the year 2017-18.

<u>Panchayat Raj Institutions</u>		<u>No. of Institutions audited</u>	
i)	Zilla Parishads	:	9
ii)	Mandal Parishads	:	433
iii)	Gram Panchayats	:	8614
			9056

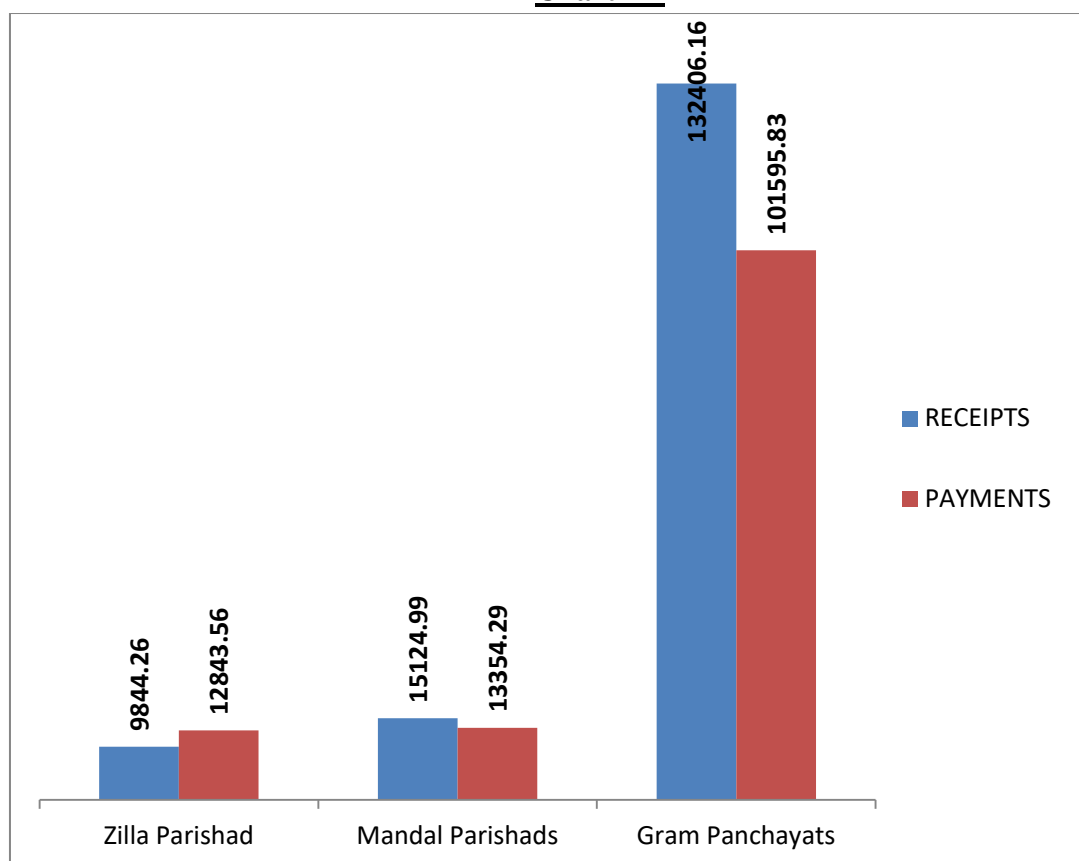
RECEIPTS AND PAYMENTS (2016-17)

- 4.1. The Receipts and Payments are inclusive of their own sources, various grants received from the Central and State Governments during the year 2016-17, by the Panchayat Raj Institutions. The details of Gross Receipts including grants and Payments are shown in the **Annexure-IV (A)** with reference to Zilla Parishads, Mandal Parishads and Gram Panchayats respectively. Various Grants received by Panchayat Raj Institutions are exclusively detailed in **Annexure-V(A) to VII (B)-2.**

The aggregate Receipts & Payments of Panchayat Raj Institutions in the State during the year are **Rs.1,57,375.41 lakhs and Rs.1,27,793.68 lakhs** respectively. These figures are present in pie diagram (**Chart – 1**).

The total **Receipts and Payments** of the Panchayat Raj Institutions during the year 2016-17 are as follows.

Chart – 1

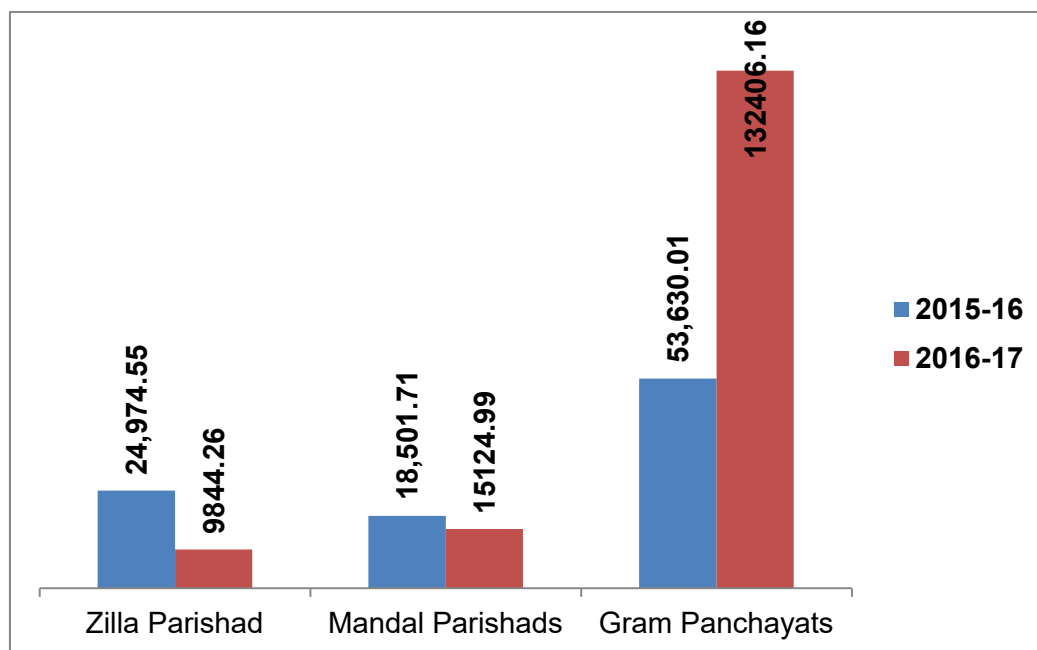


Name of the Institution	RECEIPTS	%	PAYMENTS	%
Zilla Parishad	9844.26	6.26	12843.56	10.05
Mandal Parishads	15124.99	9.61	13354.29	10.45
Gram Panchayats	132406.16	84.13	101595.83	79.50
Total	157375.41	100.00	127793.69	100.00

- 4.2 The pattern of Receipts of Panchayat Raj Institutions for the years 2015-16 and 2016-17 is exhibited in the below bar chart.

Chart – 2

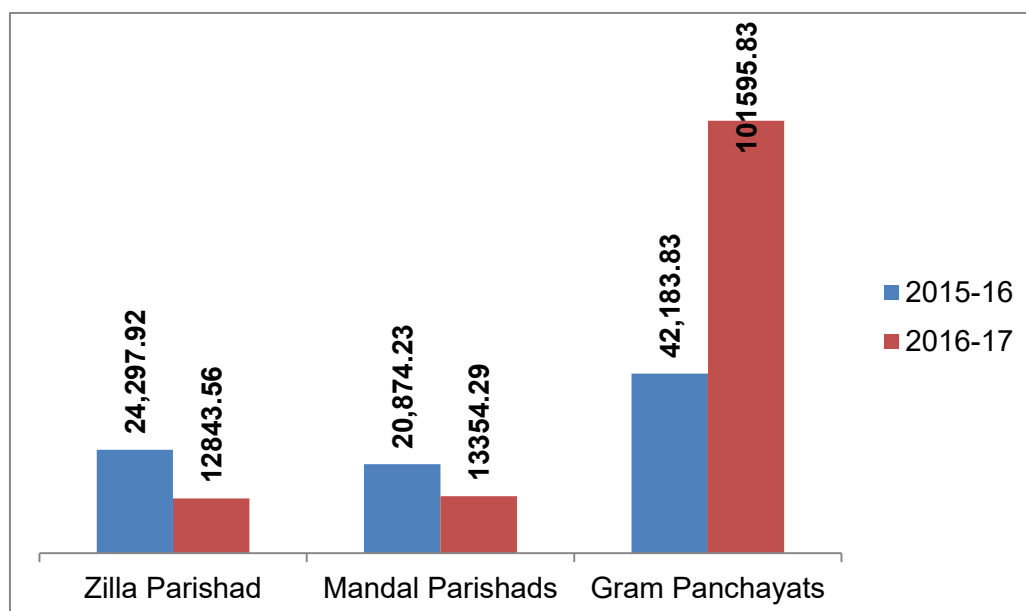
TREND OF RECEIPTS IN PRIs DURING 2015-16 AND 2016-17



- 4.3 The pattern of Payments of Panchayat Raj Institutions for the years 2015-16 and 2016-17 is exhibited in the below bar chart.

Chart -3

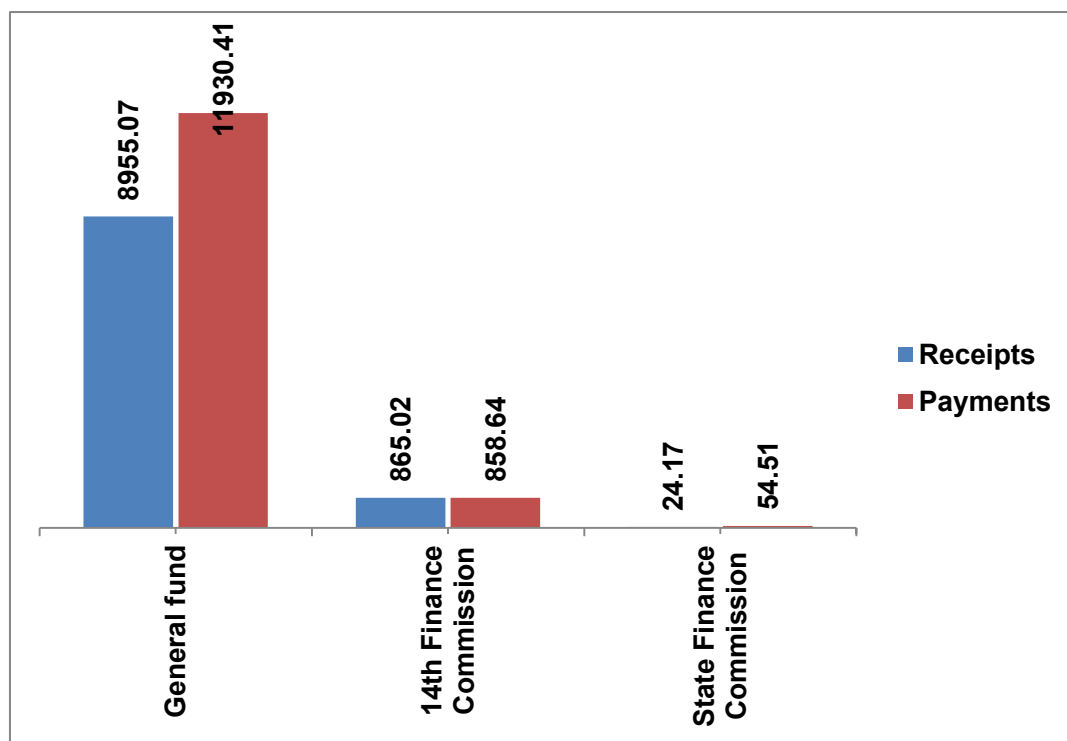
TREND OF PAYMENTS IN PRIs DURING 2015-16 AND 2016-17



ZILLA PARISHADS (FUNDS)

4.4 The Fund Wise Receipts & Payments of Zilla Parishads in the State for the year 2016-17 are exhibited in the bar charts.

Chart – 4
COMPONENT WISE RECEIPTS AND PAYMENTS OF ZILLA PARISHADS
DURING YEAR 2016-17



Component wise Receipts and Payments of Zilla Parishads during year 2016-17				
(Rs. In Lakhs)				
Name of the fund	Receipts	%	Payments	%
General fund	8955.07	90.97	11930.41	92.89
14 th Finance Commission	865.02	8.79	858.64	6.69
State Finance Commission	24.17	0.25	54.51	0.42
Total	9844.26	100.00	12843.56	100.00

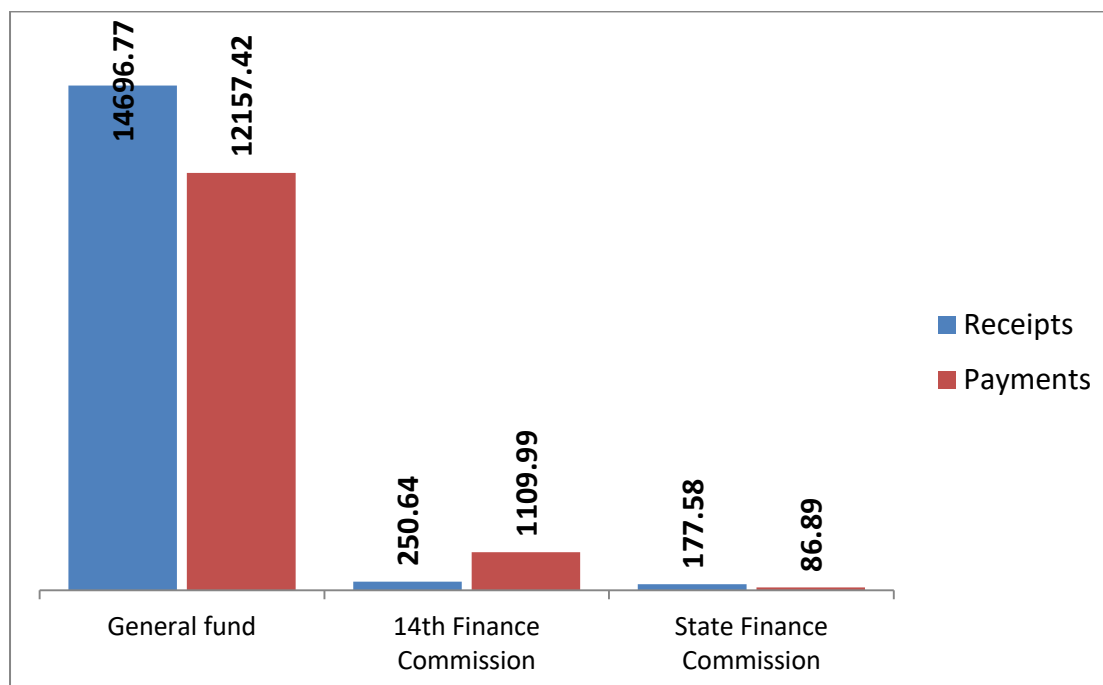
4.5 The Department has conducted the audit of Zilla Parishad Receipts amounting to **Rs.9,844.26 lakhs** and Payments of **Rs.12,843.56 lakhs** as detailed in the **Annexure-IV(A)**.

MANDAL PARISHADS (FUNDS)

- 4.6 The Fund Wise Receipts & Payments of Mandal Parishads in the State for the year 2016-17 are exhibited in the bar charts

Chart – 5

COMPONENT WISE RECEIPTS AND PAYMENTS OF MANDAL PARISHAD FOR THE YEAR 2016-17 (BAR CHART)



Component wise Receipts and Payments of Mandal Parishads during year 2016-17				
(Rs. In Lakhs)				
Name of the fund	Receipts	%	Payments	%
General fund	14696.77	97.17	12157.42	91.04
14th Finance Commission	250.64	1.66	1109.99	8.31
State Finance Commission	177.58	1.17	86.89	0.65
Total	15124.99	100.00	13354.30	100.00

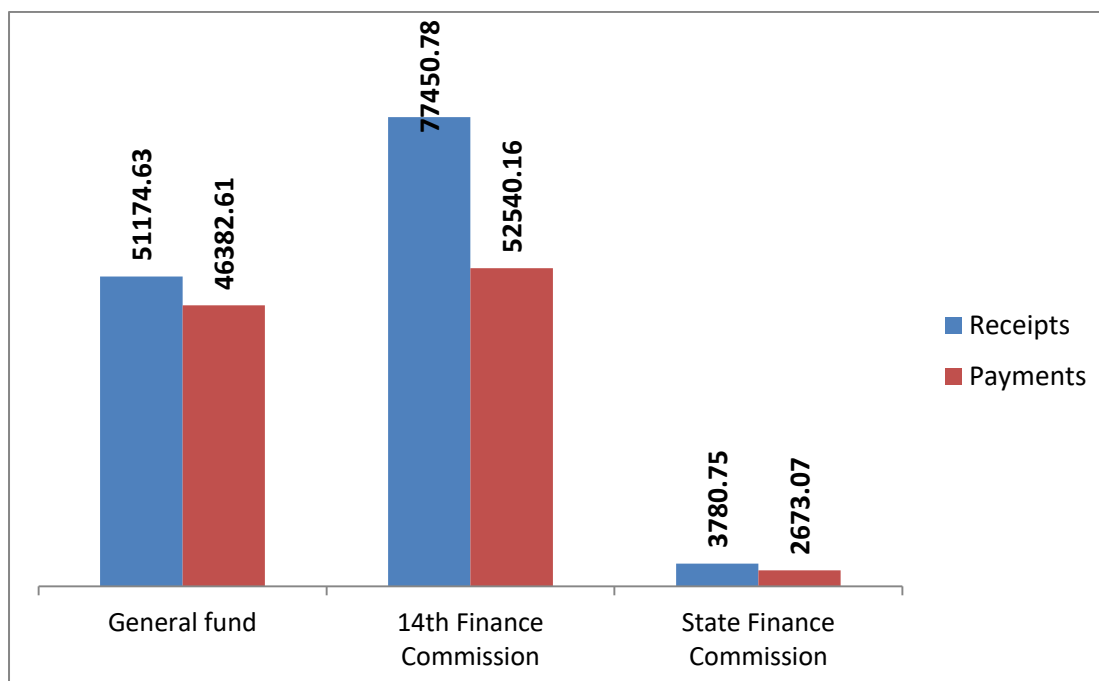
- 4.7 The Department has conducted the audit of Mandal Parishads Receipts amounting to **Rs.15,124.99 lakhs** and Payments of **Rs.13,354.30 lakhs** as detailed in the **Annexure-IV(A)**.

GRAM PANCHAYATS (FUNDS)

4.8 The Fund Wise Receipts & Payments of Gram Panchayats in the State for the year 2016-17 are exhibited in the Chart.

CHART – 6

COMPONENT WISE RECEIPTS & PAYMENT OF GRAM PANCHAYATS DURING THE YEAR 2016-17 (BAR CHART)



Component wise Receipts and Payments of Gram Panchayats during year 2016-17				
(Rs. In Lakhs)				
Name of the fund	Receipts	%	Payments	%
General fund	51174.63	38.65	46382.61	45.65
14th Finance Commission	77450.78	58.49	52540.16	51.71
State Finance Commission	3780.75	2.86	2673.07	2.63
Total	132406.16	100.00	101595.84	100.00

4.9 The Department has conducted the audit of Gram Panchayats Receipts and Payments amounting to **Rs.1,32,406.16 Lakhs** and **Rs.1,01,595.84 Lakhs** respectively as shown in the **Annexure-IV(A)**.

GRANTS POSITION

- 5.1 Panchayat Raj Institutions are provided grants by the State / Central Governments to implement the schemes entrusted to them and also for over all development of the area under their jurisdiction. The Panchayat Raj Institutions have received the grants as detailed below during the year 2016-17.

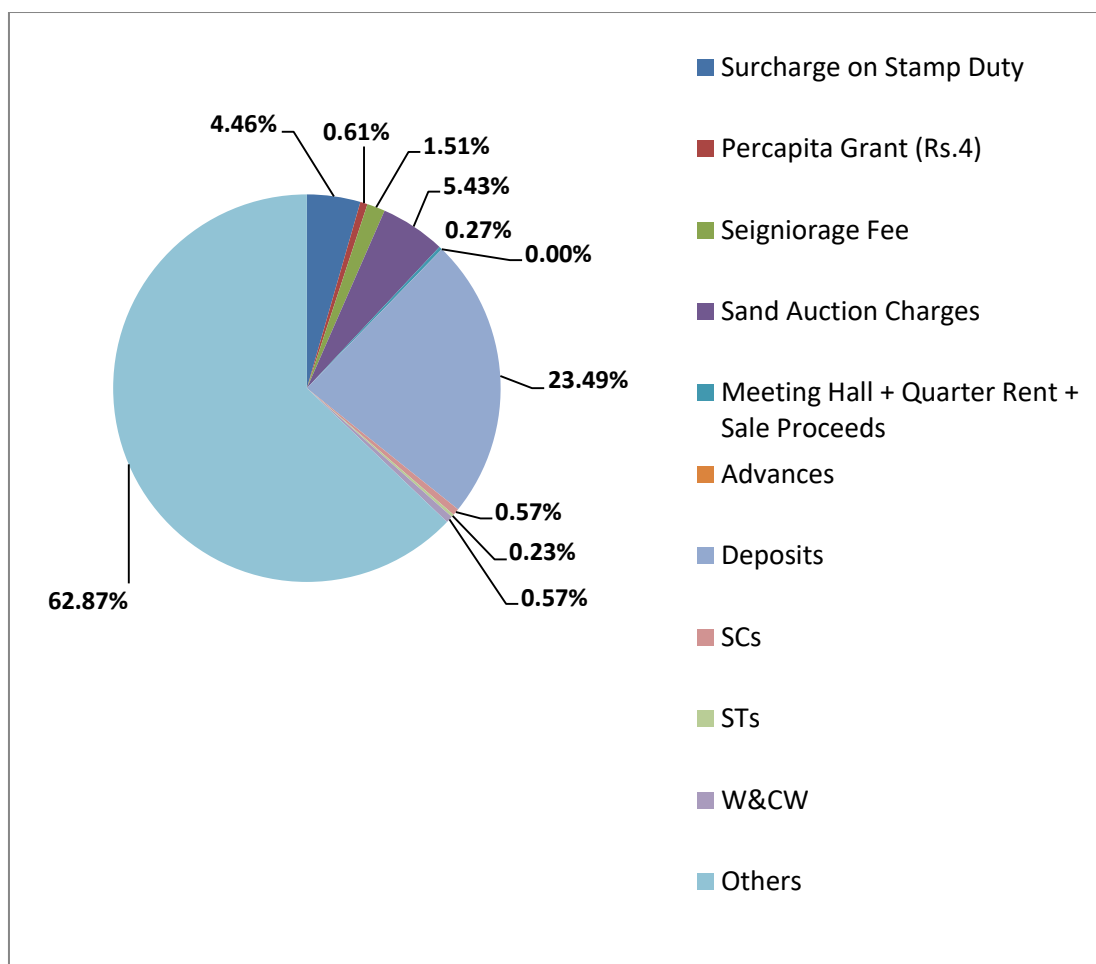
Rs. In lakhs				
Grants	ZP	MP	GP	Total
Income	32102.23	16109.35	137342.38	185553.96
Expenditure	18107.24	15985.88	129112.27	163205.39

ZILLA PARISHAD (Grants)

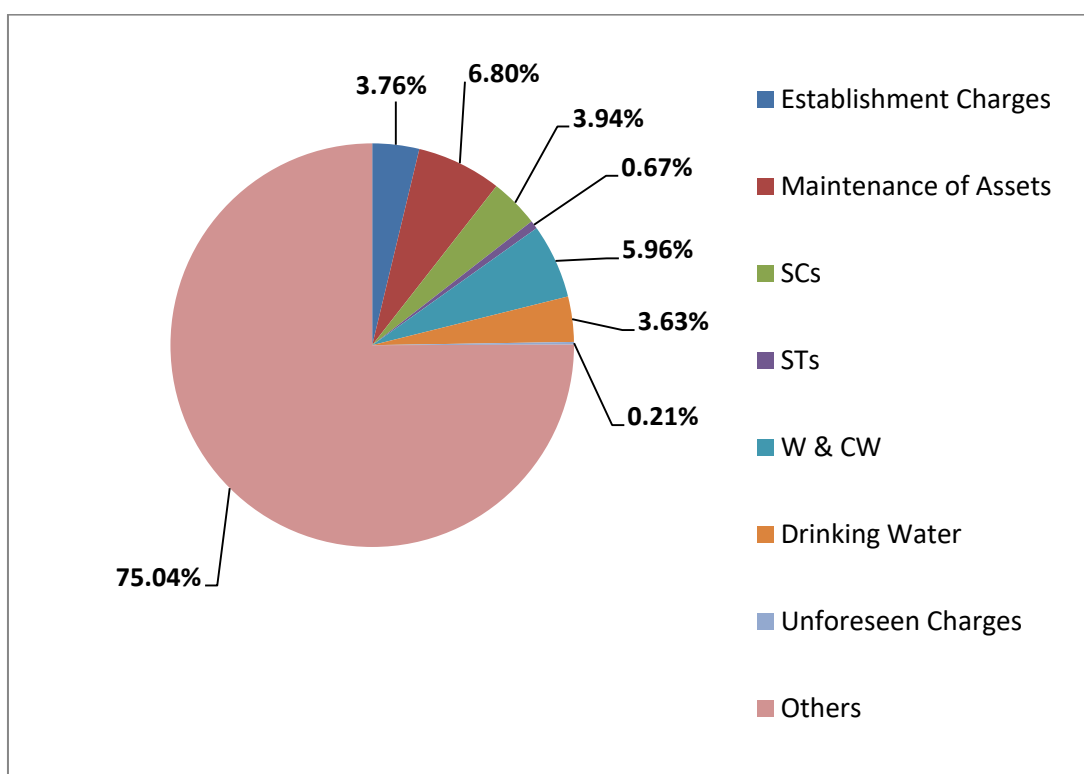
- 5.2 The Grant Wise Income & Expenditure of Zilla Parishads for the year 2016-17 are exhibited in the charts.

CHART-7

GRANT WISE INCOME IN ZILLA PARISHADS FOR 2016-17



GRANT WISE EXPENDITURE IN ZILLA PARISHADS FOR 2016-17



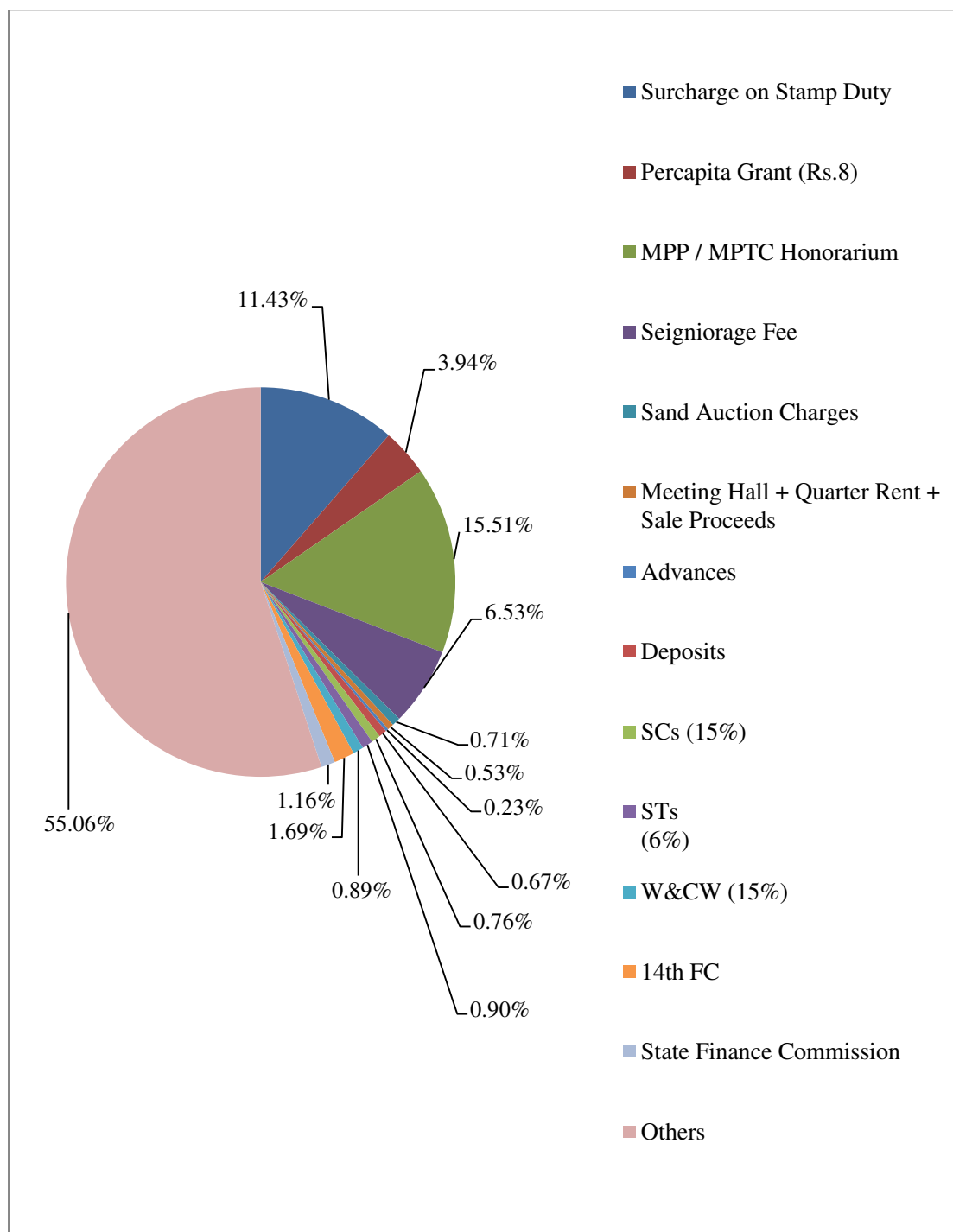
Zilla Parishad Grants

Name of the Grant	Income of Grant	% of Income	Name of the Grant	Expenditure of Grant	% of Expenditure
Surcharge on Stamp Duty	1430.32	4.46	Establishment Charges	680.16	3.76
Per capita Grant (Rs.4)	195.00	0.61	Maintenance of Assets	1230.98	6.80
Seigniorage Fee	483.54	1.51	SCs	712.68	3.94
Sand Auction Charges	1742.88	5.43	STs	120.51	0.67
Meeting Hall + Quarter Rent + Sale Proceeds	85.46	0.27	W & CW	1079.75	5.96
Advances	0.99	0.00	Drinking Water	656.42	3.63
Deposits	7539.71	23.49	Unforeseen Charges	38.26	0.21
SCs	183.76	0.57	Others	13588.47	75.04
STs	73.50	0.23			
W&CW	183.76	0.57			
Others	20183.30	62.87			
Total	32102.22	100.00		18107.23	100.00

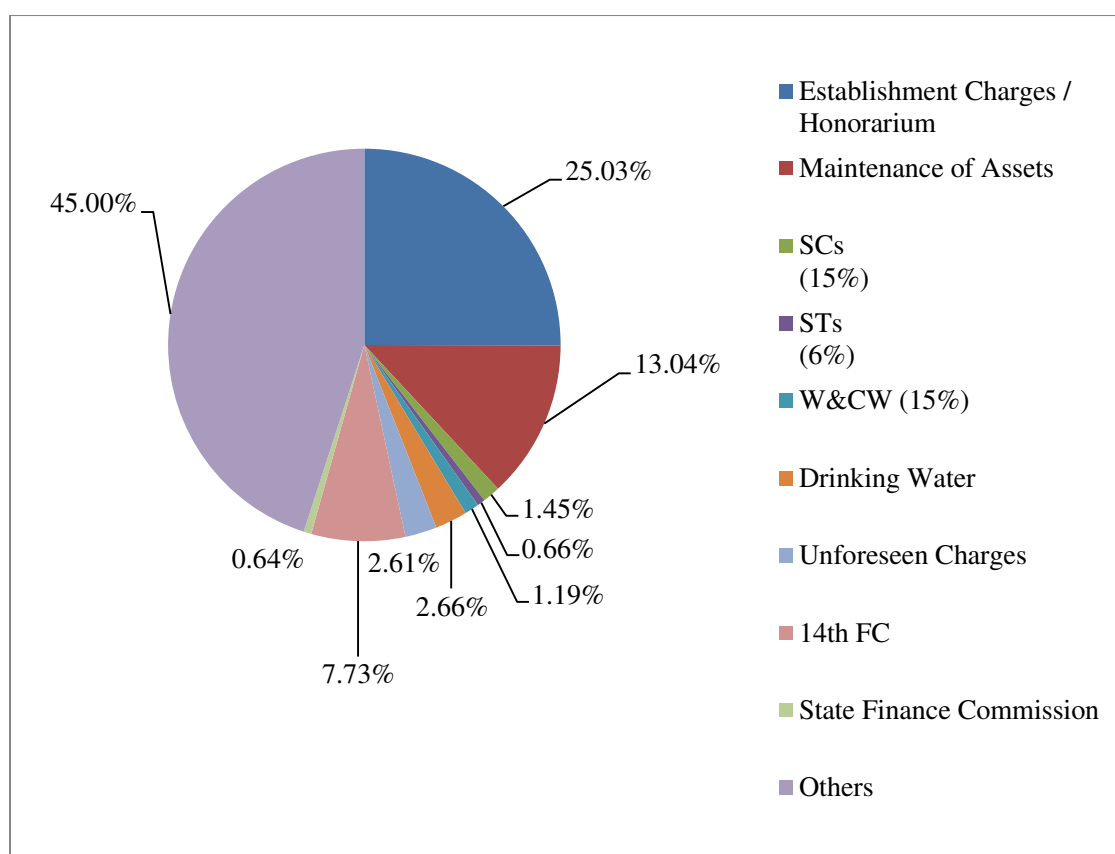
MANDAL PARISHAD (Grants)

