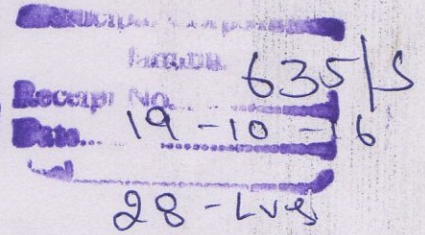
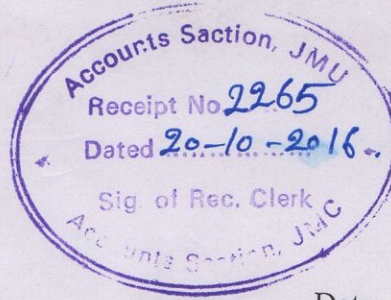


GOVERNMENT OF JAMMU & KASHMIR
OFFICE OF THE DEPUTY DIRECTOR, LOCAL FUND AUDIT & PENSIONS JAMMU

To

The Commissioner,
Jammu Municipal Corporation,
Jammu.



No:LFAPJ/2016-17/1293-96

Date: 13/10/2016

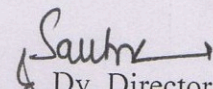
Subject: Audit Inspection report on the accounts of Jammu Municipal Corporation for the period 2014-15.

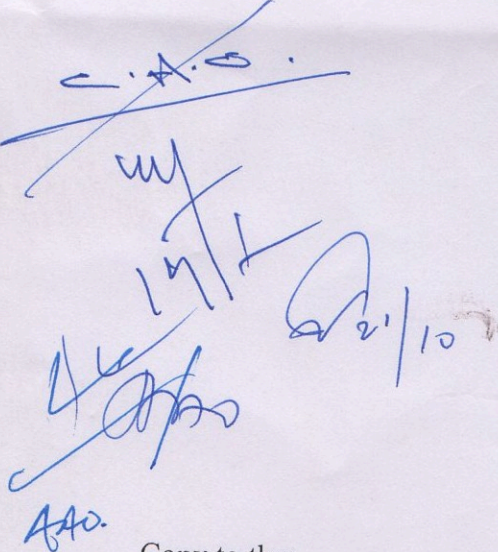
Sir,

Kindly find enclosed herewith the Audit Inspection Report on the accounts of Jammu Municipal Corporation for the period 2014-15 conducted in the month of March 2016. The detailed and comprehensive reply may be furnished to this office within one month from the date of issue of this letter. Special attention is required from the Chief Accounts Officer, JMC/ Administrative Department on the current & outstanding paras of the report.

Thanking You.

Yours Faithfully,


Dy. Director,
Local Fund Audit & Pensions,
Jammu.


Copy to the:

1. Commissioner/Secretary to Govt., Housing & urban Development Department, J&K for favour of information please.
2. Director, Local Fund, Audit & Pensions, J&K Old Sectt. Jammu/Srinagar for favor of information.
3. CAO, JMC for information & further necessary action at your end please.

22.	Gummat (6 shops)	27,732.00	5,586.00	33,318.00	29,336.00	3,982.00
23.	Gummat (2 Flats)	14,400.00	1,200.00	15,600.00	15,600.00	0.00
24.	Kanji House (7flats/rooms)	44,664.00	2,522.00	47,186.00	44,372.00	2,814.00
25.	Kanji House (1 Godown)	9,000.00	14,840.00	12,250.00	5,000.00	7,250.00
26.	PulPar (3 Rooms)	21,600.00	14,840.00	21,600.00	21,600.00	0.00
Total		33,28,600.00	4,62,376.00	45,68,009.00	33,78,979.00	9,14,883.00

In addition to above the Corporation is having a revenue enforcement section headed by Assistant Commissioner Revenue, who is expected to have records of all revenue sources, which must depict the yearly targets and achievements. But no such details/records were provided to audit party despite of repeated request. It is portent to mention here that Khilafwarzi section under control of Chief Enforcement Officer has not shown G R Books issued to its field staff in spite of repeated request made by audit party on spot, leaving a few Khilafwarzi inspectors. During the course of audit, it has been observed that some GR Books issued to enforcement section has been consumed by Municipal Mobile Magistrate and amount collected is lying with the Hon'ble court. Therefore Chief Enforcement Officer may please get the revenue collected by Hon'ble court reconciled and makes its full deposition into corporation chest as early as possible and show the audit next.

Para 19. Non- Remittance of corporation Revenue Amounting to Rs. 1,02,200/-

During the course of audit it has been observed that an amount of Rs 1,02,200/- has not been deposited with the corporation chest during the financial year 2014-15 , which is a serious nature of negligence on the part of corporation due to the lack of internal control and proper checkup of GRs The concerned section head has been already apprised by the audit on spot during the course of audit for the year 2014-2015, that get the above said balance amount deposited by the concerned official in the corporation chest (Single Window) without any further delay and ask Chief Accounts Officer JMC to depute one account personal from account section of JMC to work out the total amount Un- Deposited lying with the said official till now. The detail of the above said un- deposited amount (2014-15) is given as under:-

S No	GR No To GR No	Actual Amount	Amount Deposited	Amount Un- Deposited
1	6179278-6179300	6,400.00	0.00	6,400.00
2	6302501-6302600	80,000.00	0.00	80,000.00
3	6302601-6302623	12,400.00	0.00	12,400.00
4	6302682-6302700	40,600.00	39,600.00	1,000.00
5	4780048-4780055			
6	4780056-4780086			
7	4780087-4780100	39,300.00	38,900.00	400.00
8	6523801-6523853			
9	5783445-5783500	61,950.00	61,850.00	100.00
10	5881001-5881100			
11	6170501-6170560			

S. No.	Particular	Yearly Assessment	Opening Balance as on 1.4.2014	Total	Amt. Realized	Outstanding as on 31.03.2015
1	Bakshi Nagar Shops(50 Nos)	3,05,136.00	4,528.00	3,09,664.00	3,09,268.00	396.00
2.	Flats Bakshi nagar (21 Nos)	2,28,000.00	20,750.00	2,57,950.00	2,90,180.00	94,430.00
3.	Shakti nagar shops(25 Nos)	1,44,900.00	59,760.00	1,50,876.00	1,44,060.00	6,816.00
4.	Resham Ghar Colony Flats (12 Nos)	1,21,000.00	4,984.00	1,36,984.00	1,56,368.00	65,072.00
5.	Sabzi Mandi Shops (123 Nos)	4,21,620.00	16,480.00	4,38,100.00	4,32,052.00	6,048.00
6.	Sabzi Mandi flats (27 Nos)	3,21,480.00	1,00,802.00	4,22,282.00	2,48,620.00	3,86,890.00
7	C.P.O Garrage (2 Nos)	1,20,000.00	6,000.00	18,000.00	18,000.00	0.00
8.	Pacca danga shops(27 nos.)	1,61,784.00	5,209.00	1,66,993.00	1,60,945.00	6,048.00
9.	C.B.S Purani Mandi Jammu (57 nos.)	4,45,716.00	79,642.00	5,25,358.00	4,65,285.00	60,073.00
10.	Flats pacca danga (9 nos)	72,000.00	7,200.00	79,200.00	37,400.00	65,080.00
11	Parade Shops (19 nos)	1,42,392.00	28,570.00	1,70,962.00	1,70,962.00	0.00
12.	Parade flats (5 nos)	60,720.00	35,868.00	96,588.00	68,506.00	55,400.00
13.	Shaheedi chowk (14 shops)	1,32,852.00	11,938.00	1,44,790.00	1,40,130.00	4,660.00
14.	Shaheedi Chowk(4 flats)	40,080.00	14,889.00	54,969.00	53,045.00	1,924.00
15.	Shaheedi Chowk (2 godowns)	16,800.00	4,936.00	21,736.00	16,136.00	5,600.00
16.	BHP Area Shops (41Nos)	3,94,188.00	1,180.00	4,06,008.00	3,19,815.00	86,193.00
17	Maheshi gate Godowns (14 Nos)	77,040.00	8,170.00	77,040.00	67,640.00	15,400.00
18.	Maheshi gate (4 flats)	44,520.00	39,378.00	8,38,987.00	68,822.00	15,076.00
19.	Maheshi gate Hall (1 Nos)	15,720.00	0.00	15,720.00	15,720.00	0.00
20.	Near Hari Singh H.S. School (4 shops)	2,856.00	2,737.00	31,297.00	28,917.00	2,380.00
21.	Town hall (7 shops)	50,400.00	24,151.00	74,551.00	51,200.00	23,351.00

Para 17. Works to be executed departmentally executed through contractors worth Rs.48.68 lacs thus by-passing the tendering process

It has been observed during audit that some of the works as detailed hereunder were approved to be executed departmentally and were not put to tender, but the corporation has got the works executed through contractors, thus by-passing the tendering process for reasons best known to the corporation:

C.V.No	Gross amount of Bill	Amount excluding c/o material	Net Amount Paid	Amt as per agreement	Amt of TS	Amt of AA
89 of 08/2014	1,68,000.00	1,34,690.00	1,08,184.00	NA	1,68,000.00	1,83,000.00
91 of 08/2014	88,700.00	73,008.00	62,955.00	NA	88,700.00	92,000.00
99 of 08/2014	1,85,313.00	1,38,211.00	1,19,775.00	NA	1,85,000.00	1,85,000.00
102 of 08/2014	1,46,917.00	70,012.00	57,760.00	NA	1,47,000.00	1,47,000.00
105 of 08/2014	75,000.00	32,835.00	27,089.00	NA	75,000.00	75,000.00
107 of 08/2014	2,40,440.00	2,20,514.00	1,92,023.00	NA	2,41,000.00	2,41,000.00
108 of 08/2014	1,82,800.00	1,29,117.00	1,09,733.00	NA	1,82,800.00	1,89,000.00
114 of 08/2014	1,04,900.00	82,033.00	65,358.00	NA	1,04,900.00	1,08,000.00
116 of 08/2014	77,600.00	56,563.00	46,208.00	NA	77,600.00	78,000.00
119 of 08/2014	43,056.00	20,647.00	16,014.00	NA	43,000.00	50,000.00
121 of 08/2014	99,199.00	60,424.00	47,762.00	NA	99,100.00	1,00,000.00
123 of 08/2014	3,85,000.00	2,35,948.00	2,05,275.00	NA	3,85,000.00	11,75,000.00
128 of 08/2014	50,350.00	50,350.00	41,537.00	NA	53,000.00	53,000.00
129 of 08/2014	3,58,700.00	3,28,765.00	2,87,671.00	NA	3,58,700.00	4,07,000.00
130 of 08/2014	76,000.00	23,486.00	20,315.00	NA	76,000.00	76,000.00
144 of 08/2014	1,40,585.00	1,13,466.00	90,967.00	NA	3,08,400.00	3,09,000.00
177 of 08/2014	1,61,700.00	69,189.00	55,129.00	NA	1,61,700.00	1,65,000.00
179 of 08/2014	1,31,000.00	81,325.00	69,073.00	NA	1,31,000.00	1,31,000.00
180 of 08/2014	2,37,849.00	1,75,837.00	1,47,262.00	NA	2,37,800.00	2,38,000.00
181 of 08/2014	1,53,800.00	1,26,404.00	1,09,396.00	NA	1,53,800.00	1,56,000.00
183 of 08/2014	1,54,667.00	63,980.00	55,982.00	NA	1,56,500.00	3,10,000.00
209 of 08/2014	1,63,200.00	69,030.00	59,525.00	NA	1,63,200.00	1,70,000.00
Total	48,68,112.00	30,95,155.00				

1. Reasons for getting the works executed through contractors may be assigned to audit.
2. Reasons for not putting the said works to tendering may be assigned to audit.
3. While getting the works executed through contractors have the codal formalities been followed?

PART D

Para 18. Poor performance with regard of collection of Revenue Targets

During the course of audit for the year 2014-2015, it has been observed that the revenue targets for the year 2014-2015 does not depict the actual demand target of revenue and achievement thereof. The record of revenue collection and its deposition into corporation chest has not been maintained properly. As per the records available there is still outstanding on account of rent of shops/flats Rs.9,14,883/- as on 31-03-2015.

3 Name of Work Upgradation of lane from H/o C.L. Ambardar to H/o P.K. Raina (Durga Temple) near Durga Nagar, W. No. 64

Allotment No: MJ/14-15/Tech/C/480-83 dated 21/10/2014 in fav of Madhu Sudan

S/o Jai Ram R/o Roop Nagar

Estimated Cost of Work= 4.00 lacs

Allotted Amount of work=1.98 lacs

S. No.	Name of Contractor	CDR	Dated	Registration valid upto	Sales Tax clearance	Income Tax
1	Arun Sudan	NA	Nil	31-03-2015	01-03-2015	Nil
2	Madhu Sudan	5,000.00	19-10-2012	31-03-2015	01-03-2015	Nil
3	Ramesh Kumar	10,000.00	06-06-2014	31-03-2015	01-03-2015	Nil

4 Name of Work Construction of lane by way of PCC tiles in lane around and leading to subash chander bose park at janipur from H.No 598 to 640 in Ward No 37

Allotment No: MJ/14-15/Tech/C/437-40 dated 11/10/2014 in fav of Vippan Kumar Gupta, S/o

Late Sh. Chuni Lal Gupta, R/o Janipur

Estimated Cost of Work = 3.50 lacs including cost of Depts material

Allotted Amount of work =2.22 lacs Excluding cost of material

S. No.	Name of Contractor	CDR	Dated	Registration valid upto	Sales Tax clearance	Income Tax
1	Sushil Kumar	4,500.00	29-09-2014	31-03-2015	Nil	Nil
2	Vippan Kumar Gupta	4,500.00	26-09-2014	31-03-2015	Nil	Nil
3	Rohit Sharma	4,500.00	29-09-2014	31-03-2015	Nil	Nil

5 Name of Work Upgradation of L/drain from H/o Dr.Veena Raina to H/o Gagan sharma at Bhawani Nagar, W.No.36

Allotment No: MJ/14-15/Tech/C/17-20 dated 07/06/2014 in fav of Naresh Kumar, S/o Krishan Lal, R/o Julaka Mohalla

Estimated Cost of Work = 4.61 lacs

Allotted Amount of work = 4.61 lacs

S. No.	Name of Contractor	CDR	Dated	Registration valid upto	Sales Tax clearance	Income Tax
1	Rajesh Sharma	10,000.00	20-06-2012	NA	Nil	Yes
2	Vinod Vaid	9,300.00	10-02-2014	31-03-2014	Nil	Yes
3	Naresh Kumar	9,300.00	Nil	31-03-2014	Nil	Yes
4	Tajinder Nath Khajuria	9,300.00	10-02-2014	31-03-2013	Nil	Yes

The above data clearly indicates that favouritism has been followed instead of rules, while allotting contracts. The registration certificates were not available/expired/valid in some cases and in most of the cases the sales tax clearance certificates were not available.

