

SUBJECT NO.117

Sub:- Accounts- VUDA- Outstanding A.G Audit Paras since 2005-06 onwards- preparation of Audit replies – request for deputation of Special Audit Party to drop audit paras- perusal & record-Reg.

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AGENDA NOTE

It is submitted that the Principal Accountant General is conducting Statutory Audit of the accounts of VUDA once in a year or once in 2 years. The A.G Audit has completed the Accounts Audit and transaction Audit up to the years 2010-11.

The following Audit Paras are pending since 2005-06 onwards.

Year of Audit (I.R)	Admn / Allot. / Revenue	Accounts	Planning	Engineering	UFD	Estate & LA	Common Paras	Total Paras
2005-06	3	-	3	2	-	2	-	10
2007-08	5	2	1	3	-	1	-	12
2010-11	21	3	12	12	1	1	1	51
2012-13	17	3	4	10	-	24	-	58
Total	46	8	20	27	1	28	1	131

The Audit replies up to the year of Audit 2010-11 were furnished to the A.G Audit Party at the time of their visit to VUDA for Audit purpose during the year 2012-13. They have dropped some of the pending Audit Paras and some of the Audit Paras are still pending as detailed above.

The Performance (Transaction) Audit along with the Accounts audit for the Years 2009-10 & 2010-11 were conducted by the A.G in the Year 2012-13 and the audit reports were communicated in June 2013. The replies to the audit paras (58) are yet to be furnished to the PAG.

As, a large no of (131) Audit Paras are pending it is proposed to conduct a special drive for dropping of these long pending audit paras. All the sections of VUDA have prepared replies to the pending audit paras with latest position.

The Principal Accountant General (G&SSA) A.P Hyd has been requested vide letter Rc no 5515/06/K1 dt 10.05.2013 & 17.06.2013 to depute a Special Audit party to VUDA so as to verify the replies to the pending audit paras with reference to the registers and other supporting records for drop the paras. The deputation of special Audit party is awaited.

The above matter may be placed before the Board for favour of information and kind perusal and record.

Subject to approval of note, draft subject to the Hon'ble VUDA Board is put up for approval Sir.

SI No	YEAR	PARA NO	Gist of the Para	Section
1	2005-06 (2001-02 & 2002-03)	1	Improper retention of Development charges worth Rs.10.28 corore by Visakhapatnam Municipal Coroporation resulting in loss of interest to ta tune of Rs.4.53Crores	PLNG
2	2005-06 (2001-02 & 2002-03)	2	Uneconomical sale of houses resulting in loss of revenue	ALLOTMENT
3	2005-06 (2001-02 & 2002-03)	3	Non levy of penalty due to delated rental payments by Government departments-Lost of late fee Rs.56.44 Lakh	REVENUE
4	2005-06 (2001-02 & 2002-03)	4	Non incorporation of vital conditions of risk and resposnibility in respect of works terminated due to slow progress resulting in unintended benefit	ENGG
5	2005-06 (2001-02 & 2002-03)	5	Non recovery of seigniorage charges	ENGG
6	2005-06 (2001-02 & 2002-03)	6	Pending collection of Development charges from Visakhapatnam Port Trust	PLNG
7	2005-06 (2001-02 & 2002-03)	7	Pending land acquisition advances	LAO
8	2005-06 (2001-02 & 2002-03)	8	pending approval Revised Master Plan	PLNG
9	2005-06 (2001-02 & 2002-03)	9	Non-preparation of Annual performance Report	ADMN
10	2005-06 (2001-02 & 2002-03)	11	Documents not produced in earlier audit	SECY/ESTATE
11	2007-08 (203-04 & 2004-05)	4	Under valuation on transfer of land VIPL	SECY
12	2007-08 (203-04 & 2004-05)	5	Interest on contribution works executed for VZM, AKP Municipalities and SVLN Devsthanam not charged	ENGG
13	2007-08 (203-04 & 2004-05)	6	Non recovery of Mobilization Advance from M/s Jurong Infrastructure India Pvt Ltd	ACCOUNTS