5.3 The Grant Wise Income & Expenditure of Mandal Parishads for the year 2016-17 are exhibited in the bar charts.

(Chart –9)
GRANT WISE INCOME POSITION IN MPs FOR 2016-17



GRANT WISE EXPENDITURE IN MANDAL PARISHADS FOR 2016-17

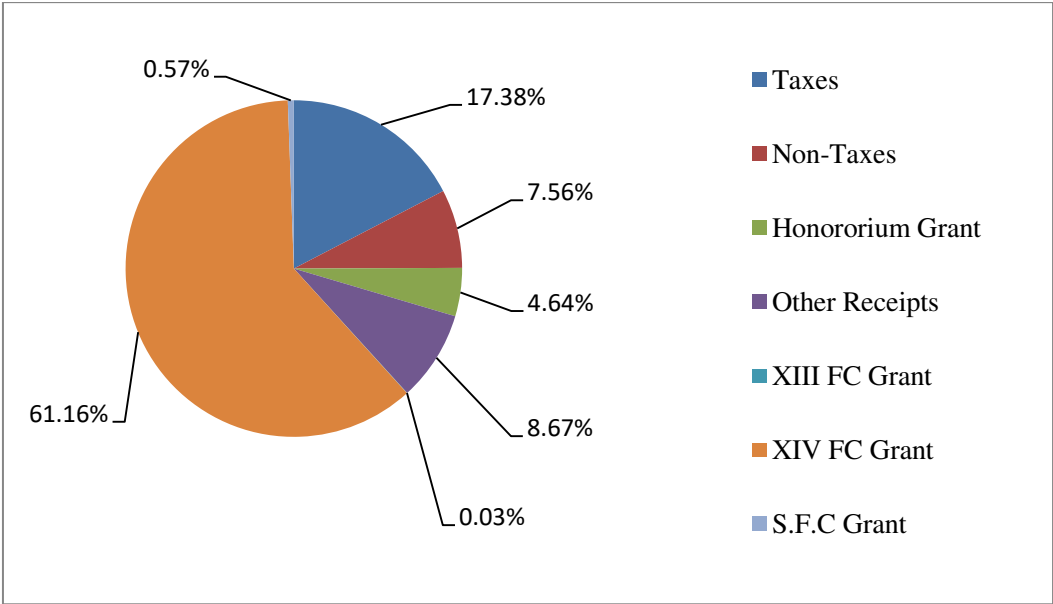


STATEMENT SHOWING GRANTS OF MANDAL PARISHADS DURING THE YEAR 2016-17					
(Rs. In lakhs)					
Name of the Grant	Income of Grant	% of Income	Name of the Grant	Expenditure of Grant	% of Expenditure
Surcharge on Stamp Duty	1840.92	11.43	Establishment Charges / Honorarium	4001.91	25.03
Per capita Grant (Rs.8)	634.42	3.94	Maintenance of Assets	2085.23	13.04
MPP / MPTC Honorarium	2497.77	15.51	SCs (15%)	231.14	1.45
Seigniorage Fee	1051.26	6.53	STs(6%)	104.71	0.66
Sand Auction Charges	115.08	0.71	W&CW (15%)	189.81	1.19
Meeting Hall + Quarter Rent + Sale Proceeds	85.47	0.53	Drinking Water	424.79	2.66
Advances	37.40	0.23	Unforeseen Charges	416.83	2.61
Deposits	107.79	0.67	14th FC	1236.37	7.73
SCs (15%)	122.30	0.76	SFC	101.91	0.64
STs(6%)	145.03	0.90	Others	7193.18	45.00
W&CW (15%)	143.38	0.89			
14th FC	271.90	1.69			
SFC	187.04	1.16			
Others	8869.57	55.06			
Total	16109.33	100.00		15985.88	100.00

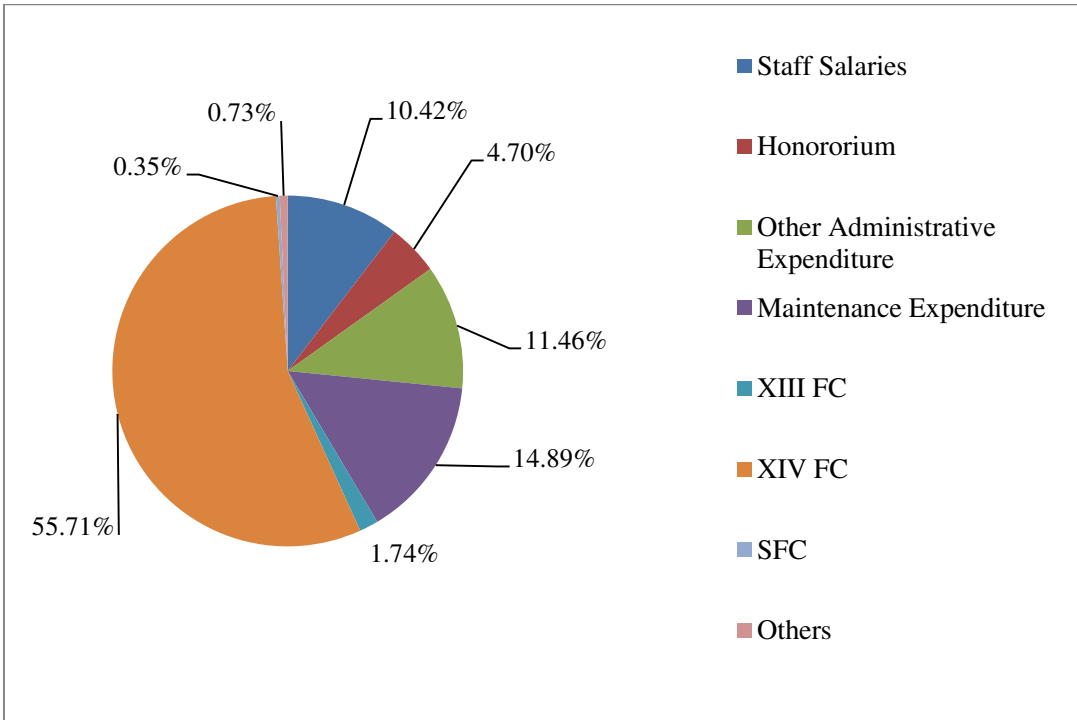
5.4 The Grant Wise Income and Expenditure of Gram Panchayats in the State for the year 2016-17 are exhibited in the bar charts.

Chart –10

GRANT WISE INCOME POSITION IN GPs FOR 2016-17



GRANT WISE EXPENDITURE POSITION IN GPs FOR 2016-17



STATEMENT SHOWING GRANTS OF GRAM PANCHAYATS DURING THE YEAR 2016-17					
(Rs. In lakhs)					
Name of the Grant	Income of Grant	% of Income	Name of the Grant	Expenditure of Grant	% of Expenditure
Taxes	23867.70	17.38	Staff Salaries	13452.95	10.42
Non-Taxes	10381.56	7.56	Honorarium	6068.17	4.70
Honorarium Grant	6367.57	4.64	Other Administrative Expenditure	14801.64	11.46
Other Receipts	11904.08	8.67	Maintenance Expenditure	19223.30	14.89
XIII FC Grant	37.91	0.03	XIII FC	2245.18	1.74
XIV FC Grant	83995.42	61.16	XIV FC	71930.30	55.71
S.F.C Grant	788.14	0.57	SFC	451.35	0.35
			Others	939.37	0.73
Total	137342.38	100.00		129112.26	100.00

AUDIT OBJECTIONS

- 6.1 During the course of audit of these Panchayat Raj Institutions for the year 2016-17, the defects noticed were already pointed out in the relevant Audit Reports, as “Audit Objections” which were forwarded to the Chief Executive Authorities concerned for further action at their end as per the procedure laid down under the State Audit Act.
- 6.2 A total number of **176187** audit objections involving an amount of **Rs.39,985.85 lakhs** were raised in the audit of the Panchayat Raj Institutions during the year under report.
- 6.3 A Consolidated Statement showing the number of objections raised, amount involved thereon with institution-wise and Category wise break-up are annexed vide **Annexure-III (1)** respectively.

STATEMENT SHOWING PENDENCY OF AUDIT OBJECTIONS
FOR THE YEAR 2016-17

(Rs. In lakhs)

Sl. No.	Name of the Category	Code No.	No. of Paras	Amount involved	% on Amount
1	D.D's/cheques received but not realized in time.	19	10	15937.03	39.86
2	Violation of Rules	9	56844	6422.63	16.06
3	Non-Production of Records	11	33873	5543.53	13.86
4	Non-remittance of deductions	10	16746	3643.36	9.11
5	Non-Collection of Dues	7	9700	3124.54	7.81
6	Pendency of utilisation certificates	16	2314	1481.76	3.71
7	Non-Utilisation of earmarked Funds	6	765	954.40	2.39
8	Excess utilisation of grants/Funds	2	930	755.40	1.89
9	Others	18	47015	584.45	1.46
10	Misappropriations	12	588	485.66	1.21
11	Advances Pending adjustment	8	264	371.05	0.93
12	Variation in Account figures	1	1165	235.59	0.59
13	Diversion of grants/Funds	3	348	142.15	0.36
14	Excess payments	13	733	106.81	0.27
15	Non-Utilisation of Grants before lapsable date	4	4351	103.60	0.26
16	Mis-utilisation of Grants/Funds	5	140	45.82	0.11
17	Wasteful expenditure	14	44	45.34	0.11
18	Instances of cases unaccounted for cash/stores	15	194	2.74	0.01
19	Surcharge certificates recovery pending	17	163	0.00	0.00
	Total:		176187	39985.86	100.00

AUDIT – PARAS

List of some of the selected audit objections raised in PRIs during the year 2016-17 under report is enumerated below:

1. DIVERSION OF GRANTS (CODE NO. 3)

The PRIs viz., ZPs, MPs and GPs are provided with funds by the State/Central Governments either by way of grants or a prescribed share in the Cess, Taxes or Fees collected by the State Government. These bodies also earn income by taking up some remunerative enterprises. In case of GPs, they are vested with the power of levying certain taxes and fees like House Tax, Tax on agricultural land for a specific purpose, Fees for lease of porambokes or community lands under their control etc. Such taxes/fees constitute one of the main sources of income to them apart from Grants-in-aid provided by the Central/State Governments.

All the money received by the local bodies form part of their general funds and they can be utilized for the purposes prescribed under the relevant Act/Rules. However, specific grants received should be utilized for the purpose for which the grant is released. Incurring of expenditure for purposes other than the prescribed ones without specific sanction of the government is not permissible. In case of specific grants, the grants should be utilized only for the specific purpose for which the grant is released and no diversion is permissible without the permission of such grant releasing authority. But, it was noticed in audit that notwithstanding such instructions, diversion of specific grants and Earmarked funds is taking place. It was also observed in audit that expenditure was incurred under certain grant heads even in the absence of receipt of any grant during the year by diverting other grants. However, such cases were pointed out under the caption ‘Diversion of Grants’.

A Consolidated **Annexure-III (1)** of “Diversion of Grants/Funds” is appended to the Report from which it could be seen that an amount of **Rs.142.15 lakhs** was pointed out in **348** audit paras. Such cases were pointed out under the caption ‘Diversion of Grants/Funds’.

1.1 ZILLA PARISHAD – ADILABAD - DIVERSION OF FUNDS - EXPENDITURE INCURRED TOWARDS ZPTC/MPTC ELECTIONS ON REIMBURSEMENT BASIS – NEEDS REIMBURSEMENT Rs.4,22,500/-

The following amount of Rs.4,22,500/- were drawn and paid towards election purpose from the General funds of the ZPP Adilabad during the year under report.

Sl No	Vr.No. & Date	Amount in Rs.	Particulars of Expenditure
1	199/9-15	400000	ZPTC/MPTCs Election purpose
2	22/19-5-15	22500	- Do -
		422500	

The said expenditure of Rs.422500/- has to be met from election fund but not from General Fund. In case of meeting the expenditure from the General Fund, the same shall be reimbursed, which was not done till the close of audit. Hence, the Expenditure of Rs 4,22,500/- would need to be reimbursed to the ZP General Funds Account under intimation to audit.

(Para No.6 of Audit Report of ZP Adilabad Dist for the year 2016-17)

2. NON-UTILISATION OF EARMARKED FUNDS (CODE NO. 6)

Government vide their orders issued in G.O. Ms. No.450 & 451 P.R. & R.D. (Programme-IV) Department, dated 9-4-2001 and G.O. Ms. No.38 Women Development and Child Welfare Department, dated 29-5-98 read with G.O. Ms. No.704 of P.R. & R.D. Department, dated 5-11-1994 issued instructions that every ZP and MP shall earmark funds from out of their General Funds and utilize the same on the schemes benefiting the S.C.s, S.T.s and for Women and Child Welfare at the following rates.

- | | |
|------------------------------|-------|
| 1. For S.C.s | : 15% |
| 2. For S.T.s | : 6% |
| 3. For Women & Child Welfare | : 15% |

Further 1/3 of such earmarked funds shall be made over at the beginning of the year to the Scheduled Castes Co-operative Finance Corporation / Scheduled Tribes Co-operative Finance Corporation / Women Co-operative Finance Corporation as the case may be to utilize for the benefit of the S.C.s, S.T.s and Women and Children respectively. The balance of 2/3rd funds shall be utilized by the ZPs/MPs for the benefit of S.C.s, S.T.s, Women & Children in the ZP, MP areas. Unspent balance out of the 2/3rd funds at the end of the financial year, if any, shall be made over to the respective Corporations.

It was observed in audit that in many cases the funds to be earmarked as per the orders of Government were worked out and provided for in their respective budget estimates. But, Earmarked funds were neither made over to the respective Corporations at the beginning of the year nor fully utilized by the ZPs/MPs. The unspent balances at the end of the year were also not remitted to the respective Corporations in many cases. Such inaction had defeated the very purpose of earmarking of funds.

A Consolidated **Annexure-III (1)** of Non-utilization of Earmarked Funds is appended to the Report from which it could be seen that an amount of **Rs.954.40 Lakhs** was pointed out in **765** audit paras .

2.1 ZILLA PARISHAD – MEDAK - NON – UTILIZATION OF EARMARKED FUNDS TOWARDS SC, ST AND WOMAN DEVELOPMENT & CHILD WELFARE ACTIVITIES.

The Govt. in their GOMS.No.764 PR &RD Dept. dt.5-11-1994 issued rules governing the earmarked funds.

According to rule 3(1), 15% of General Funds of Zilla PARISHAD shall be spent on the schemes benefiting the scheduled castes and 6% for Scheduled Tribes.

According to rule 5(1), 15% of General Funds shall be allocated every year to be spent on the schemes benefiting the Women and Child welfare.

According to Rule 5(2), all the unspent balances at end of the year shall be made over to T.S. Women and Child welfare Finance Corporation, Hyderabad.

The records do not reveal proper observation of the above provisions. As seen from the Annual Account, apportionment of 15% and 6% earmarked funds was not pointed. And the Grants registers and other records, resolutions of the General body were seen to be not maintained and could not produce to audit. Further the unspent balances at the end of the year have not been made over to cooperative finance Corporations concerned.

General fund of 2016-17 **Rs.3,31,88,427 /-**

Sl. No.	Nature of the Earmarked Fund	Amount to be Earmarked Rs.	Amount Earmarked	1/3 rd amount to be transferred Rs.	1/3 rd Amount transferred Rs.
1	15% W & CW	4978264	Nil	1659421	Nil
2	06% ST	1991305	Nil	663768	Nil
3	15 % SC	4978264	Nil	1659421	Nil
Total		11947833		3982610	

Action would need to be taken in this regard.

(Para No. 05 of Zilla Parisahds, Medak District for 2016-17)

2.2 MANDAL PARISHAD – ADILABAD - NON-UTILISATION OF EARMARKED FUNDS FULLY TOWARDS S.C., S.T. AND WOMEN DEVELOPMENT & CHILD WELFARE ACTIVITIES, RS. 3,46,922/-

The following amounts were earmarked for the welfare activities of the Schedules Castes, Schedules Tribes and Women Development and Child Welfare from the General Fund of the Mandal Parishad for the year 2016-17 as laid down under the Rules 3 and 4 of the rules framed under “Purposes for which Mandal Parishad fund shall be applied issued in G.O. Ms.No.704 PR & RD Dept, Dated: 05-11-1994 under the A.P. Panchayat Raj Act, 1994.

(Amount in Rs.)

Sl. No.	Purpose of which earmarked	Amount	Expenditure	Unspent Balance at the end of the financial year
1	For the welfare of S.C.	144551	0	144551
2	For the welfare of S.T.	57820	0	57820
3	For the welfare of women Dev. & Child Welfare	144551	0	144551

The Executive Authority of the Mandal Parishad has failed to utilize the earmarked funds as above during the year 2016-17. Action would need to be taken to transfer the unutilized balance amount to the respective corporations as instructed in the said rules with proper acknowledgements.

(Para 3 of MP Adilabad of Adilabad Dist for the year 2016-17)

3. NON-COLLECTION OF DUES (CODE NO. 7)

On verification of Revenue Collections in Panchayat Raj Institutions, it was observed that huge amounts were left pending realization for longer periods and allowed to become barred by limitation of time in certain cases. Appropriate action seems to have not been initiated by the Executive Authorities for realization of taxes and fees etc. due before they became barred by limitation of time in spite of various statutory provisions existing for their recovery such as through distraint, prosecution or filing of suits. Dependence on Government Grants gets lowered if timely and appropriate action is taken by the executive authorities for collection of these outstanding dues which ultimately increases their self sustainability. In fact some of these dues cannot be recovered legally now and constitute a permanent loss to the institutions which needs to be curbed.

A Consolidated **Annexure-III (1)** showing audit objections on Non Collection of Dues is appended to the Report from which it could be seen that an amount of **Rs.3124.54 lakhs** was pointed out in **9700** audit paras.

3.1 GRAM PANCHAYATH – MOTHKUR – AUCTION AMOUNT NOT REALIZED – NEEDS IMMEDIATE ACTION – Rs.1,78,200/-

During the course of audit on the accounts of GP MOTHKURU for the year 2016-2017, on verification of the auction register, it was noticed that Thai Bazar (Rahadari) was auctioned for an amount of Rs 8,00,000/- and for the settlement of the amounts conditions were laid down that 50 % amount has to be settled during the auction day and remaining amount has to be settled within 10 days. But, as verified from the auction register, amounts were not recovered fully and the amounts recovered was also done in instalments, which is irregular. Date of auction conducted was on 17-03-2016 for Rs. 800000 in favour of G. Ramchander s/o Ramulu.

Details of collections done during the year:

Sl No	Bill No.	Amount collected in Rs.	Date	Remarks
1	46817	300000	6-4-16	Amount of 50% has to be collected on the auction day but not done
2	46819	100000	11-5-16	
3	46820	44500	17-5-16	
4	46821	44500	24-6-16	
5	46822	44400	3-8-16	
6	46823	44000	19-9-16	
7	46824	44400	16-11-16	
		621800		Remaining 178200 not collected

Immediate action would need to be taken to recover the amount and action taken in the matter shall be intimated to audit.

(Para No. 25 of Audit Report of GP Mothkur, Yadadri Bhongir Dist for 2016-17)

Similarly, in Gram Panchayat Narsapur of Medak Dist, Auction for Thai Bazar, Cattle Market and Slaughter House was done and amount of Rs. 6,72,000/- was pending collection from four Contractors. The amounts lied pending till the closure of Audit during the year. Immediate action needs to be taken by the Executive Authority concerned.

(Para No. 12 of Audit Report of GP Narsapur, Medak Dist for 2016-17)

4. ADVANCES PENDING ADJUSTMENT (CODE NO. 8)

It was observed during the course of audit that temporary advances paid for specific purposes were outstanding for a long time though they should have been got adjusted through detailed bills and vouchers as soon as possible as per Article 99 of the Telangana Financial Code. Non-settlement of advances leads of misuse of advances to avoid refund of unspent amounts. Several objections were raised on such outstanding advances in the relevant audit reports pointing out failure of the executive authorities to take necessary action to get these advances adjusted. It was also observed that huge amounts of personal advances were also outstanding for a long time due to the inaction on the part of the drawing officers. Few such examples are given below.

A Consolidated **Annexure-III (1)** showing audit objections on Advances Pending is appended to the Report from which it could be seen that an amount of **Rs.371.05 lakhs** was pointed out in **264** audit paras. Few such examples are given below.

4.1 ZILLA PARISHAD – KARIMNAGAR - ADVANCES – ADVANCES PAID TO THE STAFF FOR VARIOUS PURPOSES – ADJUSTMENT PARTICULARS NOT PRODUCED- Rs.2,85,000/-

In terms of Government Orders issued, in G.O.Ms.No. 387 (PR&RD) Dept. Dt:17-9-1998, the following Advances for Rs.2,85,000/- were paid for various purposes to the staff of ZPP- Karimnagar during the year 2016-17 as detailed:

Sl. No.	Vr.No. / Date	Amount (Rs.)	To whom paid	Particulars
1	122/13-7-16	45000/-	B. Lachaiah, Jr. Asst.	CZP Vehicle Repairs
2	246/4-11-16	40000/-	Anil Kumar, Sr. Asst	Advance for Meeting
3	308/11-12-16	30000/-	M. Mahender, Sr.Asst.	Advance for General body Meeting
4	352/18-1-17	30000/-	S.Prakash, Sr. Asst.	CZP Vehicle Repairs
5	388/13-2-17	80000/-	A.Devender, Sr. Asst	Advance for Dairy Printing
6	407/3-3-17	30000/-	M. Mahender, Sr.Asst.	Advance for General body Meeting
7	426/21-3-17	30000/-	N. Prakash reddy, Sr. Asst.	Advance for Vehicle Repairs
	Total	285000/-		

But the adjustment of these advances was not done with proper bills and vouchers till the close of the financial year. Hence the entire amount of Rs.2,85,000/- given as advance is held under objection and necessary steps need to be taken to obtain the adjustment particulars and, if any loss caused due to non-adjustment may be recovered from the person or persons responsible under intimation to audit.

(Para No. 5(II) of AR of Zilla Parishad-Karimnagar Dist for the year 2016-17)

4.2 MANDAL PARISHAD – KOSGI – MAHABUBNAGAR DIST. - 14TH FC - ADVANCE DRAWN – NOT ADJUSTED - HELD UNDER OBJECTION – Rs.1,00,000/-

An amount of Rs.100000/- was drawn vide chq no.1848, dt.27.1.2017 and paid to T.Raghavender towards work of deepening & flushing of bore at MPDO Office & Providing of single phase motor.

As per Article 99 of A.P. Financial code, the amounts paid towards advances have to be settled as soon as possible.

The advance drawn was not adjusted till date and the adjustment particulars for the advances drawn were not produced to audit for verification. Therefore the amount thus drawn is held under objection.

(Para No.7 of MP KOSIGI of Mahabubnagar Audit report for the year 2016-17)

4.3 GRAM PANCHAYAT – KUCHARAM - ADVANCES – ADVANCE NOT ADJUSTED -NEEDS ADJUSTMENT OR RECOVERY - Rs. 60,000/-

An amount of **Rs: 60,000/-** was drawn in favour of Sarpanch, GP Kucharam for Construction of U.G. Drain as follows during the year of audit.

Sl. No.	Cheque.No.	Date	Amount	Particulars
1	004345	02-05-16	60,000	Advance drawn for Const. of U.G.D

But, the advance recoverable register, and adjustment bills were not produced to audit. The advance should be adjusted within (15) days of date of drawl as per G.O. Ms. No. 120 P & LA Department dated: 11-09-1960 and Financial Code Article No: 99.

In absence of the adjustment vouchers the correctness of the expenditure could not be certified in audit. The same may be produced and submit the adjustment bills or the same amount may recovered from the Person concerned and remit the amount into GP General Fund.

(Para No. 32 of Audit Report of GP Kucharam, Medak Dist for 2016-17)

5. VIOLATION OF RULES (CODE NO. 9)

It was noticed in audit that in some cases the Rules / Government instructions for incurring the expenditure from the funds of the Panchayat Raj bodies were violated either due to negligence or ignorance. In certain cases, the funds of the Panchayat Raj bodies were utilized for purposes other than the permitted ones under the Act /Rules. It was also noticed that in a few cases, Government instructions were misunderstood or misinterpreted. Such irregular expenditure incurred was objected in the relevant Audit Reports.

A Consolidated **Annexure-III (1)** showing audit objections on Violation of Rules is appended to the Report from which it could be seen that an amount of **Rs.6422.63 lakhs** was pointed out in **56844** audit paras .The defects relating to violation of Rules were pointed in the relevant ARs. A few such cases are shown below:

5.1 MANDAL PARISHAD – JHARASANGAM – EXECUTION OF WORKS AFTER LAPSE OF ADMINISTRATIVE SANCTION – IRREGULAR - Rs.1,70,198/-

An amount of Rs.1,70,198/- was drawn on Vr. No. 1/7.5.2016 towards Maintenance of MPP office Building as recorded in MB NO. 1544/A/R/2014.

But on verification of the connected MB it was noticed that, the administrative sanction was accorded vide proceeding No. D/464/2014, dt: 31.12.2014 of MPDO, MPP Jharasangam and Technical sanction DR No. 316/15-16, dt: 2-3-2016 of Deputy EE, Zaheerabad.

As per financial code Article 94, the administrative sanction is valid for one year from the date of issue of proceeding, but the above cases after lapse of one year the work was executed which is highly irregular and contrary to the financial rules in force. Further it was also observed that the Date of agreement on 9-11-2015 before technical sanction the work was agreement with the contractor how it is possible and the date of check measurement on 29-4-2016, i.e., lapsed after administrative sanction.

Therefore, the amount spent on Maintenance of MPP office building could not be admitted in audit and held under objection.

(Para No.18 Audit report of MP Jharasangam, Sangareddy for the year 2016-17)

5.2 GRAM PANCHAYATH – NARSAPUR - EXECUTION OF VARIOUS WORKS IN 14TH FINANCE FUNDS - WORKS NOT RECORDED IN MEASUREMENT BOOK –AMOUNT HELD UNDER OBJECTION – Rs. 4,53,590/-

During the course of audit the following amounts were drawn and paid towards the maintenance of Sanitation, based on the bills prepared by the Executive Authorities.

The works were executed without recording in the Measurement Books duly obtaining the administrative and technical sanctions of the concerned authority. These item of works needs to be got approval of Administrative and Technical sanction from the concerned authority and got recorded in Measurement Books, then only payment has to be made to the concerned. But in this case, the executive authority did not follow the procedure which is irregular and contrary to rules.

In view of the above, the expenditure made towards above item of works were not certified in audit and held under objection.

Vr No. & Date	Particulars	Amount in Rs.
1/6-4-16	Sanitation Maintenance	48,000
6/5-5-16		30,000
7/5-5-10		46,670
10/31-5-16		74,650
11/3-6-16		53,480
12/4-7-16		50,290
14/2-8-16		54,000
17/3-1-17		30,000
18/24-1-17		66,500
	TOTAL	4,53,590

(Para No. 41 of Audit Report of GP Narsapur, of Medak Dist for 2016-17)

6. NON-REMITTANCE OF DEDUCTIONS / RECOVERIES FROM VOUCHERS / PAY BILLS / CONTINGENT BILLS (CODE NO. 10)

It was noticed during audit that various deductions / recoveries effected from the work bills / pay bills were either not remitted to Government or a part of them only were remitted in spite of statutory obligation to remit the same to Government account within a prescribed time under the relevant statutory provisions which also include penalty as well as prosecution for non adherence. The deductions normally made from work bills / pay bills that are to be remitted to Government account are:

Work Bills

Seigniorage Charges
Income Tax
VAT
QC
Labour Cess
NAC

Others

1. Library cess
2. User charges

A Consolidated **Annexure-III (1)** showing audit objections on Non-remittance of Deductions/Recoveries from work bills/Pay Bills/Contingent Bills is appended to the Report from which it could be seen that an amount of **Rs.3643.36 lakhs** was pointed out in **16746** audit paras. A few such instances are given below.

6.1 GRAM PANCHAYATH – MANIKONDA - STATUTORY DEDUCTIONS MADE IN THE WORK BILLS – NOT REMITTED TO THE CONCERNED HEADS OF ACCOUNTS/DEPARTMENTS – NEEDS REMITTANCE – Rs. 69,96,360/-

As detailed given below, various deductions like Seigniorage Charges, VAT, QC and Income Tax were made in the work bills paid to the contractors during the year under report. But the deductions so made were not remitted to the concerned heads of accounts/departments. The Non-remittance of the deposits to the concerned heads/departments stops directly the flow of the funds to the Government exchequer in time. The head wise deductions are as follows:

1. S.Charges	Rs. 9,68,597 /-
2. VAT	Rs.40,57,205/-
3. QC	Rs. 3,44,646/-
4. IT	Rs. 16,26,272/-

	Rs.69,96,720/-

The inaction of the executive authority is not acceptable. Immediate action needs to be taken to remit the amount of Rs. 69,96,720/- under intimation to the audit.

(Para No. 27 of Audit Report of GP Manikonda, of Ranga Reddy Dist for 2016-17)

7. NON-PRODUCTION OF RECORDS (CODE NO. 11)

The Panchayath Raj Bodies provide certain basic civic infrastructure and services like Road, Drain, Street lights, Water Supply, Conservancy and Solid Waste Management. They also perform certain regulatory functions. They also prepare plans for economic development and social justice. To fulfill all the desires and needs the total revenue base needs to be enhanced every year. With the rise in demand for services the functionaries need to have effective financial management skills and adopt sound accountability practices. All these functions would be reflected on the record when they were accounted for as per the provisions contained in TS Accounts code which comprises the Comptroller and Auditor General (C&AG) rules together with the local rulings relating to Local variations 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 of all the Local Bodies in the maintenance and production of records to audit is not properly discharged. Thereby the accountability of the expenditure made could not be reviewed thoroughly. In spite of all these guidelines and instructions the DDOs of local bodies have failed to maintain the records and produce the same to Audit whenever the local teams visited their institutions. Under the category of non – production of records to Audit the major part is works and related records such as M.books, estimates, files tenders etc. The others are non production of vouchers along with the related files and registers. The paras on non production of records have been drawn from the individual A.Rs of the concerned institution and their details are furnished here under. Further it is surprise to note that the heads of the institutions could not explain as to why the records could not be maintained in their offices and not 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 the provisions under Rule 6 of T.S. State Audit Rules 2000 are clear that the onus for production of records to audit lies with the executive authority of the institution in the following cases the said rule is not complied with as they have failed to furnish various records to audit as a result of such inaccessibility to the records several audit objections were pointed out in various A.Rs of the concerned institutions. Records like M. Books connected files vouchers in which crores of rupees transacted in many institutions form major chunk of audit objections under the category of non production of records. Transactions relating to purchase of various contingent articles goods etc. were not accounted for in stock registers and produced to audit. Remittances made to different departments etc for which neither the acknowledgements nor any evidence produced in audit also form part under this category. Though several half margin letters were issued for production of the required records the executive authorities did not comply with which had resulted in inaccessibility to the records and raising of paras to that extent.

A Consolidated **Annexure-III (1)** showing audit objections on “Non Production of Records” is appended to the Report from which it could be seen that an amount of **Rs.5,543.53 lakhs** was pointed out in **33873** audit paras. A few of the paras raised in ARs for the year 2016-17 are categorized accordingly and tabulated as shown below:

7.1 ZILLA PARISHAD – SANGA REDDY DIST. - NON- PRODUCTION OF RECORDS – M.BS AND CONNECTED FILES NOT PRODUCED - AMOUNT HELD UNDER OBJECTION – Rs. 19,40,401/-

On verification of paid vouchers for the year 2016-17, as detailed below various works were executed during the year under Audit and payments were made to the contractors concerned. But the connected M.Bs and files were not produced to audit for verification.

Due to non production of said records the correctness of the works executed and amount paid to the contractors could not be verified and certified in audit. Loss if any sustained in this regard would need to be made good from the person or persons responsible and credited to concerned head of account.

Sl. No.	Name of the work	MB No.	Amount in Rs.
1	Construction of safety wall	273/cm/15	89851
2	Gravelling of road from R & B road to Raipally Tanda	199/BM/2015	183875
3	Formation of cc road from PWD road to model school	895/B/2014	134796
4	Approach road from Adarsha school	330/CM/15	136741
5	-do- Velmekana	141/BM/2015	61320
6	Repairs Anganwadi Building at Rallapur	117/BM/2015	60682
7	Laying of CC road	Vr.No. 21	439690
8	-do-	113/CM/2015	266387
9	Construction of side drains in Motulur Village in Yeldurty Mandal	1070/B/PR/2012	167000
10	B/W C/o ZPHS at Haveli Ghanpur	368/AM/2015	230915
11	Reparis Anganwadi building at Mallampet Village in Papannapet Mandal	511/A/2012	91934
12	Construction of S.T Community Hall	171/A/PR/16	6228
13	Construction of AWC at Chinna Cottimukala Village	234/A/2008	24343
14	Construction of BC Community Hall at Kulcharam	269/A/PR/2013	14609
15	Construction of ST Community Hall	1080//B/2008	10000
16	Construction of culvert from Kotala Usrikapally	MB No. not mentioned	22030
		Total	1940401

(Para No.7 of AR of Z.P. EE- PR Sangareddy district for 2016-17)

7.2 MANDAL PARISHAD – TOOPRAN - WORKS EXECUTED - M.Bs. AND CONNECTED FILES NOT PRODUCED - AMOUNT HELD UNDER OBJECTION Rs. 4,64,531/-

On verification of cash book as detailed below various payments were made during the year. But the concerned vouchers, M.Bs. and relevant files were not produced to audit for verification. Due to non-production of the said records the correctness of the works executed and amount paid could not be verified in audit.

Loss if any sustained in this regard would need to be recovered from the person or persons responsible.

Sl. No.	Vr.No.& Date	Name of the Work	MB No.	Amount	Fund
1	18	Spl Repairs to Anganwadi Building, Kondapur Kallakal	6105/B	40,000	G.F.
2	94	Spl Repairs to P.S. Building, Malkapur thanda	89/B	29,511	G.F.
3	78	Construction of Anganwadi Building, Imampur	121/B	2,97,568	G.F.
4	13	Spl Repairs to PS Building, Toopran (Boys)	89/B	50,000	T.F.C
5	15	Spl Repairs to PS Building, Geetha Mandir, Toopran	89/B	47,452	T.F.C
		Total		4,64,531	

(Para No. 12 of A.R. of MP TOOPRAN, Medak District for the year 2016-17)

7.3 GRAM PANCHAYATH –NARSAPUR - WORKS EXECUTION - M.Bs. AND CONNECTED FILES NOT PRODUCED - AMOUNT HELD UNDER OBJECTION Rs. 2,20,471/-

On verification of cash book as detailed below various payments were made during the year under Audit. But the concerned vouchers, M.Bs. and connected files were not produced to audit for verification. Due to non-production of the said records the correctness of the works executed and amount paid could not be verified in audit.

The matter was also taken to the notice of the Executive Officer through **Half Margin letter No. 02/2017-18 Dt. 10-10-2017**, yet the irregularity has not been rectified till the close of audit. Loss if any sustained in this regard would need to be recovered from the person or persons responsible.