Reasons for not following the procedure laid down under rules for allotment of contracts may be assigned to audit. Further the corporation is advised to follow the tendering procedure prescribed under rules in letter and spirit.

142 of 08/2014	3,77,437.00	3,77,437.00	86,844.00	3,42,000.00	3,77,562.00	3,79,000.00	35,437.00
143 of 08/2014	4,35,000.00	3,17,049.00	2,72,260.00	3,12,000.00	4,35,000.00	4,35,000.00	5,049.00
145 of 08/2014	4,47,000.00	2,34,601.00	2,01,623.00	1,96,000.00	4,47,000.00	4,47,000.00	38,601.00
146 of 08/2014	1,82,089.00	1,82,089.00	1,56,559.00	1,58,000.00	1,82,089.00	1,83,000.00	24,089.00
158 of 08/2014	4,19,934.00	4,04,559.00	3,48,220.00	3,83,000.00	4,19,955.00	4,24,000.00	21,559.00
202 of 08/2014	4,01,215.00	2,83,465.00	2,48,028.00	2,81,000.00	4,01,215.00	4,04,000.00	2,465.00
225 of 08/2014	4,89,000.00	4,89,000.00	4,27,869.00	4,86,000.00	4,89,000.00	4,89,000.00	3,000.00
Total							20,03,065.00

Reasons for making excess payments as detailed above may be assigned to audit and recovery of the excess amount paid initiated immediately under intimation to audit.

Para 16. Improper Tendering of works:

On scrutiny of the tender documents of the corporation it has been observed that the corporation is not following the rules laid down in J & K Financial Code for allotting works to contractors. Sample check of some of the tender files revealed various shortcomings in the tender documents of the bidders, yet works have been allotted to contractors by ignoring the shortcomings, as detailed hereunder:

- 1 **Name of Work** **Construction of drain from H/o B.L. Zutshi to H. No. 137 at Durga Nagar, Sec. 2**
Construction of drain from H/o Roshan Lal Pandita to H. No. 267 at Durga Nagar, Sec. 1
Construction of drain from H/o D. N. Kaul to H/o M. K Zutshi at Durga Nagar, Sec. 2

Allotment No: MJ/14-15/Tech/C/93-96 dated 04/08/2014 in fav of Madhu Sudan

S/o Jai Ram R/o Roop Nagar

Estimated Cost of Work = 4.97 lacs

Allotted Amount of work = 4.77 lacs

S. No.	Name of Contractor	CDR	Dated	Registration valid upto	Sales Tax clearance	Income Tax
1	Bansi Lal Khajuria	12,000.00	23-09-2013	31-03-2014	Nil	Nil
2	Arun Sudan	10,000.00	01-02-2014	31-03-2015	Nil	Nil
3	Madhu Sudan	10,000.00	16-12-2010	31-03-2015	Nil	Yes
4	Ramesh Kumar	10,000.00	06-06-2014	31-03-2015	Nil	Yes

- 2 **Name of work** **Construction of I/d at Roop Nagar, enclave-1B in ward No. 64**

Allotment No: MJ/14-15/Tech/C/121-24 dated 06/08/2014 in fav of Babish Mengi (SHG) Madhu Sudan

S/o Sudesh Mengi R/o Janipur, Jammu

Estimated Cost of Work = 2.59 lacs

Allotted Amount of work = 1.66 lacs

S. No.	Name of Contractor	CDR	Dated	Registration valid upto	Sales Tax clearance	Income Tax
1	Babish Mengi	2,600.00	23-06-2014	NA	01-03-2014	Yes
2	Glotech Infra	2,800.00	10-03-2014	NA	01-03-2013	Yes
3	Bismillah Construction	2,600.00	Nil	NA	Nil	Yes

80 of 05/2014	3,16,945.00	2,07,518.00	1,78,941.00	2,04,000.00	3,16,938.00	3,43,000.00	3,518.00
81 of 05/2014	4,37,690.00	2,67,815.00	2,30,278.00	2,62,000.00	4,37,719.00	4,40,000.00	5,815.00
83 of 05/2014	3,32,526.00	3,32,526.00	2,86,735.00	2,45,000.00	3,32,529.00	3,34,000.00	87,526.00
92 of 05/2014	1,75,000.00	1,39,755.00	1,13,313.00		1,75,000.00	1,75,000.00	1,39,755.00
94 of 05/2014	3,21,000.00	3,21,000.00	2,76,795.00	3,16,000.00	3,21,000.00	3,21,000.00	5,000.00
99 of 05/2014	3,06,000.00	3,06,000.00	2,63,860.00	2,82,000.00	3,06,000.00	3,06,000.00	24,000.00
100 of 05/2014	4,55,000.00	4,27,840.00	3,68,924.00	4,09,000.00	4,55,000.00	4,55,000.00	18,840.00
109 of 05/2014	3,71,559.00	3,00,000.00	2,58,690.00	3,67,000.00	3,71,592.00	3,73,000.00	4,559.00
110 of 05/2014	3,06,160.00	2,01,160.00	1,73,458.00	1,74,000.00	3,06,160.00	3,10,000.00	27,160.00
111 of 05/2014	1,81,000.00	1,81,000.00	1,56,073.00	1,65,000.00	1,81,000.00	1,81,000.00	16,000.00
112 of 05/2014	1,43,919.00	1,43,919.00	1,24,100.00	1,34,000.00	1,43,919.00	1,51,000.00	9,919.00
115 of 05/2014	2,70,000.00	2,52,360.00	2,17,608.00	2,52,000.00	2,70,000.00	2,70,000.00	360.00
119 of 05/2014	1,89,000.00	1,89,000.00	1,62,958.00	1,87,000.00	1,89,000.00	1,89,000.00	2,000.00
122 of 05/2014	4,49,000.00	3,31,764.00	2,86,079.00	4,42,000.00	4,49,000.00	4,49,000.00	7,000.00
123 of 05/2014	4,48,888.00	3,58,362.00	3,09,014.00	4,42,000.00	4,48,886.00	4,49,000.00	6,888.00
129 of 05/2014	4,48,110.00	2,95,780.00	2,55,049.00	2,94,000.00	4,48,189.00	4,49,000.00	1,780.00
14 of 08/2014	2,83,627.00	2,72,970.00	2,35,380.00	2,65,000.00	2,76,000.00	2,76,000.00	7,970.00
15 of 08/2014	3,68,514.00	3,29,564.00	2,68,184.00	3,29,000.00	3,68,551.00	3,69,000.00	564.00
17 of 08/2014	3,61,000.00	3,61,000.00	3,11,287.00	3,26,000.00	3,61,000.00	3,61,000.00	35,000.00
18 of 08/2014	7,80,645.00	7,73,785.00	6,86,689.00	3,97,000.00	7,80,645.00	7,81,000.00	3,76,785.00
25 of 08/2014	2,64,877.00	1,93,592.00	1,11,282.00	1,86,000.00	2,64,877.00	2,66,000.00	7,592.00
26 of 08/2014	1,74,025.00	1,61,461.00	1,37,237.00	1,46,000.00	1,74,025.00	1,75,000.00	15,461.00
30 of 08/2014	2,84,000.00	2,84,000.00	2,44,890.00	2,63,000.00	2,84,000.00	2,84,000.00	21,000.00
33 of 08/2014	2,34,346.00	2,07,346.00	1,77,468.00	1,27,000.00	2,34,346.00	2,37,000.00	80,346.00
36 of 08/2014	1,07,911.00	1,07,911.00	93,049.00	1,00,000.00	1,07,942.00	1,08,000.00	7,911.00
39 of 08/2014	7,15,612.00	1,30,638.00	CC-2nd	6,98,848.00	7,16,043.00	7,19,000.00	16,764.00
42 of 08/2014	4,49,000.00	3,37,346.00	2,88,842.00	4,42,000.00	4,49,000.00	4,49,000.00	7,000.00
43 of 08/2014	75,345.00	75,345.00	64,968.00	67,500.00	75,345.00	77,000.00	7,845.00
44 of 08/2014	1,33,000.00	1,33,000.00	1,14,546.00	1,05,000.00	1,33,000.00	1,33,000.00	28,000.00
45 of 08/2014	2,26,000.00	2,26,000.00	1,94,311.00	2,22,000.00	2,26,000.00	2,26,000.00	4,000.00
46 of 08/2014	4,37,789.00	4,22,414.00	3,68,951.00	3,97,000.00	4,37,799.00	4,41,000.00	25,414.00
47 of 08/2014	3,99,932.00	3,99,932.00	3,49,935.00	3,76,000.00	3,99,951.00	4,06,000.00	23,932.00
53 of 08/2014	2,42,000.00	2,13,739.00	1,83,126.00	1,46,000.00	2,42,000.00	2,42,000.00	67,739.00
54 of 08/2014	4,01,700.00	4,01,700.00	3,51,486.00	4,00,000.00	4,01,700.00	4,03,000.00	1,700.00
57 of 08/2014	2,97,000.00	2,97,000.00	2,55,330.00	2,64,000.00	2,97,000.00	2,97,000.00	33,000.00
59 of 08/2014	2,38,790.00	2,07,264.00	1,77,414.00	2,03,000.00	2,38,790.00	2,47,000.00	4,264.00
62 of 08/2014	4,48,030.00	4,48,030.00	3,92,023.00	4,39,000.00	4,48,030.00	4,50,000.00	9,030.00
73 of 08/2014	3,07,405.00	2,06,225.00	1,77,825.00	1,97,000.00	3,07,527.00	3,28,000.00	9,225.00
78 of 08/2014	96,755.00	84,455.00	73,894.00	83,000.00	96,755.00	97,000.00	1,455.00
80 of 08/2014	3,16,448.00	2,51,068.00	2,16,494.00	2,45,000.00	3,16,452.00	3,20,000.00	6,068.00
81 of 08/2014	92,750.00	74,145.00	63,933.00	69,000.00	92,750.00	1,09,000.00	5,145.00
86 of 08/2014	3,48,500.00	3,44,371.00	3,04,588.00	3,50,000.00	3,48,500.00	3,50,000.00	4,129.00
88 of 08/2014	1,29,000.00	1,29,000.00	1,12,870.00	1,28,000.00	1,29,000.00	1,29,000.00	1,000.00
93 of 08/2014	1,79,600.00	1,15,214.00	99,350.00	1,13,000.00	1,79,600.00	1,81,000.00	2,214.00
131 of 08/2014	1,37,954.00	1,28,996.00	1,17,036.00	1,00,000.00	1,37,900.00	1,70,000.00	28,996.00
134 of 08/2014	1,65,692.00	1,19,352.00	1,02,574.00	1,06,000.00	1,65,692.00	1,66,000.00	13,352.00
136 of 08/2014	4,89,690.00	4,68,089.00	4,28,479.00	7,63,000.00	4,89,690.00	7,63,000.00	21,601.00
140 of 08/2014	2,24,846.00	1,89,020.00	1,62,427.00	1,88,000.00	2,24,854.00	2,60,000.00	36,846.00

time of opening of tenders. The reasons why he was giving contract for supply of Execute when he has not requisite quantification as per the eligibility criteria mentioned in the tender. It is further observed that rules and regulation were not followed while processing the tenders and the contract was giving to the tendered that does not have requisite qualification as providing in the tender.

It is further observed that comparative statement prepared has not been signed by the members.

