

**File Number : SA/GNT/MANGALAGIRI/MC(4)/MANGALAGIRI MUNICIPALITY GRADE II/2015-16**

**Name Of the Auditor (s) :**

1. Mr/Mrs SAMBASIVA RAO - ASSISTANT AUDIT OFFICER

**Date Of Audit :**

From 23-01-2017 To 30-01-2017

**Name (s) of Executive Authorities :**

1.Mr 1.Sri G. Chiranjeevi - Chairman From 01-04-2015 To 31-03-2016

2.Mr 1.Sri T.V.Ranga Rao - Commissioner From 01-04-2015 To 31-03-2016

**Para Number : 1**

**OTHERS (Code : 18) Rs : 0**

**AUDIT OBJECTIONS**

Para No. 1

Code No. 3

**RECOVERY ACCOUNT (SALARY & PENSIONS) - MONTHLY INSTALMENTS TOWARDS ADVANCES ADJUSTED - BUT NOT REMITTED TO GENERAL FUND - IRREGULAR:-**

As per G.O.Ms.No.179/MA&UD(G-1)Dept., Dt. 25-2-2009, the salaries are being paid under the Head of 010 from Treasuries w.e.f 1-4-2009. The Non-Government recovery bill registers, instead preparing pay bills on computer. As such it could not be ascertained in audit how much amount was adjusted in this account towards recovery of advances. In this connection it was observed that an amount of Rs.420000/- was drawn and paid to the employees towards Festival advance, Marriage advance and Vehicle advance.

Para No: 2

Code No.7

**TIME BARRED TAXES AND FEES:**

The arrears of taxes and fees relating to the year 2015-16 which were allowed to be time barred by limitation of time prescribed in such list or omits or show in such list any arrears due to failure on the part of bill collector to any other employee as the case may be. To take action on the taxes likely to become barred by time in practice the Arrear demand registers were not being maintained to

1. Property Tax
2. Vacant land tax

Para No 3

Code No.7

**NON-COLLECTION OF GARBAGE CHARGES - NEEDS COLLECTED**

The Municipal bodies as per the guidelines of -total sanitation programme- are required to collect garbage charges from the eating establishments, hospitals, diagnostic centres etc. However it was noticed that no bulk garbage charges were collected by the municipality during the year of audit and no reasons were forthcoming in audit for non collection.

Para No. 4

Code No.7

**LEASES - NON COLLECTION OF MONTHLY RENTS - MDR NOT MAINTAINED PROPERLY - NEEDS EARLY ACTION:**

As verified from the MDR such as leases of markets, shop rooms, vacant land before vegetable markets, for the year 2015-16 the following amounts were not collected. The

Para No. 5

Code No.7

**LEASING OF TOWN AREA MARKET - PENDING COLLECTION OF AMOUNTS - NEEDS ACTION:**

In continuation of Para No.6 of Audi Report for the year 2012-13 lease amount of town area market was not collected from Sri P.Sambasiva Rao contractor during the year

Para No.6

Code No.7

**SHOP ROOM RENTS - HUGE AMOUNT OF RENTS AND LEASES OUT STANDING FOR YEARS TOGETHER - ACTION NOT TANEK TO REALIZE THE SAME RS.2287346/-**

As verified from the uncertified DCB statement furnished to audit it was noticed that a huge amount of Rs.2287346/- was still to be realized from shop room rents as on

Para No. 7

Code No.07

**PROPERTY TAX HUGE AMOUNT KEPT BALANCE FOR PROPERTY TAX COLLECTION - NEEDS IMMEDIATE ACTION FOR COLLECTION:**

As per the information obtained through DCB statement for the year 2015-16 in respect of Property tax it was noticed that the Demand of Property tax was shown as Rs 5

Para No.8

Code No.7

**NON TRANSFER OF GENERAL REVENUE TO EARMARKED FUNDS**

In terms of G.O Ms.No. 511 Municipal Administration Department dt.12-6-1972 read with G.O.Ms.No.41 M.A Department Dt.21-01-1997 and Govt.Memo.No.22871/A4/7

PARA NO 9

CODE NO.7

**CELL TOWERS - TAX ON CELL TOWERS - NOT COLLECTED:**

As per GO. Ms No.183 Municipal Administration & Urban Development (M Department Dt. 27.02.2008 All the Commissioners of Municipal Corporations, Municipal

- i). The applicant shall obtain necessary approval of the Air Traffic Controller, Airport Authority of India( where applicable).
- ii). The applicant shall take special precaution for fire safety and lightening etc.
- iii). The applicant shall furnish a legally valid undertaking that they are solely responsible for any damage to the building and for public safety.

In this connection the Commissioner has given notices to the property owners in whose premises the towers were installed duly fixing per each half/year. The amounts

PARA NO 10

CODE NO.7

**HUGE ARREARS IN PENDENCY OF WATER TAX - NEEDS COLLECTED**

As per section 133 to 145 of A.P.M.A,1965 the municipality has to maintain water courses/works, supply and collect water charges for the supply of water through pi

No of connections	Demand			Collection			Balance		
	Arrears	Current	Total	Arrears	Current	Total	Arrears	Current	Total
8854	57.14	105.12	162.26	53.98	29.65	83.63	3.16	75.47	78.63

Though arrears in collection of water charges exist since --. to date i.e period of audit, the demand, collection and balance statement was not yet finalized by the muni  
As per the section mentioned above, the commissioner is to take stringent action for recovery of water charges/arrears which includes disconnection of water supply :