Sl. No.	M.B. No. & P.No.	Name of the Work	Amount in (Rs.)	Name of the Fund
1	554/A P3	Purchase of Pumpset	49,920	General
2	554/A P18	Purchase of Pumpset	1,70,551	F.F.C
		Total	2,20,471	

(Para No. 28 of Audit Report of GP Narsapur of Medak Dist for 2016-17)

In a similar case from the Gram Panchayat Toopran of Medak Dist, Construction of underground drainage works were taken up by the contractors and amounts were also paid to the concerned to a tune of Rs. 10,15,302/-. But during course of audit, the executive authority did not submit the vouchers, MBs and other connected files to Audit, by which the expenditure incurred thus, cannot be ascertained in Audit and is held under objection.

(Para No. 24 of Audit Report of GP Toopran of Medak Dist for 2016-17)

8. MIS-APPROPRIATIONS (CODE NO. 12)

Cases of misappropriation of money noticed in audit were pointed out in the Audit Report concerned. The cases where the Executive Authorities spent amounts from Government Funds and Grants but not accounted for with proper evidence come under this category.

A consolidated statement of audit objections on misappropriations noticed in audit is annexed vide **Annexure-III (1)**. A total number of **588** cases involving an amount of **Rs.485.66 lakhs** were pointed out in the relevant ARs. To illustrate the various types of modus operandi a few of the cases pointed out are reproduced below.

8.1 GRAM PANCHAYAT – TOOPRAN - MISAPPROPRIATION OF COLLECTED AMOUNTS BY INCHARGE E.O. - CLOSING CASH BALANCE AS ON 30-9-2016 NOT CARRIED FORWARD AND TAKEN TO OPENING CASH BALANCE ON 01-10-2016 IN CASH BOOK – LOSS TO GP FUNDS NEEDS RECOVERY – Rs.10,31,151/-

During the course of audit, on verification of Cash Book, where in it was detected that a sum of **Rs.10,31,151/-** closing Cash Balance as on 30-09-2016 was not carried forward and taken as opening Cash Balance as on 01-10-2016 in Cash Book.

It seems that the amount of **Rs.10,31,151/-** has been misappropriated by way of closing Cash Balance as on 30-09-2016 was not taken to opening Cash Balance as on 01-10-2016 in Cash Book which is a loss to the Grampanchayat funds. The matter was also taken to the notice of the Executive Officer through **Half Margin letter No. 02/2017-18 Dt.06-11-2017**, for which the executive authority informed that the then incharge Secretary Sri B.Veeresham, who was transferred was not handed over the cash closing balance to the new Secretary Sri G. Narsimhulu and the same was recorded in the Cash Book and signed by both the secretaries. Hence the same was clearly misappropriated by the then Panchayat Secretary.

Immediate action would need to be taken to recover the amounts from the individual concerned with penal interest and credited to G.P funds, besides taking disciplinary action against the individual concerned under intimation to audit.

(Para No. 32 of Audit Report of GP Toopran of Medak Dist for 2016-17)

8.2 GRAM PANCHAYAT – PARVEDA – 14TH FINANCE COMMISSION GRANTS - AMOUNT DRAWN – BUT NOT ACCOUNTED FOR – MISAPPROPRIATION – Rs. 56,558/-

During the audit on the accounts of Parveda, of MP Shankarpally, Ranga Reddy Dist. for the year 2016-17, it was noticed that an amount of Rs. 56,558/- vide Cheque No. 9133, Dated 23-12-2016 was drawn from the 14th Finance Commission Grants. But it was not recorded in the Cash Book. The purpose of drawing such amount was also not recorded anywhere in GP Records. The amount drawn thus seem to be misappropriated and objected in Audit to recover the same from the person/persons concerned and remit such amount to GP Funds under intimation to Audit.

(Para No. 23 of Audit Report of GP Parveda, of Ranga Reddy Dist for 2016-17)

9. EXCESS PAYMENTS (CODE NO. 13)

It was observed in audit that in several cases excess payments were made due to either.

- (a) Incorrect calculations or
- (b) Excess totaling in Bills or
- (c) Admission of inadmissible claims or
- (d) Lack of knowledge of Government instructions.

A Consolidated **Annexure-III (1)** of showing audit objections on “Excess Payments is appended to the Report from which it could be seen that an amount of **Rs.106.81 lakhs** was pointed out in **733** audit paras

A few such instances are given below for example.

9.1 GRAM PANCHAYATH – KUBYA THANDA - 14TH FINANCE COMMISSION GRANTS - WORKS EXECUTION – EXCESS PAYMENT MADE – IRREGULAR – NEEDS RECOVERY – Rs. 25,000/-

The Gram Panchayat Kubya Thanda, MP Madgul of Ranga Reddy executed a work under maintenance of PWS Scheme and recorded the same in MB No. B/314/05-06, Page No. 3 to 12 for a value of Rs.1,23,114/-. But as per the payment particulars made by the Executive Authority was for Rs. 1,48,114/- which was made by excess for Rs. 25,000/-. Hence, the excess paid amount needs to be recovered from the Contractor under intimation to Audit. The particulars are given below:

Cheque No & Date	Name of the work	Actual value in Rs.	Amount paid in Rs.	Excess payment for Rs.
3144/03.2017	Maintenance of PWS scheme at Kubyra Tanda M.B No:B/314/05-06,P.NO:6 to 13	1,23,114	1,48,114	25,000/-

(Para No. 18 of AR of GP Kubyra Thanda, of Ranga Reddy Dist for 2016-17)

PLACE: HYDERABAD
DATE: 20-02-2021



DIRECTOR
STATE AUDIT
T.S. HYDERABAD

PART - II



**CONSOLIDATED AUDIT AND REVIEW
REPORT ON THE ACCOUNTS OF MUNICIPAL
CORPORATIONS FOR THE YEAR 2016-17**

CONSOLIDATED AUDIT AND REVIEW REPORT ON THE ACCOUNTS OF MUNICIPAL CORPORATIONS FOR THE YEAR 2016-17

INTRODUCTION

- 1.1 As per the provision contained in Section 3 (4) of Telangana State Audit Act, 1989 the Director of State Audit, Hyderabad was appointed as Auditor for conducting the audit of the funds of local authorities and other authorities specified in the Schedule prescribed in the said Act. By virtue of this legal position the Director of State Audit, Hyderabad is the Auditor for the accounts of the Municipal Corporations constituted in the State. There are 6 (six) Municipal Corporations in Telangana State.
- 1.2 The Department has got 2 (two) Zonal Offices, one is at Hyderabad and another one is at Warangal. The Regional Deputy Directors are the heads of the Zonal Offices, and the District Audit Officer, State Audit are the heads of the District Offices.
- 1.3 The Department conducts post audit of the Municipal Corporations and also conducts pre audit of Expenditure by the Examiner of Accounts and Asst. Examiner of Accounts in major corporations. The Audit Reports are issued to the Commissioners of the Municipal Corporation concerned who has to take action for rectifying the defects pointed out in the Audit Report within a period of two months as per section 9 (1) of the Telangana State Audit Act.
- 1.4 Under section 10(1) of the State Audit Act, the Director is vested with the power of disallowing every item of the expenditure incurred contrary to the law and surcharge the same on the person incurring or authorizing the incurring of such expenditure and may charge against any person responsible there for, the amount of any deficiency, loss or unprofitable out lay occasioned by the negligence or misconduct of that person or of any such sum which ought to have been accounted for but is not brought into account by that person and shall, in every such case, certify the amount due from such person.

SCOPE OF AUDIT

- 2.1 The State Audit Department verifies the following aspects during the course of post audit of the Municipal Corporations.
 - Whether the amounts collected like taxes, fees etc., by the Municipal Corporations were properly accounted for with full details in the books of accounts of the Municipal Corporation concerned.
 - Whether an adequate care has been taken in periodical checking up of the funds with Treasury or Bank.
 - Whether the expenditure incurred is provided for in the Budget of the Municipal Corporation and duly sanctioned by the competent authority

under the relevant rules and executive instructions issued by the Government.

- Whether funds are utilized only for the permitted purposes prescribed under the Hyderabad Municipal Corporations Act 1955 and Rules issued thereon.
- Whether the procedure prescribed by Government in incurring the expenditure/payments made is properly followed and accounted for with due classification in the books of accounts of the Municipal Corporation.
- Whether the vouchers for the expenditure incurred were maintained properly.
- Whether the grants received from different sources were properly accounted for and utilized for the purposes for which they were meant.

2.2 The Commissioner and Director of Municipal Administration got migrated the accounts maintained in Single entry into Double Entry Accrual Based Accounting System through reputed Chartered Accountant Firms using Software developed by the CGG as permitted by the Government vide GO.Rt.No.287 MA&UD (R) Dept, Dt.21-02-2011. The GHMC migrated to modified Double Entry Accrual Based Accounting System of Accounting from the Financial Year 2002-03.

2.3 The Department has conducted audit in Double Entry Accrual Based Accounting System (DEABAS) and verified the Receipts & Payments, and Income & Expenditure Statements as on 31.03.2016 as detailed below.

STATUS OF AUDIT

3.1 There are **6** Municipal Corporations in Telangana State. Out of **6** Municipal Corporations existed in Telangana State for the year 2016-17, the audit on the accounts of **6** Municipal Corporations has been completed.

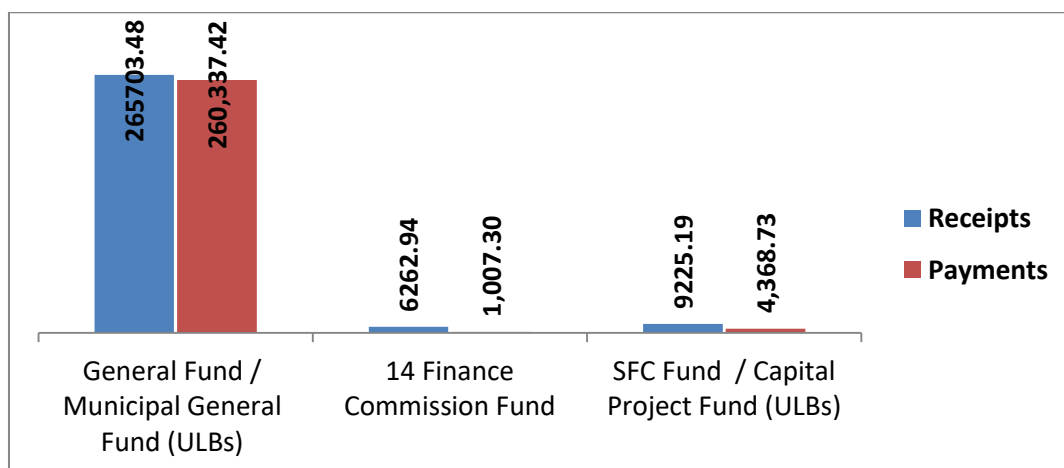
Demand	Completed	Balance
6	6	0

RECEIPTS & PAYMENTS

3.2 The Department has conducted the audit of the Receipts amounting to **Rs.2,81,191.60 lakhs** and Payments of **Rs.2,65,713.44 lakhs** as detailed in the **Annexure-IV (A)**.

Chart-1

The total **Receipts and Payments** of the Municipal Corporations during the year 2016-17 are as follows.

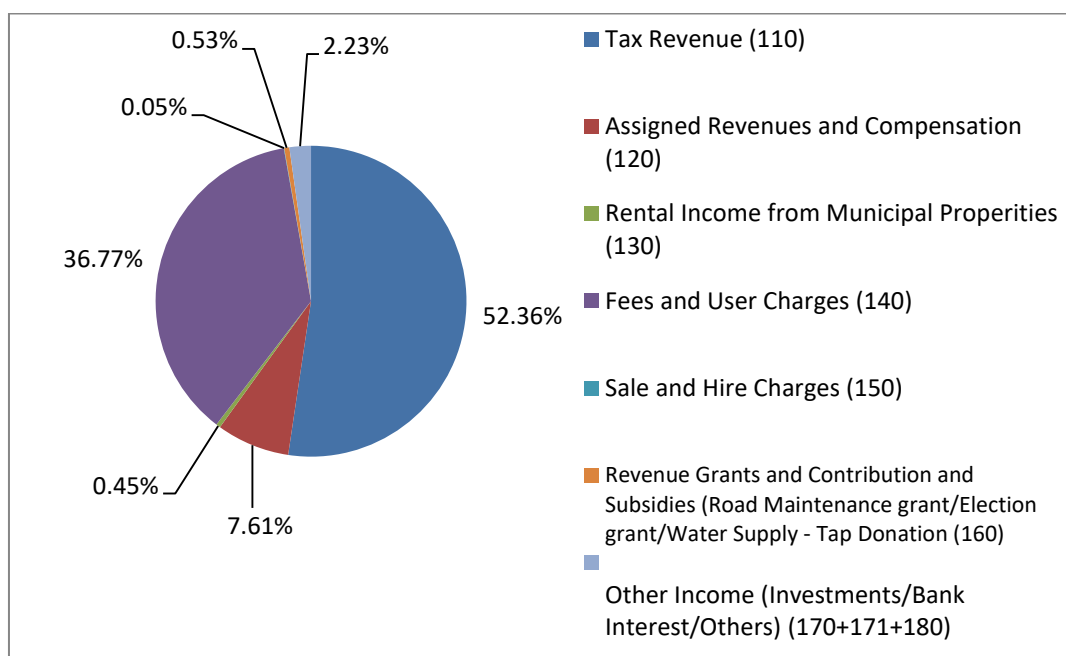


INCOME & EXPENDITURE

- 3.3 The Income & Expenditure of the said Municipal Corporations for the year 2016-17 are **Rs.2,71,105.41 lakhs** and **Rs.3,60,560.83 lakhs** respectively as exhibited in **Annexure-VIII(A) & (B)**.
- 3.4 The head wise Income and Expenditure of Municipal Corporations for the year 2016-17 are exhibited below in the Pie chart-1.

PIE CHART OF INCOME OF MUNICIPAL CORPORATIONS FOR THE YEAR 2016-17

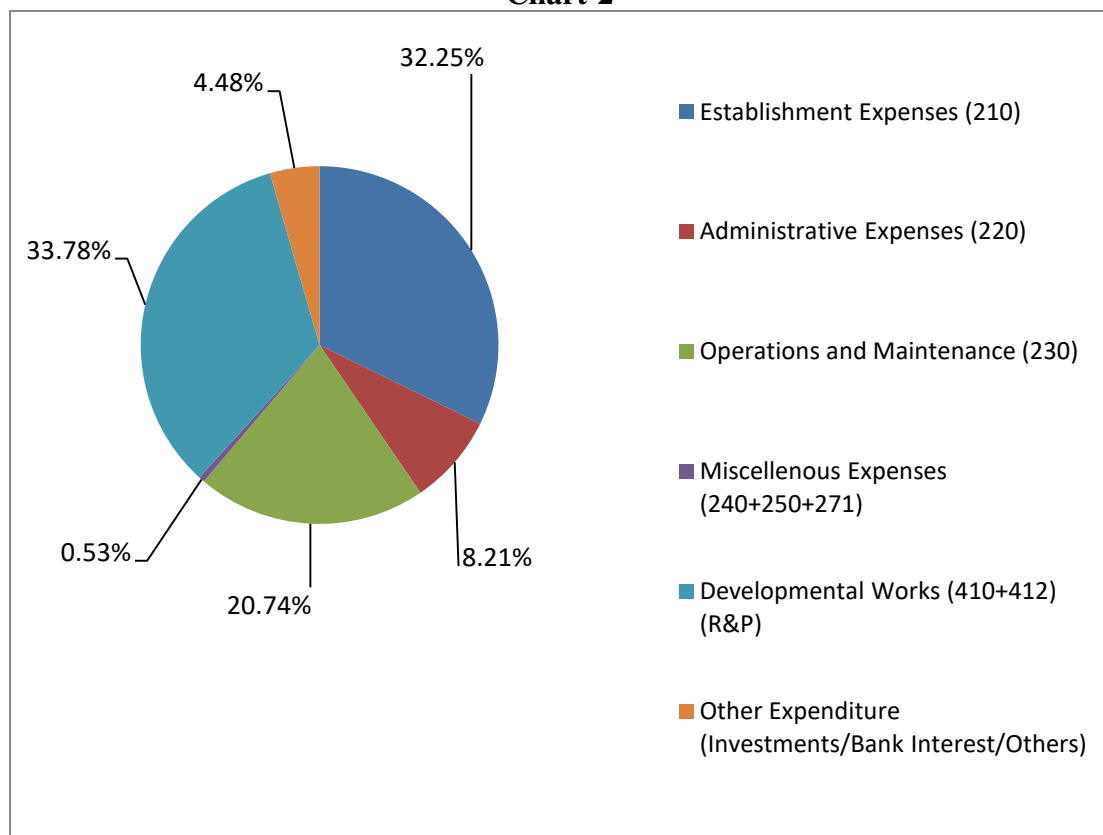
Chart-1



- 3.5 The head wise Payments of Municipal Corporations for the year 2016-17 are exhibited below in the Pie chart-2 for Municipal Corporations.

**PIE CHART OF EXPENDITURE OF MUNICIPAL CORPORATIONS FOR
THE YEAR 2016-17**

Chart-2



AUDIT OPINION

- 4.1 The financial statements in all material aspects of Municipal Corporation, the financial position and its cash flows for the year ended with 31.03.2017 are in accordance with the accounting principles generally accepted.

AUDIT OBJECTIONS

- 5.1 During the course of audit of Municipal Corporations for the year 2016-17 various defects noticed were already pointed out in the relevant Audit Reports which were forwarded to the Executive Authorities concerned for further action at their end as per the procedure laid down under the State Audit Act 1989.
- 5.2 A total number of **1398** audit objections involving an amount of **Rs.1,31,522.22 lakhs** were raised in the audit of the Municipal Corporations during the year under report.

- 5.3 A Consolidated Statement showing the number of objections raised, amount involved with category wise break-up is annexed vide Annexure-III (2).
- 5.4 The Consolidated Statements showing the amounts under category wise various Audit Objections raised in the Audit Reports are annexed to the Report [Annexure-III (2)].

**STATEMENT SHOWING NUMBER OF AUDIT OBJECTIONS RAISED
(CATEGORY WISE) AND AMOUNT INVOLVED MUNICIPAL
CORPORATION FOR THE YEAR 2016-17**

(Rs. In Lakhs)

Sl. No.	Name of the category	Code No.	No. of Paras	Amount	% (Amount)
1	Non-Collection of Dues	7	174	78728.18	59.86
2	Non-Production of Records	11	321	24848.09	18.89
3	Violation of Rules	9	448	16687.97	12.69
4	Others	18	254	6185.06	4.70
5	Non-remittance of deductions	10	71	2460.17	1.87
6	Variation in Account figures	1	26	1128.53	0.86
7	Advances Pending adjustment	8	13	718.25	0.55
8	Non-Utilisation of earmarked Funds	6	13	327.21	0.25
9	Excess payments	13	36	207.65	0.16
10	Diversion of grants/Funds	3	5	129.85	0.10
11	Instances of cases unaccounted for cash/stores	15	8	46.80	0.04
12	Wasteful expenditure	14	4	29.41	0.02
13	Misappropriations	12	13	24.59	0.02
14	Excess utilisation of grants/Funds	2	2	0.45	0.00
15	Non-Utilisation of Grants before lapsable date	4	3	0.00	0.00
16	Mis-utilisation of Grants/Funds	5	0	0.00	0.00
17	Pendency of utilisation certificates	16	4	0.00	0.00
18	Surcharge certificates recovery pending	17	0	0.00	0.00
19	D.D's/cheques received but not realized in time.	19	3	0.00	0.00
	Total		1398	131522.21	100.00

- 5.5 The number of objections and amount involved were categorized and their category has been analyzed. Accordingly, **59.86%** of amount objected pertains to “Non-Collection of Dues”, followed by “Non-Production of Records” which constitutes **18.89%**.

AUDIT PARAS

Gist of some of the selected audit objections pertaining to the year 2016-17 is given below:

1. ADVANCES PENDING ADJUSTMENT (CODE NO.8)

It was observed during the course of audit that temporary advances paid for specific purpose were outstanding for a long time though they should have been got adjusted through detailed bills and vouchers as soon as possible as per Article 99 of the T.S. Financial Code. Non-settlement of advances leads to misuse of advances to avoid refund of unspent amounts. Several objections were raised on such outstanding advances in the relevant Audit Reports pointing out the failure of the Executive Authorities in taking necessary action to get these advances adjusted.

Further a Consolidated **Annexure-III (2)** showing the audit objections on Advances Pending is appended to the Report from which it could be seen that an amount of **Rs.718.25 lakhs** was pointed out in the **13** audit paras. An exemplary para is furnished below.

1.1 MUNICIPAL CORPORATION – KARIMNAGAR – ADVANCES PAID FOR VARIOUS PURPOSES - NOT ADJUSTED – Rs: 16,85,600/-

During the year an amount of Rs. 16,85,600/- has been drawn and paid to certain staff members as detailed below for the purpose noted against each. As per the orders issued in G.O.Ms.No. 391/Fin&Plg (TFR) Dept Dt: 22/3/2002, the advances should be adjusted within the (3) months from the date of drawl. But these advances were not adjusted with proper Bills and Vouchers during the financial and also up to close of Audit.

Therefore, action would need to be taken to adjust the above advance or the same may be recovered from the individuals concerned and fact may be intimated to audit.

(Amount in Rs.)

2016-17 GENERAL FUND (S.B.H) ADVANCES				
Sl. No.	Vr.No. & Date	Particulars	To whom Paid	Amount of Advance
1	26/17.5.2016	Birthday celebrations of Dr. Babu Jagjeevan Rao	Sri. B. Mohanreddy, M.A.E.	35000
2	27/17-5-2016	Electrical Minor Spare parts	Sri. Mohan reddy , M.A.E	25000
3	53/19-5-2016	Vehicle repairs (Tractors & Dumpers etc)	Sri.B.Raja Manohar, S.S.	100000
4	207/13-3-2017	Advance Innovation cities India Summit held on 16-03-2017 & 17-3-2017 at Bangulore	Sri. B. Gowtham reddy, Secretary	60000
		Total:		220000

(Amount in Rs.)

2016-17 SALARY FUND (002) PD ACCOUNTS				
Sl. No.	Vr.No. & Date	Particulars	To whom Paid	Amount of Advance
1	162/20/6/2016	Advance for Eng.& Sanitariot Vehicle Repairs.	Syed Asitf, M.A.E.	100000
2	233/5-7-2016	Advance for Repairing charges of sanitation tractors.	Syed Asitf, M.A.E.	100000
3	241/28-7-2016	Advance for Repairing charges of sanitation tractors.	Syed Asitf, M.A.E.	100000
4	327/8-9-2016	Advance for Repairing charges of sanitation tractors.	Syed Asitf, M.A.E.	100000
5	328/8-9-2016	Advance for Repairing charges of sanitation tractors.	Syed Asitf, M.A.E.	100000
6	330/8-9-2016	Advance for immersion of Ganesh Idol's 2016	Ganesh & B. Munider A.E	100000
7	331/8-9-2016	Advance for immersion of Ganesh Idol's 2016	Sri. P. Venkatakumar M.A.E.	50000
8	399/5-10-2016	Advance for celebration of Batukamma festival	The Tahsildar Karimnagar	200000
9	442/5-11-2016	Advance for repairs of Mpl Vehicles	Sri. B. Raja Manohar	100000
10	443/5-11-2016	Advance for repairs of Rickshaws in Municipal Office	Sri. B. Raja Manohar	50000
11	642/28-1-2016	Advance for P.P.I programme	Sri. B. Raja Manohar	167700
12	643/28-1-2017	Advance for P.P.I programme	Sri. B. Raja Manohar	39600
			Total:	1207300

(Amount in Rs.)

2016-17 WATER SUPPLY ADVANCES				
Sl. No.	Vr.No. & Date	Particulars	To whom Paid	Amount of Advance
1	18/2-5-2016	Maintenance of water supply	Sri. Mohan Reddy , M.A.E	25000
2	19/2-5-2016	Repairs to JCB Vehicle	Sri. Mohan Reddy , M.A.E	28300
3	52/25-6-2016	Advance for vehicle repairs JCB AP15AS1979	Sri.B.Mohan Reddy, M.A.E.	100000
4	189/13-2-2017	Repairs towards high level zone	Sri. Sd. Asif	50000
5	238/14-3-2017	Purchase of Motor Fans	Sri. M. Devender Reddy, M.A.E.	55000
			Total:	258300

ABSTRACT

(Amount in Rs.)

Sl. No.	Name of the Fund	Amount of Advance Pending
1	2016-17 GENERAL FUND (S.B.H) ADVANCES	220000
2	2016-17 SALARY FUND (002) PD ACCOUNTS	1207300
3	2016-17 WATER SUPPLY ADVANCES	258300
TOTAL		1685600=00

(Para.No.6 (I) of AR of Municipal Corporation:-Karimnagar, for the year 2016-17)

2. VIOLATION OF RULES (CODE NO.9)

It was noticed in the audit that in some cases the Rules / Government instructions for incurring the expenditure from the funds of the MCs were violated either due to negligence or ignorance. In certain cases, the funds of the MCs were utilized for the purposes other than the permitted ones under the Act / Rules. It was also noticed that in a few cases, Government instructions were misunderstood or misinterpreted. Such irregular expenditure incurred was objected to in the relevant Audit Reports. A few instances of Violation of Rules noticed in the Audit Reports in various Local Bodies are detailed below:

A Consolidated **Annexure-III (2)** showing the audit objections on Violation of Rules is appended to the Report from which it could be seen that an amount of **Rs.16,687.97 lakhs** was pointed out in **448** Audit Paras. Few such cases are detailed below.

2.1 MUNICIPAL CORPORATION – KHAMMAM – INSTALLATION OF UN-AUTHORIZED CELL TOWERS – LOSS OF REVENUE TO CORPORATION – NEEDS ACTION – Rs. 1,11,66,000/-

The State Government in G.O.Ms.No.380, Municipal Administration & Urban Development Dept., dt.01.08.2013 have issued guidelines towards installation of new Telecommunication Infrastructure Towers. According to the orders the Telecommunication firms are liable to pay permit fee and charges at Rs.1,00,000/- for issue of permission for establishment of each telecommunication Infrastructure Tower in the ULBs.

The ULB shall take necessary action on all such unauthorized Telecom Infrastructure Towers that have been erected without valid permissions, Completion certificate by duly following the prescribed procedure.

However as per the records it was observed that as against the presence of (187) cell towers, permission was accorded to (99) towers only. This indicated the presence of unauthorized (88) cell towers that were installed without prior permission from M.C as such the M.C has not collected installation fee/Regularization fee and

Annual license fee for these towers resulting in loss of revenue to the tune of **Rs.1,11,66,000/-** Lakhs as detailed below.

(Rs. In Lakhs)

Sl. No.	Name of the Cellular company	No. of Locations	Installation fee/ Regularization fee to be collected	Installation fee / Regularization fee collected	Difference amount to be collected	Annual license fee to be collected	Remarks
1	Airtel	22	22.00	0	22.00	2.20	Old
2	Idea	13	13.00	0	13.00	1.30	Old
3	BSNL	16	16.00	0	16.00	1.60	Old
4	Reliance	15	15.00	0	15.00	1.50	Old
5	Vodafone	10	10.00	0	10.00	1.00	Old
6	Tata	11	11.00	0	11.00	1.10	Old
7	Hutch	1	1.00	0	1.00	0.10	Old
8	Reliance Jio	71	71.00	71.00	0.00	7.10	New
9	Idea	1	1.00	0.10	0.90	0.10	New
10	Indus	18	18.00	14.80	3.20	1.80	New
11	ATC	5	5.00	5.40	0	0.50	New
12	Viom	2	2.00	1.14	0.86	0.20	New
13	Sarava Towers	1	1.00	1.10	0	0.10	New
14	GTL	1	1.00	1.00	0	0.10	New
	Total:	187	187.00	94.54	92.96	18.70	

Apart from non-collection and short collection of installation fee there is also revenue loss due to non-collection of annual license fee to the tune to **Rs.18,70,000/-** lakh every year.

(Para.No. 15 of AR of Municipal Corporation Khammam, for the year 2016-17)

3. MISAPPROPRIATIONS (CODE NO 12)

There are cases of Misappropriation of money noticed in audit and were pointed out in the Audit Reports.

A consolidated statement of Mis-appropriations noticed in audit is annexed vide **Annexure-III (2)**. A total number of **13** objections involving an amount of **Rs.24.59 lakhs** were pointed out in the relevant Audit Reports. Few such cases are given below.

3.1 MUNICIPAL CORPORATION – KARIMNAGAR - AMOUNT RECEIVED THROUGH DEMAND DRAFT/CHEQUE TOWARDS ADVERTISEMENT TAX –NOT ACCOUNTED FOR IN CASH BOOK AND PASS BOOK Rs.3,00,000/-

On verification of the Advertisement Tax Register for the year 2016-17 it was noticed that, the following DD/Cheque shown in table given below were received towards advertisement tax during the year 2016-17. The said DD/Cheque were

received by the cashier, but the same were not sent to bank as well as not accounted for in the Cash Book and Pass book and there is a possibility of misuse of the funds.

Hence action would need to be taken to credit the DD/Cheques in to Bank as well as the same has to be taken in to the books of accounts under intimation to audit, and if there is any loss sustained it may also be recovered from the person or persons responsible.

Sl. No.	Name of the Firm	DD.No. & Date`	Amount (Rs.)
1	Aptima Ads, Karimnagar.	ICICI BANK Karimnagar DD.NO.500232/Dt:21-3-2017	200000/-
2	Sri. Arts, Karimnagar	Cheque.No. 025710 Dt 31-3-2017	100000/-
		Total Rs.	300000/-

(Para.No.10(I) of AR of Municipal Corporation, Karimnagar for the year 2016-17)

3.2 MUNICIPAL CORPORATION –KARIMNAGAR - RECEIPTS – TAXES AND NON TAXES COLLECTED - DELAY IN REMITTANCE – TEMPORARY MISAPPROPRIATION – Rs. 64,297/-

The provisions (Article 5,273, 294, 300, 301 and 302) of A.P. Financial code stipulate the responsibilities of government servants in dealing with government money, and procedure to fix up responsibility for any loss sustained by the government servant, the procedure to be followed and the action to be initiated for recovery and to initiate necessary disciplinary action.

Revenue collected by bill collectors like house tax, water tax, building permission, rents etc., are initially taken to Irsalnama, and thereto chitta register which comprises the details of day and category wise collections with names of the persons from whom taxes were collected. These receipts are subsequently posted in to cash book and remitted in to the Treasury within the period of 1 day through challans, and the challan particulars has to be recorded in the Irsalnama, chitta register and cash book under proper attestation.

As per T.R.10 money received by the government servant in their official capacity, should be remitted into government account in a treasury or Bank as soon as possible. Any failure to remit the amount in the Treasury tantamount to misappropriation of public funds. In this case the property tax collected by the bill collectors was retained with them without remitting into Municipal Treasury resulting in misappropriation of the amounts.

Sl. No.	Name of the Bill Collector	R.No. From and To	Month of collection	Amount Collected	Date of remittance
1	S. Raja Manohar Sanitary inspector	163035 to 163094	May-2017	64, 297	11.9.2017

With this the audit has felt that, an amount of Rs. 64297/- has been misappropriated with intention to mitigate the amount collected and response to the audit they have remitted to the Municipal funds so it is deemed to be temporarily

misappropriated. So, the Executive authority have to refer the temporary misappropriation cases to their Higher Authorities to take appropriate disciplinary action as per the rules in force, interest for delay in remittance and penal charges have to be levied as per the Article 300 and to see that not to repeat such cases in the near future under intimation to audit.

(Para.No.10 (II) of AR of M. C.-Karimnagar,Dist. for the year 2016-17)

4. EXCESS PAYMENTS (CODE NO 13)

It was observed in audit that in several cases, excess payments were made. A few cases of Excess payments noticed in the Audit Reports in various Municipal Corporations are detailed below:

Consolidated **Annexure-III (2)** showing audit objections on Excess payments is appended to the Report from which it could be seen that an amount of **Rs.207.65 lakhs** was pointed out in **36** Audit Paras. Few such cases are detailed below.

4.1 MUNICIPAL CORPORATION – KHAMMAM - ERRONEOUS PAY FIXATION IN RSP 2015 AND AUTO MATIC ADVANCEMENT SCHEME OF SRI EJAZ PASHA, JUNIOR ASSISTANT – NEEDS IMMEDIATE ACTION FOR RS.61,709/-

During the course of Audit for the year 2016-17 it was noticed that certain erroneous pay fixation from of Sri Ejaz Pasha, working as Junior Assistant, Khammam Municipal Corporation. Initially he was joined in this corporation as 01.07.1994 in the time scale 1595-3020/1595. Subsequently he was promoted as Junior Assistant and joined duty on 03.12.2004. The incumbent correctness of pay fixation particulars as detailed below.

The incumbent erroneous pay fixation particulars are as detailed below:

(Amount in Rs.)

(Amount in Rs.)									
Period	D.A.%	Eligible Pay	Already drawn			Difference			Yet to be recovered Rs. In Months
			Pay	D.A. %	Allowances	Pay	DA	HRA	
01.07.13 to 31.12.13	--	31460	32340	Notional					
01.01.14 to 31.05.14	5.24	31460	32340	1638	4533	851	44	123	1018*5=5090
02.06.14 to 30.06.14	5.24	30411	31262	1638	4533	851	44	123	1018*1=1018
01.07.14 to 31.12.14	8.908	32340	33220	2959	4817	880	78	128	1086*6=6516
01.01.15 to 28.02.15	12.052	32340	33220	4004	4817	880	106	128	1114*2=2228
01.03.15 to 30.06.15	12.052	32340	33220	4004	6644	880	106	176	1162*4=4648

01.07.15 to 31.12.15	15.196	33220	34170	5193	6834	950	145	190	1285*6=7710
01.01.16 to 30.06.16	18.340	33220	34170	6267	6834	950	174	190	1314*6=7884
01.07.16 to 30.11.16	22.008	34170	35120	7729	7024	950	209	190	1349*5=6745
03.12.16 to 31.12.16	22.008	32854	33742	7426	6749	888	195	178	1261*1=1261
01.01.17 to 30.06.17	24.104	34170	35120	8465	7024	950	229	190	1369*6=8214
01.07.17 to 31.01.18	24.104	36070	37100	8943	7420	1030	249	206	1485*7=10395
							Total		61,709.00

Action needs to be taken to recover the excess payment made, from the employee concerned under intimation to Audit.