PART C

Para 15. Excess payments made to contractors for works done during 2014-15 amounting to Rs. 20.03 lacs

During scrutiny of records, it has been found that excess payments have been made to contractors during the year 2014-15 for the works done as listed below:

C.V.No	Gross amount of Bill	Amount excluding c/o material	Net Amount Paid	Amt as per agreement	Amt of TS	Amt of AA	Excess Payment
01 of 04/2014	2,47,000.00	2,41,330.00	2,08,096.00	1,98,000.00	2,47,000.00	2,47,000.00	43,330.00
04 of 04/2014	1,33,315.00	1,23,515.00	1,06,505.00	1,15,000.00	1,33,315.00	1,34,000.00	8,515.00
14 of 04/2014	3,70,997.00	3,70,997.00	3,19,909.00	3,31,000.00	3,70,997.00	3,71,000.00	39,997.00
15 of 04/2014	4,12,000.00	2,46,607.00	2,12,647.00	2,30,000.00	4,12,000.00	4,12,000.00	16,607.00
36 of 04/2014	4,49,000.00	3,36,216.00	2,89,916.00	4,42,000.00	4,49,000.00	4,49,000.00	7,000.00
07 of 05/2014	4,56,660.00	4,36,160.00	3,75,414.00	4,16,423.00	4,56,663.00	4,59,000.00	19,737.00
08 of 05/2014	6,38,437.00	2,13,676.00	1,83,294.00	2,03,000.00	6,38,437.00	6,33,000.00	10,676.00
10 of 05/2014	3,70,000.00	3,70,000.00	3,19,047.00	3,68,000.00	3,70,000.00	3,70,000.00	2,000.00
12 of 05/2014	4,07,100.00	4,07,100.00	3,51,039.00	4,04,000.00	4,07,100.00	4,08,000.00	3,100.00
13 of 05/2014	3,28,000.00	3,28,000.00	2,82,831.00	3,25,000.00	3,28,000.00	3,28,000.00	3,000.00
15 of 05/2014	4,36,000.00	4,36,000.00	3,75,959.00	4,34,000.00	4,36,000.00	4,36,000.00	2,000.00
17 of 05/2014	3,90,163.00	3,08,373.00	2,65,908.00	2,37,000.00	3,90,163.00	3,92,000.00	71,373.00
18 of 05/2014	2,19,083.00	2,09,283.00	1,79,626.00	1,87,000.00	2,19,000.00	2,24,000.00	22,283.00
22 of 05/2014	4,22,457.00	2,83,747.00	2,14,281.00	2,79,000.00	4,22,457.00	4,26,000.00	4,747.00
36 of 05/2014	4,17,000.00	4,17,000.00	3,59,576.00	4,05,000.00	4,17,000.00	4,17,000.00	12,000.00
37 of 05/2014	4,07,000.00	4,07,000.00	3,50,953.00	4,02,000.00	4,07,000.00	4,07,000.00	5,000.00
40 of 05/2014	4,62,000.00	4,62,000.00	3,98,378.00	4,21,000.00	4,62,000.00	4,62,000.00	41,000.00
41 of 05/2014	4,44,773.00	4,44,773.00	3,83,526.00	4,40,000.00	4,44,773.00	4,46,000.00	4,773.00
42 of 05/2014	3,10,252.00	1,97,695.00	1,70,470.00	1,94,000.00	3,11,307.00	3,15,000.00	3,695.00
53 of 05/2014	4,25,575.00	4,25,575.00	3,73,914.00	3,81,000.00	4,25,588.00	4,30,000.00	44,575.00
57 of 05/2014	3,96,420.00	3,96,420.00	3,41,830.00	2,89,000.00	3,96,420.00	3,99,000.00	1,07,420.00
58 of 05/2014	4,70,000.00	4,70,000.00	4,05,277.00	4,66,000.00	4,70,000.00	4,70,000.00	4,000.00
66 of 05/2014	5,88,163.00	5,25,163.00	4,51,964.00	4,50,000.00	5,88,163.00	5,89,000.00	75,163.00
69 of 05/2014	4,44,836.00	4,44,836.00	3,83,580.00	4,38,000.00	4,44,836.00	4,45,000.00	6,836.00
70 of 05/2014	2,04,000.00	2,04,000.00	1,75,916.00	2,01,000.00	2,04,000.00	2,04,000.00	3,000.00
76 of 05/2014	3,93,080.00	2,42,610.00	2,08,613.00	2,30,000.00	NA	NA	12,610.00
77 of 05/2014	4,43,880.00	4,34,156.00	3,74,371.00	4,19,000.00	4,43,000.00	4,43,000.00	15,156.00
78 of 05/2014	4,51,804.00	4,35,304.00	3,75,360.00	4,40,000.00	4,51,804.00	4,53,000.00	11,804.00

06	94582358 of 09/08/2014	M/S Ceat Tyres	26,276.00
07	94582359 of 09/08/2014	M/S Ceat Tyres	71,227.00
08	1200004909 of 01/08/2014	JK Tyres	15,162.00
09	94582240 of 31/07/2014	Ceat Tyres	2,40,153.00
10	94582242 of 31/07/2014	Ceat Tyres	1,03,705.00
11	94582241 of 31/07/2014	Ceat Tyres	1,03,705.00
12	94581159 of 14/05/2014	Ceat Tyres	8,311.00
13	94580443 of 11/03/2014	Ceat Tyres	1,14,213.00
	Total		13,73,372.00

In this connection the following observations may be justified:

1. Sanction of competent authority may be furnished.
2. Copy of approved rate as vide the divisional committee may be furnished.
3. Copy of Supply order placed to the firm may also be furnished.
4. Certificate to this effect that the purchases have been made after observing all codal formalities like tendering, healthy competition, allotment of contract to lowest tenderer with reasonability of rates.

It was further observed that no proper system is followed in case of issuing new tyres to the vehicles. The tyres are being issued by concerned section on loose slips issued by C.T.O which is in contravention of rules. The concerned has been directed to issue tyres after obtaining proper authority on format prescribed for the purpose.

Para 14. Tender for hiring of Tracked Excavator:-

Tenders were floated for hiring of Tracked Excavator vide No -MJ/Estt/12381-84 Dt 15/01/2014 for wide publicity in the leading newspapers. The machine was required for daily excavation of trenches upto a depth of 25 to 30 in heavy machinery having sufficient experience for supply of tracked Excavator .Audit scrutiny revealed that three tenders were received in response to advertisement in the news paper The following audit observations are made which may please be clarified to audit on spot:-

1. Reasons for not giving wide publicity in more than one leading news paper of the state.
2. By going through the terms and condition in the tender notice issued .It was mentioned that date of opening of the technical and financial bids shall be intimated subsequently but no such copy of intimation letter for opening of the tenders was issued for information of the tenders .It is further observed that the signatures of the tenders who attended at the time of opening of tenders were not seen in the records .It may be clarified to the audit why the tenders are not been intimated and why their signature were not taken.
3. Scrutiny of the records further reveal that it was mentioned in the tender notice that the tenders who qualify all the specifications will be accepted and tenders with decimations will be summarily rejected. But in case of M/S Ajay Sharma Mohalla Jullakka Jammu the tendered in his tender has mentioned the machine of 2009 model The model of the excavator required should not be older than 2011 as per the terms and condition in the tender .Hence the specification of the tendered was not matching with the specification of the tender and should have been rejected out rightly by the corporation. The reason for not rejecting out rightly by the corporation The reasons for not rejecting the tender of M/S Ajay Sharma may be clarified to the audit.

It has been further revealed that experience certificate of at least 3 years, job order and work completion certificate of the successful tenderer M/S Pardeep Kumar was not verified at the

- ii) Amount of short deduction of taxes may be looked into personally and necessary recovery may be affected from the concerned under intimation to audit.

Para 12. Repair of departmental vehicles from open market:-

During audit it was observed that expenditure amounting to Rs. 3,19,507/- has been incurred on account of repair of the vehicles from open market without floating tenders, thus not following rules as laid down in Financial Code. Few instances are given below:-

SNo	Bill no/Date	Firm	Amount
1	124 of 07/05/2014	M/S Bhasin Auto Store	7,785.00
2	150 of 16/07/2014	M/S ISO Hoses Industry	25,500.00
3	200 of 28/09/2014	M/S Bhasin Auto Store	14,859.00
4	3922 of 22/05/2014	M/S Amar Auto Store	14,956.00
5	3941 of 13/06/2014	M/S Amar Auto Store	8,967.00
6	4110 of 02/01/2015	M/S Amar Auto Store	8,535.00
7	4260 of 18/02/2015	M/s Amar Auto Store	4,499.00
8	1081 of 05/11/2014	M/S Shivalik Spares	28,162.00
9	258 of 19/07/2014	M/S Vikas Motors	16,125.00
10	108 of 29/04/2014	M/S Bhasin Auto Store	13,119.00
11	4302 of 23/08/2014	M/S Reliance Comforts	11,500.00
12	380 of 10/12/2014	M/S S.S Traders	11,421.00
13	126 of 13/05/2014	M/S Bhasin Auto Traders	13,727.00
14	77 of 18/09/2014	M/S Shivalik Spares	15,734.00
15	286 of 06/12/2014	M/S Bhasin Auto Traders	18,906.00
16	1100 of 20/04/2014	M/S Kant Automobiles	30,370.00
17	118 of 21/11/2014	M/S Shivalik Spares	15,961.00
18	3533 of 05/11/2014	M/S Nanda Automobiles	21,177.00
19	115 of 13/11/2014	M/S Shivalik Spares	25,521.00
20	367 of 09/03/2015	M/S Bhasin Auto Traders	12,683.00
	Total		3,19,507.00

Reasons may be furnished to audit at an earliest for the following observations:

- Why NOC from State Motor Garages has not been obtained.
- Why tenders were not floated for healthy competition and compliance of rules and norms of getting services of the public at lowest expenditure.
- How reasonability of rates can be justified for such heavy expenditure to be incurred at LMR.

Para 13. Tyres Worth 13.73 lacs purchased from open market without inviting tenders

Scrutiny of the records reveals that tyres have been purchased from open market without following codal formalities. The detail of tyres purchased is given below:-

SNo	Invoice No/Date	Name of Firms	Amount
01	734114589 of 01/10/2014	M/S Apollo Tyres	10,417.00
02	1200004985 of 11/09/2014	JK Tyres	71,165.00
03	734113697 of 13/09/2014	M/S Apollo Tyres	2,62,566.00
04	734113531 of 21/08/2014	M/S Apollo Tyres	2,14,674.00
05	1200004935 of 13/08/2014	JK Tyres	1,31,798.00

This attributes to loss to the Govt. exchequer. The administration is required to justify the following observations:

- i) The reason for short deduction of Income tax, Service Tax and Labour Cess may be justified to audit.
- ii) Amount of short deduction of taxes may be looked into personally and necessary recovery may be affected from the concerned under intimation to audit.

Para 11. Short deduction of income tax and service tax from payments made by CTO amounting to Rs. 96,801.00 & recovery thereof.

Income Tax and Service Tax is required to be deducted at source from the bills as per the prescribed rates, but the instances have been noticed during the course of audit where income tax and service tax have not been deducted at prescribed rates in the bills passed by the CTO, which is contradictory to the rules, resulting into short deduction of income tax and service tax.

C.V.No	Gross amount of Bill	Deductions Due		Deductions Made		Short deductions	
		I.Tax	S.Tax	I.Tax	S.Tax	I.Tax	S.Tax
146 of 05/2014	45,000.00	1,022.00	4,725.00	-	-	1,022.00	4,725.00
147 of 05/2014	27,000.00	613.00	2,835.00	-	-	613.00	2,835.00
148 of 05/2014	24,000.00	545.00	2,520.00	-	-	545.00	2,520.00
206 of 05/2014	16,750.00	380.00	1,759.00	1,124.00		-	1,759.00
205 of 05/2014	7,100.00	161.00	746.00	637.00		-	746.00
207 of 05/2014	3,400.00	77.00	357.00	356.00		-	357.00
209 of 05/2014	2,690.00	61.00	282.00	416.00		-	282.00
210 of 05/2014	780.00	18.00	82.00	507.00		-	82.00
213 of 05/2014	2,400.00	54.00	252.00	254.00		-	252.00
222 of 05/2014	2,850.00	65.00	299.00	625.00		-	299.00
230 of 05/2014	27,300.00	620.00	2,867.00	1,532.00		-	2,867.00
252 of 05/2014	4,000.00	91.00	420.00	363.00		-	420.00
253 of 05/2014	3,600.00	82.00	378.00	490.00		-	378.00
254 of 05/2014	3,450.00	78.00	362.00	947.00		-	362.00
255 of 05/2014	13,000.00	295.00	1,365.00	971.00		-	1,365.00
256 of 05/2014	5,250.00	119.00	551.00	295.00		-	551.00
257 of 05/2014	13,000.00	295.00	1,365.00	979.00		-	1,365.00
258 of 05/2014	17,290.00	392.00	1,815.00	970.00		-	1,815.00
259 of 05/2014	14,250.00	323.00	1,496.00	800.00		-	1,496.00
260 of 05/2014	1,500.00	34.00	158.00	283.00		-	158.00
261 of 05/2014	3,450.00	78.00	362.00	964.00		-	362.00
263 of 05/2014	2,700.00	61.00	284.00	280.00		-	284.00
264 of 05/2014	2,750.00	62.00	289.00	823.00		-	289.00
268 of 05/2014	5,650.00	128.00	593.00	553.00		-	593.00
269 of 05/2014	4,000.00	91.00	420.00	886.00		-	420.00
	2,53,160.00	20,456.00	94,621.00	20,460.00		2,180.00	94,621.00

This attributes to loss to the Govt. exchequer.

- i) The reason for short deduction of Income tax and Service Tax may be justified to audit.