14	2007-08 (203-04 & 2004-05)	7	Short realization of land value due to incorrect measurement of Daspalla Guest House	ALLOTMENT
15	2007-08 (203-04 & 2004-05)	8	Avoidable extra payment on execution of the works "Widening and improvement of Visakhapatnam-Bheemili Beach Road (0-2 Kms) to four lane" carriage way"	ENGG
16	2007-08 (203-04 & 2004-05)	9	Unfruitful Expenditure on formation of Hill top road from NH 5 to SVLN Devasthanam Temple	ENGG
17	2007-08 (203-04 & 2004-05)	10	Loss of Revenue due to vacant shops and office accommodations	REVENUE
18	2007-08 (203-04 & 2004-05)	11	Loss of Revenue due to Non-levy of late fee on belated Rentals by Government Department	REVENUE
19	2007-08 (203-04 & 2004-05)	13	Prior permission of Government for acquiring new vehicles	ADMN
20	2007-08 (203-04 & 2004-05)	17	Non-Receipt of Development Charges Receivable from GVMC	PLNG
21	2007-08 (203-04 & 2004-05)	18	Non reconciliation of cash book figures with that of bank figures	ACCOUNTS
22	2007-08 (203-04 & 2004-05)	20	Documents not produced	SECY/ESTATE
23	2010-11 (2005-06 to 2009-10)	1	Deffective agreement resulted in Revenue losses	ENGG
24	2010-11 (2005-06 to 2009-10)	2	Non in working of agreement conditions resulted in refund of advance	ENGG
25	2010-11 (2005-06 to 2009-10)	3	Loss of Revenue due to reduction in upset price	ALLOTMENT
26	2010-11 (2005-06 to 2009-10)	4	Aviodable extra financial commitment due to improper survey of site in Row Housing Scheme	ENGG
27	2010-11 (2005-06 to 2009-10)	5	Incorrect waiver of Development charges	PLNG
28	2010-11 (2005-06 to 2009-10)	6	Loss of Reveune due to irregular adjustment of EMD	ALLOTMENT

29	2010-11 (2005-06 to 2009-10)	6 (A)	Irregular adjustment of EMD amount of	ALLOTMENT
30	2010-11 (2005-06 to 2009-10)	7	Incorrect fixation of VUDAs share due to defective agreement	SECY
31	2010-11 (2005-06 to 2009-10)	8A	Mega Housing Project at Madhurawada - Irregular payment of Mobilization Advance	ENGG
32	2010-11 (2005-06 to 2009-10)	8B	Irregular payment of Advance	SECY
33	2010-11 (2005-06 to 2009-10)	9(A)	Excess expenditure of Rs.78.03 Lakh due to price escalation and waiver of penalties	ENGG
34	2010-11 (2005-06 to 2009-10)	10	Delay due to improper planning - Excess avoidable expenditure of	ENGG
35	2010-11 (2005-06 to 2009-10)	11	Unauthorized expenditure towards the wages of employees deployed on nominal muster rolls	ADMN
36	2010-11 (2005-06 to 2009-10)	12	Non forfeiture of deposit in Govt.land auctions from the defaulted society	ALLOTMENT
37	2010-11 (2005-06 to 2009-10)	13	Housing project at Akkireddypalem (Panchavati) - Incorrect adoption of land cost - Loss to VUDA	ALLOTMENT
38	2010-11 (2005-06 to 2009-10)	14	Undue benefit to contractor by providing excess rate	ENGG
39	2010-11 (2005-06 to 2009-10)	15	Excess payment due to incorrect rate adopted for the supplemental	ENGG
40	2010-11 (2005-06 to 2009-10)	16	Avoidable expenditure due to adoption of higher rate	ENGG
41	2010-11 (2005-06 to 2009-10)	17	Unfruitful Expenditure on preparation of revised Master Plan	PLNG
42	2010-11 (2005-06 to 2009-10)	18	Laxity in timely action resulted in accumulation of dues to an extent of	SECY
43	2010-11 (2005-06 to 2009-10)	19	Non adherence of agreement conditions resulted in undue benefit to contractor and loss of revenue	ENGG
44	2010-11 (2005-06 to 2009-10)	20	Loss of revenue due to laxity of VUDA by tender process	ENGG