(Para No. 18 of AR of Municipal Corporation Khammam for the year 2016-17)

PLACE: HYDERABAD
DATE: 20-2-2021



DIRECTOR
STATE AUDIT
T.S. HYDERABAD

PART - III

**CONSOLIDATED AUDIT AND REVIEW REPORT
ON THE ACCOUNTS OF MUNICIPAL
COUNCILS / NAGARA PANCHAYATS FOR
THE YEAR 2016-17**

**CONSOLIDATED AUDIT AND REVIEW REPORT ON THE ACCOUNTS
OF MUNICIPAL COUNCILS AND NAGAR PANCHAYATS FOR THE
YEAR 2016-17**

INTRODUCTION

- 1.1 As per the provision contained in Section 3(4) of Telangana State Audit Act, 1989 the Director of State Audit, Hyderabad was appointed as Auditor for conducting the audit of the funds of local authorities and other authorities specified in the Schedule appended to the said Act. By virtue of this statutory position, the Director of State Audit, Hyderabad is the Auditor for the accounts of the Municipalities and Nagara Panchayats constituted in the State.
- 1.2 The Department has got Zonal Offices at 2 places and District Offices in all the Districts. The Regional Deputy Directors are the heads the Zonal Offices, and the District Audit Officer, State Audit are the heads of the District Offices.
- 1.3 The Department conducts post audit of the Municipalities and Audit Reports are being issued to the Commissioners of the Municipal Council concerned who in turn has to take action for rectifying the defects pointed out in the Audit Report within a period of two months as per Section 9 (1) of the State Audit Act.
- 1.4 Under section 10 (1) Telangana State Audit Act, 1989 the Director is vested with the power of disallowing every item of the expenditure incurred contrary to the law and surcharge the same on the person incurring or authorizing the incurring of such expenditure and may charge against any person responsible there for, the amount of any deficiency, loss or unprofitable out lay occasioned by the negligence or misconduct of that person or of any such sum which ought to have been accounted for but is not brought into account by that person and shall, in every such case, certify the amount due from such person.

SCOPE OF AUDIT

- 2.1 The State Audit Department being one of the limbs of Government verifies the following aspects during the course of post audit on the accounts of Municipal councils.
 - Whether the amounts collected like taxes, fees etc., by the Municipal Councils were properly accounted for with full details in the books of accounts of the Municipal Council concerned.
 - Whether adequate care has been taken in periodical checking up of the funds with Treasury or Bank.
 - Whether the expenditure incurred is provided for in the Budget of the Municipal Council and duly sanctioned by the competent authority under the relevant rules and executive instructions issued by the Government.

- Whether the funds are utilized only for the permitted and prescribed purposes under the Municipalities Act, 1965 Act / Rules.
 - Whether the procedure prescribed by Government in incurring the expenditure or payments made is properly followed and accounted for with due classification in the books of accounts of the Municipal Council.
 - Whether the vouchers for the expenditure incurred were maintained properly.
 - Whether the grants received from different sources were properly accounted for and utilized for the purposes for which they were meant for.
- 2.2 The ULBs in the State have been maintaining and producing the accounts to the Audit Department in Single Entry System up to 2008-09. The Government has issued orders in GO Ms No. 233 MA & UD Department, dated 22.05.2002, with instructions to all the Urban Local Bodies / Corporations to adopt, with immediate effect the Accrual Based Accounting System within their jurisdiction. Further in G.O. Ms. No.619 MA & UD Department, 21.08.2007, the Government, directed all the ULBs in the State to implement the Municipal Accounting Manual (Double Entry Accrual Based Accounting System) which has been adopted by the State Government, from NMAM, with the help of Centre for Good Governance (CGG).
- 2.3 The Commissioner and Director of Municipal Administration got migrated the accounts maintained in Single entry into Double Entry Accrual Based Accounting System through reputed chartered Accountant firms using Software developed by the CGG as permitted by the Government vide GO.Rt.No.287 MA&UD (R) Dept, Dt.21-02-2011 in all ULBs.

GRANTS RECEIVED DURING THE YEAR BY THE MUNICIPAL COUNCILS

- 3.1 Municipal Councils are provided Grants by the State / Central Governments to implement the schemes entrusted to them and also for over all development of the area under their jurisdiction.
- 3.2 The Receipts and Payments are inclusive of the various Grants received from Central and State Governments during the year 2016-17 by the Municipal Councils. The various Grants received and payments by Municipal Councils are detailed in **Annexure-IX(A)&(B)**.

STATUS OF AUDIT

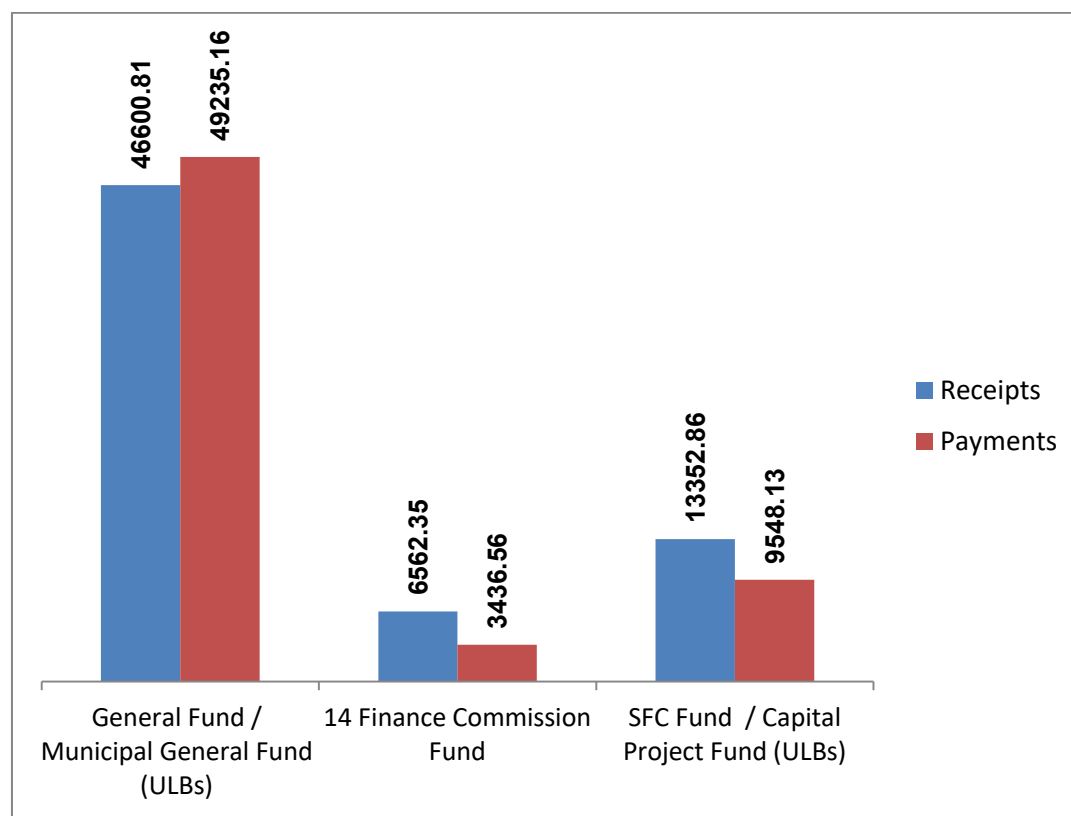
- 4.1. Audit of Municipal Councils for the year 2016-17 could be completed as mentioned below as there was a delay in furnishing of Annual accounts by the ULBs and also due to non production of records from the executive authorities.

Demand	Completed	Balance
62	62	0

RECEIPTS & PAYMENTS

- 4.2 The Department has conducted the audit of the receipts amounting to **Rs.66,516.02 lakhs** and Payments of **Rs.62,219.85 lakhs** as detailed in the Annexure-IV(A).

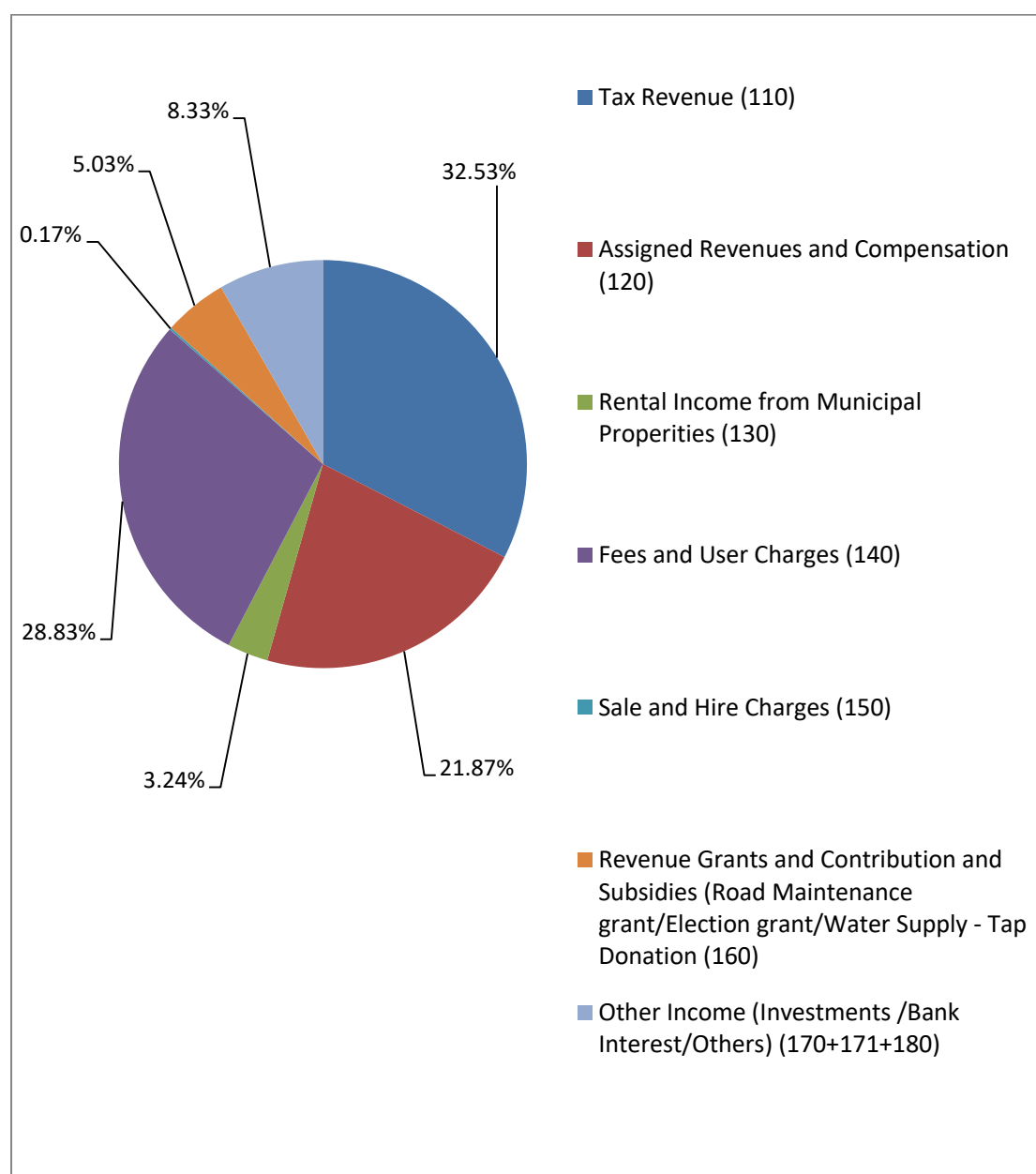
Bar Chart of Receipts and Payments of Municipalities for 2016-17



INCOME & EXPENDITURE

- 4.3. The Income & Expenditure of the above Municipal Councils for the year 2016-17 furnished District wise in **Annexure-IX(A)&(B)** respectively. The income earned by the said municipalities during the year 2016-17 is **Rs.60,772.47 lakhs** and expenditure incurred is **Rs.1,17,856.48 lakhs**.

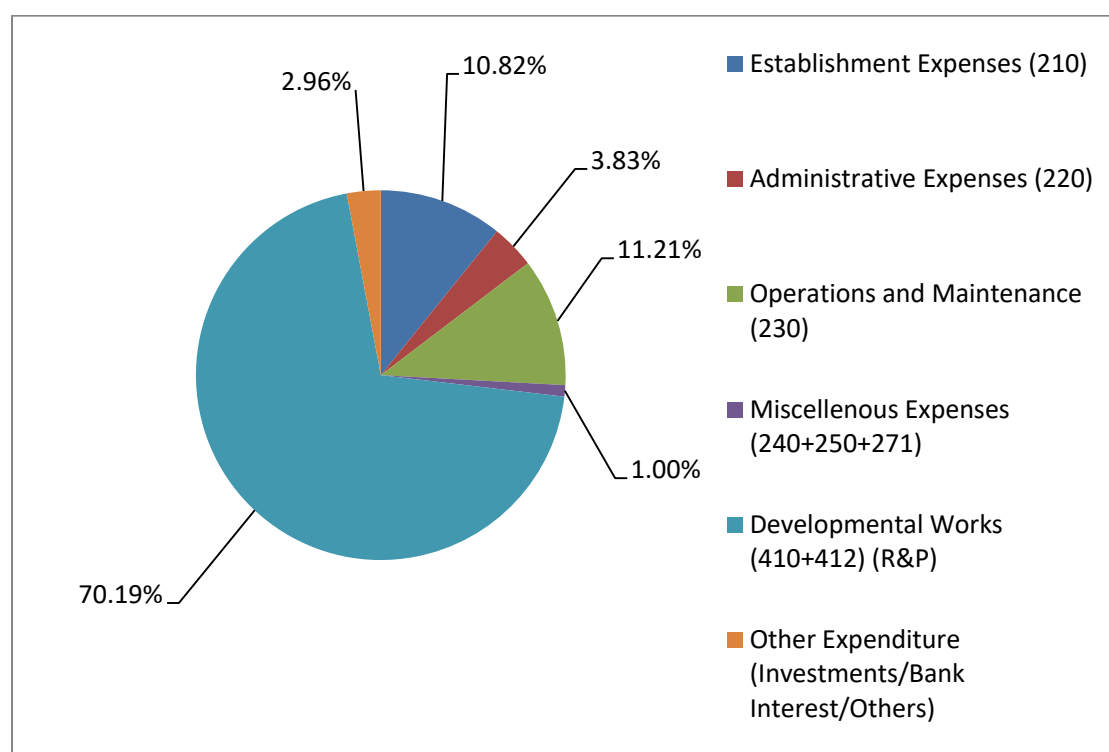
PIE Chart of Income of Municipalities for 2016-17



4.4 From the above chart it is seen that the Tax Revenue forms a major chunk of the total receipts of the Municipal Councils.

4.5 The Head Wise Expenditure of Municipal Councils for the year 2016-17 are exhibited below in a Pie chart.

PIE Chart of Expenditure of Municipalities for 2016-17



AUDIT OPINION

- 5.1 The financial statements furnished by the ULBs were assessed basing on the Registers / Records duly certified by the competent authorities.
- 5.2 The financial statements in all material respects, the financial position of the Municipal Councils, the results of operation and its cash flows for the year ended with 31.03.2017 are in-accordance with the accounting principles generally accepted.

AUDIT OBJECTIONS

- 6.1 During the course of audit of these Municipal Councils for the year 2016-17, various defects noticed were already pointed out in the relevant Audit Reports which were forwarded to the Municipal Commissioner concerned for further action at their end as per the procedure laid down under State Audit Act, 1989 & Rules issued there under.
- 6.2 A total number of **3523** audit objections involving an amount of **Rs.14,165.57 lakhs** were raised in the audit of the Municipalities during the year under report.
- 6.3 The Consolidated Statements showing the amounts under category wise various Audit Objections raised in the Audit Reports are annexed to the Report [Annexure-III(2)].

- 6.4 The objections raised have been analyzed here under and observed that the records which were not furnished to audit i.e. 'Non production of records' account for **35.09%** of objections followed by 'Violation of Rules' with **25.71%**.

An amount of **Rs.4970.92 lakhs** was objected pertaining to 'Non production of records' followed by 'Violation of Rules' which constituted **Rs.3641.80 lakhs**. These two together speak the status of the maintenance of record and the inaction of the Municipalities in collecting the dues.

**STATEMENT SHOWING NUMBER OF AUDIT OBJECTIONS RAISED
(CATEGORY WISE) AND AMOUNT INVOLVED FOR THE YEAR 2016-17**

(Rs. In lakhs.)					
Sl. No.	Name of the category	Code No.	No. of paras	Amount involved	% (Amount)
1	Non-Production of Records	11	780	4970.92	35.09
2	Violation of Rules	9	1110	3641.80	25.71
3	Non-Collection of Dues	7	278	2164.58	15.28
4	Non-remittance of deductions	10	164	972.47	6.87
5	Diversion of grants/Funds	3	37	708.95	5.00
6	Misappropriations	12	89	624.72	4.41
7	Others	18	654	543.18	3.83
8	Variation in Account figures	1	115	246.30	1.74
9	Advances Pending adjustment	8	43	83.60	0.59
10	Excess utilisation of grants/Funds	2	16	83.12	0.59
11	Excess payments	13	112	76.07	0.54
12	Wasteful expenditure	14	16	26.90	0.19
13	Non-Utilisation of Grants before lapsable date	4	23	15.00	0.11
14	Pendency of utilisation certificates	16	44	4.34	0.03
15	Instances of cases unaccounted for cash/stores	15	2	3.62	0.03
16	Mis-utilisation of Grants/Funds	5	8	0.00	0.00
17	Non-Utilisation of earmarked Funds	6	30	0.00	0.00
18	Surcharge certificates recovery pending	17	2	0.00	0.00
19	D.D's/cheques received but not realised in time.	19	0	0.00	0.00
	Total		3523	14165.57	100.00

AUDIT PARAS

Gist of some of the selected audit objections pertaining to the year 2016-17 is give below.

1. DIVERSION OF GRANTS (CODE 3)

Rule 39 of the Rules framed relating to Taxation and Finance in Schedule II under Section 130 of the Telangana Municipalities Act, 1965 prescribed the purposes to which the Municipal Fund is to be applied. According to the said rule, these include all objects expressly declared obligatory or discretionary by law or rules and in general everything necessary for or conducive to the safety, health, education and convenience of inhabitants or to the amenities of the Municipal Council and incidental to the administration and the fund should be applicable thereto within the Municipal Council. However the expenditure incurred outside the Municipal Council is to be authorized either by the Act or specially sanctioned by government.

As per the orders issued by the Government in G.O. Ms. No.1886, Municipal Administration dated 22-11-1965, the Municipal Councils should not divert the following earmarked funds even temporarily for other purposes without the previous sanction of Government.

1. Water and Drainage Tax Funds.
2. Deposits including provident funds
3. Lighting Tax Fund
4. Loan Funds.
5. Special Government Grants.
6. Elementary Education Fund.
7. Capital receipts from sale of capital assets and
8. Endowments.

But it was observed in audit that diversion of funds/grants was frequently made in most of the Municipalities without the sanction of the Government. A few of such diversions reported in the Audit Reports are cited hereunder.

A Statement of such **37** cases involving an amount of **Rs.708.95 lakhs** noticed in audit is appended to the Report in **Annexure-III(2)**.

1.1 MUNICIPAL COUNCIL – ADILABAD - DIVERSION OF FUNDS FROM LRS- EXPENDITURE INCURRED FOR SWACHCH BHARATH PROGRAMME - UN AUTHORISED DIVERSION – NEEDS REIMBURSEMENT - Rs.40,00,000/-

The following amounts were drawn from LRS fund of the municipality and paid towards Swachch Bharath programme during the year under report.

Sl No.	Vr. No. & Date	Amount (Rs.)
1.	1/3-12-2016	2000000
2	2/25-3-2017	1000000
3	3/31-3-2017	1000000
	Total	4000000

. The said expenditure has to be met for Swachh Bharath programme purpose but the expenditure was booked from the LRS fund of the municipality, which is diversion of funds and contrary to the Rules. Hence, the Expenditure of Rs 40,00,000/- would need to be reimbursed to the concerned municipality fund Account at the earliest.

(Para No.5 of AR of MC Adilabad for the year 2016-17)

2. NON-COLLECTION OF DUES (Code No. 7)

On verification of Revenue collections in various Municipal Councils, it was observed that huge amounts were found pending realization for a longer periods and barred by limitation of time in certain cases. No appropriate action seemed to have been initiated by the executive authorities before the dues became barred by limitation of time in spite of various statutory provisions existing like distraint prosecution or filing of suits. Dependency of Municipal councils on Government grants gets lowered if timely and appropriate action is taken by the Executive Authorities for collection of these dues. In most of the Municipal councils the details of year wise outstanding dues were not prepared and produced to audit, because of which it was not possible to ascertain in audit as to what extent the amounts became time barred during the year by limitation of time within the meaning of provisions under section 365(1) of T.S. Municipalities Act, 1965.

The provisions laid down under Sub –Section (1) of section 374 of T.S. Municipal Act, 1965 places the liability for loss on the officers of the Municipal Council if the loss is a direct consequence of their neglect. In most of the cases, the taxes and non-taxes became time barred as no action was taken before expiry of the period allowed for such recoveries and as such caused permanent loss to the municipal funds. No action seemed to have been taken against the officers for such neglect of duties in many of the Municipal Councils.

The demand for the Taxes and Non-taxes to be collected would be fixed at the beginning of the year and will be collected in a time bound manner. Effective steps should have been taken for their realization as these collections contribute to the total self reliance of the Municipal Councils. Though the executive authorities have to take appropriate steps to collect the revenues by enforcing the powers vested under section 56 of the Telangana Municipalities Act 1965, they have failed to take action in the following cases where the taxes/fee etc. were left uncollected at the end of year.

A sum of **Rs.2164.58 lakhs** found to be left uncollected by the Municipal Authorities towards various Taxes and Non-taxes etc., raised in **278** audit paras as detailed in the **Annexure-III(2)** are annexed to this report. Few such cases are given below.

2.1 MUNICIPAL COUNCIL – MEDAK - RENTS –RENTS FROM THE TENANTS NOT COLLECTED –HUGE AMOUNTS PENDING – NEEDS RECOVERY – Rs. 7,25,560/-

During the course of audit, on verification of the rents collection register, it was noticed that the shops were let out to the tenants by the Municipal Council. On further verification, it was noticed that an amount of **Rs.7,25,560/-** as detailed below were pending collection towards rents for more than years. The Executive authority did not take any steps for its collection of the rents. Immediate steps would need to be taken to collect the rents from the tenants and credited to M.C. funds.

Further the register was being maintained by the Bill Collector, the same was not supervised by any higher authority. The same needs to be attested by the Commissioner from time to time, duly updating the same. Loss if any caused due to lack of supervision by the concerned authority, the same needs to be recovered from the persons responsible and credited to the M.C. fund.

SHOP RENTS DUES

I. IDSMT SHOPS			
Sl. No.	Shop. No.	Tenant Name	Amount due (Rs.)
1	2	Fazalulla Khan	4000
2	12	Laxminarasamma	9600
3.	15	Kishore	34,500
4.	17	Y.Bachaiah	2000
5.	19	Laxmirasamma	19,200
6	23	Manasa	24,262
7.	24	Manasa	19,995
8.	29	Sathyanarayana	12,330
9.	32	G.Kashinath	10,275
10.	38	B.Nagaraju	7200
11	50	Ch.Neelesh	56,700
12	51	R.Venkat Rathnam	7200
13	56	A.Narsa Goud	2400
14	59	A.Ravi	16,002
15	60	Laxman Kumar	4000
16	21&22	Kanaka Chary	19,995
II. 15 SHOPS FOR THE 2016-17 (OPPOSITE OLD BUSSTAND)			
17	03	A.Vidyadhar Goud	4667
18	04	Bhagvandas	4667
19	11	A.Anjireddy	53330
20	12	M.Siddiramulu	3379
21	13	G.Sai Ram	18,000
22	14	Kista Goud	79,995
23	15	Hafeez	9999
III. MUNICIPAL 14 OLD SHOPS MARKET			
24.	6	J.Kishore	4005
25.	9	Veeramani	12015
26	14	G.Srinu	10680

IV. MUNICIPAL 51 SHOPS NEW MARKET (NEW SHOPS)			
27	1	A.Srinivas	3840
28	2	A.Veena	7040
29	3	Veeramani	7040
30	6	A.Madhu	7040
31	7	Umadevi	7040
32	8	A.Ramakrishna	5120
33	10	Ch.Sulochana	4480
34	11	K.Sudhakar	6680
35	13	G.Laxmaiah	7680
36	14	Kairathali	2560
37	16	Ch.Kishan	3840
38	17	Sathyanarayana	5120
39.	18	Bilal Khan	1280
40	28	Bharathamma	7680
41	31	Saleem Jafar	62542
42	34	M.Yadagiri	8556
43	35	Sami Hussain	8556
44	39	M.Bhaskar	4280
45	43	Sathyamma	9416
46	44	Gattesh	8560
47	45	Nagamani	7632
48	47	Mallavva	3820
49	48	Lalithamma	2050
50	49	B.Venkatesham	829
51	50	B.Siddamma	839
52	51	N.Durgamma	81644
		Grand total	7,25,560

(Para No.7 of AR of MC Medak for the year 2016-17)

3. ADVANCES PENDING ADJUSTMENT (CODE 8)

It was observed during the course of audit that the temporary advances paid for specific purposes were left unadjusted for a long time though they have to be get adjusted through detailed bills and vouchers as soon as possible as per Article 99 of the T.S. Financial Code. Non-settlement of advances leads to misuse of advances to avoid refund of unspent amounts. Several objections were raised on such outstanding advances in the relevant audit reports pointing out failure of the executive authorities to take necessary action to get these advances adjusted.

A statement showing such cases noticed is appended to the Report **Annexure-III(2)** containing **43** objections amounting to **Rs.83.60 lakhs**. A few such cases are given below.

3.1 MUNICIPAL COUNCIL – ADILABAD - AMOUNTS DRAWN AND PAID TOWARDS ADVANCES FOR VARIOUS PURPOSES NOT ADJUSTED – NEEDS IMMEDIATE ADJUSTMENT OR RECOVERY
Rs. 8,80,000/-

An amount of Rs.8,80,000.00 has been drawn and paid towards advances for various purpose from the General Funds (002) account during the year as detailed below.

Sl. No.	Vr.No. & Date	Details	Amount (Rs.)
1	143/9-12-2016	Advance paid to Sri B. Sai Kiran, MAE towards removal of encroachments	500000
2	168/23-11-2016	Advance paid to City Lively wood Centre Adilabad towards Swachcha Bharath awareness	200000
3	192/-12-16	Advance paid to Sri P. Arun Kumar, MAE towards Dismantling of structures on Nala	150000
4	369/10-3-2017	Advance paid to Sri S Rajesham, MAE towards water supply	30000
		Total	880000

The advance shall be adjusted within the 15 days from the date of drawl of advances. But the above advances have not yet been adjusted till to close of audit. Hence the entire amount is held under objection. Immediate action would need to be taken to adjust the above advances or recover from the person or persons responsible and credited to the Municipal funds under intimation to audit.

(Para No. 9 of AR of MC Adilabad for the year 2016-17)

4. VIOLATION OF RULES (CODE 9)

It was noticed in the audit that in some cases the Rules / Government instructions for incurring the expenditure from the funds of the Municipal Councils were violated either due to negligence or ignorance. In certain cases, the funds of the Municipal Councils were utilized for the purposes other than the permitted ones under the Act / Rules. It was also noticed that in a few cases, Government instructions were misunderstood or misinterpreted. Such irregular expenditure incurred was objected to in the relevant Audit Reports. A few instances of Violation of Rules noticed in the Audit Reports in various Local Bodies are detailed below:

1110 audit objections involving an amount of **Rs.3641.80 lakhs** were raised in the relevant Audit Reports as shown in **Annexure-III(2)** annexed to the Report. Few such cases are given below.

**4.1 MUNICIPAL COUNCIL – MEDAK - PAYMENT OF LAW CHARGES /
LEGAL FEE – SUIT REGISTER NOT PRODUCED – SANCTION
ORDERS NOT OBTAINED – IRREGULAR - Rs. 2,84,500/-**

A sum of **Rs:2,84,500/-** was drawn and paid to the standing council towards Legal Fee as detailed in the annexure. But no sanction was forth coming and details of the suits for which fee paid was not made available. Legal charges cannot be drawn and paid unless it has got prior permission of the Commissioner and Director of Municipal Administration vide G.O.Ms.No: 706 Mpl. Admn Dept dated: 03-08-1968 and APMC Act 1965. In addition to that, the following observations were also made in audit.

1. The reasons for payment of cash instead of a Banker cheque/DD were not explained in audit.
2. The OAs with connected papers and decree of judgment were not produced to audit.
3. The resolution of the MC was also not pointed out in audit.

This matter was taken to the notice of the Commissioner, M.C. Medak Through **Half Margin No. 4 /2017-18, Dt. 08.08.2017**. But no reply was furnished to the half margin letter till the close of audit.

Legal Charges			
Sl. No.	Vr. No. & Date	Amount (Rs.)	Particulars
1	101,28.07.2016	15,000	A.Ravinder Advocate Legal charges
2	141,12.09.2016	1,23,000	N.Praveen kumar
3	7,29.04.2016	1,46,500	Transfer from PD002 to EMD for Advocate Legal charges
	Total	2,84,500	

(Para No. 13 of AR of MC Medak for the year 2016-17)

**5. NON-REMITTANCE OF DEDUCTIONS / RECOVERIES
FROM VOUCHERS / PAY BILLS / CONTINGENT BILLS
(Code No. 10)**

It was noticed during the audit that various deductions / recoveries effected from the work bills / pay bills were either not remitted to Government or a part of them only were remitted in spite of statutory obligation to remit the same to Government account with in a prescribed time under the relevant statutory provisions which also include penalty as well as prosecution for non adherence. The deductions normally made from work bills / pay bills that are to be remitted to Government account are as under.

Work Bills

- 1.Income Tax
- 2.VAT.
- 3.Seigniorage Fees

Pay Bills

- 1.Profession Tax
- 2.G.P.F. (Government Employees)
- 3.G.I.S Premium.
- 4.Contribution to Pension Scheme
- 5.Sainik Welfare fund

164 audit objections involving an amount of **Rs.972.47 lakhs** were raised in the relevant Audit Reports as shown in **Annexure-III(2)** annexed to the Report. A few such cases are given below.

5.1 NAGARA PANCHAYAT – NAGAR KURNOOL - LIBRARY CESS NOT REMITTED TO ZGS – NEEDS TO BE REMITTED IMMEDIATELY Rs. 5,09,936/-

An amount of Rs,**5,09,936/-** was collected towards library Cess during the period from 11/2016 to 03/2017, but the same was not remitted to the Zilla Grandhalaya Samstha till to close of audit.

As per rule 20 (1) of A.P. Civil Library Act, 1960. the library cess @ 8% of the property tax collected during the year 2016-17 W.e.f. 1/11/2016 to 31/03/2017 has to be remitted to Zilla Grandhalaya Samstha. But the Executive Authority has not been taken any steps for remittance of library cess.

Hence immediate action would need to be taken to remit of Library cess for Rs.5,09,936/- to the Zilla Grandhalaya Samstha and fact reported to the audit.

(Para No. 16 of AR of NP Nagar Kurnool for the year 2016-17)

5.2 NAGARA PANCHAYAT – NAGAR KURNOOL - INCOME TAX, VAT, SEIGNORIGE CHARGES, LABOUR CESS, QC & NAC DEDUCTED FROM THE WORK BILLS – NOT REMITTED TO THE CONCERNED DEPARTMENTS – NEEDS REMITTANCE – Rs.12,74,617/-

During the course of Audit on verification of 13th, 14th SFC Grants Work wise Expenditure Statement , it was noticed that, a sum of **12,74,617/-** was deducted from the various work bills towards Income Tax, VAT, Seignorige Charges, Labour Cess, QC and NAC Charges. In case the said amounts were remitted to the concerned departments Original Challans, Vouchers and concerned file should be produced for verification in Audit. But it was not done even though requested through H.M.Lr.No. Work/3/2017-18, Dated: 04.04.2018. The Commissioner neither replied nor submitted any records. Hence it was treated that the amount was not remitted to the concerned departments.

As per Govt Instructions the Amount has to be remitted with is (7) to (30) days to the concerned departments. In the absence of the above, it is not possible to know whether the amount spent was in accordance with the approval of Council and competent authority and therefore could not certify the correctness of expenditure incurred as shown in the statement enclosed.

Sl. No.	Name of Scheme	IT (101)	VAT (102)	Seigniorage (103)	QC (108)	LC (108)	NAC (108)	Total
1	S F C	194569	411798	151605	61534	79358	2807	901671
2	13 th & 14 th Finance	72650	162037	43701	61798	32407	353	372946
	Total	267219	573835	195306	123332	111765	3160	1274617

Therefore, immediate action would need to be taken to remit the same to the departments concerned and intimated to audit.

(Para No. 19 of AR of NP Nagar Kurnool for the year 2016-17)

5.3 MUNICIPAL COUNCIL – NALGONDA - RECOVERIES – STATUTORY RECOVERIES MADE FROM THE PAYMENTS MADE TOWARDS WORKS AND OTHERS – SHORT REMITTANCE OF RECOVERIES – NEEDS ACTION : 1,14,57,718/-

The Income Tax, Seigniorage charges & VAT deducted from the work bills as per G.O.Ms.No.217 Industries & Commerce (M-I), Dept dated: 29.09.2004, G.O.Ms.No.11 Finance (W&P) F-8 Dept: dated: 29.07.2005, G.O.Ms.No.159 R&B (R-III) Dept, dated:30.10.2004 and other deductions recovered from work bills.

But the total amount of Rs.1,14,57,718/- were not remitted the concerned Dept heads. Early action would need to be remit the following amount and challans produced to audit.

Sl. No.	Head of Account	Recovered Amount		Total	Remitted Amount		Total	Diff
		MGF	CPF		MGF	CPF		
1	Other recoveries from contractors	13847084	773990	14621074	6100264	122717	6222981	8398093
2	IT from contractors	1791764	1335123	3126887	1911042	1335123	3246165	0
3	GIS	660	0	660	0	0	0	660
4	Labour Cess	235608	619063	854671	277150	619063	896213	0
5	Service tax	2885315	75600	2960915	0	0	0	2960915
6	Professional tax	8800	0	8800	0	0	0	8800
7	Pension fund	291010	0	291010	203500	0	203500	87510
8	NAC	1740	0	1740	0	0	0	1740
								11457718

(Para No.40 of M.C.Nalgonda, Nalgonda Dist for the year 2016-17)

6. NON-PRODUCTION OF RECORDS (Code No. 11)

The Municipal Councils have to maintain effective financial management skills and accountability practices. All the functions of Municipal Councils would be reflected on the record when they were accounted for as per the provisions contained in T.S. 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 reasonably be judged.