176 to 189 of 01/2015	Society Sanitation De Economic	1,28,100.00	2,908.00	13,451.00	1,281.00	2,905.00				13,451.00	1,281.00
201 to 202 of 01/2015	The Jammu Env't. Society	12,81,075.00	29,080.00	1,34,513.00	12,811.00	29,082.00				1,34,513.00	12,811.00
203 to 211 of 01/2015	Om Shivani Educational Society	3,77,550.00	8,570.00	39,643.00	3,776.00	8,569.00				39,643.00	3,776.00
213 to 218 of 01/2015	Association for SEED	3,01,200.00	6,837.00	31,626.00	3,012.00	6,837.00				31,626.00	3,012.00
219 to 249 of 01/2015	Society Sanitation De Economic	3,25,950.00	7,399.00	34,225.00	3,260.00	7,399.00				34,225.00	3,260.00
250 to 278 of 01/2015	Sain Baba Society	6,30,050.00	14,302.00	66,155.00	6,301.00	14,304.00				66,155.00	6,301.00
279 to 297 of 01/2015	J&K Public Welfare And Dev. Society	8,39,200.00	19,050.00	88,116.00	8,392.00	19,051.00				88,116.00	8,392.00
380 of 01/2015	Udhampur Dev. Society	2,35,650.00	5,349.00	24,743.00	2,357.00	5,346.00				24,743.00	2,357.00
416 of 01/2015	Udhampur Dev. Society	38,51,700.00	87,434.00	4,04,429.00	38,517.00	87,440.00				4,04,429.00	38,517.00
278 to 280 of 02/2015	Jammu Sanitation Club	1,80,300.00	4,093.00	18,932.00	1,803.00	4,093.00				18,932.00	1,803.00
281 to 294 of 02/2015	Udhampur Dev. Society	15,93,250.00	36,167.00	1,67,291.00	15,933.00	36,168.00				1,67,291.00	15,933.00
401 to 414 of 02/2015	Society Sanitation De Economic	1,64,100.00	3,725.00	17,231.00	1,641.00	3,724.00				17,231.00	1,641.00
415 to 418 of 02/2015	Association for SEED	1,44,750.00	3,286.00	15,199.00	1,448.00	3,287.00				15,199.00	1,448.00
01 to 53 of 03/2015	Udhampur Dev. Society	1,75,750.00	3,990.00	18,454.00	1,758.00	3,994.00				18,454.00	1,758.00
98 of 03/2015	Jammu Sanitation Club	15,52,200.00	35,235.00	1,62,981.00	15,522.00	35,235.00				1,62,981.00	15,522.00
99 to 105 of 03/2015	Society Sanitation De Economic	65,100.00	1,478.00	6,836.00	651.00	1,477.00				6,836.00	651.00
126 to 153 of 03/2015	J&K Public Welfare And Dev. Society	9,84,500.00	22,348.00	1,03,373.00	9,845.00	22,350.00				1,03,373.00	9,845.00
156 to 163 of 03/2015	Om Shivani Educational Society	1,75,050.00	3,974.00	18,380.00	1,751.00	3,974.00				18,380.00	1,751.00
164 to 178 of 03/2015	Sain Baba Society	3,02,050.00	6,857.00	31,715.00	3,021.00	6,859.00				31,715.00	3,021.00
224 to 244 of 03/2015	The Jammu Env't. Society	5,17,125.00	11,739.00	54,298.00	5,171.00	11,739.00				54,298.00	5,171.00
251 to 371 of 03/2015	Udhampur Dev. Society	10,26,350.00	23,298.00	1,07,767.00	10,264.00	23,306.00				1,07,767.00	10,264.00
753 to 767 of 03/2015	J&K Public Welfare And Dev. Society	4,60,500.00	10,453.00	48,353.00	4,605.00	10,454.00				48,353.00	4,605.00
768 to 770 of 03/2015	Udhampur Dev. Society	5,26,350.00	11,948.00	55,267.00	5,264.00	11,949.00				55,267.00	5,264.00
779 to 786 of 03/2015	Talent Club	5,68,350.00	12,902.00	59,677.00	5,684.00	12,901.00				59,677.00	5,684.00
941 to 942 of 03/2015	Udhampur Dev. Society	15,46,650.00	35,109.00	1,62,398.00	15,467.00	35,121.00				1,62,398.00	15,467.00
943 of 03/2015	Jammu Sanitation Club	14,01,075.00	31,804.00	1,47,113.00	14,011.00	31,804.00				1,47,113.00	14,011.00
960 to 973 of 03/2015	Society Sanitation De Economic	1,64,700.00	3,739.00	17,294.00	1,647.00	3,741.00				17,294.00	1,647.00
	Total								2,979.00	90,40,976.00	8,89,867.00

407 to 408 of 09/2014	Talent Club	2,01,750.00	4,580.00	21,184.00	2,018.00	4,580.00				21,184.00	2,018.00
416 to 418 of 09/2014	Om Shivani Educational Society	2,82,900.00	6,422.00	29,705.00	2,829.00	6,422.00				29,705.00	2,829.00
1 to 4 of 10/2014	Talent Club	3,94,950.00	8,965.00	41,470.00	3,950.00	8,966.00				41,470.00	3,950.00
5 to 72 of 10/2014	Udhampur Dev. Society	7,97,350.00	18,100.00	83,722.00	7,974.00	18,116.00				83,722.00	7,974.00
100 to 118 of 10/2014	The Jammu Env't. Society	3,68,125.00	8,356.00	38,653.00	3,681.00	8,357.00				38,653.00	3,681.00
207 to 211 of 10/2014	Sain Baba Society	3,37,950.00	7,671.00	35,485.00	3,380.00	7,672.00				35,485.00	3,380.00
285 to 370 of 10/2014	Udhampur Dev. Society	24,28,350.00	55,124.00	2,54,977.00	24,284.00	55,131.00				2,54,977.00	24,284.00
371 of 10/2014	Jammu Sanitation Club	14,97,925.00	34,003.00	1,57,282.00	14,979.00	34,003.00				1,57,282.00	14,979.00
465 to 466 of 10/2014	Association for SEED	1,88,100.00	4,270.00	19,751.00	1,881.00	4,270.00				19,751.00	1,881.00
467 to 473 of 10/2014	Society Sanitation De Economic	2,43,300.00	5,523.00	25,547.00	2,433.00	5,523.00				25,547.00	2,433.00
474 to 476 of 10/2014	Om Shivani Educational Society	2,67,900.00	6,081.00	28,130.00	2,679.00	6,081.00				28,130.00	2,679.00
477 to 485 of 10/2014	The Jammu Env't. Society	4,54,350.00	10,314.00	47,707.00	4,544.00	10,313.00				47,707.00	4,544.00
489 to 500 of 10/2014	J&K Public Welfare And Dev. Society	7,38,425.00	16,762.00	77,535.00	7,384.00	16,762.00				77,535.00	7,384.00
518 to 611 of 10/2014	Udhampur Dev. Society	8,53,250.00	19,369.00	89,591.00	8,533.00	19,385.00				89,591.00	8,533.00
612 to 631 of 10/2014	The Jammu Env't. Society	3,91,875.00	8,896.00	41,147.00	3,919.00	8,895.00				41,147.00	3,919.00
325 to 356 of 11/2014	Society Sanitation De Economic	2,83,350.00	6,432.00	29,752.00	2,834.00	6,428.00				29,752.00	2,834.00
466 to 485 of 11/2014	J&K Public Welfare And Dev. Society	6,58,500.00	14,948.00	69,143.00	6,585.00	14,948.00				69,143.00	6,585.00
491 to 495 of 11/2014	J&K Sports Dev. Society	3,19,950.00	7,263.00	33,595.00	3,200.00	7,262.00				33,595.00	3,200.00
496 to 497 of 11/2014	Talent Club	1,95,300.00	4,433.00	20,507.00	1,953.00	4,434.00				20,507.00	1,953.00
498 to 501 of 11/2014	Udhampur Dev. Society	8,12,400.00	18,441.00	85,302.00	8,124.00	18,442.00				85,302.00	8,124.00
502 to 503 of 11/2014	Sanitation Club	1,36,050.00	3,088.00	14,285.00	1,361.00	3,088.00				14,285.00	1,361.00
18 to 19 of 12/2014	Association for SEED	1,24,350.00	2,823.00	13,057.00	1,244.00	2,823.00				13,057.00	1,244.00
20 to 22 of 12/2014	Om Shivani Educational Society	1,89,450.00	4,301.00	19,892.00	1,895.00	4,300.00				19,892.00	1,895.00
23 to 30 of 12/2014	Society Sanitation De Economic	2,08,350.00	4,730.00	21,877.00	2,084.00	4,730.00				21,877.00	2,084.00
57 to 64 of 12/2014	Sain Baba Society	2,42,700.00	5,509.00	25,484.00	2,427.00	5,508.00				25,484.00	2,427.00
121 of 12/2014	Udhampur Dev. Society	16,85,400.00	38,259.00	1,76,967.00	16,854.00	38,253.00				1,76,967.00	16,854.00
333 to 407 of 12/2014	Udhampur Dev. Society	8,27,600.00	18,787.00	86,898.00	8,276.00	18,778.00				86,898.00	8,276.00
426 to 427 of 12/2014	Udhampur Dev. Society	19,31,350.00	43,842.00	2,02,792.00	19,314.00	43,858.00				2,02,792.00	19,314.00
532 of 12/2014	Jammu Sanitation Club	14,98,575.00	34,018.00	1,57,350.00	14,986.00	34,018.00				1,57,350.00	14,986.00

653 to 677 of 07/2014	J&K Public Welfare And Dev. Society	11,86,750.00	26,939.00	1,24,609.00	11,868.00	26,937.00				1,24,609.00	11,868.00
741 to 746 of 07/2014	Society Sanitation De Economic	2,29,275.00	5,205.00	24,074.00	2,293.00	5,204.00				24,074.00	2,293.00
747 to 758 of 07/2014	The Jammu Emt. Society	2,90,850.00	6,602.00	30,539.00	2,909.00	6,603.00				30,539.00	2,909.00
759 of 07/2014	Om Shivani Educational Society	95,850.00	2,176.00	10,064.00	959.00	2,176.00				10,064.00	959.00
264 to 271 of 08/2014	The Jammu Emt. Society	2,56,200.00	5,816.00	26,901.00	2,562.00	5,817.00				26,901.00	2,562.00
285 of 08/2014	Udhampur Dev. Society	19,01,700.00	43,169.00	1,99,679.00	19,017.00	43,166.00				1,99,679.00	19,017.00
286 to 289 of 08/2014	Sain Baba Society	2,80,500.00	6,367.00	29,453.00	2,805.00	6,368.00				29,453.00	2,805.00
290 to 294 of 08/2014	J&K Sports Dev. Society	3,13,200.00	7,110.00	32,886.00	3,132.00	7,111.00				32,886.00	3,132.00
296 of 08/2014	Sain Baba Society	74,400.00	1,689.00	7,812.00	744.00	1,689.00				7,812.00	744.00
297 to 376 of 08/2014	Udhampur Dev. Society	7,22,460.00	16,400.00	75,858.00	7,225.00	16,387.00				75,858.00	7,225.00
439 to 440 of 08/2014	Association for SEED	1,99,800.00	4,535.00	20,979.00	1,998.00	4,535.00				20,979.00	1,998.00
441 of 08/2014	Jammu Sanitation Club	14,93,375.00	33,900.00	1,56,804.00	14,934.00	33,900.00				1,56,804.00	14,934.00
442 to 443 of 08/2014	Udhampur Dev. Society	4,13,700.00	9,391.00	43,439.00	4,137.00	9,391.00				43,439.00	4,137.00
450 to 460 of 08/2014	The Jammu Emt. Society	5,03,025.00	11,419.00	52,818.00	5,030.00	11,421.00				52,818.00	5,030.00
467 to 480 of 08/2014	Society Sanitation De Economic	2,81,925.00	6,400.00	29,602.00	2,819.00	6,401.00				29,602.00	2,819.00
481 to 483 of 08/2014	Om Shivani Educational Society	2,80,800.00	6,374.00	29,484.00	2,808.00	5,374.00			1,000.00	29,484.00	2,808.00
578 to 587 of 08/2014	The Jammu Emt. Society	1,97,250.00	4,478.00	20,711.00	1,973.00	4,478.00				20,711.00	1,973.00
588 to 604 of 08/2014	J&K Public Welfare And Dev. Society	9,00,850.00	20,449.00	94,589.00	9,009.00	20,449.00				94,589.00	9,009.00
96 to 98 of 09/2014	J&K Sports Dev. Society	2,18,250.00	4,954.00	22,916.00	2,183.00	4,832.00			122.00	22,916.00	2,183.00
99 to 101 of 09/2014	Jammu Sanitation Club	2,05,650.00	4,668.00	21,593.00	2,057.00	4,668.00				21,593.00	2,057.00
123 to 137 of 09/2014	J&K Public Welfare And Dev. Society	7,90,850.00	17,952.00	83,039.00	7,909.00	17,952.00				83,039.00	7,909.00
138 to 145 of 09/2014	Udhampur Dev. Society	7,63,450.00	17,330.00	80,162.00	7,635.00	17,330.00				80,162.00	7,635.00
149 to 153 of 09/2014	Sain Baba Society	3,54,300.00	8,043.00	37,202.00	3,543.00	8,043.00				37,202.00	3,543.00
154 to 161 of 09/2014	The Jammu Emt. Society	4,38,150.00	9,946.00	46,006.00	4,382.00	9,947.00			-	46,006.00	4,382.00
162 to 163 of 09/2014	Jammu Sanitation Club	30,99,525.00	70,359.00	3,25,450.00	30,995.00	70,359.00			-	3,25,450.00	30,995.00
229 to 230 of 09/2014	Association for SEED	1,79,250.00	4,069.00	18,821.00	1,793.00	4,069.00				18,821.00	1,793.00
231 of 09/2014	J&K Sports Dev. Society	93,150.00	2,115.00	9,781.00	932.00	2,115.00				9,781.00	932.00
271 to 392 of 09/2014	Udhampur Dev. Society	35,66,250.00	80,954.00	3,74,456.00	35,663.00	80,959.00				3,74,456.00	35,663.00
398 to 406 of 09/2014	Society Sanitation De Economic	2,49,375.00	5,661.00	26,184.00	2,494.00	5,663.00				26,184.00	2,494.00