45	2010-11 (2005-06 to 2009-10)	21	Irregular expenditure on landscaping and maintenance works	DFO
46	2010-11 (2005-06 to 2009-10)	22	Undue benefit extended to the licensee of Bheemili Guest House	REVENUE
47	2010-11 (2005-06 to 2009-10)	23	Loss of Revenue due to change of clauses proposed in Ananda Gajapathi Auditorium at VZM	REVENUE
48	2010-11 (2005-06 to 2009-10)	24	Non incorporation of certain recommendations made by VUDA as well as Govt in the revised Master Plan	PLNG
49	2010-11 (2005-06 to 2009-10)	25	Recommendations of VUDA for change of land use against their own policy	PLNG
50	2010-11 (2005-06 to 2009-10)	26	Changes of land use against the regulations made in the RMP	PLNG
51	2010-11 (2005-06 to 2009-10)	27	Transfer of VUDA Funds to Government towards sale of Govt Lands in excess of realization	ACCOUNTS
52	2010-11 (2005-06 to 2009-10)	28	Accumulation of dues towards rent of shopping complexes	REVENUE
53	2010-11 (2005-06 to 2009-10)	28(1)	Insufficient security Deposit	REVENUE
54	2010-11 (2005-06 to 2009-10)	28(2)	Accumulation of dues in excess of security Deposit and defaulters	REVENUE
55	2010-11 (2005-06 to 2009-10)	28(3)	Loss due to vacant shops/office complexes and other office establishments	REVENUE
56	2010-11 (2005-06 to 2009-10)	29	Dues receivable in respect of sale/auction of lands, sites/plots and houses	ALLOTMENT
57	2010-11 (2005-06 to 2009-10)	30	Non recovery of City level Infrastructure impact fee	PLNG
58	2010-11 (2005-06 to 2009-10)	32	Non remittance of GVMC charges	PLNG
59	2010-11 (2005-06 to 2009-10)	33	Non payment of Development charges by Various AB's	PLNG
60	2010-11 (2005-06 to 2009-10)	34	Non recovery of dues towards cost of Additional Built -up Area	PLNG

61	2010-11 (2005-06 to 2009-10)	35	Non receipt of dues towards Licence fee	REVENUE
62	2010-11 (2005-06 to 2009-10)	36	Non receipt of Licence fee an extent of	REVENUE
63	2010-11 (2005-06 to 2009-10)	37	Non -utilisation of funds towards Developmental activities	ACCOUNTS
64	2010-11 (2005-06 to 2009-10)	41	Unauthorized construction of buildings	PLNG
65	2010-11 (2005-06 to 2009-10)	42	procedural Lapses in allotment of shops on rent basis	REVENUE
66	2010-11 (2005-06 to 2009-10)	43	Irregular inclusion of clause of allowing mortgage of Government land to Private parties	SECY
67	2010-11 (2005-06 to 2009-10)	44	Ultra Model layout at Dakamarri - Certain observations	SECY
68	2010-11 (2005-06 to 2009-10)	45	Delay in approval of layouts-Regularization of layouts under LRS schemes and allotment of shops complexes etc	PLNG
69	2010-11 (2005-06 to 2009-10)	46	Non coordination of departments to achieve target envisaged in Revised Master Plan	PLNG
70	2010-11 (2005-06 to 2009-10)	47	Non conduct of Departmental Inspection and Internal Audit of the office	ACCOUNTS
71	2010-11 (2005-06 to 2009-10)	49	Encroachment of Govt.VUDA Lands	ESTATE
72	2010-11 (2005-06 to 2009-10)	50	Non recovery of Seigniorage charges on excavated/conveyed material Rs.4.4 lakh/short recovery of Seigniorage charges Rs.0.44lakh	ENGG
73	2010-11 (2005-06 to 2009-10)	53	Non - maintenance of Records registers	ALL SECTIONS
74	2012-13	1	Irregular Allotment of Land intended for Public purpose towards House sites in Sector-2 MVP Colony, Visakahapatnam	SECY
75	2012-13	2	Irregular allotment of Land in Ocean view layout in Pandurangapuram colony, Visakhapatnam at a	ESTATE

			lesser price resulted in Revenue loss of Rs.2.25 Crore	
76	2012-13	3	Loss of Revenue due to violation of conditions stipulated for 3rd party registrations- Rs.2.25 Crore	ESTATE
77	2012-13	4	Violation of condition stipulated for 3rd party Registrations	ESTATE
78	2012-13	5	Violation of condition stipulated for 3rd party Registrations	ESTATE
79	2012-13	6	Allotment of Alternative site in the Developed layouts to the D-Patta holders- certain observations	ESTATE
80	2012-13	7	Irregular Allotment of developed plots at Rushikonda layout in Sy.No. 34 & 35 to the land losers- Loss of Revenue to the extent of Rs.36.61 Crores	ESTATE
81	2012-13	8	Irregular allotment of Developed plots to an extent 28988.41 Sq yards in Rushikonda layout in Sy.No.34 & 35 to the land losers in Madhurawada & Paradesipalem-Loss of Revenue to a tune of Rs.28.99 Crore	ESTATE
82	2012-13	9	Irregular allotment of Developed plots in Madhurawada and Rushikonda layouts under land pooling project even the lands are under Court Dispute- Certain observations	ESTATE
83	2012-13	10	Land Pooling project at Madhurawada- Certain observations	ESTATE
84	2012-13	11	Irregular allotment of Developed plots to an extent 30791.39 Sq yards in LP No.36/2009 at Rushikonda layout in Sy.No.34 & 35 to the land losers -Loss of Revenue to a tune of Rs.30.79Crore	ESTATE
85	2012-13	12	Non clearance of Legal aspects before Auctioning open lands-Resulted in loss of Rs.7.08 Crores	SECY
86	2012-13	13	Irregular Allotment of Alternative Developed sites to an extent of 2250 Sq yards without acquiring lands in sy.No.126/4 of Madhurawada (v)- loss of Revenue to a tune of Rs.3.38 Crore	ESTATE

