
Appendices

Appendix-1

(Reference to Overview Page vii)

**Statement showing roles and responsibilities of each level of organisational set-up of
Panchayat Raj Institutions**

| S.No. | Organisation/ Agency/Authority | Role | Responsibilities |
|------------------------------|--|---|---|
| 1 | Principal Secretary Panchayat Raj Department | - | Assist the Government in formulating policies. |
| 2 | Commissioner, Panchayat Raj & Rural Employment | Head of the Department. | Overall incharge of Panchayat Raj & Rural Employment department in the State. |
| Zilla Praja Parishads | | | |
| 3 | Chairperson of ZPP | Head of the Zilla Praja Parishad (ZPP). | Convene and preside over the meetings of standing committees and General body and take up with Government on major issues relating to the District requiring immediate intervention of Government. |
| 4 | Vice Chairman | Vice Chairperson, in the absence of chairperson for more than 15 days, exercise the powers and functions of the Chairperson. | To exercise the powers and functions of the Chairperson in his absence for more than 15 days. |
| 5 | Standing Committees | Act provides for constitution of seven Standing Committees for scrutiny of business of ZPP. | To watch the progress of implementation of works and schemes related to subjects assigned to them. |
| 6 | Chief Executive Officer | The Chief Executive authority of ZPP. | <ul style="list-style-type: none"> • Holds the executive powers for the purpose of carrying out the provisions of the Act. • Responsible for implementation of resolutions of Zilla Praja Parishad standing committees. • Supervises and conducts the execution of all activities of Zilla Praja Parishad. • With the approval or on the direction of the Chairman, convene the Zilla Praja Parishad meetings atleast once in every month. • Have administrative control over all offices working under Zilla Praja Parishad. • As member convener of the district education committee, he has to constitute District Education Committee meetings. |

| S.No. | Organisation/ Agency/Authority | Role | Responsibilities |
|-------------------------------|-------------------------------------|--|---|
| Mandal Praja Parishads | | | |
| 7 | President of Mandal Praja Parishad | To enlist people's co-operation for all Government programmes under Five year plans with involvement and participation of people in rural areas. | <ul style="list-style-type: none"> • Convene the meetings of Mandal Praja Parishads (MPPs) and approve the agenda. • Have control over MPDO for the purpose of implementation of resolutions of MPP. • Inspect the schemes implemented through Government funds. |
| 8 | Mandal Parishad Development Officer | Mandal Parishad Development Officer is the executive authority of the Mandal. | <ul style="list-style-type: none"> • Has to implement all the resolutions passed by the Mandal Praja Parishad Council. • Responsible for prompt adjustment of all the Government grants to Mandal Praja Parishad and exercise such powers of supervision over the Gram Panchayats in the Mandal as may be prescribed. |
| Gram Panchayats | | | |
| 9 | Sarpanch | Head of the Gram Panchayat elected by the elected members of Gram Panchayat. | <ul style="list-style-type: none"> • Presides over the meetings of the Gram Panchayat. • Supervises the working of Gram Panchayat and implementation of developmental schemes. |
| 10 | Upa-sarpanch | Exercises the powers and perform the functions of Sarpanch when the office of the Sarpanch is vacant and until new Sarpanch is elected and assumes his charge. | <ul style="list-style-type: none"> • During his charge as Sarpanch he is responsible for all the responsibilities assigned to the post of Sarpanch. |
| 11 | Members | All the members are elected representatives of the wards of the village. | Shall have the right to move resolutions and to interpolate the Sarpanch on matters connected with the administration of Panchayat. |
| 12 | Panchayat Secretary | A whole time or part time executive authority of a Gram Panchayat. | Responsible for exercising the executive powers for the purpose of carrying out the provisions of Panchayat Raj Act and directly responsible for fulfillment of the purpose thereof. |

Appendix 1.1

(Reference to paragraph 1.2 page 3)

Statement showing district-wise and department-wise devolution of funds to PRIs during 2012-13 and 2013-14