PARA NO:11

CODE NO.7

**NON COLLECTION OF ADVERTISEMENT TAX ON CABLE TVs.**

Vide G.O. Ms No.266, M.A. Dt.05.05.2000 clause 7B of Advertisement Tax rules was incorporated and as per G.O. Ms.No.487, M.A. Dt.20.04.2000 Advertisement Tax on  
During the scrutiny of Town Planning Section records of the Municipality it was noticed that advertisement tax was not being collected form the cable T.V. operators.  
Action may be taken to obtain the monthly statements of advertisements and the tax collected accordingly.  
When non collection of advertisement tax was brought to notice it was replied that necessary arrangements would be made to obtain the particulars of Cable TV Adverti

Para No. 12

Code No.7

**AGRICULTURAL LAND TAX DEMAND NOT FIXED**

As per Section 85 (4) of APM Act 1965 every Municipality shall levy tax on the Agricultural lands situated in the Municipality limits as component of Property tax. But t

PARA NO: 13

CODE NO.8

**ADVANCES - ADVANCES SANCTIONED DURING THE YEAR - BUT NOT ADJUSTED - NEEDS EARLY ADJUSTMENT Rs 823800/-**

According to the provisions laid down in A.P.F.C.Volume I, all advances that are paid to the employees for various purposes such as tour, purchases, works, etc., :  
As verified from the following vouchers for the year 2015-16 an amount of Rs 823800/- was sanctioned to the Municipal Employees towards various advances, as follows.

Vr.No. & Date	Particulars	Amount
86/6-5-15	Advance paid to P.Yedukondalu A.E towards food arrangements to the computer staff due to engaged for EPIC Adhar seeding	25,000
177/4-6-15	Advance paid to P.Yedukondalu A.E towards arrangements of 2 <sup>nd</sup> phase Janmabhoomi Mavuru Programme	100000
404/15-10-15	Advance paid to Sri D.Vijayakumar towards arrangements for laying stone Innaguration of Amaravathi Capital city	25000
411/17-10-15	Advance paid to Sri I.Sivaji A.E towards take up the works in Magalagiri Municipality related to the Amaravathi Sankusthapana Mahosthvam	150000
412/17-10-15	Advance paid to G.Venkata Ramireddy Sanatary Inspector towards special drive on sanitation and purchase of sanitation materials	50000
413/17-10-15	Advance paid to N.Sambasiva Rao UDRI to meet the expenses on organization of cultural programme etc., to the occasion of Amaravati Mahosthvam	100000
505/18-12-15	Advance paid to Sri P.Yedukondalu A.E towards arrangements of water packets for AIMS Hospital foundation stone programme	49000
506/18-12-15	Advance paid to Sri P.Yedukondalu A.E towards arrangements of 5000TDS1/2 water bottles and Himalaya water bottles to AIMS Hospital foundation stone programme	45000
507/17-12-15	Advance paid to Sri P.Yedukondalu A.E towards arrangements of temporary toilets (Men) for AIMS Hospital foundation programme	49000
508/18-12-15	Advance paid to Sri P.Yedukondalu A.E towards arrangements of temporary toilets (Women) for AIMS Hospital foundation programme	49000
569/6-1-16	Advance paid to Sri I.Sivaji A.E towards arrangements of Mike and water supply for 3 <sup>rd</sup> round J.B Mavooru in 32 ward	75000
578/7-1-16	Advance paid to Sri P.Yedukondalu A.E towards supply of Tents. Tables chairs 3 <sup>rd</sup> rould J.B Programme	106800
	Total	823800

Para No. 14

Code No.9

**ADVERTISEMENTS - EXHIBITED WITHOUT WRITTEN PERMISSION OF THE COMMISSIONER - FINE NOT IMPOSED - LOSS TO THE CORPORATION-LOSS TO THE MUNICIPALIT'**

No person shall without the written permission of the Commissioner, erect, exhibit, fill or retain any advertisement whether now existing or not upon any land, buildi  
Further, according to Municipal Act, for exhibiting an advertisement without permission, a fine up to Rs.1,000 can be imposed and in no case, it shall be not less than  
On verification of the records relating to tax on advertisement, it was noticed that applications received and permissions issued to erect, exhibit, fix or retain the adver

Para No. 15

Code No. 9

**D & O TRADERS - LICENSE FEE COLLECTED LICENSES NOT ISSUED TO TRADERS - IRREGULAR:**

The counter foils of the licenses issued to the traders i.e. form No. 8 for the year 2015-16 were not made available for verification in audit. The license fees collected through  
Therefore action would need to be taken to issue the licenses to the traders and counter foils produced to verification.

Para No.16

Code No. 9

**DEPOSITS - PENDING FROM YEARS TOGETHER SHOULD BE LAPSED - NEEDS ACTION:**

Deposits remaining unclaimed for three completed years after their refunds fall due and surplus proceeds of distraint property not claimed within six months from the da  
Therefore action would need to be taken accordingly under a report to audit.

Para No.17

Code No.9

**VACANT LAND TAX - DEMAND FOR THE CURRENT YEAR NOT FIXED:**

In exercise of the powers conferred under Section 197, 198 and 199 of H.M.C., Act, 1955, the Municipal Corporation, Guntur, vide its notification No.1129/01/A1, date  
The monthly lists of vacant lands (requiring the levy of tax) prepared as per the property tax assessment register for the year 2015-16 were not made available for verifi  
Further, the tax on vacant land was found to have been levied based on the property tax assessments made from time to time. Instead of preparing the lists of vacant l

Para No. 18

Code No.9

**OBSERVATIONS ON VACANT LAND TAX:**

A)Non identification of vacant plots for levy:

Section 85(3) of the Municipalities Act, 1965 read with instructions issued by Govt of AP provides for levy of a tax on vacant lands in Municipal limits@ 0.2% per an  
(A) Audit Observed that:

- ? The Municipality had not made any effort for identification and collection of Vacant Land Tax. In view of the fact that the Municipality has been receiving re
- ? Even though the VLT was being collected by the Town Planning Wing at the time of giving approvals for Building constructions for the previous 3 years, the fe
- ? The Municipality needs to urgently identify all the vacant sites  
Within Municipal limits.

