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Corporation asked to look into audit objections

Staff Reporter

VISAKHAPATNAM: Commissioner and Director of Municipal Administration (CDMA) Prem Chand has asked the Greater Visakhapatnam Municipal Corporation to look into “audit objections of serious nature relating to short levy of property tax not properly carried out to systems”, resulting in huge loss of revenue to the corporation.

In his DO letter, the CDMA referred to the report of the District Audit Officer and the letter of the Director of State Audit and stated that the large-scale discrepancy in documentation of property tax during 2003-04 and 2004-05 was to the extent of Rs.3.06 crores and Rs.4.04 crores respectively and it aggregated to Rs.7.11 crores.

The discrepancy occurred in feeding into the system from manual records and, as most of it is recurring in nature, it results in huge loss to the GVMC, he observed, and asked Municipal Commissioner V.N. Vishnu to furnish detailed remarks along with names of persons responsible for the lapse for taking further action.

The audit report found fault with the process of documentation stating that while the increased tax amount was recorded manually it was not communicated to the computer section resulting in loss. The report says tax dues had not been collected since 1993. Also, if revision petitions or appeals were accepted, the demand should have been scaled down. But in the absence of such information, dues were listed (in the audit report).

Sources in the GVMC say the Rs.4.04 crore for 2004-05 was cumulative and was inclusive of the Rs.3.06 crore for the previous year.

Also, computerisation was taken up in 2000 but the report mentions dues since 1993. However, they admit that there was scope for manipulation at the time of computerising.