87	2012-13	14	Irregular Allotment of Alternative Developed plots in Sy.No.34 & 35 of Rushikonda to Sri Duvvi Appa Rao for the uncertified portion of land to an extent of AC 2.08 Cts- cost of Alternative Developed plots for 1560 Sq yards worked out to Rs.3.12 Crore	ESTATE
88	2012-13	15	Non Forfeiting of amounts due to default in payment of the balance outstanding amounts even after a lapse of more than 8 months- Rs.1.55 Crore	SECY
89	2012-13	16	Irregular Allotment of alternate Developed plots in excess of eligible compensated area to an extent of 684.11 Sq yards - Loss of Revenue to a tune of Rs.1.33 Crores	ESTATE
90	2012-13	17	Irregular Allotment of Developed site in violation of Norms- Loss of Revenue Rs.1.05 Crore	ESTATE
91	2012-13	18	Irregular payment of site cost relating to Plot No.80 in Gandigundam layout - Rs.69.11 lakh	SECY
92	2012-13	19	Unfruitful Expenditure on construction of new rythu bazaar MVP Colony, VSP- Rs.62.50 Lakh	ENGG
93	2012-13	20	Loss of Revenue due to Irregular Allotment of site to Sri Durga Prasad in Sector-8 at MVP Colony, VSP by VUDA- Rs.59.66 lakh	SECY
94	2012-13	21	Allotment of plot in Sec-6 MVP Colony, VSP at lesser rate resulted in loss to VUDA- Rs.57.70 lakh	SECY/ESTATE
95	2012-13	22	Undue benefit on Allotment of Alternative site at Rushikonda layout to Sri Kotha srinivasu-Loss of revenue to a tune of Rs.45.98 lakh	ESTATE
96	2012-13	23	Allotment of Alternative Developed site in place of D-Patta lands by defeating objective of Government - Execution of sale deed in excess of Eligible Developed site of 206.95 Sq yards resulted in Revenue loss of Rs.40.35 lakh	ESTATE
97	2012-13	24	Irregular Allotment of Alternative Developed site with out taking possession of land - Execution of Sale Deed in excess of eligible developed site of 195 Sq yards resulted in Revenu loss of Rs.38.03 lakh	ESTATE

98	2012-13	25	Undue benefit on Allotment of Alternative site at Rushikonda layout to Smt Poosapati Ammajamma- Loss of Revenue Rs.19.74 lakh	ESTATE
99	2012-13	26	Irregular Allotment of Additional Extent of 90 Sq yards of land than that of eligible extent to Smt Poosapati Damayanti- Rs.15.30 lakh	ESTATE
100	2012-13	27	Allotment of Alternate Developed site in favour of Sri Velagapudi Rama krishna Babu & others - Certain observations	ESTATE
101	2012-13	28	Loss of Revenue due to Adoption of Incorrect land cost on Plot No.27 in Madhurawada layout- Rs.34.44 lakh	SECY
102	2012-13	29	Loss of Revenue due to incorrect fixation of land cost on Plot No.46 in Madhurawada layout- Rs.9.63 lakh	SECY
103	2012-13	30	Loss of Revenue due to incorrect fixation of site cost on Plot No.46 in Madhurawada layout- Rs.6.30 lakh	SECY
104	2012-13	31	Loss of Revenue due to incorrect fixation of site cost- Rs.57,501/-	SECY
105	2012-13	32	Kurmannapalem- Phase-VI- Incorrect Assessment of Plot (Plot No.231)- Land cost to the extent of Additional vacant site of 7.22 Sq yards foregone by VUDA- Rs.1,81,222/-	SECY
106	2012-13	33	Irregular approval to Satya Sri Nagar layout in Satyanarayanapuram Anakapalli	PLNG
107	2012-13	34	Non Responding of Allottees of Plot No 38 & 13 at Cyber Valley layout , Madhurawada Sec-II for execution of sale deed registration- Certain observations	SECY
108	2012-13	35	Allotment of Alternate Developed sites in Rushikonda & Madhurawada to Sri Duvvi Raghu Kumar- Certain observations	ESTATE
109	2012-13	36	Non Execution of Sale Deed and Registration of Plot No. MIG-B-102 of Sontyam layout	SECY
110	2012-13	37	Non payment of Income Tax by VUDA on sale of lands	ACCOUNTS