(₹ in lakh)

| S.No | Name of the ZPP | Agriculture and co-operative Dept | | Animal Husbandry Dept | | Fisheries Dept | | Social Welfare Dept | | BC Welfare dept | | Total | |
|------|-----------------|-----------------------------------|----------|-----------------------|---------------|----------------|---------------|---------------------|-------------|-----------------|-------------|----------------|----------------|
| | | 2012-13 | 2013-14 | 2012-13 | 2013-14 | 2012-13 | 2013-14 | 2012-13 | 2013-14 | 2012-13 | 2013-14 | 2012-13 | 2013-14 |
| 1 | Adilabad | 66.06 | - | 81.50 | 35.00 | 61.47 | 9.70 | - | - | - | - | 209.03 | 44.70 |
| 2 | Anantapur | 32.38 | - | 0.35 | - | 120.00 | 32.50 | - | - | 0.20 | 0.20 | 152.93 | 32.70 |
| 3 | Chittoor | 34.69 | - | 4.00 | - | 42.00 | 55.63 | - | - | - | - | 80.69 | 55.63 |
| 4 | Guntur | - | - | 32.70 | - | 62.50 | 69.13 | - | - | - | 0.40 | 95.20 | 69.53 |
| 5 | Karimnagar | 9.05 | - | 24.80 | - | 66.50 | 51.39 | - | - | - | - | 100.35 | 51.39 |
| 6 | Khammam | 9.35 | - | 30.63 | - | 68.50 | 94.72 | 19.10 | 8.00 | - | - | 127.58 | 102.72 |
| 7 | Kurnool | 26.14 | - | 16.67 | 0.54 | 63.68 | 65.16 | 1.10 | 0.40 | - | - | 107.59 | 66.10 |
| 8 | Mahbubnagar | 35.19 | - | - | - | 56.50 | 11.00 | - | - | - | - | 91.69 | 11.00 |
| 9 | Medak | 18.10 | - | 31.38 | - | 13.00 | 5.50 | 0.10 | 0.20 | - | - | 62.58 | 5.70 |
| 10 | Nalgonda | 16.29 | - | 71.90 | - | 106.50 | 97.50 | - | - | - | - | 194.69 | 97.50 |
| 11 | Nellore | 8.89 | - | 30.00 | - | 32.50 | 100.92 | - | - | - | 0.10 | 71.39 | 101.02 |
| 12 | Nizamabad | 9.05 | - | 1.98 | - | 51.00 | 27.38 | - | 0.10 | 0.40 | - | 62.43 | 27.48 |
| 13 | Prakasam | - | - | 29.79 | - | 37.00 | 95.64 | - | - | 0.10 | 0.20 | 66.89 | 95.84 |
| 14 | Rangareddy | 26.10 | - | 95.26 | 33.73 | - | - | - | - | 0.80 | 0.10 | 122.16 | 33.83 |
| 15 | Visakhapatnam | 9.05 | - | 64.08 | 40.54 | 44.38 | 34.89 | - | - | 0.30 | - | 117.81 | 75.43 |
| 16 | Vizianagaram | 15.45 | - | 21.76 | 1.00 | 24.78 | 36.39 | - | - | - | - | 61.99 | 37.39 |
| 17 | Warangal | 8.96 | - | 19.00 | - | 50.25 | 16.00 | - | - | - | - | 78.21 | 16.00 |
| 18 | West Godavari | - | - | 16.38 | 15.65 | 18.50 | 88.49 | 0.30 | 0.30 | - | - | 35.18 | 104.44 |
| | Total | 324.75 | 0 | 572.18 | 126.46 | 919.06 | 891.94 | 20.60 | 9.00 | 1.80 | 1.00 | 1838.39 | 1028.40 |

Appendix 1.2

(Reference to paragraph 1.5.7 page 8)

Statement showing the details of non-compilation of Accounts in ULBs

| S.No | Name of the ULB | No. of years |
|------|----------------------------|--------------|
| 1 | Amalapuram Municipality | 1 |
| 2 | Amudalavalasa Municipality | 1 |
| 3 | Anakapalli Municipality | 2 |
| 4 | Armoor Municipality | 1 |
| 5 | Badvel Municipality | 1 |
| 6 | Bapatla Municipality | 1 |