Such an important function on the part of the Drawing and Disbursing Officers of all the Municipal Councils in the maintenance and production of records to audit are not properly being maintained. Thereby the main access to clear the doubts of transparency in public expenditure has not been availed. In spite of all guidelines and instructions, the DDOs of Municipal Councils have failed to maintain the records and to produce the same to Audit whenever the local teams visited their institutions. Under the category of non-production of records to Audit, the major part is in works and the related records such as M-Book, estimate file, tenders etc. Others include non production of vouchers along with the related files and registers. The paras on non production of records have been drawn from the individual Audit Reports of the concerned institution and their details are furnished here under. Further it is a surprise 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.

A Consolidated **Annexure-III(2)** showing audit objections on Non production of Records is appended to the Report from which it could be seen that an amount of **Rs.4970.92 lakhs** was pointed out in **780** audit paras. Few such cases are given below.

6.1 MUNICIPAL COUNCIL – ADILABAD – NON PRODUCTION OF RECORDS - MEASUREMENT BOOKS ALONG WITH ESTIMATES FILES NOT PRODUCED Rs. 1,41,11,710/- - OBJECTED:

During the course of audit it is notice that, an amount of Rs. 1,41,11,710/- as detailed in Annexure enclosed was spent on various works executed during the year under report, but the measurement books along with connected records such as sanctioned estimates relevant Files not produced to audit for verification to audit. In the absence of the measurement books, the work bills could not be verify, and the expenditure amount also could not be admitted in audit, and it is held under objection.

In this connection an Half Margin letter No. AAO/2/2017 Dt. 8.8.2017 issued to the commissioner, to produce the works Measurement books to audit for verification. But the commissioner had not taken any efforts for production of Measurement books and other records.

40% SLUM (MGF)

Sl. No.	Vr.No. / Dated	Detailed	Amount (Rs.)
1	25/03-12-2016	L/o CC Drain & CC Road in worth vide of Idgah Ward No. 24 (ME/39/16)	255735
2	26/16-12-2016	L/o CC Road & C/o SW Drain & C/o Drain (ME/66/2016)	43702
3	30/23-12-2016	C/o CC Road Drain in Krathinagar Ward No. 36 (ME/57/16)	418961
4	31/23-12-2016	-do- (ME/71/2016)	421371
5	40/12-01-2017	L/o CC Road & Drain in Bhukatapur (ME/12/2016)	126788
6	43/21-01-2017	L/o CC Road & Side Drain C/o Drain Worth Ward No. 6 (ME/84/15)	327281
7	44/21-01-2017	L/o CC Drain Road in Chilkurinagar Ward No. 2 (ME/73/2016)	181596
8	50/24-01-2017	L/o of C/o Drain Road Ward No.34 (ME/67/2016)	227186
9	55/07-02-2017	-do- Ward No.26 (ME/68/2016)	225039
10	56/07-02-2017	-do- Ward No.23 (ME/100/2016)	362104
11	57/07-02-2017	-do- Ward No.16 (ME/99/2016)	361649
12	73/16-02-2017	L/o Road Drain Side Drain Ward No.16 (ME/22/2016)	42624
13	52/31-01-2017	L/o Drain Roads in Sweeper Colony Ward No. 14 (ME/32/2016)	242667
		Total	3236703

002

Sl. No.	Vr.No. / Dated	Detailed	Amount (Rs.)
1	9	Up keep of existing road by filling of post holes with gravel, ward No.13 to 24, (ME/16/2015-16)	8883
2	10	-do- Ward No. 1 to 12 (ME/15/2015-16)	5787
3	11	-do- Ward No. 25 to 36 (ME/14/2015-16)	8682
		Total	23352

001 (TSP)

Sl. No.	Vr.No / Dated	Detailed	Amount (Rs.)
1	8/3-5	L/o CC Road & C/o s.w. drain & C/o drain in Ward No.32 (ME/66/2015-16)	649555
2	22/	L/o CC Road & C/o s.w. drain & c/o drain works behind shanthi talkies Ward No. 06 (ME/84/2015-16)	149433
		Total	798988

001 SCSP

Sl. No.	Vr. No. / dated	Detailed	Amount (Rs.)
1	08/13-06-2016	L/o CC Road & C/o SW Drain & C/o Drain Bhuktapur-II (ME/02/2016)	622321
2	25/03-12-2016	-do- Sweeper Colony Ward No.14(ME/37/2016)	462136
3	33/18-01-2017	-do- Ward No.30 (ME/162/14)	413895
4	35/21-02-2017	-do- Rikshaw colony Ward No.27 (ME/10/2016)	557803
		Total	2056155

PLAN GRANT

Sl. No.	Vr.No. / dated	Detailed	Amount (Rs.)
1	06/19-04-16	L/o CC Road for khan Factory in Chlkuri Laxminagar Hanuma Temple Ward No .122 (ME/38/15)	34000
2	19/10-03-2017	L/o CC Road in Bhuktapur Ward No.22 (ME/25/16)	16586
		Total	50586

Non Plan

Sl. No.	Vr.No / Dated	Detailed	Amount (Rs.)
1	05/18-04-2016	L/o CC Road Al Hands School at Abdula Chowk Ward No. 4,12,13 (ME/299/2015)	48541
2	06/10-0-2016	L/o Road with allied works Ward No.1	209535
3	14/2-08-2016	-do- Ward No.11 Koliapura	16851
4	15/02-08-2016	L/o CC Road ward No.(ME/19/2015)	9921
5	29/14-02-2017	CC Road & C/o Side drain Balaji Kirana to Tirmala ward no. 21 (ME/4/2016)	777697
6	31/23-02-2017	L/o C/o Drain & RCC Slab in main road at Netaji chowk (ME/51/16)	320498
7	33/23-03-2017	L/o CC Road of Rasool (H) in Sanjay Nagar Ward No. 28 (ME/317/2015)	44453
		Total	1427496

ROAD CUTTING

Sl. No.	Vr.No. / Dated	Detailed	Amount (Rs.)
1	01/12-07-2016	L/o CC Road Maratmadia hotel to B Ramulu Complex in Ward No. 23 (MB/05/2016)	337443
2	06/	Damaged BT Road & CC Drains Ward No.9 to 12 (ME/12/2013)	4375
3	07/	L/o Restoration of Damaged BT Roads & CC Drain in Ward No. 1 to 4 (ME/124/13)	4451
		Total	346269

THIRTEENTH FINANCE FUNDS

Sl. No.	Vr. No. / Dated	Detailed	Amount (Rs.)
1	06/	Providing to water supply pipe line in unserved arrears in Adilabad (ME/305/2015)	3120454
2	08/	L/o Storm water drains the Tatiguda culvert to UPS at Chilkur Laxmi Nagar (ME/308/2016)	2490243
3	19	C/o Culvert in drain (ME/104/2014)	13838
4	20	Providing water supply pipe line unserved areas(ME/265/2015)	194143
5	14	Sullage Drain to Kumarawada to near Airodram	1561468
		Total	7380146

UWEP

1	11/17-12-2016	Repairs & electrification to slaughter house in Kursheed Nagar (ME/17/2016-17)	77015
		Total	77015

(Para No.28 of M.C Adilabad for the year 2016-17)

7. MIS-APPROPRIATIONS (CODE 12)

There are cases of Misappropriation of money noticed in audit and were pointed out in the Audit Reports.

A consolidated statement of Mis-appropriations noticed in audit is annexed vide **Annexure-III(2)**. A total number of **89** objections involving an amount of **Rs.624.72 lakhs** were pointed out in the relevant Audit Reports. Few such cases are given below.

7.1 NAGARA PANCHAYAT – MADHIRA - TAXES AND NON-TAXES AMOUNT COLLECTED – BUT NOT REMITTED TO GENERAL FUNDS - MISAPPROPRIATED – NEEDS RECOVERY - Rs.2,86,736/-

During the course of audit of N.P.Madhira for the year 2016-17, on verification of the Misc. Receipt books and Irsalnama, it was noticed that the taxes and non-taxes collected by the Bill Collectors were not taken in to irsalnama and not remitted to the concerned Treasury as detailed below which is highly irregular.

Sl. No.	Name of the B.C	M.R . No.	Receipt No.	Date of Receipt	Receipt amount (Rs.)
1	T.Babu	28	002759 to 002779	-	1,56,957
2	T.Anil Kumar	31	003029 to 003076	7.6.16 to 19.11.16	45,425
3	Rama Rao	26	002501 to 002573	31.3.16 to 4.10.16	84,354
				Total:	2,86,736

Immediate action would need to be taken to recover the said amount from the concerned bill collectors with penal interest and remit the same in to NagaraPanchayat General Funds and action taken in the matter has to be intimated to audit.

(Para No. 18 of NP Madhira, Khammam Dist. for the year 2016-17)

8. EXCESS PAYMENTS (CODE 13)

It was observed that in several cases excess payments were made due to

- a) Incorrect Calculation
- b) Excess totaling in bills
- c) Admission of inadmissible claims
- d) Lack of knowledge of Government Instructions.

Consolidated statement of Excess payments **Annexure-III(2)** is appended to the Report. The excess payments pointed out in **112** audit paras were involving an amount of **Rs.76.07 lakhs**. Few such cases are given below.

8.1 MUNICIPAL COUNCIL – ADILABAD - WORKS EXECUTED - AMOUNT PAID TO CONTRACTORS OVER THE ESTIMATED CONTRACT VALUE – EXCESS PAID – NEEDS RECOVERY – Rs.13,774/-

During the course of audit it was noticed that, an amount of Rs.6,35,993/- was drawn and paid to Contractors towards execution of the following works during the year under report. On verification of Measurement Book it was noticed that, the amount paid to the contractors over the estimate contract value, which caused to excess payment for an amount of Rs.13,774/- over the estimated contract value.

(Amount in Rs.)				
V.N	Name of the work & MB No.	Amount Payable	Amount Paid	Excess Paid
32	L/o CC Road from AOSRK Colony A18 to H.No.4-11-24/92, H.No.4-4-24/271 to Narsing House from AR Kirana H.No.4-9-685 in Ward No. 26 Sanjeev Nagar (M.B. No. ME/217/14)	488124	501499	13375
11	L/o CC Road from H.No.1-1-45/B/21, Kirana Shop to H.No.1-1-45/46/1, EP No.T102 at HB Colony Ward No. 20 (ME/04/2016)	134095	134494	399
	Total	622219	635993	13774

Action would need to be taken to recover the excess amount of Rs. 13,774/- from the contractor concerned and remit to General funds under intimation to audit..

(Para No. 38 of M.C Adilabad for the year 2016-17)

9. WASTEFUL EXPENDITURE (CODE No.14)

The canons of financial propriety envisaged in Financial Code are sacrosanct for all Government Authorities entrusted with authorizing or incurring of expenditure from public funds. As per Article 3 of A.P. Financial Code Vol.-I, every DDO has to exercise the same diligence and care in expending public money under their control as persons of ordinary prudence would exercise in respect of their own money. The responsibility of the Government Officer, who is entrusted with duties of dealing with public money, is greater than his responsibility towards private money. Government have issued instructions through various orders and also incorporated in the statutes of local bodies the various items on which public money can be expended and the principles to be adhered to while expending money on such items. Yet, it was noticed in audit that the funds of local bodies were spent several times without adhering to the established canons of financial propriety leading to wasteful expenditure of public money. All the cases of such wasteful expenditure observed in the audit for the year 2012-13 were expenditures that were avoidable, extraordinary and lacked proper planning.

Consolidated statement of Wasteful Expenditure incurred is annexed to the Report **Annexure-III(2)** from which it could be seen that an amount **Rs.26.90** pointed out as Wasteful Expenditure. Some such **16** cases pointed out in Audit Reports.

9.1 MUNICIPAL COUNCIL – WANAPARTHY - PAYMENT OF ADVERTISEMENT CHARGES OTHER THAN OFFICIAL - WASTEFUL EXPENDITURE Rs.1,57,000/- OBJECTED.

In the following Vouchers a sum of Rs.1,57,000/- was drawn from GF-002 and paid to news paper and TV Channels towards Advertisement charges as noted against each.

As per Govt. Memo No.9204/Procgs.IV(i)/2004-01, Dt.04-06-2005, the Government imposed ban on release of Advertisements except on Official Advertisements i.e., Tender notices, auctions and lease. Hence, the expenditure incurred on advertisements other than Official is wasteful and contrary to Government Orders.


(Amount in Rs.)

Sl. No	Vr.No. & Dt.	Details	Amount
1	101/002/16-17	M/s.Spark Advertising & Marketing agency for Andrajyothi 13 th Anniversary day celebrations	72000
2	302/002/16-17	M/s.Spoorthi communication Pvt Ltd., Hyd for 10 TV 2 nd Varshikothsawam & Subakankshalu	35000
3	303/002/16-17	M/s.Rachana TV (Pvt) Ltd, Hyd for Happy wish to ugadi festival add on 21.3.2015	50000
Grand Total			157000

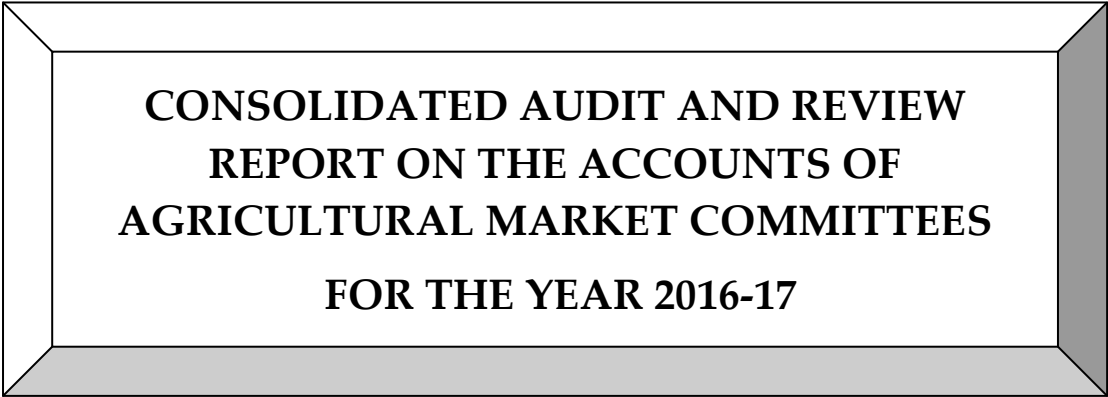
Therefore, the expenditure incurred on Advertisements in News papers and TV Channels for Rs.1,57,000/- is held under objection and may be recovered from the person or persons responsible and credited to Municipal General Funds under intimation to audit.

(Para No. 62 M.C Wanaparthi for the year 2016-17)

**PLACE: HYDERABAD
DATE: 20-2-2021**


**DIRECTOR
STATE AUDIT
T.S. HYDERABAD**

PART – IV



**CONSOLIDATED AUDIT AND REVIEW
REPORT ON THE ACCOUNTS OF
AGRICULTURAL MARKET COMMITTEES
FOR THE YEAR 2016-17**

**CONSOLIDATED AUDIT AND REVIEW REPORT ON THE ACCOUNTS OF
AGRICULTURAL MARKET COMMITTEES FOR THE YEAR 2016-17**

INTRODUCTION

- 1.1 Under the Telangana State Audit Act, 1989, the Director of State Audit, Hyderabad is in charge of the audit of the funds of Local Authorities and other Authorities specified in the Schedule prescribed in the said Act. By virtue of this legal position, the Director of State Audit, Hyderabad is the Auditor for the accounts of the AMCs in the State of Telangana. The Number of AMCs in the State is 173 in the year 2016-17.
- 1.2 The Department conducts post-audit of the AMCs and Audit Reports are issued to the Secretaries of the AMCs concerned, who have to take action for rectifying the defects pointed out in the Audit Report within the period of two months as per Section 9 (1) of the State Audit Act. The department also conducted pre-audit of the Expenditure bills in respect of AMCs during the year 2016-17 in accordance with the orders issued in Govt. Memo.No.28801/581/A1/Admn.II /2007, Dt.29-2-2008.
- 1.3 Under section 10 (1) of the State Audit Act, the Director is vested with the power of disallowing every item of the expenditure incurred contrary to the law and surcharge the same on the person incurring or authorizing the incurring of such expenditure and may charge against any person responsible thereof, the amount of any deficiency, loss or unprofitable outlay occasioned by the negligence or misconduct of that person or of any such sum which ought to have been accounted for but is not brought into account by that person and shall, in every such case, certify the amount due from such person.

SCOPE OF AUDIT

- 2.1 The State Audit Department works under the Finance Department of Government of Telangana and observes whether financial propriety has been followed by Executive Agencies in its day to day financial administration, as follows:
- i) Whether the Market fee, License fee and other amounts like leases/rents etc., collected by the AMCs were properly accounted for with full details in the books of accounts of the AMC concerned.
 - ii) Whether adequate care is taken in periodical checking up of the funds with Treasury or Bank.
 - iii) Whether the expenditure incurred is provided for in budget and availability of funds duly checking up of the funds with Treasury or Bank.
 - iv) Whether the funds are utilized only for the permitted purposes prescribed under the Telangana (Agriculture Produce and Live Stock) Markets Act/ Rules.
 - v) Whether the procedure prescribed by Government in incurring the expenditure / payments made is properly followed and accounted for with due classification in the books of accounts of the AMC.
 - vi) Whether the vouchers for the expenditure incurred were maintained.

STATUS OF AUDIT

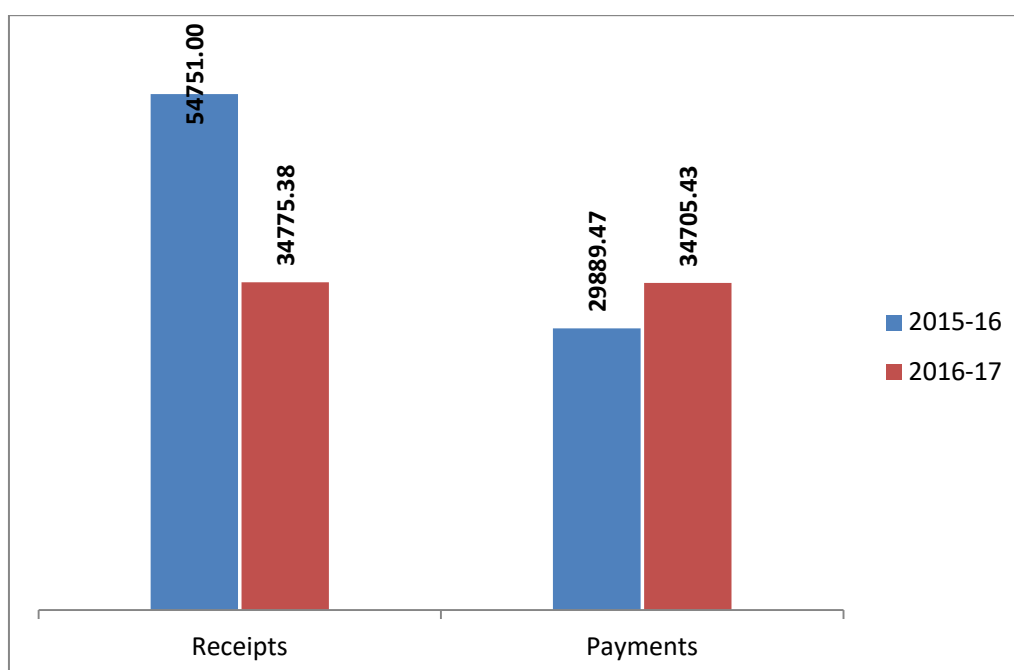
- 3.1 The audit on the accounts of total **173** AMCs was conducted for the year 2016-17.

RECEIPTS AND PAYMENTS

- 3.2 The Department has conducted the audit of the Receipts amounting to **Rs.34,775.38 lakhs** and Payments of **Rs.34,705.43 lakhs** shown in the **Annexure-IV(B)**.

- 3.3 The receipts and payments of AMCs for the years 2015-16 and 2016-17 are as follows.

TREND OF RECEIPTS AND PAYMENTS OF AMCs

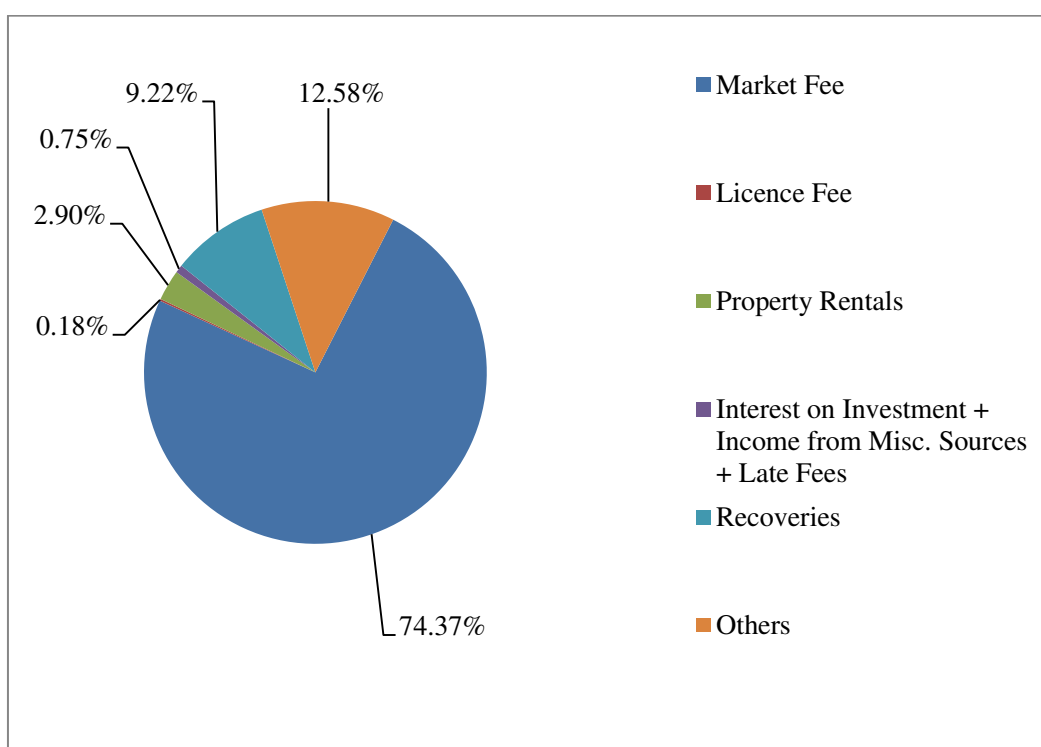


As shown above, there is decrease in the Receipts and partially increased in the Payments when compared with the year 2015-16 to 2016-17.

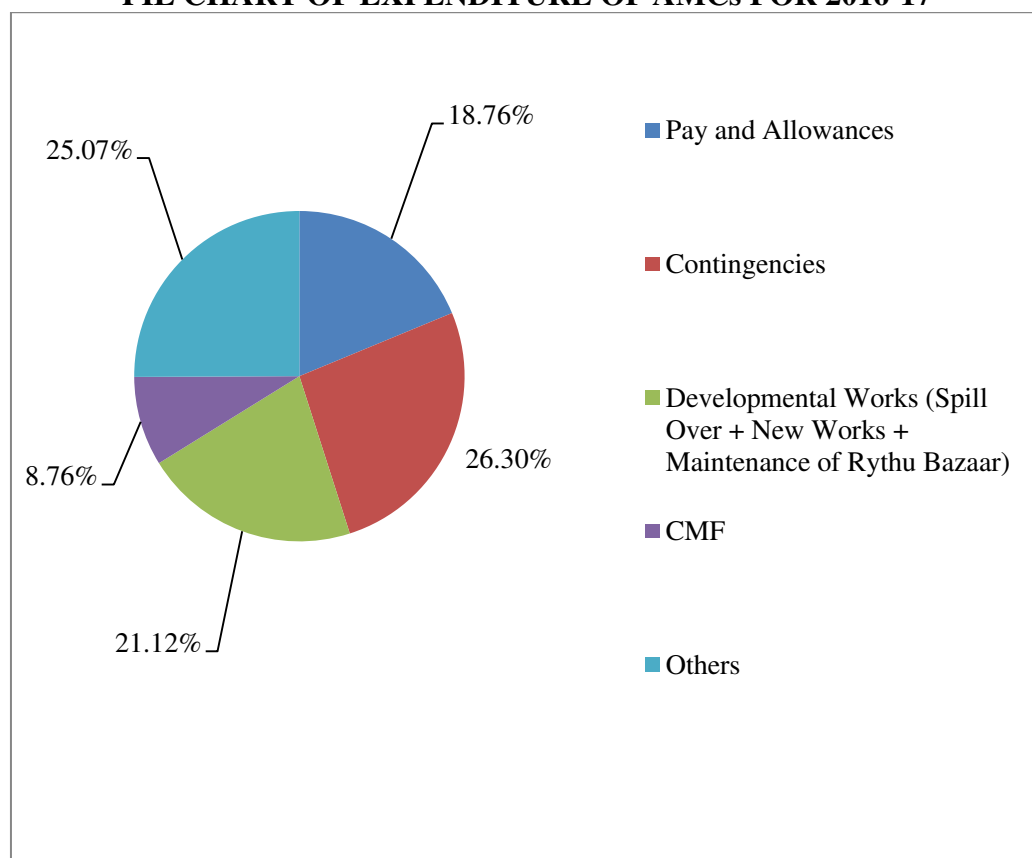
INCOME AND EXPENDITURE

- 3.4 The Income & Expenditure of the said AMCs for the year 2016-17 are **Rs.31,519.51 lakhs** and **Rs.31,575.37 lakhs** respective as detailed district wise exhibited in **Annexure-X(A) & (B)**.
- 3.5 The pie chart of proportional percentages of Income and Expenditure of AMCs during the year 2016-17 are placed below.

PIE CHART OF INCOME OF AMCs FOR 2016-17



PIE CHART OF EXPENDITURE OF AMCs FOR 2016-17



AUDIT OBJECTIONS

- 4.1 During the course of audit of the AMCs for the year 2016-17, various defects noticed were pointed out in the relevant Audit Reports which were forwarded to the Secretaries concerned for further action at their end as per the procedure laid down under the State Audit Act.
- 4.2 A total number of **3173** audit objections involving an amount of **Rs.9812.61 lakhs** were raised in the audit of the AMCs during the year 2016-17.
- 4.3 Consolidated statements showing the various audit objections raised in the Audit reports with amounts involved category-wise are annexed to the Report in **Annexure-III(2)**.

STATEMENT SHOWING NUMBER OF AUDIT OBJECTIONS RAISED (CATEGORY WISE) AND AMOUNT INVOLVED FOR THE YEAR 2016-17

(Rs. In Lakhs)

#	Name of the Category	Code No.	No. of paras	Amount involved	% (Amount)
1	Non-Production of Records	11	513	2514.17	25.62
2	Non-Collection of Dues	7	242	2446.97	24.94
3	Violation of Rules	9	1124	1366.57	13.93
4	Others	18	770	1193.04	12.16
5	Diversion of grants/Funds	3	17	581.54	5.93
6	Variation in Account figures	1	103	549.29	5.60
7	Excess utilisation of grants/Funds	2	48	436.93	4.45
8	Non-remittance of deductions	10	193	296.96	3.03
9	Advances Pending adjustment	8	38	235.50	2.40
10	Excess payments	13	62	102.13	1.04
11	Mis-utilisation of Grants/Funds	5	3	49.26	0.50
12	Misappropriations	12	26	28.58	0.29
13	Non-Utilisation of earmarked Funds	6	20	8.09	0.08
14	Wasteful expenditure	14	7	3.58	0.04
15	Non-Utilisation of Grants before lapsable date	4	0	0.00	0.00
16	Instances of cases unaccounted for cash/stores	15	0	0.00	0.00
17	Pendency of utilisation certificates	16	6	0.00	0.00
18	Surcharge certificates recovery pending	17	0	0.00	0.00
19	D.D's/cheques received but not realised in time.	19	1	0.00	0.00
	Total		3173	9812.61	100.00

- 4.4 Major part of objections constitutes 'Non production of records' which covers **25.62%** and it is followed by 'Non-collection of dues' to a tune of **24.94%** of all objections.

AUDIT PARAS

Gist of some of the selected audit objections pertaining to the year under report is placed below:

1. VARIATION IN ACCOUNT FIGURES (CODE 1)

It was observed in audit that there are certain variations between the Account figures of treasury and cash book like Opening Balance in the cash book of the current year not tallying with the Closing Balance of the cash book of previous year, balance as per cash book not tallying with the actual Closing Balance in the Treasury Pass Book as on 31st March, Non-crediting of receipts into the Treasury Pass Book by the Treasury Authorities, receipts credited in the cash book by remittance through Challans are not credited in the Treasury pass book by the Treasury authorities and Debiting the cheques issued by one D.D.O. to another D.D.O. by the Treasury authorities. without explaining the differences, addition or subtraction is being done in the reconciliation by the DDO to arrive at the balance actually available in the S. T. Pass book, wrong Totaling of Credits and Debits either by D.D.O. or Treasury. revision in the Plus or Minus Memo in the S. T. pass book during the subsequent financial year by the Treasury authorities with retrospective effect. Consolidated Closing Balance of all cash books not tallying with consolidated closing balance of annual account of the institutions etc.

A Consolidated **Annexure-III(2)** of Variation in Account figures is appended to the Report from which it could be seen that **103** Nos of audit objections involving an amount of **Rs.549.29 lakhs** were raised.

1.1 AGRICULTURAL MARKET COMMITTEE – JOGIPET – VARIATION IN ACCOUNTS – BETWEEN CASH BOOK AND TREASURY PASS BOOK – NEEDS IMMEDIATE RECONCILIATION AND RECTIFICATION

During the course of the audit on the accounts of AMC Jogipet, for the year 2016-17, so many transactions were made around the year, but the reconciliation between treasury passbook and cashbook was not done till to the close of audit. The closing balances of cash book and treasury passbook as on 31.03.2017 are shown below;

Closing balance of the cash book as on 31.03.2017	Rs. 2,33,24,893
Closing balance of the treasury as per online A/C Statement as on 31.03.2017	Rs. 3,03,88,513
Difference	Rs. 70,63,620

As could be seen from the Treasury Pass Book it was noticed that, pass book was not updated and, the closing balance of the Treasury Pass book is not arrived and not certified by the Treasury authorities. Hence, balances were taken up as per online account statements. .

Immediate action would need to be taken to reconcile the cashbook balances with the treasury passbook balances for year 2016-17 under intimation to the audit, and obtain the certified balance statement and produce the same to audit.

(Para No.01 of AR of AMC Jogipet, Sangareddy District for the year 2016-17)

2. EXCESS UTILIZATION OF GRANTS / FUNDS (CODE 2)

It is observed that AMCs have utilized excess grant/funds than the budget provision without sanction of the competent authority. Such expenditure incurred has to be ratified by the authority competent in that regard.

A consolidated **Annexure-III(2)** of Excess Utilization of grants/funds is appended to the Report from which it could be seen that Excess Utilization of grants/funds of **Rs.436.93 lakhs** was pointed out in **48** number of audit paras.

2.1 AGRICULTURAL MARKET COMMITTEE – BOATH - EXPENDITURE INCURRED EXCESS OVER THE BUDGET PROVISIONS - SANCTION OF DIRECTOR OF MARKETING GOVT. OF T.S. HYDERABAD NOT OBTAINED Rs. 36,999/- NEEDS ACTION

The expenditure in respect of the following heads was incurred excess over the approved budget provision. The ratification of the Director of Marketing as required in Rule, 83 of rules relating to AP (Agril. Produced & Live Stock) Market rules, 169 issued in G.O.Ms.No.1900 Food & Agricultural Dept. Adilabad. Dt.17-10-1969 shall be obtained under intimation to Audit.

(Amount in Rs.)				
Sl. No.	Head of Account	Budget provision	Expenditure incurred	Excess Expenditure incurred that the budget provision
1	10% pension contribution	2100000	2136999	36999

(Para No.6 of AR of AMC Boath of Adilabad Dist. for 2016-17)

3. NON COLLECTION OF DUES (CODE 7)

During scrutiny of records, it was noticed that dues viz. Market fee, shop rents & Leases etc., were not collected properly in the AMCs.

A consolidated **Annexure-III(2)** of Non-collection of dues is appended to the Report from which it could be seen that an amount of **Rs.2446.97 lakhs** was not collected which was pointed out in **242** number of audit paras. A few such paras are detailed below.

3.1 AGRICULTURAL MARKET COMMITTEE - MARKET FEE DUE FROM THE TRADERS - NOT COLLECTED TILL TO CLOSE OF AUDIT – LOSS TO THE INSTITUTION – NEEDS RECOVERY – Rs. 51,50,143/-.

On verification of the purchase returns register and market fee demand register, it is noticed that the following market fee due from the traders and commission agent as follows.

Sl. No.	Name of the firms	Month	Market fee due in (Rs.)	Remarks
1	Annapurna cotex	1/17 to 3/17	2505224	
2	Vijayalaxmi PBRM PTCM	4/16 to 8/16 & 11/16 to 03/17	291233	
3	K.Suryanarayana	4/16 to 12/16	7772	
4	Alkabeer Export Pvt. Ltd	08/16 to 10/16	2337609	
5	Sri Saptagiri Rice Mill Malkapur	11/16 to 03/17	8305	
6	Vijayadurga Rice Mill, Maddikunta	12/16 to 03/17	0	Returns not submitted
		Total	5150143	

On detailed verification of the purchase returns register, the said above purchases market fee due at the end of the financial year 2016-17 and also noticed that most of the purchasers not submitted the purchases return up to 31.3.2017 and the executive authority did not taken step to collect the returns from the purchasers. Due to which any quantum of the amount loss to the institution the concerned executive authority is held responsible.

In view of the above an amount of Rs.51,50,143/- was loss to the institution and the same may be recovered from the traders and fact intimated to audit.

(Para No.05 of AR of AMC Sadashivapet, Sangareddy District for 2016-17)

3.2 AGRICULTURAL MARKET COMMITTEE – SADASHIVPET - HUGE AMOUNT OF GODOWN RENTS PENDING REALIZATION FROM THE CIVIL SUPPLY & HOUSING DEPARTMENT – NEEDS RECOVERY - Rs.9,83,346/-

On verification of the connected file in respect of Godown rents, it was noticed that an amount of Rs.9,83,346/- as detailed in the annexure enclosed was pending realization as noted against each department since a long period. The civil supply departments occupied and vacated the Godowns from time to time according to their requirement seasonally but the rents are not being paid to the AMC till the close of audit.

Immediate action would need to be taken to collect the amount without further loss of time.