Para No. 19

Code No.9

**INFORMATION NOT FURNISHED REGARDING PROPERTY TAX- NEEDS MAINTAINED**

The Revenue Officer/Revenue Inspectors and the Bill Collectors shall in their capacities undertake field visits within their jurisdiction for detection of any un-authorized

Para No. 20

Code No.9

**NON MAINTENANCE OF DEMAND AND ARREAR DEMAND REGISTERS OF PROPERTY TAX (MANUAL):**

It was noticed during the audit that both the Demand and Arrear Demand Registers of property tax for the year 2015-16 were prepared based on the computer generated  
Manual registers for either current demand or arrear demand were not maintained and produced to audit. Similarly register of transfer of titles, mutation register, register  
Further, the page wise totals along with the final abstract were not enclosed to the ward wise computer generated demand and arrear demand registers for the year 201  
Consequently, cross checking of computer generated data with that of manual registers, as required to be maintained in accordance with the instructions contained in

Para No: 21

Code No: 9

**MANGALAGIRI MUNICIPAL COUNCIL - PAYMENT OF SERVICE CHARGES TO MUNICIPAL COUNCIL IN RESPECT OF CENTRAL GOVERNMENT DEPARTMENTS- NOT REALIZED S**

- The honorable Supreme court of India vide its order dated dated 19-11-2009 disposed of the civil Appeal No 9458-63/2003 filed by Rajkot Municipal Council & Others
1. The Union of India (UOI) & its Department will pay service charges for the service provided by appellant Municipal Councils. No property tax will be paid by UOI but service
  2. In pursuance of the orders of the Supreme Court in this matter, the following instructions are issued to Commissioners of all ULBs by the principal Secretary to government: owners based on the civic services availed by Central Government Properties.
  3. To issue a self contained, order to the Heads of Central Government Departments indicating the process followed in Working out the service charges payable by them and t
  4. To enter into Memorandum of agreement or understanding with Heads of Central Government Departments for payment of service charges to the ULBs till the next genera
  5. In the event of a disagreement on any issue, the Municipal Commissioner shall submit proposals to the Government for constituting a three member mediation committee
    - a) Representative of Central Government
    - b) Representative of concerned ULB
    - c) Representative of MA&UD Department
    - d) In the event of any Central Government Department or Railways owning a property changes the Agreement unilaterally or fails to reach settlement through Mediation C

It has also been clearly stated that Commissioners of all ULBs shall ensure that entire exercise of payment of service charges by central Government properties is co

In spite of the above direction issued by the principal Secretary to government MA&UD for regulating payment of service charges in respect of Central Government p

Para No. 22

Code No.9

**FUNDS - UTILIZATION OF MINIMUM 40% OF THE NET FUNDS AVAILABLE IN THE SLUM AREAS OF THE MANGALAGIRI MUNICIPAL COUNCIL FOR PROVIDING WATER SUPPLY**

Orders were issued vide G.O.Ms.No.626, M.A. Department, dated 12-11-1986, for preparation of budget estimates by all the urban local bodies and for utilization of fund

In continuation of the above, government have ordered further vide G.O.Ms.No.265, M.A. U.D. (K2) Department, dated 19-7-2004 to channelise at least 40% of the net fi

It was clarified further, there in, that this compulsory spending in the slum areas at minimum of 40% of the net funds available would not clash with sectoral allotment

As perused from the budget for the year 2015-16 (which was approved by the council on 29-5-2010) the total amount of receipts for the year 2015-16 was projected a G.O.Ms.No.626, M.A., dated 12-11-1986 along with separate statements showing the details of capital works and maintenance works duly indicating the details of those works

Para No. 23

Code No.9

**TOWN PLANNING: ENCROACHMENT - REGISTERS OF ENCROACHMENT NOT MAINTAINED PROPERLY:**

During the course of audit as verified from the register of encroachments maintained for the year 2015-16 the following defects were noticed. The demand, collection

1. A list of encroachments were not prepared by the town planning officers or building inspectors and not certified by the Commissioner and produced for audit.
2. The encroachments were not got classified as objectionable or non- objectionable.
3. The notification for the levy of fees on non objectionable encroachments was not made available for verification in audit.
4. The action taken for the removal objectionable encroachments was not stated in audit.
5. The sanction of higher authorities was not obtained in respect of encroachments allowed for more than one year.
6. The monthly lists of addition and omission were not at all obtained, from the out door staff and produced for audit.

If any loss caused due to the above lapse it would need to be made good by the persons responsible.

PARA NO: 24

CODE NO.9

**REGISTER OF BUILDING APPLICATION - MAINTENANCE DEFECTS:-**

As seen from the register of building applications maintained for the year 2015-16 the following defects were noticed in audit.