111	2012-13	38	Inordinate delay in processing of Land Regularisation Scheme applications- Certain observations	PLNG
112	2012-13	39	Deviation of Master plan for narrow individual interests in to small pieces of land	PLNG
113	2012-13	40	Land Data not available with the VUDA	ESTATE
114	2012-13	41	Delay in Payment of land cost for Plot No.MIG-20 Kurmannapalem	SECY
115	2012-13	42	Delay in Payment of Site cost	SECY
116	2012-13	43	Change of land use- Certain observations	PLNG
117	2012-13	44	Construciton of Row Houses in Rushikonda layout- Unfruitful Expenditure incurred on 65 Row House lying vacant since 2009	ENGG
118	2012-13	45	Non receipt of GOI share and SAAP share towards construction of Rajeev Gandhi Sports Complex at Viziaagatram-Rs.155.00 Lakh	ENGG
119	2012-13	46	Pending Recoupment of the amount from the State Government towards construction of Visakha Womens college- Rs..30.00 Lakhs	ENGG
120	2012-13	47	Wasteful Expenditure incurred on Row Housing Bungalows in Rushikonda for providing face lift to external colour scheme-Rs.22.92 Lakh	ENGG
121	2012-13	48	Unfruitful Expenditure on construction of Compound wall at Swatantranager , Madhurawada- Rs.5.13 Lakh	ENGG
122	2012-13	49	Wasteful Expenditure on construction of VUDA Guest house in plot No.G at T.S.982/P at Kirlampudi layout , VSP- Rs.3.42 Lakhs	ENGG
123	2012-13	50	Wasteful Expenditure on construction of YSR Auditorium at Srikakulam- Rs.2.71 Lakh	ENGG
124	2012-13	51	Construciton of Compound wall All- Round the Dr.Y.S.Rajasekahr Reddy park at Old Central Jail premises -certain ibservations	ENGG
125	2012-13	52	Delay in Execution of Construction of Municipal Office complex at Anakapalli- Certain observations	ENGG

126	2012-13	53	Encroachment of Airport Authority of India land by VUDA to an extent of 1.77 Acres	ESTATE
127	2012-13	54	Pending repayment of loans borrowed from the State Government - Rs.470.32 Lakh	ACCOUNTS
128	2012-13	55	Non Recovery of outstanding amounts from the Allottees towards rents on shopping & office complexes & other establishments to - Rs.2.80 Crore	SECY
129	2012-13	56	Non payment of Outstanding dues by APTDC from August 2011 to August 2012- Rs.91,950/-	SECY
130	2012-13	57	Non adjustment of Temporary & Tour advances- Rs.1,28,715/-	ACCOUNTS
131	2012-13	58	Pending suspension case against Sri P.Rama Krishna, SA VUDA	SECY

Sl. No.	Subject No.	Subject	Resolutions
63	114	Entrustment of Internal Audit Work for the year 2013-14 to M/s Bharathi & Co and Constitution of Audit Committee for the purpose of enhancement of the quality of the Management	<ul style="list-style-type: none"> • Constitution of Committee and their responsibilities are agreed. • The HoDs including those on deputation should be held responsible for proper maintenance of Registers and the LPC on relief / pensions should not be given unless the registers are updated by the outgoing HoD / retiring HoD. • Entrustment is ratified with a hike of 30, 000/- over last year fee.
64	115	Sanction of Medical Aid to Sri L.Arjuna Rao, TWI (NMR) / AE powers	Perused and ratified
65	116	Reimbursement of Medical expenses to Sri Kasa Appa Rao, AEE- Injured while on duty.	Perused and ratified
66	117	Outstanding A.G Audit Paras since 2005-06 onwards- preparation of Audit replies – request for deputation of Special Audit Party to drop audit paras- perusal & record	<ul style="list-style-type: none"> • Perused. HoDs should send the reports / remarks early to the PAG for closure of the paras. • The VC, VUDA should strengthen the system based on the observations of the Audit Report and streamline the internal audit process.