756 to 758 of 04/2014	Udhampur Dev. Society	13,500.00	270.00	1,418.00	135.00	307.00				1,418.00	135.00
759 of 04/2014	Jammu Sanitation Club	7,90,125.00	15,803.00	82,963.00	7,901.00	17,936.00				82,963.00	7,901.00
760 to 768 of 04/2014	Udhampur Dev. Society	10,75,800.00	21,516.00	1,12,959.00	10,758.00	24,421.00				1,12,959.00	10,758.00
381 to 467 of 05/2014	Udhampur Dev. Society	9,01,150.00	20,456.00	94,621.00	9,012.00	20,460.00				94,621.00	9,012.00
472 to 550 of 05/2014	Udhampur Dev. Society	20,62,275.00	46,814.00	2,16,539.00	20,623.00	46,821.00				2,16,539.00	20,623.00
575 of 05/2014	Jammu Sanitation Club	7,64,400.00	17,352.00	80,262.00	7,644.00	17,352.00				80,262.00	7,644.00
615 & 616 of 05/2014	Association for SEED	1,96,050.00	4,450.00	20,585.00	1,961.00	4,451.00				20,585.00	1,961.00
633 to 639 of 05/2014	Society Sanitation De Economic	70,650.00	1,604.00	7,418.00	707.00	1,603.00				7,418.00	707.00
643 to 645 of 05/2014	Om Shivani Educational Society	2,83,350.00	6,432.00	29,752.00	2,834.00	6,432.00				29,752.00	2,834.00
646 to 663 of 05/2014	The Jammu Emt. Society	3,83,775.00	8,712.00	40,296.00	3,838.00	8,713.00				40,296.00	3,838.00
90 to 92 of 06/2014	J&K Sports Dev. Society	2,08,800.00	4,740.00	21,924.00	2,088.00	4,740.00				21,924.00	2,088.00
93 & 94 of 06/2014	Talent Club	2,00,250.00	4,546.00	21,026.00	2,003.00	4,546.00				21,026.00	2,003.00
110 to 129 of 06/2014	J&K Public Welfare And Dev. Society	10,40,350.00	23,616.00	1,09,237.00	10,404.00	23,615.00				1,09,237.00	10,404.00
133 to 153 of 06/2014	The Jammu Emt. Society	6,19,650.00	14,066.00	65,063.00	6,197.00	14,068.00				65,063.00	6,197.00
154 to 158 of 06/2014	Sain Baba Society	3,53,400.00	8,022.00	37,107.00	3,534.00	8,022.00				37,107.00	3,534.00
382 & 383 of 06/2014	Association for SEED	2,01,600.00	4,576.00	21,168.00	2,016.00	4,577.00				21,168.00	2,016.00
384 to 392 of 06/2014	Society Sanitation De Economic	2,60,925.00	5,923.00	27,397.00	2,609.00	5,923.00				27,397.00	2,609.00
393 to 395 of 06/2014	Om Shivani Educational Society	2,93,550.00	6,664.00	30,823.00	2,936.00	6,664.00				30,823.00	2,936.00
444 to 450 of 06/2014	The Jammu Emt. Society	2,30,025.00	5,222.00	24,153.00	2,300.00	5,222.00				24,153.00	2,300.00
452 to 536 of 06/2014	Udhampur Dev. Society	23,26,573.00	52,813.00	2,44,290.00	23,266.00	52,807.00				2,44,290.00	23,266.00
10 to 108 of 07/2014	Udhampur Dev. Society	9,00,275.00	20,436.00	94,529.00	9,003.00	20,423.00				94,529.00	9,003.00
316 to 390 of 07/2014	Udhampur Dev. Society	21,51,150.00	48,831.00	2,25,871.00	21,512.00	48,838.00				2,25,871.00	21,512.00
400 of 07/2014	Jammu Sanitation Club	15,38,550.00	34,925.00	1,61,548.00	15,386.00	34,915.00				1,61,548.00	15,386.00
401 to 413 of 07/2014	The Jammu Emt. Society	4,74,375.00	10,768.00	49,809.00	4,744.00	10,767.00				49,809.00	4,744.00
421 to 425 of 07/2014	Sain Baba Society	3,42,900.00	7,784.00	36,005.00	3,429.00	7,784.00				36,005.00	3,429.00
439 to 440 of 07/2014	Talent Club	1,95,600.00	4,440.00	20,538.00	1,956.00	4,440.00				20,538.00	1,956.00
441 to 443 of 07/2014	J&K Sports Dev. Society	2,04,000.00	4,631.00	21,420.00	2,040.00	4,631.00				21,420.00	2,040.00
445 to 525 of 07/2014	Udhampur Dev. Society	19,53,950.00	44,355.00	2,05,165.00	19,540.00	44,366.00				2,05,165.00	19,540.00
583 to 584 of 07/2014	Om Shivani Educational Society	1,83,750.00	4,171.00	19,294.00	1,838.00	4,171.00				19,294.00	1,838.00

Para 10. Short deduction of income tax, service tax and labour cess from payments made to NGOs amounting to Rs. 99.34 lacs & recovery thereof.

Income Tax, Service Tax, Labour Cess required to be deducted at source from the bills as per the prescribed rates, but the instances have been noticed during the course of audit where income tax, service tax and labour cess have not been deducted at prescribed rates, resulting into short deduction of income tax, service tax and labour cess.

CV No	Name of organisation	Amount of bill	Deductions Due			Deductions Made			Short Deductions		
			I.Tax	S. Tax	L. Cess	I.Tax	S. Tax	L. Cess	I.Tax	S. Tax	L. Cess
Works											
20 to 22 of 04/2014	Lakshya (SSO)	9,90,000.00	22,473.00	1,03,950.00	9,900.00	22,479.00	1,03,953.00				9,900.00
162 of 05/2014	Lakshya (SSO)	2,55,300.00	5,795.00	26,807.00	2,553.00	5,797.00	26,808.00				2,553.00
163 of 05/2014	Lakshya (SSO)	1,97,400.00	4,481.00	20,727.00	1,974.00	4,482.00	20,729.00				1,974.00
164 of 05/2014	Lakshya (SSO)	1,97,401.00	4,481.00	20,727.00	1,974.00	4,482.00	20,729.00				1,974.00
165 of 05/2014	Lakshya (SSO)	1,97,402.00	4,481.00	20,727.00	1,974.00	4,482.00	20,729.00				1,974.00
147 of 08/2014	Lakshya (SSO)	2,55,300.00	5,795.00	26,807.00	2,553.00	5,797.00	26,808.00				2,553.00
148 of 08/2014	Lakshya (SSO)	2,29,200.00	5,203.00	24,066.00	2,292.00	4,584.00	24,068.00		619.00		2,292.00
149 of 08/2014	Lakshya (SSO)	2,29,200.00	5,203.00	24,066.00	2,292.00	4,584.00	24,068.00		619.00		2,292.00
150 of 08/2014	Lakshya (SSO)	2,29,200.00	5,203.00	24,066.00	2,292.00	4,584.00	24,068.00		619.00		2,292.00
151 of 08/2014	Lakshya (SSO)	33,000.00	660.00	3,465.00	330.00	664.00	3,465.00				330.00
152 of 08/2014	Lakshya (SSO)	33,000.00	660.00	3,465.00	330.00	664.00	3,465.00				330.00
153 of 08/2014	Lakshya (SSO)	33,000.00	660.00	3,465.00	330.00	664.00	3,465.00				330.00
Civil											
143 to 149 of 04/2014	The Jammu Env't. Society	2,61,000.00	5,220.00	27,405.00	2,610.00	5,925.00				27,405.00	2,610.00
174 to 176 of 04/2014	J&K Sports Dev. Society	1,92,900.00	3,858.00	20,255.00	1,929.00	4,378.00				20,255.00	1,929.00
177 to 182 of 04/2014	Talent Club	5,82,450.00	11,649.00	61,157.00	5,825.00	13,222.00				61,157.00	5,825.00
183 to 193 of 04/2014	Jammu Sanitation Club	7,50,150.00	15,003.00	78,766.00	7,502.00	17,026.00				78,766.00	7,502.00
287 to 379 of 04/2014	Udhampur Dev. Society	34,52,110.00	69,042.00	3,62,472.00	34,521.00	69,041.00				3,62,472.00	34,521.00
461 to 561 of 04/2014	Udhampur Dev. Society	12,50,250.00	25,005.00	1,31,276.00	12,503.00	28,382.00				1,31,276.00	12,503.00
601 to 602 of 04/2014	Association for SEED	2,01,000.00	4,020.00	21,105.00	2,010.00	4,562.00				21,105.00	2,010.00
603 to 613 of 04/2014	Society Sanitation De Economic	2,88,000.00	5,760.00	30,240.00	2,880.00	6,538.00				30,240.00	2,880.00
614 to 616 of 04/2014	Om Shivani Educational Society	2,91,150.00	5,823.00	30,571.00	2,912.00	6,610.00				30,571.00	2,912.00
617 to 638 of 04/2014	The Jammu Env't. Society	6,17,400.00	12,348.00	64,827.00	6,174.00	14,018.00				64,827.00	6,174.00
639 to 643 of 04/2014	Sain Baba Society	3,38,700.00	6,774.00	35,564.00	3,387.00	7,689.00				35,564.00	3,387.00

126 of 08/2014	3,49,300.00	3,493.00	36,677.00	3,493.00	3,004.00	31,541.00	3,004.00	489.00	5,136.00	489.00
129 of 08/2014	3,58,700.00	3,587.00	37,664.00	3,587.00	3,287.00	34,520.00	3,287.00	300.00	3,144.00	300.00
130 of 08/2014	76,000.00	760.00	7,980.00	760.00	470.00	2,466.00	235.00	290.00	5,514.00	525.00
131 of 08/2014	1,37,954.00	1,380.00	14,485.00	1,380.00	940.00	9,867.00	940.00	440.00	4,618.00	440.00
134 of 08/2014	1,65,692.00	1,657.00	17,398.00	1,657.00	1,343.00	14,092.00	1,343.00	314.00	3,306.00	314.00
135 of 08/2014	7,52,437.00	7,524.00	79,006.00	7,524.00	4,692.00	49,250.00	4,692.00	2,832.00	29,756.00	2,832.00
138 of 08/2014	9,91,000.00	9,910.00	1,04,055.00	9,910.00	6,404.00	67,241.00	6,404.00	3,506.00	36,814.00	3,506.00
140 of 08/2014	2,24,846.00	2,248.00	23,609.00	2,248.00	4,292.00	19,849.00	1,890.00		3,760.00	358.00
142 of 08/2014	3,77,437.00	3,774.00	39,631.00	3,774.00				3,774.00	39,631.00	3,774.00
143 of 08/2014	4,35,000.00	4,350.00	45,675.00	4,350.00	7,197.00	33,629.00	3,170.00		12,046.00	1,180.00
144 of 08/2014	1,40,585.00	1,406.00	14,761.00	1,406.00	1,346.00	14,134.00	1,346.00	60.00	627.00	60.00
145 of 08/2014	4,47,000.00	4,470.00	46,935.00	4,470.00	5,327.00	24,635.00	2,346.00		22,300.00	2,124.00
157 of 08/2014	1,48,700.00	1,487.00	15,614.00	1,487.00	872.00	9,160.00	872.00	615.00	6,454.00	615.00
158 of 08/2014	4,19,934.00	4,199.00	44,093.00	4,199.00	9,185.00	42,479.00	4,048.00		1,614.00	151.00
159 of 08/2014	3,50,394.00	3,504.00	36,791.00	3,504.00	2,350.00	24,685.00	2,350.00	1,154.00	12,106.00	1,154.00
177 of 08/2014	1,61,700.00	1,617.00	16,979.00	1,617.00	848.00	8,904.00	848.00	769.00	8,075.00	769.00
179 of 08/2014	1,31,000.00	1,310.00	13,755.00	1,310.00	980.00	10,292.00	980.00	330.00	3,463.00	330.00
180 of 08/2014	2,37,849.00	2,378.00	24,974.00	2,378.00	2,286.00	24,003.00	2,286.00	92.00	971.00	92.00
181 of 08/2014	1,53,800.00	1,538.00	16,149.00	1,538.00	1,361.00	14,286.00	1,361.00	177.00	1,863.00	177.00
182 of 08/2014	4,40,500.00	4,405.00	46,253.00	4,405.00	1,398.00	14,684.00	1,398.00	3,007.00	31,569.00	3,007.00
183 of 08/2014	1,54,667.00	1,547.00	16,240.00	1,547.00	640.00	6,718.00	640.00	907.00	9,522.00	907.00
185 of 08/2014	1,00,600.00	1,006.00	10,563.00	1,006.00	1,184.00	5,474.00	521.00		5,089.00	485.00
202 of 08/2014	4,01,215.00	4,012.00	42,128.00	4,012.00	2,836.00	29,765.00	2,836.00	1,176.00	12,363.00	1,176.00
203 of 08/2014	4,50,000.00	4,500.00	47,250.00	4,500.00	3,302.00	34,652.00	3,302.00	1,198.00	12,598.00	1,198.00
204 of 08/2014	3,44,526.00	3,445.00	36,175.00	3,445.00	2,657.00	27,884.00	2,657.00	788.00	8,291.00	788.00
207 of 08/2014	2,74,490.00	2,745.00	28,821.00	2,745.00	2,452.00	25,744.00	2,452.00	293.00	3,077.00	293.00
209 of 08/2014	1,63,200.00	1,632.00	17,136.00	1,632.00	1,567.00	7,248.00	690.00	65.00	9,888.00	942.00
210 of 08/2014	14,78,000.00	14,780.00	1,55,190.00	14,780.00	31,382.00	1,45,722.00	13,825.00		9,468.00	955.00
211 of 08/2014	2,73,508.00	2,735.00	28,718.00	2,735.00	2,631.00	27,614.00	2,631.00	104.00	1,104.00	104.00
223 of 08/2014	59,740.00	597.00	6,273.00	597.00	351.00	3,684.00	351.00	246.00	2,589.00	246.00
226 of 08/2014	2,27,900.00	2,279.00	23,930.00	2,279.00	646.00	6,783.00	646.00	1,633.00	17,147.00	1,633.00
Total	443,87,183.00	7,53,712.00	46,60,657.00	4,43,873.00	6,01,258.00	33,16,099.00	3,15,539.00	1,98,903.00	13,44,558.00	1,28,333.00

This attributes to loss to the Govt. exchequer.