1. In column No.15 the dates of completion of building were not noted duly obtaining the completion reports.
2. All the columns in the register were not filled in with appropriate information or particulars.
3. Challan No & date in respect of building fees paid in respect of each case were not noted.
4. Compounding fees levied and collected were not noted.
5. Further action taken for the renewal of license fee the building not completed within one year from the date of granting the same was not noted.
6. Renewal of license of any granted and fee collected was not noted.
7. Objectionable constructions were not taken to unauthorized construction register and further action not watched through it.
8. Monthly reports from building inspectors were not obtained and produced for audit.
9. Register of unauthorized constructions was not produced for audit.
10. As seen from the building applications the challans where in the fees paid were not enclosed.

In the absence of the above details whether the building newly constructed were property assessed to property any in time or not could not be verified in audit.

PARA NO:25

CODE NO:9

**MISCELLANEOUS DEMAND REGISTER - COLLECTION OF SHOP ROOM RENTS - MARKET LEASES ETC., DEFECTS:**

A) The MDR provides a record of demand, collection and balance of misc. items of revenue. It is one of the important registers and plays a key role in revenue accounts

1. Market leases
2. Rents from shop rooms, shopping complexes, building and lands
3. Slaughter house leases
4. Fish tank leases
5. Produce from land and gardens
6. Revenue receipts
7. Rents from Municipal Quarters
8. Decrial amounts from the courts
9. Recoveries from the ILCS rooms etc.,

In addition to the above sources, the following revenues will also be monitored through separate MDR.

- a) Non-Plan Grants
- b) Plan grants
- c) Entertainment tax
- d) Profession tax
- e) Surcharge on Stamp duty.

**Demand:**

The demand, i.e. monthly lease amounts/rents or annual/one time payments fixed need be gathered from the register of revenues yielding properties and the sole lists

**Collection:**

Collections will have to be posted month wise from the entries or register of Miscellaneous receipts. There will be provision of penal interest under market leases and st

**Balance:**

Balances in the register, both normal lease amounts/rents and penal interests at the close of the year will be transferred to the MDR of the following year. There will l  
At the end of the year the demand collection and balance will have to be struck. During the scrutiny of ledgers for the year 2015-16 pertaining to the rents received i

However, as seen from the MDR for the year 2015-16 none of the conditions stated above were fulfilled. No demand was fixed the collections were not totaled and bal

PARA NO.26

CODE NO.9

**PROPERTY TAX AND ITS COMPONENTS - NOT IMPLEMENTED**

According to the provision of Sec.85 of the A.P. Municipalities Act, 1965, the government have fixed ceiling to the rate of property tax inclusive of Education tax and li

1. General purpose
2. Water supply tax
3. Drainage tax
4. Scavenging tax
5. Lighting tax
6. Education tax
7. Library cess

As verified from the annual account the property tax was not apportioned among the applicable components in the above stated heads. This was contrary to the object

PARANO 27

CODE NO 9

**SANITATION - DEPLOYMENT OF CONTRACT LABOUR.**

According to Section 480 to 572 of Hyderabad Municipal Corporation Act, 1955 Urban Local Bodies have the obligation to clean the roads and drains and collect, lift an  
It was observed that those guidelines are not being followed by the municipality in calculation of the total man power required. Reasons for violation of CDMA instruc

PARANO 28

CODE NO 9

**NON ISSUANCE OF OCCUPANCY CERTIFICATE AND CONSEQUENT LOSS**

Occupancy Certificate shall be mandatory for all buildings and unless such certificate has been granted by the sanctioning authority no person shall occupy or allow a  
produced to audit the observance of the rules issued in the said G.O by the ULB could not be checked in audit.

Further clause -g- under Rule 26 of GO.Ms.No.168 MA & UD (M) Dept. dated 07-04-2012 the functional/line agencies shall not give regular connections of power, water.  
Thus non production of building application files to audit would give scope for non detection of such irregularities which cause huge loss to the income of the ULBs.

PARANO 29

CODE NO 9

**NON-REMITTANCE OF EDUCATION CESS BY MUNICIPALITY - NEEDS ACTION**

As per section 37 (1) of the Andhra Pradesh Education Act, 1982 any Municipal Council may, with the previous sanction of the Government, and shall if so directed by  
It was observed that no amount was remitted to Education cess to the competent authority so far. Reasons if any were not explained to audit as to why the Education c

PARA NO 30

CODE NO.9

**NON CONSTITUTION OF WARD AND REVIEW COMMITTEES**

Under Section 5(B) of A.P. Municipalities Act, 1965 provides for that Commission may constitute Ward Committees in respect of Municipality having population of less th  
Under Section 31-A (1), the Council may constitute or may appoint individual members to enquire into and report or advise on any matters when it may report to them.  
The commissioner explained that no ward committees were constituted in the municipality as per manual. Immediately the ward committees would need to be constitut

PARANO 31

CODE NO 9

**ADMINISTRATIVE REPORTS OF THE MUNICIPALITY NOT PREPARED - NEEDS ACTION**

Under the provision of Section 34 of A.P.Municipalities Act,1965, Council should submit as soon as may be after the first day of April in every year and not later than 31st March. The Commissioner shall prepare the report and submit to the council. The Council shall consider the report and forward it to Govt. with its resolution, if any. The report and resolution, if any shall be published in the manner as the council may direct, subject to approval of the Government. Action would need to be taken to prepare administrative reports here after and produce to audit.

PARANO 32

CODE NO 9

**NON PREPARATION OF ACTION PLAN/DEVELOPMENT PLAN BY THE MUNICIPALITY RECENTLY.**

The Urban Local Body should prepare Annual Action Plan/Development Plan/Budget at the beginning of the Financial Year to achieve the Targets/bench marks prescribed. Similarly plan is required for increasing the revenue by introducing GIS system for mapping of the property which will reduce the Tax evasion, funds received through cess. The executive authority would need to be take steps to prepare annual action plan/Development Plan for taking up developmental activities in municipality.