Sl. No.	Type of Godown	Godown Size	Name of the Occupier	Period	Amount (Rs.)
1	Godown No. 1	600 Mts	Civil Supplies Department	1/2008 to 3/2015	219951
2	Godown No. 2	400 Mts	Civil Supplies Department	6/2009 to 10/2015	478248
	Godown No. 2	1000 Mts	Civil Supplies Department	12/2010 to 10/2015	285147
				Total	983346

(Para No.11 of A.R of AMC Ramayampet, Medak District for the year 2016-17)

Similar objection was noticed in AMC Ibrahimpatnam, in which 38 number of shops belonging to AMC were let out during the year under Audit. It was observed in Audit that the rents were not paid by the tenants regularly and the pending amounts have been accumulated to a tune of Rs.13,53,440/-, which were not realized till the close of Audit. Immediate action needs to be taken to collect all the dues and remit the same to AMC account under intimation to audit.

(Para No. 6 of A.R of AMC Ibrahimpatnam of Ranga Reddy Dist for 2016-17)

4 .ADVANCES PENDING ADJUSTMENT (CODE 8)

It was observed during the course of audit that temporary advances paid for specific purposes were outstanding for a long time though they should have been got adjusted through detailed bills and vouchers as soon as possible as per Article 99 of the T.S. Financial Code. Non-settlement of advances leads to misuse of advances and avoid refund of unspent amounts. Several objections were raised on such outstanding advances in the relevant audit reports pointing out failure of the executive authorities to take necessary action to get these advances adjusted.

A Consolidated **Annexure-III(2)** of Advances Pending Adjustment district-wise is appended to the Report. **38** Audit paras involving **Rs.235.50 lakhs** were pointed out during the year 2016-17. A few such cases are shown below.

4.1 AGRICULTURAL MARKET COMMITTEE – CHOPPADANDI - LOAN AMOUNT ISSUED TO AMC- JAGTIAL Rs. 1,00,00,000 /- NOT RECOVERED INSTALMENT S AND INTEREST – IRREGULAR.

The Secretary AMC, Choppadandi has transferred a Loan Rs.1,00,00,000/- to AMC, JAGTIAL FOR CONSTRUCTION OF 10000/- MTS Godown(2Nos) at Market Yard through cheq.No.076314,Dt.22-01-2011, as per the agreement made on 22.01.2011, with reference to the terms and conditions laid down in the Commissioner and Director of Agricultural Marketing Govt. of A.P. Hyderabad Proc. EC-T/AMC/jogt/235/2010-11, Dt.21-05-2010, to repay the Loan amount in (10) equal annual installments together with interest 8% per annum.

But till to date the installments and interest have not been recovered from AMC, Jagtial. Hence it is suggested the executive authority of AMC, Choppadandi to take necessary action for recovery of the loan installment with interest amount immediately.

(Para.No. 4 of AR of AMC Choppadandi, Karimnagar for the year 2016-17)

5. VIOLATION OF RULES (CODE 9)

It was noticed in audit that in some cases, the Rules and Government instructions for incurring expenditure from the funds of the AMCs were violated either due to negligence or ignorance. At times, the funds of the AMCs were utilised for purposes other than the permitted ones under the Act / Rules. It was also noticed that in a few cases Government instructions were misunderstood or misinterpreted. Such irregular expenditure incurred was objected to in the relevant audit reports.

A Consolidated **Annexure-III(2)** on category of Violation of Rules is appended to this Report **1124** objections involving an amount of **Rs.1366.57 lakhs** were pointed out.

5.1 AGRICULTURAL MARKET COMMITTEE – ZAHEERABAD - AUDIT FEE NOT REMITTED TO THE STATE FUNDS – NEEDS REMITTANCE – Rs.1,42,389/-

According to the Govt. instructions issued in Director of State Audit, AP, Hyderabad, Memo No.15525/K/09-10, dated: 8-4-2009 of Fin (Admn.II) Dept the rate of audit fee is fixed at 0.5% of the total annual gross expenditure excluding the contribution to Central Market Fund. On scrutiny of records, it was noticed that the same has not been worked out and remitted to state funds.

The audit fee for the year 2016-17 is for Rs. 142389 /- as worked out below and would need to be remitted to State Funds at the earliest under intimation to audit under the following head of account.

Major Head	:	0070	-	Other Admn. Services
Sub-Major Head	:	60	-	Other Services
Minor Head	:	110	-	Fee for Govt. Audit
Gross Annual Expenditure for 2016-17				Rs. 30397773/-
Deduct: 10% contribution to CMF				Rs. 1920073/-
Net expenditure				Rs. 28477700/-
Audit Fee @0.5% X28477700/-	=			Rs. 142389/-

(Para No.13 of AR of AMC Zaheerabad, Sangareddy District for the year 2016-17)

**5.2 AGRICULTURAL MARKET COMMITTEE – KARIMNAGAR -
BILLS DRAWN WITHOUT PRE-AUDIT – IRREGULAR – HELD
UNDER OBJECTION.**

The Government vide Finance (Admn –II) Dept. has ordered in the Memo. No. 2880/581/ A1/ Admn.II/2007, Dated: 29.02.2008 to take up the Pre-Audit of expenditure of all the AMC's in the state and the Commissioner & Director of Marketing, A.P, Hyderabad has issued instructions to all the Secretaries of Agricultural Market Committees in the state, vide Proceedings No. 538/07, dt: 04.02.2009, to follow the operating guidelines in conducting Pre-Audit of expenditure items.

But in AMC, Karimnagar for the year 2016-17, the following bills of expenditure were drawn without presenting to Pre-Audit by State Audit Department, which is against rules and highly irregular.

Hence all amount incurred in this manner was held under objection and the Executive Authority would need to stop this practice immediately and if any loss caused, due to above discrepancy to the institution action may be taken against person or persons responsible and fact may be reported to audit.

Sl. No	Voucher No/Date	Particulars	Amount in Rs.
01	357 /31-03-2017	Purchase of Electrical Materials	94950/-

(Para No.4(iv) of AR of AMC Karimnagar, Dist. Karimnagar for the year 2016-17)

**5.3 AGRICULTURAL MARKET COMMITTEE – INDRAVELLY - NON-
REMITTANCE OF EPF, ESI SUBSCRIPTION – NEEDS IMMEDIATE
REMITTANCE – AMOUNT HELD UNDER OBJECTION. RS. 162964/-**

During the course of audit on the accounts of AMC, Indravelly for the year 2016-17, it was observed that, 6 persons (DEO-1, Watchman-1, Security guards-4) were working on outsourcing basis through agency, Sai Youth Association, Asifabad.

The Secretary AMC Indravelly had been issuing a DD every month to outsourcing agency towards remuneration (Pay plus EPF of employers share, ESI, Subscription amount) of 6 outsourcing employees as per the rates fixed by the Govt. from time to time. The outsourcing agency is being paid remuneration to the outsourcing employee duly deducting the EPF&ESI subscription as per the Govt, orders issued from time to time.

The outsourcing agency has to remit the EPF subscription amount of employer's share plus employees share to the Employee Provident Fund organization and shall produce remittance challans to the Secretary AMC Indravelly on monthly basis.

The Employees EPF, ESI Contributions has been paid **Rs.1,20,809/-** and **Rs.42,155/-** respectively, to the outsourcing agency from April'2016 to March'2017. But the outsourcing agency did not produce any remittance challans / Certificates of EPF, ESI Subscription amount at the time of submitting bills during the subsequent months as per the orders issued in G.O. Rt.No.4271, Finance (SMPC) Dept, Dated: 01-11-2008. As such action would need to be taken to obtain the remittance challans from the concerned out sourcing agency and be produced to audit for verification.

In view of the above, the total amount **Rs.1,62,964/-** is held under objection.

(Para No. 8 of AR of AMC Indravelly of Adilabad Dist for 2016-17)

6. NON-PRODUCTION OF RECORDS (CODE 11)

The AMCs have to exhibit effective financial management skills and maintain sound accountability practices. All these functions would need to be reflected on the record when they are accounted for as per the provisions contained in various codes. These initial accounts are to be kept ready and should have to be produced to Audit for verification. Then only the transparency in incurring expenditure 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 of the AMCs in the maintenance and production of records to audit was not properly discharged. Thereby the access to verify whether the expenditure incurred from public money was properly spent or not could not be ascertained in audit to that extent. In spite of all guidelines and instructions, the DDOs of Agriculture Market Committees have failed to maintain the records and produce the same to Audit whenever the local teams visited their institutions. Under the category of non – production of records to Audit, the major part was records relating to execution of works such as M Books, estimate files, tenders etc. The others are non-production of vouchers along with the related files and registers. The paras on non-production of records have been drawn from the individual Audit Reports of the institutions concerned and their details are furnished hereunder. 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 not produced whenever they were sought to be produced to audit parties and other agencies during their local visits.

A Consolidated **Annexure-III(2)** of Non-production of records is appended to the report for **Rs. 2514.17 lakhs** pointed out in **513** audit paras.

6.1 AGRICULTURAL MARKET COMMITTEE – INDRAVELLY – CENTRAL MARKET FUND – REMITTED – ACKNOWLEDGEMENTS NOT PRODUCED TO AUDIT – OBJECTED - Rs.6,72,122/-

During the year under audit an amount of Rs.6,72,122/- was remitted to Director of Marketing T.S. Hyderabad, in four different spells towards contribution of 10 % Central Market Fund. But the acknowledgements in token of having received could not be produced for verification in audit. The particulars as furnished by the Secretary AMC Indravelly are as detailed below.

Sl. No.	Vr.No. & Dt.	Particulars	Amount in (Rs.)
1	5	10% CMF from 1-1-16 to 31-3-16	187243
2	37	10% CMF from 1-4-16 to 30-6-16	188093
3		10% CMF from 1-7-16 to 30-9-2016	143079
4	168	10% CMF from 1-10-16 to 31-12-16	153707
		Total	672122

In the absence of acknowledgements, the correctness of D.Ds sent could not be verified in audit. Any loss caused in this regard shall be recovered from the person/persons responsible.

(Para.No. 11 of AR of AMC Indravelly of Adilabad Dist for 2016-17)

6.2 AGRICULTURAL MARKET COMMITTEE – INDRAVELLY - PAYMENT MADE FOR WORK BILLS – CONNECTED MEASUREMENT BOOKS AND FILES NOT PRODUCED – AMOUNT HELD UNDER OBJECTION Rs.4,19,322/-

During the course of audit, it was noticed that, an amount of **Rs. 4,19,322/-** has been drawn and paid to the contractor towards the following work bills.

Sl. No.	Vr.No. & Date	Name of the Work	Amount (Rs.)
1	73/1-9-16	Job work on arch at entrance gate/approach road at sub yard Narnoor (MB No.1065/15-16)	236036
2	106/4-10-16	Providing of arch at sub yard Narnoor (MB No.1244/15-16)	183286
		Total	419322

But, in support of the claim, the connected Measurement Books and files were not produced to Audit. The copies of Technical sanction, Administrative Sanction, Estimate and other records were also not furnished in audit. In the absence of the above records the correctness of the amount spent could not be ascertained in audit. Hence the entire amount is held under objection.

Immediate action would need to be taken to produce the above records for verification in audit, otherwise recover the entire amount from the person or persons responsible and credited to the Market Committee funds under intimation to audit.

(Para.No. 12 of AR of AMC Indravelly of Adilabad Dist for 2016-17)

Similarly, in Agricultural Market Committee Medak also there was an objection relating to 'Non Production of Records'. During the course of audit for the year 2016-17, it was noticed that the Measurement Books, Vouchers and other connected Files related to the following were not produced to Audit. Hence, the amounts incurred thus could not be certified in Audit. The particulars are:

AMC Medak – Non Production of Records:

Sl. No.	Vr.No. & Date	Name of the Work	Amount (Rs.)
1	12/27.4.16	Const. of curved shed 90*120 with galvalume sheet roofing	2594649
2	36/22.6.16	Improvement to existing damaged internal road	139358
3	107/24.9.16	Const. of curved shed 90*120 with galvalume sheet roofing	444074
		Total	31,78,081

(Para No.12 of A.R of AMC Medak, Medak District for the year 2016-17)

7. EXCESS PAYMENTS (CODE 13)

It was observed that in several cases that excess payments were made due to incorrect Calculation, Excess totaling in bills, admission of inadmissible claims, lack of knowledge of Government Instructions. A Consolidated **Annexure-III(2)** of objections is appended to the Report for **Rs.102.13 lakhs** pointed out in **62** audit para.

7.1 AGRICULTURAL MARKET COMMITTEE – BANSWADA - CONSTRUCTION OF 2500 MT CAPACITY GODOWN AT SUB-MARKET YARD KONAPOOR – SAND UTILISED FROM GOVT. QUARRY – INITIAL SAND COST NOT DEDUCTED – NEEDS RECOVERY Rs.14,10,428-00.

Name of the work	:	Construction of 2500 MT Godown at Sub-Market Yard Konapoor
Admn. Sanction	:	S-III (03) P-10712/2014 Dt.26-02-2014 of Com. & Dir. of AMC Hyderabad.
Establishment Cost	:	Rs.1,02,99,995-00
Amount of Tender	:	Rs.1,07,10,964-00
Contractor	:	M/s. S.V. Constructions
Tech. Sanction	:	R.No.551/2013-14 Dt.26-02-2014 of SE (AM)
T.P.	:	(+) 3.99%
M.B.	:	20/2013-14 (Abstract) P.No. 1 to 70
Payment Details	:	Ch.No.007211 Dt.01-03-2017 Rs.6,85,470-00(final bill)
S.S.R. Rates	:	2013-14

On verification of above MBs and connected file it was noticed that the S.V. Constructions has executed the work for construction of 2500 MT Godown at Konapoor Sub-market yard and they utilized sand from Govt. quarry Vide. Lr.No.D2/2390/2014 Dt.09-02-2014 of RDO Bodhan.

But the Technical Authority has not deducted sand cost (initial cost) at the time of payment. (The sand utilized particulars are given below)

1. PCC(1:5:10)	:	212.45 cum
PCC(1:3:6)	:	194.93 cum

		407.38 x 0.45 (sand ration) = 183.32

VRCC

a) Footings	:	51.83 cum
b) Pedstals	:	24.48 cum
c) Columns	:	21.69 cum
d) Columns above 366 hight	:	18.50 cum
e) Plinth beam	:	35.61 cum
f) Tie beam	:	09.98 cum
g) Gutter beam	:	26.00 cum
h) Slab beam (150 mm)	:	79.38 cum
i) Slab (110 mm)	:	59.54 cum
j) Linterls	:	00.91 cum

 $313.08 \times 0.40 = 125.23$

Plastering 20 mm thick (1:5)	:	1093.25
Above 3 mts hight	:	1790.01

 $2883.28 \times 1.05 = 3027.42$

Un-reinforced	:	$236.40 \times 0.45 = 106.38$
Brick masonry (1:6)	:	89.55 cum
Above 3 mt gight	:	121.03 cum

 $210.58 \times 1.05 = 221.10$

Abstract

1. PCC	:	183.32
2. VRCC	:	125.23
3. Plastering	:	3027.42
4. Un-reinforced	:	106.38
5. Brick masonry	:	221.10

Total : 3663.45 x 385 (initial sand cost) = 14,10,428/-

Hence, it is worked out that an amount of Rs. 14,10,428/- was paid in excess than the eligibility amount. The amount paid thus needs to be recovered from the person/persons responsible and fact to be intimated to the audit.

(Para No.11 of A.R of AMC Banswada of Kamareddy District for the year 2016-17)

8. WASTEFUL EXPENDITURE (CODE 14)

The canons of financial propriety envisaged in Telangana Financial Code are sacrosanct for all Government Authorities entrusted with authorizing or incurring of expenditure from public funds. As per Article 3 of T.S. Financial Code Vol.-I, every DDO has to exercise the same diligence and care in expending public money under their control as persons of ordinary prudence would exercise in respect of their own money. The responsibility of the Government Officer, who is entrusted with duties of dealing with public money, is greater than his responsibility towards private money. Government have issued instructions through various orders and also incorporated in the statutes of local bodies the various items on which public money can be expended and the principles to be adhered to while expending money on such items. Yet, it was noticed in audit that the funds of local bodies were spent several times without adhering to the established canons of financial propriety leading to wasteful expenditure of public money. All the cases of such wasteful expenditure observed in the audit for the year 2011-12 were expenditures that were avoidable, extraordinary and lacked proper planning.

Consolidated statement of Wasteful Expenditure incurred is annexed to the Report **Annexure-III(2)** from which it could be seen that an amount **Rs.3.58 lakhs** pointed out as Wasteful Expenditure. Some such **7** cases pointed out in Audit Reports.

8.1 AGRICULTURAL MARKET COMMITTEE – ZAHEERABAD – ADVERTISEMENTS IN NEWSPAPERS OTHER THAN OFFICIAL – WASTEFUL EXPENDITURE – HELD UNDER OBJECTION - Rs.53,725/-

During the course of audit on the accounts of **AMC, Zaheerabad** for the year 2016-17, it was noticed that abnormal expenditure was incurred for advertisements which was not so useful and purposeful, as detailed below.

The Advertisements with captions “Congratulations “Welcome address”, “Developmental Activities taken up under the AMC “ were made in several news dailies and in some cases not popularly known magazines, the expenditure is avoidable, unreasonable and abnormal in nature.

Further the Government vide GO Ms.No.37 GA Dept. (I&PR) Dated 22-01-1994 ordered that all the advertisements should be made through public relations department, and Govt. vide Memo No. 669291/I&PR/A1/2003 of GAD Dated 12-09-1993, issued orders not to admit the bills in case of violation of guidelines. Contrary to the aforesaid orders, the advertisements were made directly without consultation of I&PR Dept. Further, the advertisement bills were not scrutinized at least by the public relations department and technical opinion obtained about the rates of advertisement. Hence the expenditure of **Rs.53,725/-** could not be admitted in audit and is held under objection.

Sl. No.	Bill No. & Date	Amount (Rs.)	News Agency	Purpose of amount drawn
1	160667/7.4.16	10000	Navatelangana	Nava Telangana 1 st Varshikosthavam
2	0538470/13.3.16	10125	Sakshi	Sakshi 8 th Varshikosthavam
3	118259/23.5.16	9120	Namasthe Telangana	Tender notification – Remarks : tender notification form given upto 23-05-16 up to 3.30 PM , but notification given on 23.05.16
4	118263/28.4.16	12800	-do-	Tender notification
5	118271/23.5.16	7680	-do-	-do-
6	118278/20.6.16	4000	Namasthe Telangana	Namasthe Telangana 5 th Varshikosthavam
	Total	53725		

(Para No.22 of AR of AMC Zaheerabad, Sangareddy District for the year 2016-17)

PLACE: HYDERABAD
DATE: 20-2-2021



DIRECTOR
STATE AUDIT
T.S. HYDERABAD

PART - V

**CONSOLIDATED AUDIT AND REVIEW REPORT
ON THE ACCOUNTS OF ZILLA GRANDHALAYA
SAMASTHAS FOR THE YEAR 2016-17**

**CONSOLIDATED AUDIT AND REVIEW REPORT ON THE ACCOUNTS OF
ZILLA GRANDHALAYA SAMSTHAS FOR THE YEAR 2016-17**

INTRODUCTION

- 1.1 The Director of State Audit, Telangana is the Statutory Auditor for the Local Authorities including Zilla Grandhalaya Samsthas under section 3(1) of the State Audit Act, 1989. The Department has got offices at all the district headquarters headed by the District Audit Officer. The District Audit Officer causes conducting of post audit of ZGS of the district in the month of June every financial year and approves and issues Audit Report to the Secretary of the ZGS of district concerned. These Audit Reports contain
- (a) every payment which is contrary to law
 - (b) the amount of any deficiency, waste or loss which has been caused by the gross negligence or misconduct of any person in the performance of his duties.
 - (c) the amount of any sum received which ought to have been accounted for but is not brought into account by any person; and
 - (d) any material impropriety or irregularity which the auditor may observe in the expenditure or in the recovery of money due.
- 1.2 The Audit is conducted by an Audit Party headed by the Assistant Audit Officer. The District Audit Officer scrutinizes the Draft Audit Report along with Annual Accounts submitted by the Assistant Audit Officer and approves the Audit Report. The Audit Report will be issued to the Secretary, ZGS of the District concerned with a request to furnish replies to each para of the Report after getting due approval of the District Grandhalaya Committee within 60 days from the receipt of the Audit Report. The DAO scrutinizes the approved replies furnished and settles the objections. In case the approved replies are not acceptable, the DAO issues further remarks to the Secretary, ZGS on what action required to be taken. The Secretary, ZGS should furnish the replies to further remarks. In case the replies furnished to further remarks are satisfactory, the DAO drops the objections. If replies are not satisfactory, the DAO initiates Surcharge Action and submits Draft Surcharge Certificate to the Regional Deputy Director for approval and issue against the Secretary fixing the responsibility for the loss so sustained by the ZGS with a direction to make good the loss within 60 days. The amount so surcharged should be recoverable from the Surchargee even resorting to Revenue Recovery Act till the amount surcharged is recovered in full. In case the Surchargee has any grievance, he may appeal to the Secretary, Finance, GOT or file a suit in civil court.

The Director of State Audit / his Subordinate Officers are vested with the powers of disallowing every amount/item of the expenditure incurred contrary to the law and surcharge the same on the person incurring or authorizing the incurring of such expenditure and may charge against any person responsible there for, the amount of any deficiency, loss or unprofitable outlay occasioned by the negligence or misconduct of that person or of any such sum which ought to have been accounted for but not brought into account by the person and shall, in every such case, certify the amount due from such person.

SCOPE OF AUDIT

2.1 The Scope of the Post Audit of ZGS encompasses the following items:

- (i) Whether Library Cess (a) has been levied by all the Gram Panchayats in the State on House Tax and all the ULBs in the State on Property Tax @ 8%, (b) collected by all the Gram Panchayats and ULBs and (c) the collected library Cess has been properly adjusted to funds of Zilla Grandhalaya Samsthas concerned.
- (ii) Whether adequate care is taken in periodical checking up of the funds with Treasury or Bank.
- (iii) Whether expenditure incurred is provided for in the Budget of the Zilla Grandhalaya Samstha and duly sanctioned by the competent authority under the relevant rules and executive instructions issued by the Government.
- (iv) Whether funds are utilized only for the permitted purposes prescribed for Zilla Grandhalaya Samstha under the Public Libraries Act, 1960 / Rules.
- (v) Whether the procedure prescribed by Government in incurring the expenditure / payments made is properly followed and accounted for with due classification in the books of accounts of the Zilla Grandhalaya Samstha.
- (vi) Whether vouchers for the expenditure incurred were maintained.
- (vii) Whether prescribed Registers have been maintained
- (viii) Whether the Annual Accounts prepared with reference to the Actual Transactions of the ZGS express true and fair value of the ZGS.

GRANTS RECEIVED DURING THE YEAR BY 10 ZILLA GRANDHALAYA SAMSTHAS IN THE STATE.

- 3.1 The Zilla Grandhalaya Samsthas are provided grants by the State Government towards Salaries, Pensions, Contingent Expenditure and other Grants for books, furniture etc. The receipts and payments are inclusive of the grants received from Government during the year 2016-17 by Zilla Grandhalaya Samsthas.
- 3.2 The Pie chart of proportional Percentages of Receipts and Payments of Zilla Grandhalaya Samsthas during the year 2016-17 is placed below.

- 3.3 The bulk of receipts come from Salary and Pension Grant (54.44%) followed by Library Cess (27.49 %).
- 3.4 Library Cess: This department has observed that the Local Bodies have remitted Library Cess to a tune of **Rs.1204.97 lakhs** which formed **27.49%** income of Zilla Grandhalaya Samsthas during the year 2016-17.

STATUS OF AUDIT

- 4.1 The current audit of **10** ZGSs for the year 2016-17 was conducted without leaving any pendency.

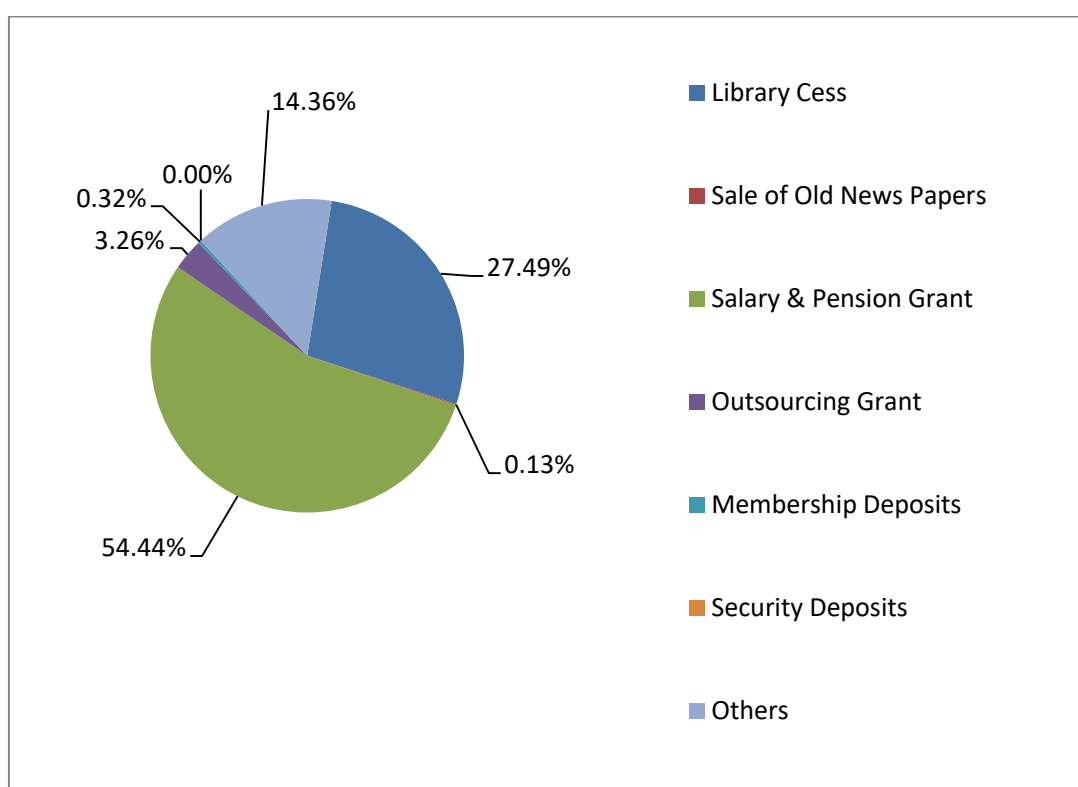
RECEIPTS AND PAYMENTS

- 4.2 The Department has conducted the audit of the receipts amounting to **Rs.4,491.39 lakhs** and payments of **Rs.4,754.05 lakhs** is shown in Annexure-IV(B).

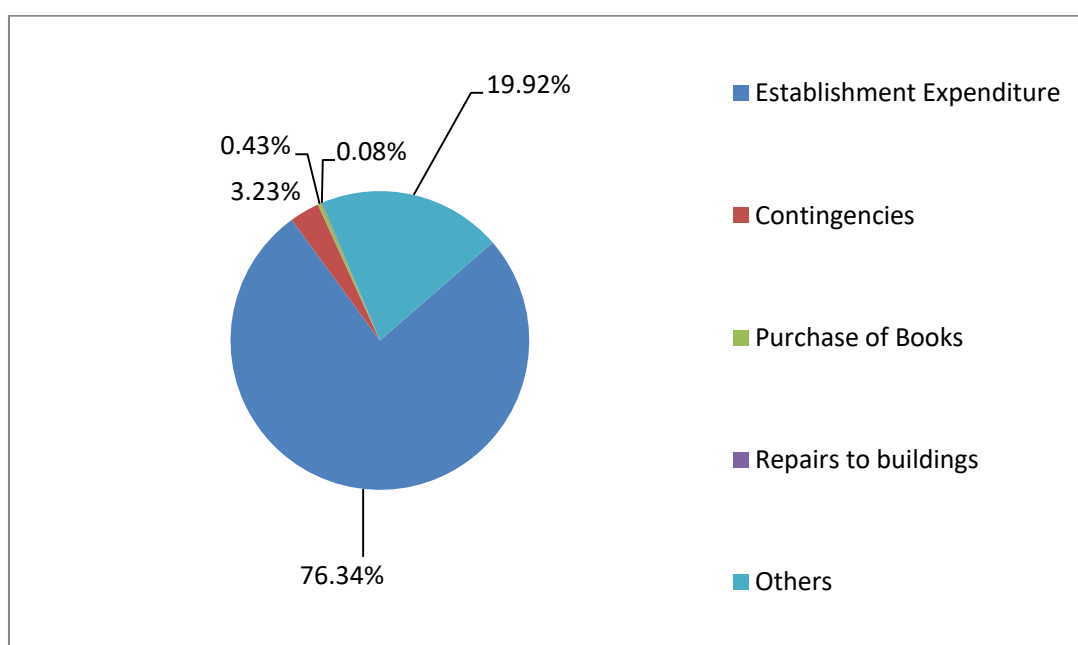
INCOME AND EXPENDITURE

- 4.3 The Income & Expenditure of the said ZGS for the year 2016-17 are **Rs.4,383.56 lakhs** and **Rs.4,280.60 lakhs** respective as detailed district wise exhibited in Annexure-XI(A) & (B).

PIE CHART OF INCOME OF ZGS FOR 2016-17



PIE CHART OF EXPENDITURE OF ZGS FOR 2016-17



4.4 The bulk of payments are for Establishment Expenditure (76.34%) followed by Others (19.92%). The percentage of expenditure on purchase of books and periodicals is only 0.43%. The primary objective of the Zilla Grandhalya Samsthas is to improve Library service in the respective districts and the increase in expenditure on purchase of books and periodicals. Hence, steps may be taken to increase expenditure on the purposes for which the organization is created and to decrease other ancillary expenses.

4.5 The income and expenditure of previous 7 years in respect of ZGSs is as detailed below.

(Rs. In Lakhs)							
Sl. No.	Year	Income	% Change (Year to Year)	Library Cess	% Change (Year to Year)	Expenditure	% Change (Year to Year)
1	2010-11	3358.59	-6.49	1099.11	0.09	3505.80	37.72
2	2011-12	4433.31	32.01	2409.36	119.21	3701.29	5.58
3	2012-13	11887.94	168.15	7753.37	221.8	5078.80	37.22
4	2013-14	4296.82	-63.86	1838.62	-76.29	3814.10	-24.9
5	2014-15	3896.50	-9.32	1504.17	-18.19	3731.65	-2.16
6	2015-16	4975.44	27.69	2151.32	43.02	4614.80	23.67
7	2016-17	4383.56	-11.90	1204.97	-43.99	4280.60	-7.24

It was noticed that in certain cases that the Demand of Library Cess is not being arrived at and the amount collected only is being taken as Demand, which is not correct. The Demand of Library Cess may be assessed by preparing DCB Statement and steps may be taken to collect the balance amount as soon as possible.

AUDIT OBJECTIONS

- 5.1 During the course of audit of these Zilla Grandhalaya Samsthas for the year 2016-17, various defects noticed were already pointed out in the relevant Audit Reports which were forwarded to the Secretaries concerned for further action at their end as per the procedure laid down under the State Audit Act.
- 5.2 A Total number of **162** audit objections involving an amount of **Rs.938.88 Lakhs** were raised in the audit of the ZGS during the year.
- 5.3 A Consolidated Statement showing the number of objections raised, amount involved with Zilla Grandhalaya Samstha-wise break-up is annexed vide **Annexure-III(2)**.
- 5.4 Gist of some of the selected audit objections pertaining to the year under report is enumerated below:

STATEMENT SHOWING THE No. OF OBJECTIONS (CATEGORY - WISE) **AND AMOUNT INVOLVED FOR THE YEAR 2016-17**

Sl. No.	Name of the Category	Code No.	No. of Paras	Rs.In Lakhs	
				Amount involved	% (Amount)
1	Violation of Rules	9	51	532.30	56.70
2	Non-Collection of Dues	7	11	240.39	25.60
3	Others	18	38	62.59	6.67
4	Excess utilisation of grants/Funds	2	8	39.91	4.25
5	Variation in Account figures	1	8	36.25	3.86
6	Non-remittance of deductions	10	9	12.70	1.35
7	Pendency of utilisation certificates	16	4	10.59	1.13
8	Misappropriations	12	2	2.28	0.24
9	Non-Production of Records	11	24	1.38	0.15
10	Excess payments	13	4	0.48	0.05
11	Diversion of grants/Funds	3	1	0.00	0.00
12	Non-Utilisation of Grants before lapsable date	4	1	0.00	0.00
13	Mis-utilisation of Grants/Funds	5	0	0.00	0.00
14	Non-Utilisation of earmarked Funds	6	0	0.00	0.00
15	Advances Pending adjustment	8	1	0.00	0.00

16	Wasteful expenditure	14	0	0.00	0.00
17	Instances of cases unaccounted for cash/stores	15	0	0.00	0.00
18	Surcharge certificates recovery pending	17	0	0.00	0.00
19	D.D's/cheques received but not realised in time.	19	0	0.00	0.00
	TOTAL		162	938.87	100.00

As seen from the above, majority of objections amount **Rs.532.30** lakhs in relation to 'Violation of Rules' and followed by **Rs.240.39 lakhs** amount in relation to 'Non-Collection of Dues' of objections raised which reflects the administrative lapses on part of executive authorities.

As seen from the below table, the receipt on Library Cess to the Total income is vastly varying from one district to another district. In the district Hyderabad, the percentage of Library Cess collection to its total income is 100.00%, whereas in case of ZGS, Nalgonda, it is only 12.87%. The state average is 27.49%. In view of the above variation among the districts, the Director of Public Libraries is requested to take necessary steps to maximize the Collection of the Library Cess every year from the Executive Authorities of the Local Bodies in the State.

STATEMENT SHOWING DISTRICT WISE LIBRARY CESS COLLECTED

(Rs. In lakhs)				
Sl. No.	Name of the District	Total income of ZGS	Library Cess	% Library Cess to total income
1	Adilabad	74.09	567.04	13.07
2	Karimnagar	201.89	405.00	49.85
3	Warangal (Urban)	205.35	657.21	31.25
4	Khammam	140.49	388.53	36.16
5	Nalgonda	97.63	758.56	12.87
6	Mahaboobnagar	106.30	495.57	21.45
7	Vikarabad	80.00	160.11	49.97
8	Hyderabad	3.74	3.74	100.00
9	Sangareddy	147.22	476.63	30.89
10	Nizamabad	148.26	471.17	31.47
	Total	1204.97	4383.56	27.49

AUDIT PARAS

Gist of some of the selected audit objections pertaining to the year under report is placed below:

1. EXCESS UTILISATION OF GRANTS (CODE 2)

It was observed that some of the ZGSs have utilized excess grant/funds than the budget provision without sanction of the competent authority. Such expenditure incurred has to be ratified by the authority competent in that regard.