| S.No | Name of the ULB | No. of years |
|------|--|--------------|
| 7 | Bhimavaram Municipality | 1 |
| 8 | Bhimunipatnam Municipality | 1 |
| 9 | Bhongir Municipality | 2 |
| 10 | Bhupalapally Municipality | 1 |
| 11 | Bobbili Municipality | 1 |
| 12 | Chilakaluripeta Municipality | 1 |
| 13 | Chirala Municipality | 1 |
| 14 | Chittoor Municipal Corporation | 1 |
| 15 | Devarakonda Municipality | 1 |
| 16 | Gadwal Municipality | 1 |
| 17 | Gajwel Municipality | 1 |
| 18 | Greater Hyderabad Municipal Corporation | 19 |
| 19 | Greater Visakhapatnam Municipal Corporation | 13 |
| 20 | Gudiwada Municipality | 2 |
| 21 | Gudur Municipality | 28 |
| 22 | Guntur Municipal Corporation | 1 |
| 23 | Husnabad Municipality | 1 |
| 24 | Huzurabad Municipality | 1 |
| 25 | Huzurnagar Municipality | 1 |
| 26 | Ichapuram Municipality | 2 |
| 27 | Ieeja Municipality | 1 |
| 28 | Jadcherla Municipality | 1 |
| 29 | Jaggaihpeta Municipality | 6 |
| 30 | Jammalamadugu Municipality | 1 |
| 31 | Jammikunta Municipality | 1 |
| 32 | Janagaon Municipality | 1 |
| 33 | Kadapa Municipal Corporation | 13 |
| 34 | Kadiri Municipality | 1 |
| 35 | Kandukur Municipality | 1 |
| 36 | Karimnagar Municipal Corporation | 1 |
| 37 | Khammam Municipal Corporation | 1 |
| 38 | Khammam Municipality (upto 18 December 2012) | 4 |
| 39 | Kodad Municipality | 1 |
| 40 | Kollapur Municipality | 1 |
| 41 | Kothagudem Municipality | 1 |
| 42 | Kovvuru Municipality | 1 |
| 43 | Kurnool Municipal Corporation | 10 |
| 44 | Macherla Municipality | 3 |

| S.No | Name of the ULB | No. of years |
|------|-----------------------------------|--------------|
| 45 | Machilipatnam Municipality | 9 |
| 46 | Mahabubabad Municipality | 1 |
| 47 | Mahbubnagar Municipality | 3 |
| 48 | Mandapeta Municipality | 1 |
| 49 | Mangalagiri Municipality | 1 |
| 50 | Manugur Municipality | 1 |
| 51 | Nagari Municipality | 1 |
| 52 | Nagarkurnool Municipality | 1 |
| 53 | Nakrekal Municipality | 1 |
| 54 | Nalgonda Municipality | 1 |
| 55 | Nandyala Municipality | 1 |
| 56 | Narasmpet Municipality | 1 |
| 57 | Narayanpet Municipality | 2 |
| 58 | Narsapuram Municipality | 1 |
| 59 | Nidadavolu Municipality | 1 |
| 60 | Nuzvid Municipality | 2 |
| 61 | Palakol Municipality | 1 |
| 62 | Palamaneru Municipality | 1 |
| 63 | Palasa Municipality | 1 |
| 64 | Palvancha Municipality | 1 |
| 65 | Parakala Municipality | 1 |
| 66 | Parvathipuram Municipality | 1 |
| 67 | Pedana Municipality | 2 |
| 68 | Peddapally Municipality | 1 |
| 69 | Proddatur Municipality | 1 |
| 70 | Pulivendula Municipality | 1 |
| 71 | Punganur Municipality | 1 |
| 72 | Putturu Municipality | 1 |
| 73 | Rajahmundry Municipal Corporation | 1 |
| 74 | Rajam Municipality | 2 |
| 75 | Ramachandrapuram Municipality | 1 |
| 76 | Ramagundam Municipal Corporation | 1 |
| 77 | Rayachoti Municipality | 1 |
| 78 | Saluru Municipality | 1 |
| 79 | Sangareddy Municipality | 2 |
| 80 | Sathupally Municipality | 1 |
| 81 | Sattenapalli Municipality | 1 |
| 82 | Shadnagar Municipality | 1 |
| 83 | Srikakulam Municipality | 1 |

| S.No | Name of the ULB | No. of years |
|------|----------------------------------|--------------|
| 84 | Tadepalligudem Municipality | 3 |
| 85 | Tanuku Municipality | 1 |
| 86 | Tirupathi Municipal Corporation | 3 |
| 87 | Tuni Municipality | 1 |
| 88 | Vemulawada Municipality | 1 |
| 89 | Venkatagiri Municipality | 2 |
| 90 | Vijayawada Municipal Corporation | 7 |
| 91 | Vizianagaram Municipality | 1 |
| 92 | Warangal Municipal Corporation | 8 |
| 93 | Yellandu Municipality | 1 |
| 94 | Yemmiganur Municipality | 1 |

Appendix-3.1

(Reference to paragraph 3.1.2 page 35)