PARA NO 33

CODE NO 9

**WORKS ENTRUSTED ON NOMINATION BASIS WITHOUT FOLLOWING THE PROCEDURE - NOT ADMISSIBLE**

In G.O.Ms.No.94 of Irrigation and CAD (PW-COD) department dated 01.07.2003, item 14 (iii), the Government have issued certain guidelines for entrustment of works on nomination basis.

- (i) For giving works on selection, list of contractors with good track record will be prepared.
  - (ii) In preparing these lists the volume of work done by them, the quality of works done by them, the infrastructure possessed by them, etc. should be taken into account.
  - (iii) The list of contractors should be prepared and published in advance regularly i.e. once in six months. From these lists works should be awarded.
  - (iv) in any case in a year the value of works grounded shall not exceed each of the division of tender works or nomination works.
- During the course of audit it was observed that the works were entrusted to the contractors on nomination basis without following the procedure.

PARA NO 34

CODE NO 9

**NON PAYMENT OF ROYALTY CHARGES**

As per G.O.Ms.No.1276 Revenue (M) Dept, dated 30-11-76 every municipality is liable to pay the royalty charges to the government, for the water used by it. According to the guidelines issued by the Government, the royalty charges should be paid to the government.

PARANO 35

CODE NO 9

**WATER CESS NOT PAID TO AP POLLUTION CONTROL BOARD - NEEDS PAID.**

As per Section 3 of Water (Prevention and Control of Pollution) Cess Act-1977, water cess is to be paid on the quantity of Water supplied for domestic purpose. Further, The AP Pollution Control Board (APPCB) has to issue Amendments orders based on the water supply figures to be furnished by ULB-s as required under Sub-Section (i) of Section 12 of the said Act any amount due under this Act including any interest or penalty payable u/s 10 or 11 as the case may be from any local authority may be recovered. The CDMA of Hyderabad under Lr.RC.No.2189/2009/E1, dt.09.03.2005 and Lr.Rc.No.962-1/2010/H, dt.29.03.2010 requested all the Regional Directors - cum Appellate Commissioners to ensure that the water cess is paid to the AP Pollution Control Board. During the course of audit it was observed that no amount was paid to the AP Pollution Control Board towards water cess so far. As verified from the file no correspondence was received from the ULB-s.

Para No. 36

Code No.9

**PURCHASES MADE WITHOUT FOLLOWING THE RULES LAID DOWN FOR THAT PURPOSE**

According to Rule 315 (1)(b) of A,P Municipalities (purchase maintenance and accounting of forms) Rules 1968 for invitation and disposal of tenders relating to the purchase of materials. Under Rule 5 of the said rules the Commissioner shall arrange for the proper maintained of a stock account in such form as may be prescribed by the Government from time to time. But during the course of audit it was noticed that the prescribed procedure was not followed in as much as the preparation of estimates for the annual consumption of materials.



Para No.37

Code No.9

**NON REGISTAION OF LEASE DOCUMENTS IRREGULAR NEEDS ACTION**

As verified from the lease files for the year 2015-16 observed that the lease documents of Municipal properties were not Registered by Registration Department as per se The CDMA Hyderabad issued instructions in his circular dated 21-4-04 that whenever a property of Municipality was lead out lease deed shall have to be registered comp

However it was ob served from the records that the Mangalagiri Municipality has been collecting stamp duty registration fee and user charges on the following propert

1. Vegetable Market.
2. Sundry Market.
3. Slaughter house.

Through the stamp duty and registration fee was collected the lease documents were not registered with tie registering authority (Sub register assurance and registration) Th  
The reasons for not complying with the instruction of the CDMA issued may be explained.

Para No.38

Code No.9

**ACCEPTANCE OF SINGLE TENDER IN PROCUREMENT OF WORKS AND PUBLIC HEALTH ARTICLES AGAINST GOVERNMENT NORMS- IRREGULAR.**

Government followed the procedure of calling open tender though e procurement process to have transparency and competitive bidding. Further in G.O.Ms.No. 94 dt.1-7

Audit noticed that single tender was accepted in the first call in procurement of Works and Public Health article for sanitation in Mangalagiri Municipality . The accept

When the violation of government orders in procurement of Works and Public Health articles for sanitation of Mangalagiri Municipality by accepting single tender brou

Para No.39

Code No.9

**LAPSES IN ISSUE OF D&O TRADE LICENCES AND COLLECTION OF LICCENCE FEE**

As per section 263 of A.P Municipal Act. 1965, ever trader/shopkeeper shall apply for license to the Municipal Commissioner, giving all the details of business to be starte

While reviewing the records of the Municipality it was noticed that the municipality has not issued any D&O licenses to the traders. There was not system to identify the

In this connection the Commissioner, Mangalagiri Municipality can conduct a ward wise survey to identify the traders and give license to each individual with a unique n

Para No. 40

Code No.9

**MANGALAGIRI MUNICIPALITY - TOWN PLANNING SECTION - NON-COLLECTION OF LABOUR CESS FROM APPROVED PLAN DURING THE YEAR NOT MADE - NEEDS EARLY ACTION**

As seen from the connected records i.e., Building Applications of Town Planning Section, it was noticed that the tariff of 1% Labour Cess relating to -Building and other the said G.O. the term establishment means section 2(j) any establishment belonging to, or under the control of, Government, any body corporate or firm, and individual or association.