A consolidated **Annexure-III(2)** of Excess Utilization of grants/funds is appended to the Report from which it could be seen that Excess Utilization of grants/funds of **Rs. 39.91 lakhs** was pointed out in **8** number of audit paras.

1.1 ZILLA GRANDHALAYA SAMSTHA – MEDAK – SALARIES AND PENSION GRANT – EXPENDITURE INCURRED EXCESS OVER GRANT RELEASE – NEEDS REIMBURSEMENT - RS. 24,21,242/-

During the year under report, the expenditure incurred on salaries and pension payments were found in excess over the grant released by the Government / Director of Public Libraries, which implies the diversion of the ZGS funds which is irregular. Hence the excess expenditure as shown below would need to be reimbursed to the library fund by way of grants under intimation to the Audit.

(Amount in Rs.)

Sl. No	Name of the Grant	Proceedings No: & Date	Grant Released	Expenditure Incurred	Excess Expenditure Needs Reimbursement
1	Salary & Pension Grant	Rc.No:15/C2/2016 Dt.30.04.2016 of DPL Hyd.2016-17 1 st Quarter	80,00,000		
2	-DO-	Rc.No:15/C2/2016 Dt.02.08.2016 of DPL Hyd.2016-17 2 nd Quarter	70,00,000	2,12,10,857/ - (Salaries)	
3	-DO-	Rc.No:15/C2/2016 Dt.03.09.2016 of DPL Hyd.2016-17 3 rd Quarter	70,00,000	92,10,385/- (pensions)	
4	-DO-	Rc.No:15/C2/2016 Dt.23.01.2017 of DPL Hyd. 2016-17 4 th Quarter	60,00,000		
Total			2,80,00,000	3,04,21,242	24,21,242

(Para No.03 AR of ZGS Medak at Sangareddy, Sangareddy District 2016-17)

2. VIOLATION OF RULES (CODE NO. 9)

It was noticed in audit of the ZGSs that in some cases the Rules and Government instructions for incurring the expenditure from the funds of the ZGSs were violated either due to negligence or ignorance. Certain times, the funds of the ZGSs were utilised for purposes other than the permitted ones under the Act / Rules. It was also noticed that in a few cases Government instructions were misunderstood or misinterpreted. Such irregular expenditure incurred was objected to in the relevant audit reports.

A consolidated **Annexure-III(2)** of Violation of Rules is appended to the report. It could be seen that an amount of **Rs.532.30 Lakhs** was pointed out in **51** paras.

2.1 ZILLA GRANDHALAYA SAMSTHA – KARIMNAGAR - SANCTION OF FAMILY PLANNING INCREMENT – IRREGULAR NEEDS TO BE RECOVERED Rs. 2720/-

Government vide its Memo.No. 1943/32/A1/P.C.I/2006 Finance (P.C.-I) Dept, Dt: 3.3.2006, have stated that the P.R.C. 1999 recommended for prospective discontinuance of sanction of Advance Increments w.e.f. 1.7.1998. Therefore incentive Increments sanctioned Prior to 1.7.1998 will not be, effected but those sanctioned after 1.7.1998 will be effected. In view of the above Orders, sanction of Advance Increments/Family Planning Incentive Increments in the R.P.S. 1999, w.e.f. 1.7.1998 does not Arise, & further Recovery should be effected from those who were sanctioned Family Planning Increment.

And whereas, during the course of verification of S.R. of Sri. K.Mallaiah, Grade – III Librarian, he was sanctioned Family planning Incentive Increment @ Rs. 80/- w.e.f. 19.1.2001, vide procs.No. 28-A1/2001, Dt: 20.12.2001, of the Secretary ZGS Karimnagar. The Individual was paid the F.P. @ 80/- w.e.f. 19.1.2001 to 10/2003, and from October' 2003 the same has been stopped.

But at the same time the amount of Rs. 2720/- which has been claimed from 19.1.2001 to 31.10.2003 has not been recovered from the Individual (total 34 Months 34x80=2720/-) which is Irregular and against to the Government Orders.

Therefore, immediate action should be taken by the Executive Authorities, to Recover the F.P. amount Rs. 2720/- from the Individual, besides making an entry of Recovery in the S.R. and made good to the ZGS Funds, under intimation to Audit.

(Para.No. 1(iv) of AR of ZGS, Karimnagar for the year 2016-17)

2.2 ZILLA GRANDHALAYA SAMSTHA – MEDAK – NON IMPLEMENTATION OF CONTRIBUTORY PENSION SCHEME – NEEDS ACTION

The Govt have decided to adopt the Govt of India's new pension scheme based on defined contribution for the employees of the state including all the new recruits of all the rural and urban local bodies, who are recruited on or after 01-09-2004 as introduced vide G.O.Ms.No.653 Fin (Pension-1) Dept.dt.22-9-04..

The following ZGS staff were appointed after 1-9-2004 as shown in the Annexure enclosed. The head of the office should get the index numbers from the Accountant General for all the new employees who have joined in service on or after 1-9-2004, within a month from the date of the order, for allotment of the Index Number. But no such action was taken by the Secretary ZGS till to close of audit which causes consequential loss to ZGS newly recruited employees. Therefore, the noncompliance of new pension scheme guidelines is hereby brought to the notice of the executive authority for necessary action.

It is mandatory for all the new employees, that each employee will pay a monthly contributors of 10% of the Basic Pay and D.A from his salary to the contribution pension scheme. The new employees already joined after 1-9-2004 shall remit the amounts along with current month subscription i.e. one-month subscription for current month and one additional for subscription arrears.

Soon after implementation of the Audit directions the facts shall be reported to audit.

Sl. No	Name of the employees & Place of working	Designation	Present Scale	Basic	Date of Joining
1	Y.Madhusudhan Reddy BL Narsapur	Record Assistant	15460-47330	23100=00	03-07-2005
2	A.Bharathi, BL Dubbak	Sweeper	13390-41380	18400=00	17-01-2009
3	D.Lalitha Bai, BL Shankarampet(A)	Librarian Gr III	19500-58330	23100=00	28-02-2009
4	R.Venkaiah, BL Jagadevpur	Attender	13390-41380	17380=00	10-06-2009
5	B.Prashanth Kumar, DCL Sangareddy	Gardener	6700-20110	6900=00	20-05-2010
6	Smt.K.Buchamma, BL Zaheerabad	Attender	13390-41380	16870=00	15-11-2010
7	L.Prashanth Kumar O/o ZGS Sangareddy	Librarian Gr III	18400-55410	20640=00	14-08-2012
8	Ch. Kanaka Laxmi DCL Siddipet	Record Assistant	15030-46060	15460=00	22-07-2013
9	R.Shoba Rani O/o ZGS Sangareddy	Typist	16400-49870	16870=00	25-07-2013
10	R.Srinivas, BL Jharasangam	Librarian Gr III	18400-55410	20050=00	12-09-2013
11	B.Vara Laxmi BL Sadashivapet	Record Assistant	15030-46060	16400=00	16-09-2013
12	K.Raju, BL Mulugu	Librarian Gr III	18400-55410	18950=00	26-05-2015
13	B.Murali BL Tekmal	Record Assistant	15030-46060	15030=00	23-01-2016

(Para No. 10 of AR of ZGS Medak for the year 2016-17)

3. NON PRODUCTION OF RECORDS (CODE 11)

The ZGSs have to maintain effective financial management skills and accountability practices. All these functions would be reflected on the record when they are accounted for as per the provisions contained in T.S. Account code. 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 reasonably be judged. Such an important function on the part of the Drawing and disbursing officers of all the ZGSs 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 guidelines and instructions, the DDOs of ZGSs have failed to maintain the records and to produce the same to Audit whenever the local teams visited their institutions. Under the category of non – production of records to Audit, the major part is in works and the related records such as M Book, estimate file, tenders etc. The others are non-production of vouchers along with the related files and registers. The paras on non-production of records have been drawn from the individual ARs of the institution concerned. 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.

A consolidated **Annexure-III(2)** of Non production of records is appended to the report. It was objected **24** paras amount involved **Rs.1.38**.

3.1 ZILLA GRANDHALAYA SAMSTHA – MEDAK – NON-PRODUCTION OF ‘D.C.B’ STATEMENT:

On verification of the annual accounts, the receivable Library Cess demand has not been arrived from ULBs and Grama Panchayats. Demand collection and balance (DCB) of Library Cess was not prepared by the Secretary ZGS Medak. Due to which the quantum of statutory revenue for the ZGS could not be arrived. Hence Immediate action would need to be taken for preparation of the DCB statement with the consultation of DPO Sangareddy, Municipal Commissioners of Zaheerabad Sangreddy, Sadashivapet, Medak, Siddipet and Nagar Panchayats Andole Jogipet, Dubbak, Gajwel. Hence suitable action shall be taken for realization of current year Library cess together with arrears under intimation to audit.

(Para No. 14 of AR of ZGS Medak District for the year 2016-17)

4. EXCESS PAYMENTS (Code-13)

It was observed in audit that in several cases excess payments were made due to either.

- (a) Incorrect calculations or
- (b) Excess totaling in Bills or
- (c) Admission of inadmissible claims or
- (d) Lack of knowledge of Government instructions.

A Consolidated **Annexure-III(2)** showing audit objections on Excess payments is appended to the Report from which it could be seen that an amount of **Rs.0.48 lakhs** was pointed out in **4** audit paras

A few such instances are given below for example.

4.1 ZILLA GRANDHALAYA SAMSTHA – INCREMENT ARREARS – EXCESS PAYMENTS –NEEDS RECOVERY

A) On observation in audit as per Vr.No. 355 dt: 23.4.2016, Sri. J.Ramchander Rao, Grade – III Librarian, Dist central library, Karimnagar increment arrear bill, he was on leave (Earned Leave) from 1.1.2016 to 27.2.2016 his increment due on 1.1.2016, he has joined the duties on 28.2.2016.

As per Govt. Memo. No. 49463-A/2/11/F.R.11 Dt: 6.10.1974, during the leave period increment will not be sanctioned, and after return from leave, the increment will be sanctioned but monetary benefits should be given from the date of joining the duties.

So his benefits from 1.1.2016 to 27.2.2016 should be recovered from him and made good to funds of ZGS.

B) INCREMENT ARREARS DOUBLE CLAIMED Rs. 1839/-

On observation in audit, as per Vr.No. 357, Dt: 23.4.2016 Sri. J.Ramchander Rao, Grade – III Librarian, Dist. Central Library, Karimnagar has drawn increment arrears double claimed. He has already drawn vide Vr.No. 355 Dt: 23.4.2016.

So, Rs.1839/- to be recovered from him and return to ZGS funds under intimation to audit.

(Para.No. 2 of AR of ZGS, Karimnagar for the year 2016-17)

4.2 ZILLA GRANDHALAYA SAMSTHA - FAMILY PENSION - EXCESS DRAWN PENSION FOR THE PERIOD FROM 03/2015 TO 09/2017 - NEEDS RECOVERY – RS.37,059/-

During the year of audit, the family pensioner of Smt.Jaheera Bee W/o Late Sri.Md.Yaseen, Ex-Attender O/o the ZGS Mahabubnagar, paid family pension for the period from 03/2015 to 09/2017.

It was noticed in audit as per family pension register that, the family pensioner Basic Pay was fixed in RPS-2015 as on 01-07-2013 @ 7208.00 i.e., 01-07-2013 to 01-06-2014 is notionally and 02-06-2014 to 28-02-2015 is kept in abeyance and Monetary Benefit will be allowed for the month March, 2015 and also usual allowances paid to her. But the Basic Pay paid to family pensioner as on 01-07-2013 was @ 8215.00. Hence, immediate action would need to be taken to recover the excess paid amount, which is worked out to be Rs. 37,059/-, under intimation to audit.

(Para. No. 8 of AR of ZGS, Mahabubnagar for the year 2016-17)

5. OTHERS (CODE 18)

Other objections which were not fallen in the above categories are incorporated under this category. Such objections numbering **38** were raised for an amount of **Rs.62.59 lakhs** as detailed in **Annexure-III(2)**.


5.1 ZILLA GRANDHALAYA SAMSTHA – MEDAK – OLD NEWS PAPAERS – NOT SOLD OUT AND NOT REALIZED ANY AMOUNT:

On verification of the records of the Branch Libraries, it was noticed that the Branch Libraries have not sold out the old news papers, magazines etc, from 01.04.2016 to till date.

As per the Govt.Memo.No.356/LIB-1/96Edn.dated:13.04.1998 and Proc.No.20-F2/95 Dt.30.08.1999 of DPL Hyderabad, Old news papers, magazines etc., are to be regularly disposed and the amounts realized thus shall be credited into ZGS Funds. Immediate steps would need to be taken to see that the old news papers, magazines etc. are to be disposed, and sale proceeds credited to the ZGS funds.

(Para No. 15 of AR of ZGS Medak District for the year 2016-17)

PLACE: HYDERABAD
DATE: 20-2-2021


DIRECTOR
STATE AUDIT
T.S. HYDERABAD



ANNEXURES

Annexure-I

INSTITUTION WISE AUDIT DEMAND, COMPLETION AND BALANCE FOR THE YEAR 2016-17				
Sl. No.	Institution Type	Total Demand in Number	Audits Completed	Balance
1	Zilla Parishad	9	9	0
2	Mandal Parishad	443	433	10
3	Gram Panchayats	8673	8614	59
4	Municipal Corporations	6	6	0
5	Municipal Councils / Nagara Panchayaths	62	62	0
6	AMC's	173	173	0
7	ZGS / CGS	10	10	0
	Total	9376	9307	69

Annexure-II

INSTITUTION WISE AUDIT OBJECTIONS RAISED FOR THE YEAR 2016-17				
Sl. No.	Institution Type	Total No. of Audits Conducted	No. of Audit Objections Raised for the year 2016-17	
			No. of Paras	Amount Involved (Rs. in Lakhs)
1	Zilla Parishad	9	362	22484.38
2	Mandal Parishad	433	5785	1983.68
3	Gram Panchayats	8614	170040	15517.81
4	Municipal Corporation	6	1398	131522.22
5	Municipal Councils / NPs	62	3523	14165.57
6	AMC's	173	3173	9812.61
7	ZGS / CGS	10	162	938.88
	Total	9307	184443	196425.15

Annexure-III (1)

CATEGORY WISE AUDIT OBJECTIONS RAISED FOR THE YEAR 2016-17									
(Rs. in Lakhs)									
Code No.	Objection Category	Zilla Parishad		Mandal Parishad		Gram Panchayats		Total	
		No. of Paras	Amount	No. of Paras	Amount	No. of Paras	Amount	No. of Paras	Amount
1	Variation in Account figures	7	35.50	74	41.78	1084	158.31	1165	235.59
2	Excess utilisation of grants/Funds	5	118.57	258	283.66	667	353.17	930	755.40
3	Diversion of grants/Funds	6	79.57	122	30.39	220	32.18	348	142.15
4	Non-Utilisation of Grants before lapsable date	5	0.00	106	54.76	4240	48.84	4351	103.60
5	Mis-utilisation of Grants/Funds	1	0.00	54	7.94	85	37.88	140	45.82
6	Non-Utilisation of earmarked Funds	12	509.81	579	443.40	174	1.19	765	954.40
7	Non-Collection of Dues	18	2637.53	127	171.08	9555	315.93	9700	3124.54
8	Advances Pending adjustment	13	206.63	14	6.42	237	158.00	264	371.05
9	Violation of Rules	76	502.47	1140	240.42	55628	5679.75	56844	6422.63
10	Non-remittance of deductions	18	48.92	705	298.84	16023	3295.61	16746	3643.36
11	Non-Production of Records	56	940.21	579	298.05	33238	4305.27	33873	5543.53
12	Misappropriations	0	0.00	30	35.10	558	450.56	588	485.66
13	Excess payments	7	4.08	53	8.45	673	94.28	733	106.81
14	Wasteful expenditure	3	25.09	11	3.00	30	17.25	44	45.34
15	Instances of cases unaccounted for cash/stores	0	0.00	0	0.00	194	2.74	194	2.74
16	Pendency of utilisation certificates	42	1439.23	263	16.20	2009	26.33	2314	1481.76
17	Surcharge certificates recovery pending	0	0.00	0	0.00	163	0.00	163	0.00
18	Others	85	0.00	1669	43.92	45261	540.52	47015	584.45
19	D.D's/cheques received but not realised in time.	8	15936.77	1	0.26	1	0.00	10	15937.03
Total		362	22484.38	5785	1983.68	170040	15517.79	176187	39985.85

Annexure-III (2)

CATEGORY WISE AUDIT OBJECTIONS RAISED FOR THE YEAR 2016-17

(Rs. in Lakhs)

Code No.	Objection Category	Municipal corporation		Municipal Councils / Nagarapanchayats		AMC's		ZGS / CGS		Total	
		No. of Paras	Amount	No. of Paras	Amount	No. of Paras	Amount	No. of Paras	Amount	No. of Paras	Amount
1	Variation in Account figures	26	1128.53	115	246.30	103	549.29	8	36.25	252	1960.38
2	Excess utilisation of grants/Funds	2	0.45	16	83.12	48	436.93	8	39.91	74	560.41
3	Diversion of grants/Funds	5	129.85	37	708.95	17	581.54	1	0.00	60	1420.34
4	Non-Utilisation of Grants before lapsable date	3	0.00	23	15.00	0	0.00	1	0.00	27	15.00
5	Mis-utilisation of Grants/Funds	0	0.00	8	0.00	3	49.26	0	0.00	11	49.26
6	Non-Utilisation of earmarked Funds	13	327.21	30	0.00	20	8.09	0	0.00	63	335.30
7	Non-Collection of Dues	174	78728.18	278	2164.58	242	2446.97	11	240.39	705	83580.12
8	Advances Pending adjustment	13	718.25	43	83.60	38	235.50	1	0.00	95	1037.35
9	Violation of Rules	448	16687.97	1110	3641.80	1124	1366.57	51	532.30	2733	22228.65
10	Non-remittance of deductions	71	2460.17	164	972.47	193	296.96	9	12.70	437	3742.31
11	Non-Production of Records	321	24848.09	780	4970.92	513	2514.17	24	1.38	1638	32334.56
12	Misappropriations	13	24.59	89	624.72	26	28.58	2	2.28	130	680.16
13	Excess payments	36	207.65	112	76.07	62	102.13	4	0.48	214	386.33
14	Wasteful expenditure	4	29.41	16	26.90	7	3.58	0	0.00	27	59.90
15	Instances of cases unaccounted for cash / stores	8	46.80	2	3.62	0	0.00	0	0.00	10	50.42
16	Pendency of utilisation certificates	4	0.00	44	4.34	6	0.00	4	10.59	58	14.93
17	Surcharge certificates recovery pending	0	0.00	2	0.00	0	0.00	0	0.00	2	0.00
18	Others	254	6185.06	654	543.18	770	1193.04	38	62.59	1716	7983.88
19	D.D's/cheques received but not realised in time.	3	0.00	0	0.00	1	0.00	0	0.00	4	0.00
Total		1398	131522.22	3523	14165.57	3173	9812.61	162	938.88	8256	156439.27

Annexure-IV (A)

CONSOLIDATED STATEMENT SHOWING FUND WISE DETAILS FOR THE YEAR 2016-17									
(Rs. In Lakhs)									
Sl. No.	Institution Type	General Fund / Municipal General Fund (ULBs)		14 Finance Commission Fund		SFC Fund / Capital Project Fund (ULBs)		Total	
		Receipt	Payment	Receipt	Payment	Receipt	Payment	Receipt	Payment
1	Zilla Parishad	8955.07	11930.41	865.02	858.64	24.17	54.51	9844.26	12843.56
2	Mandal Parishad	14696.77	12157.42	250.64	1109.99	177.58	86.89	15124.99	13354.29
3	Gram Panchayats	51174.63	46382.61	77450.78	52540.16	3780.75	2673.07	132406.16	101595.83
4	Municipal Corporations	265703.48	260337.42	6262.94	1007.30	9225.19	4368.73	281191.60	265713.44
5	Municipal Councils / Nagara Panchayats	46600.81	49235.16	6562.35	3436.56	13352.86	9548.13	66516.02	62219.85
	Total	387130.76	380043.01	91391.73	58952.64	26560.55	16731.33	505083.04	455726.97

Annexure-IV (B)

CONSOLIDATED STATEMENT SHOWING RECEIPTS & PAYMENTS OF AMCS & ZGS FOR THE YEAR 2016-17			
(Rs. In Lakhs)			
Sl. No.	Institution Type	Receipt	Payment
1	AMC's	34775.38	34705.43
2	ZGS / CGS	4491.39	4754.05
	Total	39266.77	39459.48

Annexure-V (A)

DISTRICT WISE INCOME DETAILS OF ZILLA PARISHAD FOR THE YEAR 2016-17													
Sl No.	District	Income (Rs.in Lakhs)										Others	Total
		Surcharge on Stamp Duty	Percapita Grant (Rs.4)	Seigniora ge Fee	Sand Auction Charges	Meeting Hall + Quarter Rent + Sale Proceeds	Advances	Deposits	EMF allotment				
									SCs (15%)	STs (6%)	W&CW (15%)		
1	Adilabad	113.83	19.21	0.00	228.96	4.62	0.00	0.00	0.00	0.00	0.00	858.47	1225.09
2	Manchiryal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Nirmal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Asifabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Karimnagar	102.07	24.49	477.02	0.00	17.96	0.00	9.66	0.00	0.00	0.00	1649.95	2281.15
6	Jagitial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Peddapalli	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Rajanna Sirisilla	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Warangal (Urban)	0.00	21.22	5.46	0.98	14.42	0.00	0.00	13.80	5.52	13.80	191.37	266.57
10	Warangal (Rural)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Jayashankar Bhoopalapally	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Mahabubabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Janagam	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Khammam	32.01	17.52	0.00	789.78	11.54	0.00	0.00	0.00	0.00	0.00	902.40	1753.26
15	Bhadradri Kothagudem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Nalgonda	404.06	24.99	0.00	189.68	0.00	0.00	0.00	92.81	37.12	92.81	7885.11	8726.58
17	Suryapet	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Yadadri	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19	Mahaboobnagar	107.46	29.93	0.00	374.99	1.85	0.00	0.00	77.15	30.86	77.15	0.13	699.52
20	Nagarkurnool	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21	Wanaparthy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22	Jogulamba Gadwal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	Rangareddy	593.55	18.89	0.00	0.00	0.27	0.13	4.24	0.00	0.00	0.00	462.04	1079.11
24	Malkajgiri (Medchal)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
25	Vikarabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Hyderabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Medak	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Sangareddy	0.00	21.24	0.94	0.00	32.26	0.86	0.00	0.00	0.00	0.00	8233.82	8289.12
29	Siddipet	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
30	Nizamabad	77.35	17.52	0.12	158.49	2.54	0.00	7525.81	0.00	0.00	0.00	0.00	7781.82
31	Kamareddy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	1430.32	195.00	483.54	1742.88	85.46	0.99	7539.71	183.76	73.50	183.76	20183.30	32102.23

Annexure-V (B)

DISTRICT WISE EXPENDITURE DETAILS OF ZILLA PARISHAD FOR THE YEAR 2016-17										
Sl No	District	Expenditure (Rs. in Lakhs)								
		Establishment Charges (16%)	Maintenance of Assets (35%)	EMF Utilised			Drinking Water (9%)	Unforeseen Charges (4%)	Others	Total
				SCs (15%)	STs (6%)	W&CW (15%)				
1	Adilabad	0.00	73.11	0.00	0.00	25.96	36.68	0.00	882.64	1018.38
2	Manchiryal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Nirmal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Asifabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Karimnagar	141.43	189.03	11.96	4.79	0.00	2.89	9.02	1596.60	1955.70
6	Jagitial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Peddapalli	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Rajanna Sirisilla	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Warangal (Urban)	112.59	127.57	59.93	10.55	29.15	39.38	6.50	24.26	409.94
10	Warangal (Rural)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Jayashankar Bhoopalapally	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Mahabubabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Janagam	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Khammam	77.19	78.32	45.73	15.01	76.63	26.68	0.00	803.66	1123.24
15	Bhadradi Kothagudem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Nalgonda	99.00	42.44	90.28	6.12	135.46	173.12	6.00	5315.32	5867.74
17	Suryapet	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Yadadri	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19	Mahaboobnagar	78.41	143.05	258.73	5.27	479.85	72.00	13.70	0.04	1051.05
20	Nagarkurnool	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21	Wanaparthy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22	Jogulamba Gadwal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	Rangareddy	125.39	404.58	199.92	65.27	218.33	58.50	0.00	544.48	1616.47
24	Malkajgiri (Medchal)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
25	Vikarabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Hyderabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Medak	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Sangareddy	13.34	103.86	18.89	0.00	90.86	243.64	3.04	4421.48	4895.12
29	Siddipet	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
30	Nizamabad	32.81	69.00	27.25	13.50	23.51	3.53	0.00	0.00	169.60
31	Kamareddy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	680.16	1230.98	712.68	120.51	1079.75	656.42	38.26	13588.47	18107.24

Annexure-VI (A)

DISTRICT WISE INCOME DETAILS OF MANDAL PARISHADS FOR THE YEAR 2016-17																
Sl No	District	Income (Rs. in Lakhs)														
		Surcharge on Stamp Duty	Percapita Grant (Rs.8)	MPP / MPTC Honorarium	Seigniorage Fee	Sand Auction Charges	Meeting Hall + Quarter Rent + Sale Proceeds	Advances	Deposits	EMF allotment			14th FC	State Finance Commission	Others	Total
										SCs (15%)	STs (6%)	W&CW (15%)				
1	Adilabad	19.02	21.23	117.00	0.14	0.00	0.12	12.50	12.60	5.99	2.40	5.99	92.17	5.34	908.87	1203.37
2	Manchiryal	79.12	13.15	112.67	5.78	7.16	0.00	0.00	0.43	11.29	4.97	12.42	0.00	2.94	635.38	885.31
3	Nirmal	30.40	17.65	113.40	24.55	0.00	0.12	1.00	1.51	0.00	0.00	0.00	6.59	2.71	681.56	879.49
4	Asifabad	0.00	13.09	92.40	0.13	0.00	0.00	0.00	0.24	0.00	0.00	0.00	1.33	0.38	439.75	547.32
5	Karimnagar	33.81	41.55	69.60	103.57	22.63	0.02	2.75	11.41	5.10	1.96	4.33	6.55	107.80	3106.18	3517.26
6	Jagitial	98.95	16.11	103.20	4.52	1.28	2.57	0.00	0.29	0.00	0.00	0.00	57.38	0.22	10.61	295.14
7	Peddapalli	121.97	18.57	9.12	106.20	22.29	0.00	1.03	0.00	0.00	0.00	0.00	0.75	7.42	7.74	295.08
8	Rajanna Sirisilla	0.41	5.18	86.40	175.87	0.00	1.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	73.11	342.03
9	Warangal (Urban)	3.43	4.58	20.12	15.10	0.00	0.01	0.00	0.00	3.47	1.38	3.47	0.00	0.00	0.15	51.71
10	Warangal (Rural)	8.07	13.18	60.40	20.37	0.00	0.00	0.62	7.17	4.75	2.12	5.41	0.00	1.64	0.62	124.36
11	Jayashankar Bhaskarrao	1.77	11.30	71.10	248.25	0.00	0.00	0.00	4.25	0.00	0.00	0.00	5.30	0.00	66.92	408.88
12	Mahabubabad	6.98	12.07	85.70	9.15	0.00	4.86	1.64	25.00	0.00	0.00	0.00	5.86	24.38	1415.78	1591.41
13	Janagam	38.02	8.49	51.81	5.60	0.00	0.46	0.97	0.00	0.00	0.00	0.00	28.49	0.00	93.47	227.31
14	Khammam	21.85	16.16	103.22	35.04	12.06	7.08	0.00	1.36	0.05	0.04	9.58	8.69	4.51	1286.43	1506.08
15	Bhadradi Kothagudem	1.76	14.27	83.21	68.33	28.68	1.07	0.00	0.00	0.00	0.00	0.00	0.00	6.79	17.65	221.76
16	Nalgonda	78.86	18.98	119.31	8.27	0.00	16.16	16.55	0.15	0.70	20.78	9.34	20.78	0.41	7.56	317.85
17	Suryapet	22.85	9.27	84.30	8.35	0.00	0.00	0.00	0.00	7.41	2.97	7.41	0.00	0.24	0.42	143.22
18	Yadadri	125.39	13.68	80.70	22.94	0.00	0.00	0.00	0.00	22.49	9.45	22.03	0.00	4.77	0.00	301.45
19	Mahaboobnagar	28.19	24.33	106.80	6.59	0.00	0.00	0.03	0.00	4.53	1.81	4.53	0.00	3.19	13.85	193.86
20	Nagarkurnool	15.23	9.72	62.70	12.75	0.00	7.43	0.02	0.00	6.68	2.68	6.65	0.00	1.97	3.76	129.59
21	Wanaparthy	7.44	7.75	50.40	1.84	0.00	0.00	0.00	2.56	0.19	0.07	0.19	0.00	5.19	3.99	79.62
22	Jogulamba Gadwal	20.10	9.09	38.40	0.00	0.00	0.00	0.00	0.39	0.00	0.00	0.00	1.05	2.61	10.94	82.58
23	Rangareddy	761.45	91.36	46.71	6.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	905.79
24	Malkajgiri (Medchal)	0.00	108.86	0.00	0.00	0.00	0.00	0.00	0.00	20.69	82.77	20.69	1.15	2.07	0.00	236.23
25	Vikarabad	57.70	36.36	7.81	1.22	1.00	0.26	0.00	0.20	0.00	0.00	0.00	0.00	0.68	0.00	105.24
26	Hyderabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Medak	29.67	13.85	77.70	2.76	0.00	7.16	0.00	6.40	0.00	0.00	0.00	2.60	0.01	3.94	144.09
28	Sangareddy	111.95	19.06	144.41	28.11	0.00	18.09	0.30	12.28	1.58	0.63	1.58	4.63	0.48	44.80	387.91
29	Siddipet	37.48	11.98	94.90	56.79	0.00	0.06	0.00	1.50	0.00	0.07	2.38	22.93	0.97	25.81	254.86
30	Nizamabad	42.18	19.65	322.07	56.78	0.00	16.50	0.00	8.95	0.00	0.00	0.00	3.52	0.32	9.30	479.27
31	Kamareddy	36.85	13.89	82.20	15.99	19.98	2.45	0.00	11.12	27.37	10.95	27.37	2.12	0.00	1.00	251.28
	Total	1840.92	634.42	2497.77	1051.26	115.08	85.47	37.40	107.79	122.30	145.03	143.38	271.90	187.04	8869.57	16109.35

Annexure-VI (B)

DISTRICT WISE EXPENDITURE DETAILS OF MANDAL PARISHADS FOR THE YEAR 2016-17												
Sl No.	District	Expenditure (Rs.in Lakhs)										
		Establishment Charges / Honorarium	Maintenance of Assets	EMF Utilised			Drinking Water	Unforeseen Charges	14th FC	State Finance Commission	Others	Total
				SCs (15%)	STs (6%)	W&CW (15%)						
1	Adilabad	116.69	31.82	0.54	0.02	0.00	0.08	0.00	122.28	5.39	1194.36	1471.17
2	Manchiryal	166.67	6.14	2.70	0.85	0.00	6.20	0.05	0.00	1.38	804.23	988.22
3	Nirmal	548.67	177.88	0.71	0.00	0.00	0.00	0.00	26.47	3.90	165.63	923.26
4	Asifabad	87.12	0.00	0.00	0.00	0.00	0.00	0.00	31.09	2.24	551.81	672.26
5	Karimnagar	103.69	249.83	1.69	0.66	2.37	78.76	31.50	16.48	3.27	182.74	671.00
6	Jagitial	182.68	0.00	0.75	0.30	0.00	0.04	1.34	167.75	2.07	85.31	440.23
7	Peddapalli	119.37	18.11	2.65	2.43	0.75	8.37	11.23	5.38	4.05	46.82	219.17
8	Rajanna Sirisilla	86.10	101.57	1.52	0.61	0.00	31.36	0.00	0.00	0.00	137.87	359.02
9	Warangal (Urban)	43.44	31.70	3.32	0.66	6.12	30.95	0.00	8.06	1.68	1.38	127.32
10	Warangal (Rural)	68.27	20.31	0.10	0.04	0.00	5.00	0.00	0.00	0.19	0.00	93.92
11	Jayashankar Bhaskar Reddy	166.11	11.96	0.70	0.15	0.24	47.94	1.14	4.15	0.01	103.98	336.38
12	Mahabubabad	79.77	12.31	0.51	0.20	0.00	47.62	0.00	71.10	0.00	2177.56	2389.08
13	Janagam	140.26	28.88	2.96	0.78	0.00	19.45	16.13	111.24	1.32	59.01	380.03
14	Khammam	99.40	42.81	10.61	4.27	23.04	2.49	0.00	57.39	6.93	1232.06	1478.99
15	Dhadrachri	116.60	253.07	4.59	1.72	12.54	2.39	6.66	0.00	1.23	7.42	406.24
16	Nalgonda	194.67	43.39	4.14	0.74	2.10	8.76	0.19	91.74	10.51	0.00	356.24
17	Suryapet	89.55	77.17	3.42	3.78	5.46	24.92	0.49	0.00	7.93	3.84	216.55
18	Yadadri	211.91	62.70	24.50	9.34	0.00	0.00	308.46	44.13	13.01	0.00	674.05
19	Mahaboobnagar	228.02	0.00	3.76	1.13	2.96	4.68	0.00	0.00	4.70	0.00	245.25
20	Nagarkurnool	62.70	21.75	2.01	0.67	0.00	6.44	0.00	3.83	2.74	26.28	126.42
21	Wanaparthy	19.88	9.42	4.77	2.20	2.25	3.66	1.58	42.84	1.98	54.74	143.32
22	Joguramba	37.86	6.45	1.27	0.93	3.46	1.80	0.00	34.65	8.81	51.50	146.73
23	Rangareddy	86.44	596.47	106.54	38.47	79.51	0.00	0.00	0.00	0.00	57.51	964.94
24	Wanikajuri (Medak)	108.56	0.00	6.90	2.75	6.89	0.00	0.00	59.93	1.99	0.00	187.02
25	Vikarabad	10.03	16.97	3.85	15.49	4.50	12.01	27.85	26.96	3.10	27.82	148.57
26	Hyderabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Medak	83.68	22.08	4.58	2.20	7.62	12.70	0.00	71.89	3.49	41.41	249.65
28	Sangareddy	237.23	28.63	10.78	4.27	10.86	44.37	6.61	92.10	0.48	32.09	467.44
29	Siddipet	203.61	50.08	3.85	0.77	6.34	15.81	2.08	65.78	4.36	52.78	405.46
30	Nizamabad	220.27	119.13	13.00	6.25	2.71	4.99	0.96	44.78	2.33	31.43	445.85
31	Kamareddy	82.67	44.60	4.40	3.03	10.08	3.99	0.56	36.34	2.82	63.61	252.11
	Total	4001.91	2085.23	231.14	104.71	189.81	424.79	416.83	1236.37	101.91	7193.18	15985.88