Details of Audit Sample

| District | Gram Panchayats |
|----------------------|---|
| Chittoor | Gollapalli, Kangundi, Krishnapuram, Karakambadi, Avilala, R.Mallavaram, Gajulamandyam, Kuppam, Thukivakam, Ragimanupenta, Mallamgunta, Nalagampalli, Durga Samudram, Pudipatla, Mogili Venkatagiri, V.Kota, Mudaram Doddi, Mallanuru, Dalvai Kothapalle and Jownipalli. |
| East Godavari | L.Polavaram, Rajanagaram, Veeravaram, Kadiyam, Ravulapalem, Gopalapuram, K.P.Puram, Jegurupadu, A.Kothapalli, A.V.Nagaram, Vemagiri, Velugubanda, Pathathungapadu, S.Annavaram, Thondangi, Thetagunta, Palacharla, V.Kothuru, Ubalanka and D.Polavaram. |
| Guntur | Tangeda, Takkellapadu, Kesanapalli, Namburu, Narakoduru, Pedakakani, Venigandla, Vejendla, Vadlamudi, Dacheppalle, Nadikudi, Chebrolu Phanidam, Komerapudi, Kolakaluru, Kattevaram, Pedaravuru, Angalakuduru, Nandigama and Brugubanda. |
| Mahbubnagar | Ajjakollu, Aloor, Bijinapally, Burgula, Chagadona, Chinchode, Kothakota, Ghattu, Jaklair, Kanchinerla, Krishnanagar, Lattupalli, Makthal, Manthangode, Mogiligidda, Palem, Mangalur, Waddeman, Karni and Konnur. |
| Rangareddy | Kismathpur, Aliabad, Devarayamjal, Jillelguda, Narsingi, Ravalkole, Shamshabad, Palmakule, Jalpally, Narkuda, Balapur, Meerpet, Medchal, PeddaShapur, Shamirpet, BandlagudaJagir, Dabilpur, Kokapet, Jawahar Nagar and Hydershah Kote. |

Appendix-3.2

(Reference to paragraph 3.2.3 page 46)

Audit findings relating to assessments of test-checked properties

| S.No. | Name of the Property | Audit observation |
|-------|--|--|
| 1 | Gandhi Institute of Technology And Management (GITAM) University | <p>i. GITAM University is in the vicinity of Madhurwada area. Although this area was merged with GVMC in November 2005 and taxes were to be levied from October 2006, Corporation was raising demand for PT only from 2008-09. An amount of ₹42.86 lakh was lost by Corporation due to non-raising of demand for one and half years (i.e October 2006 to March 2008).</p> <p>ii. There was difference in plinth area of about 44,674 sft between assessment register and records of Town Planning section. This had resulted in short assessment of ₹10.11 lakh for the period 2011-12 to first half of 2014-15.</p> |
| 2 | Chandana Brothers Multi Complex Pvt. Ltd., (CMR Central) | <p>i. PT was not assessed for the cellar and sub-cellar used for paid parking of vehicles and also a room on fifth floor. Loss to this effect worked out to ₹54.47 lakh (cellar and sub-Cellar: ₹52.31 lakh, room in fifth floor: ₹2.16 lakh) for the period 2010-2014.</p> <p>ii. Further, there was 880.30 sq.mtrs variation in plinth area of cinema hall between the records of Corporation and measurements recorded during physical verification, resulting in short assessment of ₹4.56 lakh for the period 2010-14.</p> <p>iii. Incorrect assessment of properties of CMR (RCC Posh) on commercial basis instead of rates applicable to shops and food courts resulted in short assessment of ₹37.05 lakh for the period 2010-14.</p> |
| 3 | M/s.Hindustan Shipyard Limited (HSL) | <p>As per the orders of State Government issued in September 1979, 51 per cent of total tax collected by Corporation from HSL has to be spent on works benefiting Hindustan Shipyard area and remaining 49 per cent would constitute the Municipal fund of Corporation.</p> <p>Despite revision of rates in 2010-11, Corporation raised demand at only pre-revised rates (₹1.20 lakh) towards its 49 per cent component as of September 2014.</p> |
| 4 | East Point Golf Club | There was variation of about 2,067.21 sq.mtrs in plinth area of the property between the records of Corporation and information furnished by assesee during physical verification, resulting in short assessment of ₹6.97 lakh during April 2010 to March 2014. |
| 5 | Symbiosis Technologies | Aggrieved by the tax (₹4.47 lakh) levied by Corporation, assessee approached (July 2010) the Court of law. The Court disposed (March 2012) the case by directing the assessee to pay tax for ₹3.30 lakh with effect from January 2011. Instead of paying the tax directed by Court, assessee approached (February 2014) the Corporation for further reduction of tax. Corporation without approaching the Court, re-assessed the property and reduced PT from ₹3.30 lakh to ₹2.67 lakh, resulting in short levy of ₹0.63 lakh per half year. Even this reduced PT has not been paid by Symbiosis Technologies (March 2014), for which GVMC had not initiated any action for collection of revenue. |
| 6 | Visakhapatnam Port Trust (VPT) | <p>As per Visakhapatnam Municipal Corporation (VMC) Act 1979, VMC shall levy a Property Tax (PT) on the lands and buildings of VPT at the rate of four per centum of the Annual Gross Earnings (AGE) of the year immediately preceding such levy. Following the Hon'ble High Court orders (in W.A .M.P No.947/84) and as per mutual understanding, VPT shall keep 51 per cent of the PT in separate account of VPT subject to inspection and audit by VMC authorities and pay 49 per cent to the VMC.</p> <p>However, while arriving at AGE during 2009-14 'interest earned on short term deposits and revenue account' were deducted by VPT even though they form part of AGE. This resulted in short assessment to the tune of ₹10.62 crore under 49 per cent and ₹11.05 crore under 51 per cent components of PT.</p> |