As per the Para No.5 of the said G.O. as per rule 4(4) of the Cess Rules, where the approval of construction work by a Local Authority is required, every application for such work.

As per the Para No.6 of the said G.O. further, as per Rule-5 the Government Office/public Sector undertakings/Local Bodies/Cess Collector shall transfer the cess collected to the Board.

As per the Para No.7 of the said G.O. as per Rule - 5(3), the amount collected shall be remitted to the Board within 30 days of collection.

As per the Para No.8 of the said G.O. as per section 6(1) of the Cess, every employer within 30 days of commencement of his work or payment of Cess, shall furnish to the Board the details of the work.

In the light of the above position all establishments which have employed more than 10 workers on any day or the cost of construction exceeded Rs.10 lakhs are liable for the payment of Cess.

Hence immediate action would need to be taken to recover the above amount from the persons responsible and credited to Department of Labour, Govt of A.P. and the firm.

Para No.41

Code No.9

**E.M.D - E.M.D NOT DEDUCTED FROM THE WORK BILL - NEEDS ACTION Rs.87679/-**

During the course of audit, As verified from the M.Book of the following works E.M.D 1.5% was not deducted . As per G.O.Ms.No.93 in order to discharge purchase of te

Vr.No. & Date	M.B.No.	Name of the work	E.C.V	EMD 1% Deducted	EMD 1.5% to be deducted
214/12-8-15	7/2015-16	Providing cc road from A.Balaiah (H) to M.Ravi (H) south side in 24 <sup>th</sup> ward	487781	4900	7295

437/10-11-15	29/2015-16	Providing cc road from D.SivaRamankrishna (H) to A.Sambasiva Rao (H) in 20 <sup>th</sup> ward	406431	4064	6097
398/15-10-15	30/2015-16	Repairs of existing filter beds of 10.00MLD repaid gravity filtration plant	582784	5900	8670
667/2-3-16	98/15-16	Providing CC road from Gouthambudha road to V.Durga Rao(H) in 29 <sup>th</sup> ward	839366	8400	12584
501/17-12-15	54/2015-16	Providing cc road from K.Purna comples east side to onti Rama Mandiram in 11 <sup>th</sup> ward	628215	6300	9405
397/15-10-15	32/2015-16	Repairs of existing filter beds of 10.00MLD repaid gravity filtration plant	936373	9400	14009
414/26-10-15	28/2015-16	Providing cc road from B.Srinivasa Rao (H) to D.Sambasiva Rao (H) in 4 <sup>th</sup> ward	542395	5500	8060
415/26-10-15 & 644/19-2-15	22/2015-16	Providing cc road from Guntur road to Satyanaraya reddy Hospital in 12 <sup>th</sup> ward	597381	6000	8935
479/28-11-15	45/2015-16	Providing cc road from G.Muthamma (H) to C.Bhaskara Rao (H)	439964	4400	6599
379/15-9-15 & 566/28-12-15	15A/2015-16	Providing CC raod from Makrkandeya colony in 7 <sup>th</sup> lane in 27 <sup>th</sup> ward	404999	4100	6025
					87679

Para No. 42

Code No.9

**FESTIVAL ADVANCE - FESTIVAL ADVANCE PAID TO THE STAFF - IRREGULAR - NEEDS RECOVERY**

During the course of audit as verified from the advance recoverable register it was noticed that Festival Advance @Rs.4000/- was drawn and paid to the Municipal Staff ar

Para No.43

Code No.9

**SANCTION OF FAMILY PLANNING INCREMENT AFTER 1-7-1998 IRREGULAR - NEEDS RECOVER RS. 3000/-**

During the course of audit as verified from the Service Register of Sri. N.Sambasiva Rao, UD Revenue Inspector was sanctioned Family planning Increment of Rs.100/- w.e.f.

Family planning increment drawn from 1-5-2001 to 31-10-2003 =

30 Months X 100/- = 3000/-

Para No. 44

Code No.9

**SANCTION OF ADDITIONAL INCREMENT AFTER 1-7-1998 IRREGULAR - NEEDS RECOVER RS. 11900/-**

As verified from the Service Register of Sri N.Sambasiva Rao, UD Revenue Inspector during the course of audit additional increment were sanctioned Rs.50/- w.e.f. 14-10-

Additional Increment drawn with effect from 14-10-1996 to 31-7-2016

238 Months X 50/- = 11900/-

Para No.45

Code No.9

**PURCHASE OF FURNITURE - DURING THE BAN PERIOD IRREGULAR RS.266001/-**

An amount of Rs. 266001/- was drawn and incurred towards purchase of furniture as detailed below during the year under report. The Government in their Cir.Memo.No

Vr.No. & Date	Particulars	Amount
3/20-4-2015	M/s Pushpak power products Tenali towards supply and delivery of 7 Iron Almarahs including g transportation and all labour charges	87000
4/20-4-2015	M/s Pushpak power products Tenali towards supply and delivery of office Tables computer tables and S modal chairs.	51460
184/27-6-2015	Sri I.Ravichandra towards purchase of Tables, Chairs for Vice Chairperson Chamber	22000
187/27-6-2015	Sri I.Ravichandra towards purchase of Tables, Chairs for Council chambers and partition MEPMA section	26000
579/19-1-16	Purchase of Tables, Chairs for Vice chairperson chamber	23028
580/19-1-16	Purchase of Tables ,Chairs for council hall	56513
	Total	266001

Para No.46

Code No.9

**TOWN PLANNING - SHORT COLLECTION OF DEVELOPMENT CHARGES NEEDS RECOVERY RS.8200/-**

During the course of audit as verified from building plan approvals files it was noticed that the following cases the Municipal authorities were not short collected the Dev