- The reason for short deduction of Income tax, Service Tax and Labour Cess may be justified to audit.
- Amount of short deduction of taxes may be looked into personally and necessary recovery may be affected from the concerned under intimation to audit.

48 of 08/2014	4,20,630.00	9,548.00	44,166.00	4,206.00	8,852.00	40,939.00	3,898.00	696.00	3,227.00	308.00
52 of 08/2014	1,16,657.00	2,648.00	12,249.00	1,167.00	2,303.00	10,647.00	1,014.00	345.00	1,602.00	153.00
70 of 08/2014	3,51,639.00	3,516.00	36,922.00	3,516.00	2,200.00	23,095.00	2,200.00	1,316.00	13,827.00	1,316.00
71 of 08/2014	3,97,849.00	3,978.00	41,774.00	3,978.00	2,560.00	26,870.00	2,560.00	1,418.00	14,904.00	1,418.00
72 of 08/2014	4,29,498.00	4,295.00	45,097.00	4,295.00	2,787.00	29,260.00	2,787.00	1,508.00	15,837.00	1,508.00
73 of 08/2014	3,07,405.00	3,074.00	32,278.00	3,074.00	4,683.00	21,655.00	2,062.00		10,623.00	1,012.00
74 of 08/2014	2,19,631.00	2,196.00	23,061.00	2,196.00	4,289.00	19,834.00	1,888.00		3,227.00	308.00
75 of 08/2014	3,15,414.00	3,154.00	33,118.00	3,154.00	2,406.00	11,122.00	1,059.00	748.00	21,996.00	2,095.00
76 of 08/2014	3,14,051.00	3,141.00	32,975.00	3,141.00	2,879.00	13,312.00	1,267.00	262.00	19,663.00	1,874.00
77 of 08/2014	71,880.00	719.00	7,547.00	719.00	532.00	5,567.00	532.00	187.00	1,980.00	187.00
78 of 08/2014	96,755.00	968.00	10,159.00	968.00	846.00	8,869.00	846.00	122.00	1,290.00	122.00
79 of 08/2014	8,08,570.00	8,086.00	84,900.00	8,086.00	7,380.00	34,130.00	3,250.00	706.00	50,770.00	4,836.00
80 of 08/2014	3,16,448.00	3,164.00	33,227.00	3,164.00	5,701.00	26,363.00	2,510.00		6,864.00	654.00
81 of 08/2014	92,750.00	928.00	9,739.00	928.00	1,685.00	7,786.00	741.00		1,953.00	187.00
82 of 08/2014	1,37,911.00	1,379.00	14,481.00	1,379.00	2,156.00	9,969.00	949.00		4,512.00	430.00
83 of 08/2014	3,90,740.00	3,907.00	41,028.00	3,907.00	6,422.00	29,708.00	2,830.00		11,320.00	1,077.00
84 of 08/2014	4,69,000.00	4,690.00	49,245.00	4,690.00	7,985.00	36,939.00	3,518.00		12,306.00	1,172.00
89 of 08/2014	1,68,000.00	1,680.00	17,640.00	1,680.00	1,449.00	15,208.00	1,449.00	231.00	2,432.00	231.00
90 of 08/2014	3,49,577.00	3,496.00	36,706.00	3,496.00	1,267.00	13,300.00	1,267.00	2,229.00	23,406.00	2,229.00
91 of 08/2014	88,700.00	887.00	9,314.00	887.00	804.00	8,445.00	804.00	83.00	869.00	83.00
93 of 08/2014	1,79,600.00	1,796.00	18,858.00	1,796.00	2,615.00	12,097.00	1,152.00		6,761.00	644.00
97 of 08/2014	2,22,353.00	2,224.00	23,347.00	2,224.00	1,909.00	20,040.00	1,909.00	315.00	3,307.00	315.00
98 of 08/2014	1,96,624.00	1,966.00	20,646.00	1,966.00	926.00	12,252.00	926.00	1,040.00	8,394.00	1,040.00
99 of 08/2014	1,85,313.00	1,853.00	19,458.00	1,853.00	1,475.00	15,486.00	1,475.00	378.00	3,972.00	378.00
102 of 08/2014	1,46,917.00	1,469.00	15,426.00	1,469.00	700.00	7,351.00	700.00	769.00	8,075.00	769.00
103 of 08/2014	2,53,983.00	2,540.00	26,668.00	2,540.00	2,267.00	23,806.00	2,267.00	273.00	2,862.00	273.00
104 of 08/2014	87,631.00	876.00	9,201.00	876.00	792.00	3,310.00	792.00	84.00	5,891.00	84.00
105 of 08/2014	75,000.00	750.00	7,875.00	750.00	328.00	3,448.00	328.00	422.00	4,427.00	422.00
106 of 08/2014	3,21,200.00	3,212.00	33,726.00	3,212.00	2,661.00	27,936.00	2,661.00	551.00	5,790.00	551.00
107 of 08/2014	2,40,440.00	2,404.00	25,246.00	2,404.00	2,279.00	23,933.00	2,279.00	125.00	1,313.00	125.00
108 of 08/2014	1,82,800.00	1,828.00	19,194.00	1,828.00	1,550.00	16,284.00	1,550.00	278.00	2,910.00	278.00
114 of 08/2014	1,04,900.00	1,049.00	11,015.00	1,049.00	1,006.00	10,561.00	1,006.00	43.00	454.00	43.00
116 of 08/2014	77,600.00	776.00	8,148.00	776.00	603.00	6,329.00	603.00	173.00	1,819.00	173.00
119 of 08/2014	43,056.00	431.00	4,521.00	431.00	288.00	3,025.00	288.00	143.00	1,496.00	143.00
120 of 08/2014	2,39,154.00	2,392.00	25,111.00	2,392.00	1,561.00	16,388.00	1,561.00	831.00	8,723.00	831.00
121 of 08/2014	99,199.00	992.00	10,416.00	992.00	772.00	8,097.00	772.00	220.00	2,319.00	220.00
123 of 08/2014	3,85,000.00	3,850.00	40,425.00	3,850.00	2,359.00	24,775.00	2,359.00	1,491.00	15,650.00	1,491.00
124 of 08/2014	2,87,200.00	2,872.00	30,156.00	2,872.00	2,599.00	27,294.00	2,599.00	273.00	2,862.00	273.00
125 of 08/2014	1,27,182.00	1,272.00	13,354.00	1,272.00	142.00	655.00	62.00	1,130.00	12,699.00	1,210.00

66 of 05/2014	5,88,163.00	13,351.00	61,757.00	5,882.00	11,923.00	55,143.00	5,251.00	1,428.00	6,614.00	631.00
72 of 05/2014	4,70,350.00	10,677.00	49,387.00	4,704.00	9,740.00	45,046.00	4,290.00	937.00	4,341.00	414.00
75 of 05/2014	3,00,154.00	6,813.00	31,516.00	3,002.00	5,194.00	24,019.00	2,287.00	1,619.00	7,497.00	715.00
76 of 05/2014	3,93,080.00	8,923.00	41,273.00	3,931.00	5,509.00	25,475.00	2,426.00	3,414.00	15,798.00	1,505.00
77 of 05/2014	4,43,880.00	10,076.00	46,607.00	4,439.00	9,857.00	45,587.00	4,341.00	219.00	1,020.00	98.00
78 of 05/2014	4,51,804.00	10,256.00	47,439.00	4,518.00	9,883.00	45,708.00	4,353.00	373.00	1,731.00	165.00
80 of 05/2014	3,16,945.00	7,195.00	33,279.00	3,169.00	4,712.00	21,790.00	2,075.00	2,483.00	11,489.00	1,094.00
81 of 05/2014	4,37,690.00	9,936.00	45,957.00	4,377.00	6,081.00	28,122.00	2,678.00	3,855.00	17,835.00	1,699.00
84 of 05/2014	1,80,207.00	4,091.00	18,922.00	1,802.00	3,560.00	16,931.00	1,612.00	531.00	1,991.00	190.00
85 of 05/2014	1,23,161.00	2,796.00	12,932.00	1,232.00	1,695.00	7,838.00	747.00	1,101.00	5,094.00	485.00
86 of 05/2014	4,47,143.00	10,150.00	46,950.00	4,471.00	13,992.00	44,929.00	4,279.00		2,021.00	192.00
87 of 05/2014	88,800.00	2,016.00	9,324.00	888.00	1,437.00	6,648.00	633.00	579.00	2,676.00	255.00
89 of 05/2014	2,77,200.00	6,292.00	29,106.00	2,772.00	3,679.00	17,015.00	1,620.00	2,613.00	12,091.00	1,152.00
91 of 05/2014	3,23,250.00	7,338.00	33,941.00	3,233.00	4,499.00	20,808.00	1,982.00	2,839.00	13,133.00	1,251.00
92 of 05/2014	1,75,000.00	3,973.00	18,375.00	1,750.00	3,172.00	14,674.00	1,398.00	801.00	3,701.00	352.00
100 of 05/2014	4,55,000.00	10,329.00	47,775.00	4,550.00	9,713.00	44,925.00	4,278.00	616.00	2,850.00	272.00
105 of 05/2014	3,29,100.00	7,471.00	34,556.00	3,291.00	5,320.00	24,613.00	2,344.00	2,151.00	9,943.00	947.00
109 of 05/2014	3,71,559.00	8,434.00	39,014.00	3,716.00	6,810.00	31,500.00	3,000.00	1,624.00	7,514.00	716.00
110 of 05/2014	3,06,160.00	6,950.00	32,147.00	3,062.00	4,568.00	21,123.00	2,011.00	2,382.00	11,024.00	1,051.00
113 of 05/2014	3,41,430.00	7,750.00	35,850.00	3,414.00	5,976.00	27,634.00	2,631.00	1,774.00	8,216.00	783.00
114 of 05/2014	4,89,574.00	11,113.00	51,405.00	4,896.00	6,739.00	31,164.00	2,968.00	4,374.00	20,241.00	1,928.00
115 of 05/2014	2,70,000.00	6,129.00	28,350.00	2,700.00	5,730.00	26,499.00	2,523.00	399.00	1,851.00	177.00
122 of 05/2014	4,49,000.00	10,192.00	47,145.00	4,490.00	7,533.00	34,835.00	3,317.00	2,659.00	12,310.00	1,173.00
123 of 05/2014	4,48,888.00	10,190.00	47,133.00	4,489.00	8,136.00	37,629.00	3,583.00	2,054.00	9,504.00	906.00
124 of 05/2014	4,56,921.00	10,372.00	47,977.00	4,569.00	8,868.00	41,013.00	3,905.00	1,504.00	6,964.00	664.00
125 of 05/2014	1,51,447.00	3,438.00	15,902.00	1,514.00	4,128.00	13,256.00	1,262.00		2,646.00	252.00
128 of 05/2014	2,88,200.00	6,542.00	30,261.00	2,882.00	3,714.00	17,180.00	1,636.00	2,828.00	13,081.00	1,246.00
129 of 05/2014	4,48,110.00	10,172.00	47,052.00	4,481.00	6,716.00	31,058.00	2,957.00	3,456.00	15,994.00	1,524.00
130 of 05/2014	76,600.00	1,739.00	8,043.00	766.00	1,150.00	5,318.00	506.00	589.00	2,725.00	260.00
159 of 05/2014	3,52,570.00	8,003.00	37,020.00	3,526.00				8,003.00	37,020.00	3,526.00
14 of 08/2014	2,83,627.00	6,438.00	29,781.00	2,836.00	6,198.00	28,663.00	2,729.00	240.00	1,118.00	107.00
15 of 08/2014	3,68,514.00	8,365.00	38,694.00	3,685.00	7,062.00	32,658.00	3,110.00	1,303.00	6,036.00	575.00
18 of 08/2014	7,80,645.00	17,721.00	81,968.00	7,806.00	6,969.00	73,158.00	6,969.00	10,752.00	8,810.00	837.00
20 of 08/2014	3,43,900.00	3,439.00	36,110.00	3,439.00	564.00	5,917.00	564.00	2,875.00	30,193.00	2,875.00
24 of 08/2014	3,37,931.00	7,671.00	35,483.00	3,379.00	7,036.00	32,546.00	3,100.00	635.00	2,937.00	279.00
25 of 08/2014	2,64,877.00	6,013.00	27,812.00	2,649.00	4,396.00	20,328.00	1,936.00	1,617.00	7,484.00	713.00
39 of 08/2014	7,15,612.00	16,244.00	75,139.00	7,156.00				16,244.00	75,139.00	7,156.00
42 of 08/2014	4,49,000.00	10,192.00	47,145.00	4,490.00	7,886.00	47,145.00	3,473.00	2,306.00	-	1,017.00
46 of 08/2014	4,37,789.00	4,378.00	45,968.00	4,378.00	4,226.00	44,355.00	4,226.00	152.00	1,613.00	152.00

2	251 of 05/2014	Dogra Placement & securities	25,552.00
3	390 of 05/2014	Udhampur Development Society	7,750.00
4	436 of 05/2014	Udhampur Development Society	7,750.00
		Total	66,604.00

Para 9. Short deduction of income tax, service tax and labour cess from the contractor bills amounting to Rs. 16,71,794.00 & recovery thereof.