Appendix-3.3

(Reference to paragraph 3.2.4.1 page 48)

Audit findings relating to collection of property tax in test-checked properties

| S.No. | Name of the Property | Audit observation |
|-------|---|--|
| 1 | Visakhapatnam Steel Plant (VSP) | GVMC has not collected PT from 13 properties in the vicinity of VSP. Dues in this regard were worked out by GVMC in March 2014 for Rs.42.50 lakh per half year. Although GVMC replied that demand was raised on six properties, details in this regard were not furnished. |
| 2 | Andhra University | An amount of ₹1.88 crore was due to be collected from the University as of September 2014. Action initiated for collection of tax was not forthcoming from the records of Corporation. |
| 3 | M/s. Bharat Heavy Plates and Vessels taken over by BHEL | Against ₹11.18 crore due from April 2006 to September 2014, assessee had paid (January 2014) only ₹2 crore, leaving ₹9.18 crore, indicating lack of action on the part of GVMC. |
| 4 | Coromandal Fertilisers | An amount of ₹53.95 lakh was due (2012-14) to be collected as of September 2014. Action initiated for collection of this amount was not on record. |
| 5 | APTRANSCO | An amount of ₹6.82 crore was due from 2004 to December 2014. As per the records of Corporation, APTRANSCO was not making payment towards PT on the contention of levying tax on switch yards, interest erroneously collected etc., A joint inspection committee (involving officials of APTRANSCO and GVMC) was formed (2011) to settle the issue of PT. However, the issue could not be settled (December 2014) even after a lapse of three years and amounts were locked up with APTRANSCO. |
| 6 | Visakhapatnam Port Trust (VPT) | As per the procedure explained in Appendix-3.2, VPT shall pay 49 per cent of PT to GVMC. Audit noticed that GVMC was not insisting upon VPT to submit the details of AGE every year to ascertain the correctness of PT paid by VPT, instead continued to account for the amounts released by VPT. As a result, GVMC was not in a position to state whether VPT is remitting the entire due amount or not. However, as per the details obtained from VPT, an amount of ₹19.21 crore (₹3.69 crore and ₹15.52 crore for the years 2012-13 and 2013-14 respectively) was yet (December 2014) to be paid to GVMC towards 49 per cent. |

Appendix-3.4

(Reference to paragraph 3.5 page 58)

Statement showing the details of contributions recovered towards Provident Fund, but not remitted to Fund Commissioner

| Sl.No. | Name of the Municipality | Amount recovered (₹) | Period |
|--------|--------------------------|----------------------|-------------------------------|
| 1. | Bhongir | 16,39,887 | August 2012 to February 2013 |
| 2. | Bodhan | 36,77,133 | June 2011 to August 2012 |
| 3. | Hindupur | 44,91,106 | April 2011 to October 2012 |
| 4. | Kadiri | 51,89,108 | March 2011 to June 2012 |
| 5. | Kavali | 64,30,775 | May 2012 to October 2012 |
| 6. | Nandyal | 55,52,141 | February 2012 to January 2013 |
| 7. | Saluru | 5,23,690 | July 2012 to October 2012 |
| 8. | Sangareddy | 70,31,351 | 2007-12 |
| 9. | Tadipatri | 1,98,229 | March 2012 to February 2013 |
| 10. | Tandur | 53,38,089 | April 2011 to July 2012 |
| 11. | Vizianagaram | 13,31,300 | 2010-12 |
| | Total | 4,14,02,809 | |