B.A.No. Date	Name	Details	Development charges collected	Development charges to be collected	Short collected
10/2015/G1	Haridra Ganapathi Constructions D.No.7-455	Const.of apartment	7796X25= 194905	7637X25= 190925	3980
15/2015/G1	Sri A.Uma Maheswra rao D.No.7-379	Const.of Ground & 1st floor	230X15= 3450	222X25= 5550	2100
12/2015/G1	Smt.U.Vidya D.No.5-321	Const.of stilt, ground 1 <sup>st</sup> floor	424X15= 6360	424X20= 8480	2120
				Total	8200

Para No. 47

Code No.9

**TOWN PLANNING - SHORT COLLECTION OF DEVELOPMENT CHARGES NEEDS RECOVERY RS.14543/-**

During the course of audit as verified from building plan approvals files it was noticed that the following cases the Municipal authorities Betterment charges were not coll

B.A.No./Date	Name	Betterment charges to be collected	Amount
174/2015/G1	Sri K.Rajkumar, D.No.5-563	Plinth area 45.90X75	3443
66/2015/G1	Sri P.Gopi Krishna, D.No.11-98	148X75	11100
	Total		14543

PARANO 48

CODE NO 10

**DEDUCTIONS MADE FROM THE WORK BILLS - NOT REMITTED TO THE HEADS OF ACCOUNT CONCERNED**

As verified from the cash book the amounts as detailed below were deducted from work bills towards Seigniorage & Labour Cess for the period from 1-4-2015 to 31-3-201

PARANO 49

CODE NO 10

**DEDUCTIONS MADE FROM THE WORK BILLS - NOT REMITTED TO THE HEADS OF ACCOUNT CONCERNED**

As verified from the cash book the VAT amount was deducted from work bills for the period from 1-3-2016 to 31-3-2016 and the same were not remitted to the heads of :

PARANO 50

CODE NO 10

**DEDUCTIONS MADE FROM THE WORKERS SALARY BILLS - NOT REMITTED TO THE HEADS OF ACCOUNT CONCERNED**

As verified from the cash book the amounts were deducted from the workers salary bills towards E.P.F and E.S.I for the period from 1-10-2015 to 31-3-2016 and the sam

Para No.51

Code No.10

**DEDUCTIONS - EMPLOYER SHARE OF E.P.F TO THE WORKERS - NOT REMITTED TO THE HEAD OF ACCOUNT CONCERNED:**

As verified from the cash book it was noticed that employer share on workers E.P.F was not remitted to the head of account concerned. Hence the same would need to be

Para No. 52

Code No.11

**D & O TRADES- MONTHLY LISTS - NOT PRODUCED IRREGULAR.**

During the course of audit for the year 2015-16 under D&O trades the monthly lists in inspect of all Divisions were not produced for verification in audit. Loss if any

Para No. 53

Code No.11

**PURCHASE OF TYRES FOR PUBLIC HEALTH VEHICLES - STOCK AND UTILISATION NOT POINTED OUT AT AUDIT RS.49005/-**

As verified from the following vouchers an amount of Rs.49005/- was incurred on expenditure towards purchase of Tyres, for Public Health Vehicles. But the connecte

Sl.No.	Vr.No. Date	Particulars	Amount
1	494/11-12-15	Amount paid to Sri SK.Nagul meera towards supply of Tyres for public health vehicles	49005
		Total	49005

Para No:54

Code:11

**MAINTENANCE OF VEHICLES - RELEVANT REGISTERS NOT MAINTAINED AND PRODUCED.**

The following were the important registers to be checked in audit of bills relating to maintenance of Vehicles in Public Health Section.

1. Log book
2. Register showing the repairs ,replacements etc.,
3. Register showing the cost of Petrol, Oil etc.,
4. Register of Inventory of equipment
5. Hire charges payment Registers.
6. Registers of old parts collected after replacement
7. Register of Accidents

1. Log Book: During the course of audit due to non production of these books it could not be verified in audit whether the follow

1. That all the entries in the relevant columns in the log books were made
2. That the entries in log book were noted by the Officer who used the vehicle in his own hand, writing the mileage at the s
3. That Sufficient particulars were recorded regarding movements and purpose to indicate that the journeys were on Official
4. That the log book in respect of each Vehicle was closed at the end of the month and a summary prepared in the logbook
5. That the quantity of petrol, diesel oil purchased has been entered in the log book of the respective vehicle.
6. That the hire charges collected as per hire charges payment register have been entered in the concerned log book.
7. That the log book was scrutinized personally by the authority concerned, once in a month and his signature appended th
8. That the log books were written in the prescribed proforma with full details.

2. Register showing the repairs, replacements, spare parts etc.,

Due to non production of these registers it could not be verified in audit whether the following prescribed procedure wa

1. That the voucher No. and date and nature of repairs etc., together with amount were noted in the appropriate columns of
2. That in the case of replacements etc., the old parts were disposed off in Public Auction noted and the sale proceeds credi
3. That in case of purchase of spare parts, the rules relating to the invitations and disposal of tenders have been observed.

3. Register showing the cost of petrol, Oil etc.,

Due to non production of this register, it could not be verified in audit whether the following prescribed procedure was followed or not.

1. That the details of expenditure incurred towards cost of Petrol, Oil etc., have been entered with reference to th
2. That the consumption of the petrol, oil etc., date wise, has been entered there in.