Annexure-VII (A)

DISTRICT WISE INCOME OF GRAMAPANCHAYATS FOR THE YEAR 2016-17											
(Rs. in Lakhs)											
Sl. No.	District	Taxes	Non-Taxes	Honorarium Grant	Other Receipts	Total (1+2+3+4)	XIII FC Grant	XIV FC Grant	S.F.C Grant	Total Grants (6 + 7 + 8)	Total Receipts (5 + 9)
		1	2	3	4	5	6	7	8	9	10
1	Adilabad	328.15	39.71	205.35	472.60	1045.81	0.00	2457.15	5.55	2462.70	3508.50
2	Manchiryal	415.29	343.30	106.44	376.73	1241.76	0.00	2456.21	11.72	2467.93	3709.69
3	Nirmal	254.48	59.82	168.15	436.67	919.12	0.00	2410.19	0.05	2410.24	3329.36
4	Asifabad	242.04	114.59	1.50	244.85	602.98	0.00	1922.61	0.42	1923.03	2526.01
5	Karimnagar	553.16	775.96	232.06	873.69	2434.88	10.76	2589.07	4.58	2604.41	5039.29
6	Jagitial	475.30	363.54	239.10	299.61	1377.55	1.65	3020.66	0.37	3022.68	4400.23
7	Peddapalli	378.22	223.56	153.90	134.10	889.78	2.29	2035.02	2.42	2039.73	2929.52
8	Rajanna Sirisilla	232.67	374.16	155.63	253.27	1015.72	0.79	2033.13	4.25	2038.17	3053.89
9	Warangal (Urban)	229.17	257.76	112.40	89.16	688.49	0.00	1090.47	0.00	1090.47	1778.97
10	Warangal (Rural)	412.91	383.70	228.11	301.85	1326.56	0.00	2460.79	0.00	2460.79	3787.35
11	Jayashankar Bhoopalapally	326.07	258.28	213.33	355.58	1153.25	2.61	2611.74	0.00	2614.34	3767.59
12	Mahabubabad	412.03	411.13	206.05	223.20	1252.41	0.00	2731.59	24.66	2756.25	4008.66
13	Janagam	263.31	383.95	188.70	320.61	1156.57	0.00	1934.75	1.40	1936.15	3092.72
14	Khammam	838.69	758.44	386.10	272.82	2256.05	0.00	4064.40	27.62	4092.01	6348.06
15	Bhadradi Kothagudem	1197.05	349.73	121.66	750.71	2419.15	0.00	3267.63	71.64	3339.28	5758.42
16	Nalgonda	973.04	352.03	440.63	294.30	2060.00	4.08	4970.05	7.47	4981.60	7041.60
17	Suryapet	570.64	184.85	292.44	291.62	1339.54	0.00	3440.67	4.73	3445.40	4784.94
18	Yadadri	1069.18	375.37	256.09	833.68	2534.33	1.77	2503.72	0.00	2505.49	5039.82
19	Mahaboobnagar	298.31	57.08	286.80	334.11	976.30	0.00	2923.26	0.61	2923.87	3900.17
20	Nagarkurnool	323.17	361.07	266.60	215.77	1166.61	0.32	2959.98	30.85	2991.16	4157.77
21	Wanaparthy	183.33	313.60	161.00	355.55	1013.48	0.06	2550.50	0.28	2550.85	3564.33
22	Jogulamba Gadwal	191.52	48.38	170.10	271.92	681.91	0.00	2109.40	0.50	2109.90	2791.81
23	Rangareddy	859.15	131.66	102.66	301.50	1394.97	0.00	1193.31	0.26	1193.58	2588.54
24	Malkajgiri (Medchal)	7048.23	769.67	—	367.79	8185.69	0.00	1317.52	579.09	1896.61	10082.30
25	Vikarabad	477.95	22.00	174.03	421.83	1095.81	8.07	2782.91	2.02	2793.01	3888.81
26	Hyderabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Medak	577.12	207.60	231.80	435.87	1452.39	0.00	3285.02	0.95	3285.97	4738.36
28	Sangareddy	2026.11	792.05	359.54	974.96	4152.66	0.00	5352.40	4.04	5356.44	9509.10
29	Siddipet	793.88	303.77	326.19	415.31	1839.15	5.51	3692.34	0.31	3698.17	5537.31
30	Nizamabad	1318.22	931.78	296.42	587.53	3133.95	0.00	4427.86	2.19	4430.05	7564.00
31	Kamareddy	599.33	433.02	284.81	396.88	1714.04	0.00	3401.06	0.14	3401.20	5115.24
	Total	23867.70	10381.56	6367.57	11904.08	52520.91	37.91	83995.42	788.14	84821.47	137342.38

Annexure-VII(B)-1

DISTRICT WISE EXPENDITURE OF GRAMAPANCHAYATS FOR THE YEAR 2016-17									
(Rs. in Lakhs)									
Sl. No.	District	General Fund					XIII FC		
		Staff Salaries	Honorarium	Other Administrative Expenditure	Maintenance Expenditure	Total	XIII FC Total	Development Works	Maintenance Expenditure
1	Adilabad	109.31	152.74	150.07	294.94	707.05	0.00	0.00	0.00
2	Manchiryal	239.22	65.91	332.78	345.33	983.24	0.00	0.00	0.00
3	Nirmal	156.77	122.60	19.51	253.78	552.66	0.00	0.00	0.00
4	Asifabad	80.66	98.13	4.81	306.62	490.22	0.00	0.00	0.00
5	Karimnagar	583.34	157.56	240.08	1112.70	2093.68	121.76	79.12	42.64
6	Jagitial	491.16	89.05	133.03	512.61	1225.86	26.33	20.73	5.60
7	Peddapalli	280.56	106.95	64.30	404.98	856.79	114.09	27.98	86.11
8	Rajanna Sirisilla	347.66	102.52	51.36	337.26	838.80	145.37	65.81	79.56
9	Warangal (Urban)	213.75	35.17	72.91	175.19	497.01	53.95	24.03	29.91
10	Warangal (Rural)	297.20	163.60	123.27	394.01	978.09	307.13	118.96	188.17
11	Jayashankar Bhoopalapally	264.61	163.87	124.21	337.81	890.50	84.93	25.70	59.23
12	Mahabubabad	411.65	154.51	53.06	467.10	1086.31	67.34	21.61	45.73
13	Janagam	277.95	143.50	69.89	486.68	978.03	79.79	78.40	1.39
14	Khammam	334.65	321.52	584.59	673.10	1913.85	0.00	0.00	0.00
15	Bhadradi Kothagudem	240.56	97.76	467.16	392.05	1197.52	4.34	2.97	1.38
16	Nalgonda	557.92	338.11	478.85	595.07	1969.95	97.38	75.69	21.69
17	Suryapet	17.46	246.23	214.10	693.88	1171.67	0.00	0.00	0.00
18	Yadadri	500.95	196.64	431.08	1094.56	2223.24	61.54	44.69	16.85
19	Mahaboobnagar	82.37	215.68	131.02	268.64	697.72	112.16	27.56	84.60
20	Nagarkurnool	203.17	211.18	416.19	63.90	894.43	196.36	179.41	16.95
21	Wanaparthy	179.37	123.70	26.24	275.99	605.30	45.66	18.58	27.08
22	Jogulamba Gadwal	83.93	115.74	15.07	190.11	404.85	22.70	2.84	19.87
23	Rangareddy	330.25	69.25	315.27	449.60	1164.38	255.87	223.56	32.31
24	Malkajgiri (Medchal)	1339.08	0.00	2514.76	3912.74	7766.58	0.00	0.00	0.00
25	Vikarabad	182.09	168.73	69.13	490.43	910.37	14.23	4.79	9.44
26	Hyderabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Medak	2867.11	1613.89	5167.94	2130.80	11779.74	0.00	0.00	0.00
28	Sangareddy	750.07	286.71	2057.22	1019.41	4113.41	86.79	0.00	86.79
29	Siddipet	429.71	254.18	211.79	374.76	1270.44	328.51	32.76	295.75
30	Nizamabad	1021.37	252.74	261.95	1169.25	2705.32	18.90	10.90	8.00
31	Kamareddy	579.07	0.00	0.00	0.00	579.07	0.05	0.00	0.05
	Total	13452.95	6068.17	14801.64	19223.30	53546.06	2245.18	1086.10	1159.09

Annexure-VII(B)-2

DISTRICT WISE EXPENDITURE OF GRAMAPANCHAYATS FOR THE YEAR 2016-17									
(Rs. in Lakhs)									
Sl. No.	District	XIV FC			S.F.C			Others	Total
		XIV FC Total	Development Works	Maintenance Expenditure	S.F.C Total	Development Works	Maintenance Expenditure		
1	Adilabad	1704.06	692.19	1011.88	1.74	0.88	0.86	16.74	2429.60
2	Manchiryal	1623.30	574.92	1048.38	9.74	6.48	3.26	6.61	2622.89
3	Nirmal	1431.21	365.22	1065.99	0.00	0.00	0.00	3.86	1987.73
4	Asifabad	1340.72	350.69	990.03	1.01	1.01	0.00	15.58	1847.53
5	Karimnagar	1608.84	1054.51	554.33	3.08	0.93	2.16	28.04	3855.40
6	Jagitial	1944.59	1230.97	713.62	10.93	9.81	1.11	2.11	3209.82
7	Peddapalli	1178.33	194.59	983.74	5.13	0.00	5.13	1.24	2155.59
8	Rajanna Sirisilla	1141.63	729.03	412.59	1.50	1.04	0.47	0.30	2127.60
9	Warangal (Urban)	663.76	267.87	395.90	1.00	0.00	1.00	2.87	1218.60
10	Warangal (Rural)	2032.91	678.31	1354.60	0.90	0.00	0.90	0.90	3319.94
11	Jayashankar Bhoopalapally	1517.33	258.33	1259.01	0.00	0.00	0.00	0.00	2492.76
12	Mahabubabad	2159.39	831.29	1328.10	8.22	0.27	7.95	0.75	3322.00
13	Janagam	1416.81	983.49	433.32	3.36	3.36	0.00	46.09	2524.08
14	Khammam	5279.45	2278.70	3000.75	15.77	12.65	3.12	21.44	7230.52
15	Bhadradri Kothagudem	2429.20	1367.77	1061.43	35.91	0.36	35.56	314.67	3981.65
16	Nalgonda	3498.18	10.94	3487.24	5.74	1.92	3.82	0.00	5571.25
17	Suryapet	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1171.67
18	Yadadri	1343.08	949.92	393.16	0.00	0.00	0.00	3.74	3631.60
19	Mahaboobnagar	1925.66	748.67	1176.99	0.08	0.00	0.08	0.00	2735.61
20	Nagarkurnool	1953.39	1768.38	185.01	0.95	0.73	0.22	0.00	3045.13
21	Wanaparthy	1423.79	293.71	1130.08	2.23	0.00	2.23	0.00	2076.97
22	Jogulamba Gadwal	1229.15	193.99	1035.16	2.11	0.00	2.11	1.50	1660.32
23	Rangareddy	612.65	535.83	76.82	0.26	0.00	0.26	0.00	2033.16
24	Malkajgiri (Medchal)	984.66	984.66	0.00	324.34	324.34	0.00	339.68	9415.26
25	Vikarabad	2034.92	478.73	1556.19	0.83	0.44	0.39	0.00	2960.35
26	Hyderabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Medak	18652.43	11615.50	7036.93	0.00	0.00	0.00	0.00	30432.17
28	Sangareddy	3236.13	2240.45	995.68	2.74	1.20	1.54	130.05	7569.12
29	Siddipet	1814.13	279.83	1534.30	8.80	6.94	1.87	1.47	3423.36
30	Nizamabad	3008.18	1065.82	1942.36	1.97	0.00	1.97	0.00	5734.37
31	Kamareddy	2742.40	641.11	2101.29	2.99	0.32	2.67	1.71	3326.21
	Total	71930.30	33665.40	38264.90	451.35	372.68	78.67	939.37	129112.27

Annexure-VIII (A)

CONSOLIDATED INCOME & EXPENDITURE DETAILS OF MUNICIPAL CORPORATIONS FOR THE YEAR 2016-17									
Sl No	Name of the Municipal Corporation	Income (Rs.in Lakhs)							
		Tax Revenue (110)	Assigned Revenues and Compensation (120)	Rental Income from Municipal Properities (130)	Fees and User Charges (140)	Sale and Hire Charges (150)	Revenue Grants and Contribution and Subsidies (Road Maintenance grant/Election grant/Water Supply - Tap Donation (160)	Other Income (Investments/ Bank Interest/Others) (170+171+180)	Total Income
1	GHMC	131106.00	17256.11	847.34	87786.93	92.04	1413.18	5461.77	243963.37
2	GWMC	5701.16	1613.98	79.25	3353.18	10.68	0.00	196.15	10954.40
3	Karimnagar	1508.03	745.29	49.57	2370.83	10.63	0.00	131.55	4815.89
4	Ramagundam	796.04	201.11	40.81	1084.34	17.40	0.40	111.10	2251.20
5	Khammam	1737.17	451.65	112.59	4109.20	1.23	2.78	125.40	6540.02
6	Nizamabad	1093.86	360.81	98.42	983.67	0.00	19.42	24.35	2580.53
Total		141942.26	20628.95	1227.98	99688.15	131.98	1435.78	6050.32	271105.41

Annexure-VIII (B)

CONSOLIDATED INCOME & EXPENDITURE DETAILS OF MUNICIPAL CORPORATIONS FOR THE YEAR 2016-17								
Sl No	Name of the Municipal Corporation	Expenditure (Rs.in Lakhs)						
		Establishment Expenses (210)	Administrative Expenses (220)	Operations and Maintenance (230)	Miscellaneous Expenses (240+250+271)	Developmental Works (410+412) (R&P)	Other Expenditure (Investments/Bank Interest/Others)	Total Expenditure
1	GHMC	109035.09	27582.09	66129.94	1495.44	77556.00	0.00	281798.56
2	GWMC	3608.86	729.32	4207.16	294.54	11797.05	1034.00	21670.93
3	Karimnagar	1430.36	187.49	1092.39	6.69	1346.19	0.00	4063.12
4	Ramagundam	481.15	134.20	717.72	10.85	10963.15	89.84	12396.91
5	Khammam	946.00	839.68	1358.84	93.87	18138.73	15044.67	36421.79
6	Nizamabad	786.09	140.43	1258.11	22.07	2002.82	0.00	4209.52
Total		116287.55	29613.21	74764.16	1923.46	121803.94	16168.51	360560.83

Annexure-IX (A)

DISTRICT WISE INCOME DETAILS OF MUNICIPALITIES / NAGARA PANCHAYATS FOR THE YEAR 2016-17									
SI No	District	Income (Rs.in Lakhs)							
		Tax Revenue (110)	Assigned Revenues and Compensation (120)	Rental Income from Municipal Properties (130)	Fees and User Charges (140)	Sale and Hire Charges (150)	Revenue Grants and Contribution and Subsidies (Road Maintenance grant/Election grant/ Water Supply - Tap Donation (160)	Other Income (Investments /Bank Interest/Others) (170+171+180)	Total Income
1	Adilabad	577.30	91.68	66.06	531.52	0.35	11.37	107.71	1385.99
2	Manchiryal	851.58	316.10	111.94	1195.46	12.62	495.61	312.36	3295.68
3	Nirmal	315.41	328.89	63.50	428.38	2.67	0.24	40.23	1179.32
4	Asifabad	161.92	21.56	17.73	83.79	1.69	0.00	34.41	321.10
5	Karimnagar	356.95	34.49	10.66	160.28	2.16	279.17	18.92	862.63
6	Jagitial	723.23	394.13	77.06	1034.81	15.29	6.60	117.14	2368.26
7	Peddapalli	364.92	176.91	13.56	366.30	1.07	0.00	17.91	940.67
8	Rajanna Sirisilla	548.41	114.65	60.33	556.44	8.05	90.40	113.56	1491.84
9	Warangal (Urban)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Warangal (Rural)	663.90	50.75	154.81	869.41	4.05	0.00	53.59	1796.51
11	Jayashankar Bhoopalapally	220.25	20.58	4.00	0.00	0.00	532.99	821.00	1598.83
12	Mahabubabad	287.03	78.36	13.06	236.36	0.01	0.00	11.70	626.51
13	Janagam	194.29	171.31	10.06	240.27	0.24	0.65	37.45	654.27
14	Khammam	357.77	1.51	27.31	8.95	0.05	0.00	220.65	616.24
15	Bhadradi Kothagudem	1059.12	175.11	84.12	988.27	3.37	269.19	79.23	2658.41
16	Nalgonda	1652.95	468.75	45.87	1454.79	10.57	20.00	210.69	3863.61
17	Suryapet	1138.93	569.84	117.98	1715.93	2.47	5.73	92.22	3643.10
18	Yadadri	364.44	247.09	33.05	266.20	0.89	22.31	5.11	939.09
19	Mahaboobnagar	1243.82	269.20	294.55	1556.85	10.98	7.23	540.91	3923.54
20	Nagarkurnool	666.71	97.17	126.47	608.81	0.70	0.00	29.07	1528.92
21	Wanaparthy	217.71	96.06	20.50	291.63	0.15	307.30	38.89	972.24
22	Jogulamba Gadwal	347.45	110.49	165.35	170.58	0.00	0.16	19.88	813.91
23	Rangareddy	2626.29	2289.56	47.76	942.26	5.26	418.89	207.51	6537.53
24	Malkajgiri (Medchal)	1106.46	1075.42	3.04	598.85	0.90	578.27	7.09	3370.03
25	Vikarabad	415.14	172.38	53.33	262.87	1.10	0.00	17.91	922.72
26	Hyderabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Medak	192.45	59.54	39.30	234.87	0.00	0.00	11.88	538.04
28	Sangareddy	1288.82	357.39	77.01	696.47	2.05	0.00	127.48	2549.22
29	Siddipet	1069.42	209.54	130.27	1375.58	1.72	8.08	104.80	2899.41
30	Nizamabad	400.78	5050.41	81.44	321.71	12.45	2.50	1078.87	6948.16
31	Kamareddy	356.99	243.25	18.91	322.74	1.86	0.00	582.92	1526.68
	Total	19770.44	13292.11	1969.04	17520.39	102.71	3056.69	5061.10	60772.47

Annexure-IX (B)

DISTRICT WISE EXPENDITURE DETAILS OF MUNICIPALITIES/NAGARA PANCHAYATS FOR THE YEAR 2016-17								
Sl No	District	Expenditure (Rs. in Lakhs)						
		Establishment Expenses (210)	Administrative Expenses (220)	Operations and Maintenance (230)	Miscellaneous Expenses (240+250+271)	Developmental Works (410+412) (R&P)	Other Expenditure (Investments/Bank Interest/Others)	Total Expenditure
1	Adilabad	384.24	37.86	406.14	4.62	12876.58	28.09	13737.53
2	Manchiryal	621.14	97.37	726.41	404.54	0.00	0.01	1849.46
3	Nirmal	396.20	116.34	458.41	6.01	652.65	231.91	1861.52
4	Asifabad	210.00	22.02	111.84	2.84	0.00	0.00	346.70
5	Karimnagar	211.16	156.62	85.71	2.60	163.93	174.04	794.06
6	Jagitial	351.90	90.93	388.53	0.09	0.00	0.00	831.46
7	Peddapalli	184.73	101.60	248.59	0.09	2657.34	61.84	3254.19
8	Rajanna Sirisilla	392.32	165.94	397.79	8.17	0.00	0.00	964.22
9	Warangal (Urban)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Warangal (Rural)	232.26	189.31	196.04	3.53	985.86	0.00	1607.00
11	Jayashankar Bhoopalapally	543.51	310.93	40.70	517.70	48.28	0.00	1461.11
12	Mahabubabad	147.57	96.02	107.91	0.11	5073.14	0.58	5425.33
13	Janagam	182.05	50.17	199.83	11.29	2732.01	145.10	3320.45
14	Khammam	244.73	27.94	25.39	0.21	10.17	263.80	572.24
15	Bhadradi Kothagudem	710.49	172.31	557.95	0.15	4748.15	0.34	6189.39
16	Nalgonda	1464.96	364.09	854.74	34.18	0.00	0.00	2717.97
17	Suryapet	663.36	232.05	1061.12	15.22	35870.06	50.00	37891.81
18	Yadadri	278.59	54.19	428.20	1.64	0.00	0.00	762.62
19	Mahaboobnagar	797.02	214.92	2131.64	15.52	6152.19	1163.84	10475.13
20	Nagarkurnool	319.93	147.81	487.66	10.58	7730.37	14.33	8710.69
21	Wanaparathi	283.82	121.41	109.13	0.25	192.86	55.59	763.06
22	Jogulamba Gadwal	264.73	41.52	192.62	0.40	347.89	725.77	1572.93
23	Rangareddy	1019.38	448.20	1394.61	12.67	0.00	54.24	2929.10
24	Malkajgiri (Medchal)	194.12	178.34	199.73	9.62	198.35	0.00	780.16
25	Vikarabad	351.06	89.48	238.76	1.01	0.00	0.00	680.31
26	Hyderabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Medak	128.45	118.83	122.17	0.00	0.00	0.00	369.45
28	Sangareddy	658.61	392.28	566.91	20.33	0.00	13.45	1651.58
29	Siddipet	696.67	287.09	1041.31	75.44	0.00	0.00	2100.51
30	Nizamabad	502.62	66.44	293.20	11.86	2152.83	0.00	3026.95
31	Kamareddy	312.89	126.01	140.79	3.92	125.28	500.66	1209.55
	Total	12748.50	4518.04	13213.83	1174.59	82717.95	3483.58	117856.48

Annexure-X (A)

DISTRICT WISE INCOME DETAILS OF AGRICULTURE MARKET COMMITTEES FOR THE YEAR 2016-17								
Sl No	District	Income (Rs.in Lakhs)						
		Market Fee	Licence Fee	Property Rentals	Interest on Investment + Income from Misc. Sources + Late Fees	Recoveries	Others	Total Income
1	Adilabad	1353.61	2.91	20.44	0.00	26.96	44.73	1448.66
2	Manchiryal	357.65	0.36	0.56	0.00	0.55	0.07	359.19
3	Nirmal	610.24	1.62	46.15	0.00	0.00	218.48	876.49
4	Asifabad	734.84	2.06	3.28	0.00	1.94	0.37	742.49
5	Karimnagar	1228.47	1.77	37.52	0.75	320.40	315.68	1904.58
6	Jagitial	546.44	3.16	22.25	0.05	168.64	41.19	781.73
7	Peddapalli	469.77	1.19	10.03	0.00	5.19	13.46	499.64
8	Rajanna Sirisilla	391.05	0.58	5.68	57.32	81.25	101.32	637.19
9	Warangal (Urban)	2079.56	6.86	96.98	14.41	595.15	25.33	2818.29
10	Warangal (Rural)	759.75	1.10	9.87	6.52	16.13	3.71	797.08
11	Jayashankar Bhoopalapally	437.90	0.76	2.01	0.09	2.73	0.38	443.87
12	Mahabubabad	662.84	1.89	5.38	0.82	17.79	5.69	694.42
13	Janagam	522.72	0.70	3.69	0.49	6.69	1.75	536.04
14	Khammam	2406.04	4.68	56.78	14.07	409.11	64.05	2954.74
15	Bhadradi Kothagudem	962.00	2.57	6.72	5.45	33.60	178.97	1189.31
16	Nalgonda	696.54	1.02	9.29	0.00	0.00	254.93	961.78
17	Suryapet	1003.97	1.47	40.86	12.07	373.15	1.21	1432.73
18	Yadadri	610.01	0.33	3.45	0.00	19.59	1.23	634.61
19	Mahaboobnagar	349.53	1.29	19.06	0.32	21.29	200.20	591.68
20	Nagarkurnool	357.93	1.34	31.23	0.00	11.19	9.74	411.42
21	Wanaparthy	256.28	0.64	7.95	40.16	2.13	12.08	319.24
22	Jogulamba Gadwal	335.51	1.23	16.27	0.00	1.36	0.76	355.13
23	Rangareddy	439.71	2.43	42.11	0.00	20.34	18.26	522.53
24	Malkajgiri (Medchal)	194.55	1.32	4.63	4.80	1.27	2.62	209.19
25	Vikarabad	615.43	2.74	39.06	8.39	6.84	94.77	767.22
26	Hyderabad	954.96	1.83	225.71	29.21	0.00	5.68	1217.39
27	Medak	300.65	0.48	6.24	0.19	148.95	100.00	556.51
28	Sangareddy	761.03	2.58	34.80	1.81	2.00	22.07	824.28
29	Siddipet	1130.19	2.33	58.73	15.30	56.37	1904.70	3167.63
30	Nizamabad	1306.15	1.88	33.36	22.49	354.34	289.77	2007.99
31	Kamareddy	606.36	1.49	13.80	1.54	201.01	32.25	856.46
	Total	23441.69	56.62	913.88	236.24	2905.96	3965.44	31519.51

Annexure-X (B)

DISTRICT WISE EXPENDITURE DETAILS OF AGRICULTURE MARKET COMMITTEES FOR THE YEAR 2016-17							
Sl No	District	Expenditure (Rs. in Lakhs)					
		Pay and Allowances	Contingencies	Developmental Works (Spill Over + New Works + Maintenance of Rythu Bazaar)	CMF	Others	Total Expenditure
1	Adilabad	291.36	315.49	81.72	133.87	212.17	1034.60
2	Manchiryal	97.04	195.29	25.55	68.15	11.42	397.45
3	Nirmal	240.39	0.00	78.72	94.64	574.89	988.64
4	Asifabad	124.80	614.90	21.82	63.36	6.22	831.10
5	Karimnagar	202.32	415.45	801.15	151.51	388.05	1958.48
6	Jagitial	141.98	394.70	131.36	122.42	64.95	855.41
7	Peddapalli	100.04	237.77	207.05	79.03	95.51	719.40
8	Rajanna Sirisilla	100.32	171.29	84.07	44.72	353.28	753.68
9	Warangal (Urban)	322.69	670.80	701.87	477.11	650.10	2822.57
10	Warangal (Rural)	118.39	204.89	213.86	38.97	9.58	585.69
11	Jayashankar Bhoopalapally	77.47	69.26	151.64	36.14	1.37	335.88
12	Mahabubabad	143.96	369.59	34.46	81.28	122.22	751.50
13	Janagam	110.99	139.04	169.45	59.77	25.11	504.36
14	Khammam	77.32	509.94	77.07	198.29	1325.58	2188.21
15	Bhadradi Kothagudem	182.16	369.42	165.59	97.44	859.08	1673.69
16	Nalgonda	238.94	335.30	104.36	67.11	246.07	991.78
17	Suryapet	347.83	385.16	55.06	78.91	766.44	1633.40
18	Yadadri	176.99	225.86	123.88	60.88	201.84	789.45
19	Mahaboobnagar	217.03	156.77	262.03	40.03	45.98	721.84
20	Nagarkurnool	151.04	91.42	156.61	36.24	32.55	467.86
21	Wanaparthy	153.99	0.00	25.89	43.56	97.78	321.22
22	Jogulamba Gadwal	100.76	84.40	132.15	13.31	129.44	460.06
23	Rangareddy	158.92	114.95	189.58	65.54	164.76	693.73
24	Malkajgiri (Medchal)	27.30	162.19	22.91	47.73	1.07	261.20
25	Vikarabad	211.54	189.49	251.53	97.32	115.86	865.74
26	Hyderabad	721.23	321.64	75.06	0.00	41.66	1159.59
27	Medak	132.85	105.68	179.14	41.57	3.39	462.63
28	Sangareddy	222.44	200.26	515.42	121.43	100.75	1160.30
29	Siddipet	175.04	457.38	1044.58	96.81	96.36	1870.17
30	Nizamabad	355.51	491.18	531.58	104.87	779.18	2262.32
31	Kamareddy	200.00	305.15	52.60	102.53	393.16	1053.43
	Total	5922.64	8304.67	6667.75	2764.52	7915.81	31575.37

Annexure-XI (A)

DISTRICT WISE INCOME DETAILS OF ZILLA GRANDHALAYA SAMASTHAS FOR THE YEAR 2016-17									
Sl No	District	Income (Rs.in Lakhs)							
		Library Cess	Sale of Old News Papers	Salary & Pension Grant	Outsourcing Grant	Membership Deposits	Security Deposits	Others	Total Income
1	Adilabad	74.09	0.30	410.72	10.88	0.59	0.00	70.46	567.04
2	Manchiryal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Nirmal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Asifabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Karimnagar	201.89	0.16	180.00	15.50	0.48	0.02	6.96	405.00
6	Jagitial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Peddapalli	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Rajanna Sirisilla	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Warangal (Urban)	205.35	0.63	360.00	33.03	10.07	0.00	48.13	657.21
10	Warangal (Rural)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Jayashankar Bhoopalapally	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Mahabubabad	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Janagam	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Khammam	140.49	1.73	230.00	12.89	0.39	0.00	3.04	388.53
15	Bhadradi Kothagudem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Nalgonda	97.63	0.00	270.00	19.28	0.51	0.00	371.14	758.56
17	Suryapet	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Yadadri	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19	Mahaboobnagar	106.30	0.23	360.92	23.33	0.54	0.00	4.25	495.57
20	Nagarkurnool	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21	Wanaparthy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22	Jogulamba Gadwal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	Rangareddy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24	Malkajgiri (Medchal)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
25	Vikarabad	80.00	0.20	24.89	2.50	0.06	0.10	52.36	160.11
26	Hyderabad	3.74	0.00	0.00	0.00	0.00	0.00	0.00	3.74
27	Medak	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Sangareddy	147.22	1.46	280.00	13.13	1.02	0.00	33.80	476.63
29	Siddipet	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
30	Nizamabad	148.26	0.78	270.00	12.55	0.24	0.01	39.33	471.17
31	Kamareddy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		1204.97	5.49	2386.53	143.09	13.89	0.13	629.46	4383.56

Annexure-XI (B)

DISTRICT WISE EXPENDITURE DETAILS OF ZILLA GRANDHALAYA SAMASTHAS FOR THE YEAR 2016-17							
SI No	District	Expenditure (Rs.in Lakhs)					
		Establishment Expenditure	Contingencies	Purchase of Books	Repairs to buildings	Others	Total Expenditure
1	Adilabad	457.34	19.55	0.00	0.00	111.14	588.04
2	Manchiryal	0.00	0.00	0.00	0.00	0.00	0.00
3	Nirmal	0.00	0.00	0.00	0.00	0.00	0.00
4	Asifabad	0.00	0.00	0.00	0.00	0.00	0.00
5	Karimnagar	270.81	32.90	0.00	0.00	0.00	303.71
6	Jagitial	0.00	0.00	0.00	0.00	0.00	0.00
7	Peddapalli	0.00	0.00	0.00	0.00	0.00	0.00
8	Rajanna Sirisilla	0.00	0.00	0.00	0.00	0.00	0.00
9	Warangal (Urban)	491.62	2.44	0.00	0.41	192.80	687.27
10	Warangal (Rural)	0.00	0.00	0.00	0.00	0.00	0.00
11	Jayashankar Bhoopalapally	0.00	0.00	0.00	0.00	0.00	0.00
12	Mahabubabad	0.00	0.00	0.00	0.00	0.00	0.00
13	Janagam	0.00	0.00	0.00	0.00	0.00	0.00
14	Khammam	161.62	0.37	0.00	0.36	227.57	389.91
15	Bhadradri Kothagudem	0.00	0.00	0.00	0.00	0.00	0.00
16	Nalgonda	504.45	6.00	0.00	0.00	143.18	653.63
17	Suryapet	0.00	0.00	0.00	0.00	0.00	0.00
18	Yadadri	0.00	0.00	0.00	0.00	0.00	0.00
19	Mahaboobnagar	529.40	0.00	0.00	0.00	0.00	529.40
20	Nagarkurnool	0.00	0.00	0.00	0.00	0.00	0.00
21	Wanaparthy	0.00	0.00	0.00	0.00	0.00	0.00
22	Jogulamba Gadwal	0.00	0.00	0.00	0.00	0.00	0.00
23	Rangareddy	0.00	0.00	0.00	0.00	0.00	0.00
24	Malkajgiri (Medchal)	0.00	0.00	0.00	0.00	0.00	0.00
25	Vikarabad	89.12	2.96	0.00	2.59	21.61	116.28
26	Hyderabad	50.00	0.35	0.00	0.00	0.00	50.35
27	Medak	0.00	0.00	0.00	0.00	0.00	0.00
28	Sangareddy	304.20	4.90	18.34		116.13	443.57
29	Siddipet	0.00	0.00	0.00	0.00	0.00	0.00
30	Nizamabad	409.35	68.68	0.00	0.24	40.17	518.44
31	Kamareddy	0.00	0.00	0.00	0.00	0.00	0.00
	Total	3267.92	138.15	18.34	3.60	852.59	4280.60

Annexure-XII

DISTRICT WISE AUDIT FEE PARTICULARS OF AMCs FOR THE YEAR 2016-17			
(Amount in Rupees)			
Sl. No.	Name of the District	Number of AMCs	Audit Fee Charged
1	Adilabad	4	399785
2	Manchiryal	5	213982
3	Nirmal	6	2334721
4	Asifabad	3	133875
5	Karimnagar	7	893466
6	Jagitial	13	398345
7	Peddapalli	7	329421
8	Rajanna Sirisilla	7	174826
9	Warangal (Urban)	1	847677
10	Warangal (Rural)	5	288596
11	Jayashankar Bhoopalapally	2	149229
12	Mahabubabad	3	363254
13	Janagam	3	238234
14	Khammam	7	996181
15	Bhadradi Kothagudem	6	1245433
16	Nalgonda	9	1035635
17	Suryapet	1	616941
18	Yadadri	5	216439
19	Mahaboobnagar	5	416653
20	Nagarkurnool	4	210603
21	Wanaparthy	4	140925
22	Jogulamba Gadwal	2	382827
23	Rangareddy	8	378054
24	Malkajgiri (Medchal)	1	19455435
25	Vikarabad	8	398763
26	Hyderabad	4	977992
27	Medak	5	213920
28	Sangareddy	8	436026
29	Siddipet	14	1250022
30	Nizamabad	7	1189728
31	Kamareddy	10	505740
	Total		36832728

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