Income Tax, Service Tax, Labour Cess required to be deducted at source from the contractor bill as per the prescribed rates on the whole value of the contract, but the instances have been noticed during the course of audit where income tax, service tax and labour cess have been worked out after deducting the cost of material which is contradictory to the sales tax rules, resulting into short deduction of income tax, service tax and labour cess.

C.V.No	Gross amount of Bill	Deductions Due			Deductions Made			Short deductions		
		I.Tax	S.Tax	L.Cess	I.Tax	S.Tax	L.Cess	I.Tax	S.Tax	L.Cess
01 of 04/2014	2,47,000.00	5,607.00	25,935.00	2,470.00	5,480.00	25,341.00	2,413.00	127.00	594.00	57.00
04 of 04/2014	1,33,315.00	3,026.00	13,998.00	1,333.00	2,805.00	12,970.00	1,235.00	221.00	1,028.00	98.00
12 of 04/2014	4,19,194.00	9,516.00	44,015.00	4,192.00	7,168.00	33,149.00	3,157.00	2,348.00	10,866.00	1,035.00
13 of 04/2014	2,23,000.00	5,062.00	23,415.00	2,230.00	3,475.00	16,067.00	1,530.00	1,587.00	7,348.00	700.00
15 of 04/2014	4,12,000.00	9,352.00	43,260.00	4,120.00	5,599.00	25,895.00	2,466.00	3,753.00	17,365.00	1,654.00
17 of 04/2014	5,92,104.00	13,441.00	62,171.00	5,921.00	8,715.00	40,305.00	3,838.00	4,726.00	21,866.00	2,083.00
36 of 04/2014	4,49,000.00	10,192.00	47,145.00	4,490.00	7,634.00	35,304.00	3,362.00	2,558.00	11,841.00	1,128.00
40 of 04/2014	4,96,541.00	11,271.00	52,137.00	4,965.00	10,691.00	49,447.00	4,709.00	580.00	2,690.00	256.00
47 of 04/2014	4,35,000.00	9,875.00	45,675.00	4,350.00	6,177.00	28,566.00	2,720.00	3,698.00	17,109.00	1,630.00
49 of 04/2014	3,76,250.00	8,541.00	39,506.00	3,763.00	7,021.00	32,473.00	3,092.00	1,520.00	7,033.00	671.00
07 of 05/2014	4,56,660.00	10,366.00	47,949.00	4,567.00	9,902.00	45,798.00	4,361.00	464.00	2,151.00	206.00
08 of 05/2014	6,38,437.00	14,493.00	67,036.00	6,384.00	4,852.00	22,437.00	2,136.00	9,641.00	44,599.00	4,248.00
11 of 05/2014	2,92,340.00	6,636.00	30,696.00	2,923.00	4,513.00	20,869.00	1,987.00	2,123.00	9,827.00	936.00
17 of 05/2014	3,90,163.00	8,857.00	40,967.00	3,902.00	7,002.00	32,380.00	3,082.00	1,855.00	8,587.00	820.00
18 of 05/2014	2,19,083.00	4,973.00	23,004.00	2,191.00	4,751.00	21,975.00	2,093.00	222.00	1,029.00	98.00
22 of 05/2014	4,22,457.00	9,590.00	44,358.00	4,225.00	5,642.00	26,094.00	2,485.00	3,948.00	18,264.00	1,740.00
23 of 05/2014	4,95,000.00	11,237.00	51,975.00	4,950.00	10,415.00	48,169.00	4,587.00	822.00	3,806.00	363.00
24 of 05/2014	4,36,217.00	9,902.00	45,803.00	4,362.00	9,061.00	41,908.00	3,991.00	841.00	3,895.00	371.00
35 of 05/2014	3,70,000.00	8,399.00	38,850.00	3,700.00	2,526.00	11,678.00	1,112.00	5,873.00	27,172.00	2,588.00
42 of 05/2014	3,10,252.00	7,043.00	32,576.00	3,103.00	4,489.00	20,759.00	1,977.00	2,554.00	11,817.00	1,126.00
43 of 05/2014	3,34,264.00	7,588.00	35,098.00	3,343.00	3,544.00	16,386.00	1,560.00	4,044.00	18,712.00	1,783.00
52 of 05/2014	4,21,800.00	9,575.00	44,289.00	4,218.00	6,526.00	30,180.00	2,874.00	3,049.00	14,109.00	1,344.00
53 of 05/2014	4,25,575.00	9,661.00	44,685.00	4,256.00	9,662.00	37,744.00	4,255.00		6,941.00	-
55 of 05/2014	3,60,819.00	8,191.00	37,886.00	3,608.00	3,412.00	15,775.00	1,502.00	4,779.00	22,111.00	2,106.00
59 of 05/2014	1,03,500.00	2,349.00	10,868.00	1,035.00	2,205.00	10,868.00	971.00	144.00	-	64.00
64 of 05/2014	4,95,000.00	11,237.00	51,975.00	4,950.00	10,348.00	47,861.00	4,558.00	889.00	4,114.00	392.00
65 of 05/2014	4,53,000.00	10,283.00	47,565.00	4,530.00	10,024.00	46,361.00	4,415.00	259.00	1,204.00	115.00

2. Inverter along with 2 no. of batteries has been purchased by the Corporation amounting to **Rs. 24,200/-** vide C.V No. 617 & 618 of 05/2014. But, no supporting documents have been found regarding the purchase of the same, viz, approval for purchase, purchase order. No stock entry has been made resulting in no whereabouts of the items purchased. The bill has also not been verified. The purchase has been made without following the codal formalities. This negligence on the part of Corporation is a serious objection and needs to be justified.

3. Funds released in favour of **The Jammu Env't. Society** on account of labour provided to Srinagar Municipal Corporation after floods amounting to Rs. 12,53,000/- vide C.V No. 775 of 10/2014. The details of the bill are given below:

Amount of bill	Rs. 12,53,000.00
Amount paid by SMC, Srinagar	Rs. 2,97,000.00
Paid cash by CTO, JMC from his imprest amount	Rs. 5,00,000.00
Income Tax deducted	Rs. 28,444.00
Balance paid by JMC	Rs. 4,27,556.00
Total amount paid by JMC	Rs. 9,56,000.00 (incl. I. Tax)

For clearance of Srinagar city after floods, the labour was provided by the NGO through JMC. The labour was to be paid by the Srinagar Municipal Corporation. But, records revealed that payment amounting to **Rs. 9.56 lacs** has been made by JMC, which is not justifiable. The amount needs to be recovered from SMC.

4. An amount of **Rs. 20,000/-** has been paid to Teleman Films vide C.V No. 795 of 03/2015 for preparation of awareness film on helpline for JMC. But, the payment has been made without calling quotations, without getting rates approved by Information Deptt.

5. 240 no. of sampling bottles have been purchased from Lab Agencies @ Rs. 85/- per bottle amounting to **Rs. 23154/-** vide C.V No. 610 of 05/2014 without following codal formalities.

6. Furniture and Office Equipments have been purchased from NCCF worth **Rs. 84785/-** vide C.V No. 646 of 03/2015. The purchase has been made without getting rates approved. Reasons may be assigned as to why the expenditure has been incurred without following the codal formalities. **Also, the same CV No. has been allotted to purchase of Disinfectants from M/s Sharma Sales Corporation amounting to Rs. 31,000/-.**

7. Vide C.V No. 753 of 03/2015 an amount of **Rs. 6777/-** has been paid to M/s Jagdish Motors for repair and maintenance of vehicle no. JK02AH-1001 But, no repair order has been found. Also, the vehicle has not been got repaired from the authorised dealer. **It is also pertinent to mention here that the same CV No. has been allotted to a voucher pertaining to payment made to J&K Public Welfare & Development Society for sanitation labour charges amounting to Rs. 9300/-.** Allotment of same CV No. to more than one voucher is objectionable as doubt of embezzlement of funds creeps in.

8. Uniforms have been purchased from J&K Handloom Development Corp. Vide C.V. No. 585 to 587 of 03/2015 amounting to **Rs. 16,68,208/-**. But, the items purchased have neither been verified nor entered into stock register. No details of their issue to the field staff found on records.

9. The Corporation had hired one vehicle from City Auto Finance Corporation for 2 months and payment amounting to **Rs. 69,840/-** has been released vide CV No. 778 of 03/2015 @ Rs. 34,920 per month against the approved govt. rates of Rs. 30,000/- per month, resulting in excess expenditure of **Rs. 9,840/-**.

10. The following vouchers were missing in the monthly account voucher files:

S. No.	C.V No.	Particulars	Amount
1	18 of 05/2014	Dogra Placement & securities	25,552.00

809 of 03/2015	A S Traders	94,200.00	T&P	No Supply Order. No sanction for purchase. No. stock entry
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In this context, the following observations have been raised which need to be justified:

- i) Copy of sanction for purchase of items has not been furnished to the audit.
- ii) Reasons for not following requisite codal formalities for making purchases.
- iii) The reasonability of rates arrived at may be assigned to the audit.
- iv) Requirement of the material, if any, submitted to the higher authority may also be provided to this office.
- v) No stock entry has been made for any purchase.

Para 7. Purchase of computers and its peripherals from open market without approval and affirmation of DGS&D rates amounting to Rs. 3.70 lacs.

Computers and their peripherals have been purchased from open market without any tenders or quotations. Also, purchases made have not been entered into stock register. Some instances are listed below:

CV No.	Firm	Amount
439 to 441 of 04/2014	Digital solutions	1,00,637.00
189 to 201 of 05/2014	Digital solutions	99,116.00
628 to 632 of 05/2013	Digital solutions	87,650.00
708 to 711 of 05/2013	Digital solutions	37,774.00
647 of 03/2015	B.S. Enterprises	29,000.00
648 of 03/2015	B.S. Enterprises	16,190.00
	Total	3,70,367.00

In this context, the following observations have been raised which need to be justified:

- i) Copy of sanction for purchase of items has not been furnished to the audit.
- ii) Reasons for not following requisite codal formalities for making purchases.
- iii) The reasonability of rates arrived at may be assigned to the audit.
- iv) Requirement of the material, if any, submitted to the higher authority may also be provided to this office.
- v) No stock entry has been made for any purchase.

Para 8. Improper expenditure amounting to Rs. 28.75 lacs

The scrutiny of records revealed some improper expenditure incurred from the funds of Corporation, instances of which are detailed below:

- 1.** Rent of shop paid to Sh. Kuldeep Raj, R/o Durga Nagar amounting to **Rs. 15,000/-** vide C.V No. 611 of 05/2014. It is objectionable as no detailed record for the expenditure has been produced by the Corporation. The Corporation has its own assets and property which includes shops at various locations in Jammu. Reasons may be assigned to audit as to why a shop has been hired. Purpose of hiring shop, order for hiring shop, location of shop, approval for hiring the shop, assessment details of rent along with approved rate, process under rules undertaken to confirm eligibility of the person from whom shop has been hired may be produced to the audit.

Dec-14	967096	0	14592328	258813	0	1612023	0	399880	329469
Jan-15	1024913	0	15617241	0	0	1612023	25000	0	354469
Feb-15	345142	4967888	10994495	0	0	1612023	208016	0	562485
Mar-15	1259833	6402181	5852147	0	990329	621694	11966	248016	326435
Totals	21038857	28869258		773356	4560737		2206192	2371547	

Opening balance at the start of the financial year	=	1,85,83,413.00
Temporary Advance issued during the year	=	2,40,18,405.00
Temporary Advance adjusted	=	3,58,01,542.00
Closing balance at the end of the financial year	=	68,00,276.00

The adjustment of Rs. 358.01 lacs includes payments made to contractors for works done without fulfilling codal formalities and by passing the tendering process. It also includes payment on account of purchases made and petty office expenses in gross violation of rules laid down in the Financial Code.

Though there has been improvement in reducing the temporary advance, yet 68 lacs are yet to be adjusted/accounted for, which needs to be adjusted under intimation to audit.

Para 5 **Non recovery of outstanding on account of miscellaneous advance for Rs 68.26 lacs lying as per civil cash book**

As perusal of the civil cash book it has been observed that there is a huge outstanding amount of **Rs 68,26,361/-** on account of miscellaneous advance lying in the name of officials/agencies/departments which has not been recovered. The **Annexure '1'** of the same is enclosed. Recovery should be made and all efforts should be made to recover the outstanding amount. The reasons for making such huge amount to the officials/agencies may please be justified and for not recovering the said amount from the concerned be intimated to the undersigned.

PART B

Sanctioned staff strength

A) Sanctioned strength	= 1709
B) Filled posts	= 1433
C) Posts Vacant	= 276

Para 6. **Purchase of Tools & Plants without following codal formalities amounting to Rs. 2.13 lacs**

From the test check of records it has been found that the corporation has incurred expenditure on account of purchase of tools & plants from open market without following the codal formalities. Some instances are given below:

C V No.	Firm	Amount	Item	Remarks
237 of 05/2014	A S Traders	1,19,505.00	T&P	No Supply Order. No sanction for purchase. No stock entry

whose favour the indent has been made has also not been recorded on the indent. The indents need to be closed on monthly basis and adjustment account recorded in the books of account. In the absence of the same it is impossible to physically verify the physical stock with the book stock.

It may be justified to audit as to why the indents have not been closed and adjusted.

Para 2. Test check of cash book

While going through the cash books maintained by civil section and works section of JMC, some irregularities /shortfalls have been observed.

1. No double entry accounting system has been adopted.
2. No 8448 deposit register has been maintained.
3. Payments made during the financial year 2014-2015 have not been booked under proper/ specific Major Heads.
4. Cash books not closed/ attested day wise.
5. Cash books reflect only payments no income/receipts booked in cash book.

Para 3. Details of Bank Accounts

S. No.	Name of Bank	Account No.	Opening Balance as on 01.04.2014	Closing Balance as on 31.03.2015
1	J&K Bank, Town Hall	0097040500000024	1,66,92,351.70	62,37,898.70
2	J&K Bank, Town Hall	0097010100002404	1,000.00	1,000.00
3	J&K Bank, High Court Complex	0406040500000001	2,03,39,726.00	1,10,30,864.00
4	J&K Bank, Upper Gumat	0073040500000006	1,56,79,193.00	63,783.00
5	J&K Bank, Town Hall	0097010100002244	30,669.60	28,552.60
6	J&K Bank, Town Hall	0097010100002267	44,500.17	45,568.09
7	J&K Bank, Town Hall	0097010100001254	27,81,444.20	56,29,318.56
Total			5,55,68,884.67	2,30,36,984.95

Para 4. Payments made to contractors through adjustment of temporary advance to Executive Engineers amounting to Rs. 240.18 lacs

Test check of records reveals that adjustment account of temporary advance of Executive Engineers has been made to make payments to contractors for works done. The works were supposed to be undertaken departmentally, hence the Executive Engineers were issued temporary advance during the year 2014-15 as under.

Month	XEN (T)			XEN (C)			XEN (E)		
	Issue	Adjusted	Cl Bal	Issue	Adjusted	Cl Bal	Issue	Adjusted	Cl Bal
O.Bal			13682548			4409075			491790
Apr-14	621852	3088054	11216346	227128	0	4636203	10000	0	501790
May-14	2566999	2870128	10913217	22704	567629	4091278	892767	1065138	329419
Jun-14	1402003	3495641	8819579	0	439190	3652088	97200	0	426619
Jul-14	3976073	0	12795652	30000	0	3682088	0	0	426619
Aug-14	4467871	4498480	12765043	114711	0	3796799	239769	97200	569188
Sep-14	1890085	0	14655128	50000	0	3846799	226768	0	795956
Oct-14	1178448	3546886	12286690	70000	0	3916799	94826	0	890782
Nov-14	1338542	0	13625232	0	2563589	1353210	399880	561313	729349

- 13) Maintenance and Repair of JMC Vehicles worth Rs. 5.00 lacs.
- 14) Procurement of Tyres and Tubes amounting to Rs 1207388/- during 2013-14
- 15) Non accounting of expenditure made under BSUP-(INSITU) worth Rs. 3.65 cr.
- 16) Blocking of corporation funds by way of un-wanted purchases
- 17) Wasteful Expenditure on various projects amounting to Rs. 1654.13 lacs
- 18) Excess Payment of Rs. 1,04,896/- made to Contractor
- 19) Excess payment of Rs. 9646/- to one Sh. Harjeet Singh contractor & recovery thereof.
- 20) Execution of Works without observing codal formalities amounting to 3.74 lacs
- 21) Improper Purchase of construction material worth crores.
- 22) Un-due Financial Aid to the Contractors by issuing cement on Loan basis worth Rs. 36.32 Lacs
- 23) Outstanding on account of License Fee and Renewal Charges of BSNL Towers amounting to Rs. 94.10 lacs.

CURRENT REPORT

The annual audit on the accounts of **Jammu Municipal Corporation** for the period **04/2014 to 03/2015** was conducted by the audit party constituted vide this office order No: **05 of 2016** dated: **03/03/2016** under the supervision of Accounts Officer, Local Fund Audit and Pensions, Jammu.

Date of Start	10.03.2016
Date of completion	20.05.2016

Administrative Inspection

The administrative Inspection required to be got conducted yearly. However, for the past many years, no administrative inspection has been conducted. The matter is being brought to the notice of Administrative Department through the medium of previous reports also. But, no action, in this regard, has been taken yet.

Physical Verification of Stores/Stock:

As per Rule 8.28 of J&K Financial Code Vol-I, the physical verification of store articles is required to be got conducted once in a year. The Jammu Municipal Corporation has two departmental stores one situated at Gandhi Nagar, Jammu and the second at Manda, Amphalla, Jammu. The physical verification of both the Municipal stores of JMC has been conducted and no variations found.

Para 1. Non Adjustment of Issue account

On scrutiny of the records of the corporation it has been observed that the indents for issue of material have not been closed on monthly basis. The receipt of the contractor/official in

- 12) Purchase of Key Construction material from other agencies instead of store procurement deptt amounting to Rs. 1561.90 lacs.
- 13) Payment made through hand receipts for works executed departmentally amounting to Rs. 456.78 lacs.
- 14) Non maintenance of Price Store Ledger resulting in unadjustment of stock worth Rs. 1698.00 lacs.
- 15) Printing of GP Fund Register/FC Forms from open market worth Rs. 1.19 lacs.
- 16) Undue benefit of TA/DA and recovery thereof.
- 17) Irregular purchase of 3 No. ACs with stabilizer and installation charges worth Rs. 1,22,450/-.
- 18) Retention of cash by way of issuing temporary advance at the end of financial year 2011-12 and 2012-13 amounting to Rs. 158838/- and Rs. 3535232/-, respectively.
- 19) Undue benefit to contractors by issuing cement on loan basis worth Rs. 48.63 lacs.
- 20) Advance payment to sewerage drainage west division to the tune of Rs. 186.00 lacs- Utilization Certificate awaited thereof.
- 21) Poor performance with regard to collection of Revenue targets amounting to Rs. 2,41,421/-.

2013-14

- 1) Non adjustment of Issue account.
- 2) Incomplete drawal verification with treasury.
- 3) Cash outstanding of Rs. 4,28,774.11 with Sh. Robert Kalyan, Ex-Cashier JMC
- 4) Cash outstanding of Rs. 40,000/- against Sh. Rajesh Gupta, Ex-Secretary, JMC
- 5) Improper adjustment of temporary advance of XEN (T) Mr. T.L. Thapa for Rs. 8450/-.
- 6) Belated, un-authorised and wasteful expenditure on a/c of advertising and publicity amounting to Rs. 11 lacs.
- 7) Purchase of Material without following codal formalities amounting to Rs. 2,23,162.00
- 8) Purchase of computers and its peripherals from open market without approval and affirmation of DGS&D rates amounting to Rs. 2.86 lacs.
- 9) Refreshment Charges amounting to Rs. 7.54 lacs
- 10) Short deduction of service and labour cess from the contractor bill amounting to Rs. 2,45,468.00 & Rs. 23,321.00 respectively and recovery thereof.
- 11) Improper expenditure amounting to Rs. 1,04,428/-.
- 12) Payment for Sanitation Works to NGOs amounting to Rs. 813.00 lacs

Officer In charge/DDO In charge

The charge of **Jammu Municipal Corporation, Jammu** for the period of audit as well as on the date of audit was held by the following Commissioners whereas Chief Accounts Officer has been vested with the Drawing & Disbursing powers:-

- | | | |
|-----|---------------------------------------|-------------------------------------|
| i) | <u>Commissioners</u> | <u>Period</u> |
| | 1. Sh. Soujanya Sharma | 16-03-2015 to 23-08-2015 |
| | 2. Smt. Mandeep Kour | 24-08-2015 till the period of audit |
| ii) | <u>Chief Accounts Officers</u> | |
| | 1. Sh. Yash Pal Khajuria | 02-06-2014 to 09-12-2015 |
| | 2. Sh. Neeraj Gupta | 10-12-2015 till date of audit |

Review of outstanding paras of previous Audit Inspection Reports

The accounts of Jammu Municipal Corporation, Jammu have been audited previously for the period 04/2013 to 03/2014. It has been found that the Chief Accounts Officer has not replied the objections raised in the previous Audit Inspection Report issued vide this office letter no. FD/LFAP/J/AIR/2015-16/1940-42 dated 25.02.2016. The CAO is advised to initiate sincere efforts in setting/resolving the old outstanding observations raised from time to time. The reply to the above referred audit report is still awaited.

The audit objections, which have not been cleared, are stated below:

2012-13

- 1) Variations in the opening and closing balances of monthly accounts and cash book amounting to Rs. 45,00,000/-.
- 2) Irregular purchase of tools & plants from open market amounting to Rs. 8.46 lacs.
- 3) Irregular purchase of furniture from open market amounting to Rs. 20.63 lacs.
- 4) Irregular purchase of computer stationery from open market worth Rs. 11.50 lacs.
- 5) Irregular purchase of uniform from open market amounting to Rs. 19.81 lacs.
- 6) Purchase of stationery items from open market worth Rs. 22.96 lacs.
- 7) Excavation charges at Garbage Dump Sites without tendering process worth Rs. 22.55 lacs.
- 8) Non transparency of payment on account of clearance of Nallah through Nallah Gang amounting to Rs. 130.48 lacs.
- 9) Irregular repairs of vehicles from open market without observing codal formalities to the tune of Rs. 42.89 lacs
- 10) Irregular purchase of 68 batteries without following codal formalities worth Rs. 3.84 lacs.
- 11) Short deduction of Service Tax from contractors and firms amounting to Rs. 9.76 lacs.

Annual Audit Inspection Report on the accounts of Jammu Municipal Corporation, Jammu for the period 2014-15

Part A

Introduction

The Municipality of State of Jammu and Kashmir was established after the reforms under taken by **Lord Rippan** in the first quarter of 19th Century. The development of Modern Municipal Committees of the State was initiated by First **Municipal Act of 1886 A.D.** followed by amended act of 1889. Under this Act two Municipalities of Jammu and Srinagar were established for the first time.

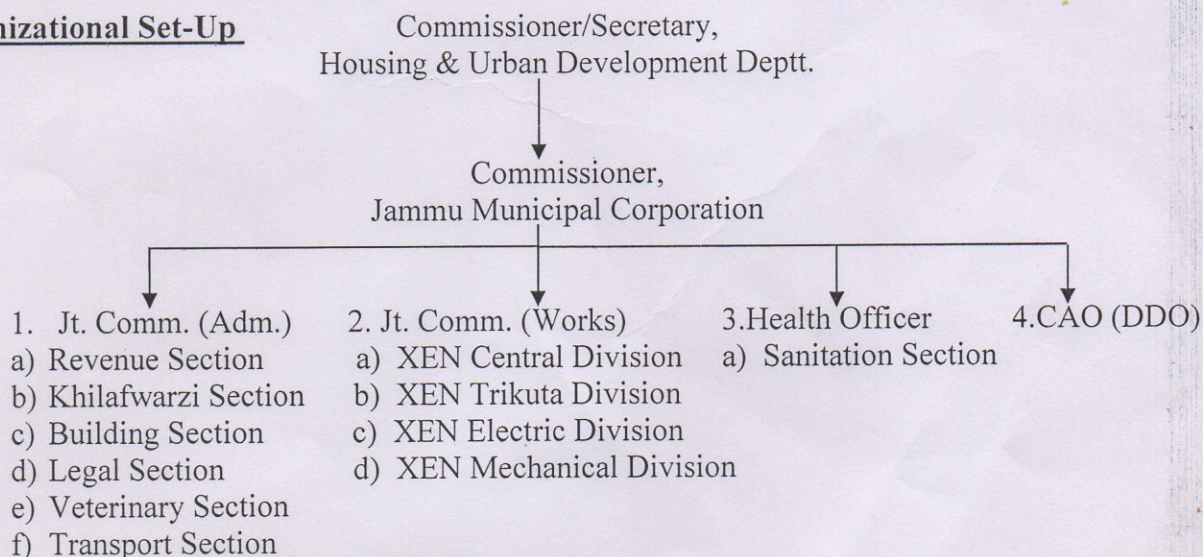
Jammu Municipality was first constituted in **Phagun 1942 Bk(March 1886 A.D.)**.

As per the J&K Municipal Act 2000, the Municipal Council/Committee is mandated to perform the following duties:

- i. Preparation of plans for economic development and social justice.
- ii. Performance of functions and implementation of the schemes, which may be entrusted to them including following:

1. Urban Planning including town planning.
2. Regulation of land – use and construction of Buildings.
3. Public Heath, Sanitation, Conservancy and Solid Waste Management.
4. Urban Forestry, Protection of Env't. and promotion of ecological aspects.
5. Safeguarding interests of weaker sections of the society.
6. Slum improvement and up-gradation.
7. Provisions of Urban amenities and facilities such as parks, play grounds and gardens.
8. Promotion of cultural, Educational and aesthetic aspects.
9. Burials and burial grounds, cremation and cremation grounds.
10. Cattle ponds and prevention of cruelty to animals.
11. Urban poverty alleviation.
12. Vital Statistics including registration of Births, Deaths.
13. Planning for economic and social development.
14. Regulation of slaughter houses and tanneries.
15. Regulation of amenities including street lighting, parking lots, Bus stops and public conveniences.
16. Implementation of Food Adulteration Act.

Organizational Set-Up





12	6170567-6170600	78,250.00	7,63,500.00	1,900.00
13	6170601-6170700			
14	6146001-6146020			
	Total	3,18,900.00	9,03,850.00	1,02,200.00

In addition to the above detailed objections, the Corporation is also issued the following instructions to be followed in letter and spirit, for improving efficiency and transparency of the working of the Corporation.

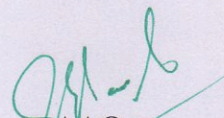
Improper maintenance of Price Store Ledger/material at site of Store

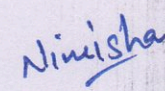
While checking the record of stores, it has been observed that the price store ledgers are not being maintained in the prescribed formats, value of store items has also not been worked out. This, being an important record of the Divisional office, needs to be maintained on the prescribed formats. Material at site register has also not been maintained. Major over-writing/cutting has been observed in indents issued register. This practice needs to be stopped in future and compliance report may be communicated to audit.


Acctts. Asstt.


Acctts. Asstt.


AAO


AAO


Accounts Officer
LFA&P
Jammu