3. That in respect of the contingent bills for the supply of petrol, diesel oil, the following certificates have been recorded by
  4. That the mileage run by the vehicle at particular period as per log book was in accordance with the issues of petrol and oil
  5. That the propulsion charges or cost of fuel etc., received if any from the person who used the vehicle on non duty have been
  6. That the register was periodically checked by the concerned authority and a certificate to that effect has been recovered
4. Register of inventory of equipment.  
Due to non production of this register, it could not verified in audit whether the following prescribed procedure was followed or not.
1. That the nature of equipment purchased has been entered in this register together with the date of purchase and price etc.
  2. That the inventory of equipment has been checked by the concerned authority every month and a certificate to that effect
  3. That the Loss if any arising out of negligence or fault of any person has been recovered and credited to the funds.

Para No:55

Code:11

**PROPERTY TAX - GOVERNMENT OFFICES LOCATED IN PRIVATE BUILDINGS AND PAYING RENT TO OWNERS - REGISTERS NOT MAINTAINED AND PRODUCED TO AUDIT.**

Information relating to Govt. Offices located in private buildings was not available to verify whether property Tax was levied as per the rents paid by Government offices

Para No.56

Code No.11

**PROPERTY TAX APPEALS - RECORDS NOT PRODUCED :**

The appeals and connected files relating to property tax, in respect of all wards including appeals pending in courts were not produced to audit. In the absence of the same

Para No.57

Code No.11

**M.Ls - ML REGISTERS NOT PRODUCED TO AUDIT:**

During the course of audit, M.L Registers were not produced to audit. In absence of the same the correctness of the Property tax fixed for the year 2015-16 could not be verified

Para No:58

Code:11

**IMMOVABLE PROPERTY - CONSOLIDATED REGISTER OF PROPERTIES NOT MAINTAINED AND STATUS OF THE PROPERTIES NOT FURNISHED:**

Consolidated register showing the properties owned by the Municipal Corporation was not maintained. Several immovable property registers were produced to audit. The details of assets available in the official web site of the Guntur Municipal Corporation are enclosed to the audit report. Loss, if any, caused due to not safe guarding/non-leasing of assets may be worked out and made good from the person or persons responsible.

Para No.59

Code No.11

**GRANTS RELEASED TO MUNICIPALITY FOR VARIOUS PURPOSES - GRANTS APPROPRIATION REGISTER NOT MAINTAINED:**

During the year under audit several grants both statutory and non-statutory were sanctioned and adjusted to Municipal Corporation. A separate Register of Appropriation

Para No.60

Code No.11

**MONEY VALUE FORMS - STOCK REGISTER NOT PRODUCED:**

The money value forms stock register for the year 2015-16 was not produced. In the absence of the same, the opening balance of the money value forms received, utilized in the absence of the same it could not be verified in audit as to who was the custodian of the money value forms and the procedure adopted in issuing the M.V. forms. Further the amount collected, credited to municipal funds by using the money value forms could not be certified in audit. Losses if any noticed later, the same would need to be made good from the person(s) responsible and remitted to municipal funds under intimation to audit.

Para No. 61

Code No. 11

**STOCK REGISTER NOT PRODUCED:**

The following important stock registers were not produced for verification in audit. In the absence of these registers the opening balance of the material purchases made as per the rules, the stock register should be maintained with details of opening balance of material purchases of material issued, utilized, balance day by day should be maintained. In the absence of these registers, the stock opening balance, received utilized, necessity of purchases, utilization & balance could not be certified in audit. Losses if any sustained due to any irregularities noticed later, the same would need to be made good from the person(s) responsible.

1. Electrical Goods stock register.
2. Engineering stores stock register.
3. P.H. Stock register.
4. P.W.S. stock register.
5. And all other stock registers pertaining to Engineering, P.H. Planning, Main office R.O. section Secondary, Elementary section.

Para No. 62

Code No.11

**ESTABLISHMENT AUDIT REGISTER NOT PRODUCED:**

As per the procedure, all recurring charges have been entered in the establishment audit register and order-s sanctioning each post have been quoted in support. The closure of the register. Due to Non- production of this register the following observations could not be made in audit.

1. That any excess over the sanctioned scale appeared in any month or of the whole period under audit and all excesses over the sanctioned monthly scale have been satisfactorily explained.
2. That the orders sanctioning the establishment have been noted in all cases and the amount entered to the sanctioned scale columns authenticated by the initials of the manager or executive authority
3. That all the alterations in the scale column have also been initialed by the manager or the executive authority and the dates from which they taken effect have been invariably noted .
4. That pensionary contribution if any, as well as house rents and fixed contingencies drawn along with pay have been properly posted in the audit register.
5. That refunds by short drawls, fines and amounts withheld for further payments have been correctly noted.
6. That the fly leaves have been correctly noted.
  1. That the temporary establishments have been entered separately after the permanent establishments in the audit register the period for which sanction holds good
  2. That the register has been maintained correctly and on the lines indicated in chapter V and posted monthly when pay bills are passed for payment.

Para No. 63

Code No.11

**UNAUTHORISED CONSTRUCTIONS- REGISTER OF UN- AUTHORIZED CONSTRUCTIONS NOT MAINTAINED - IRREGULAR.**

During the course of audit, it was noticed that the register of unauthorized constructions was not maintained in town planning section. Where as on verification of records

Para No.64

Code No.11

**TOWN PLANNING- UNAPPROVED LAYOUTS - 10% OPEN SPACE CHARGES NOT COLLECTED NEEDS EARLY COLLECTION.**

According to Rule issued under Section 344 of the Hyderabad Municipal Corporation Act 1955, 10% of O.S.C. needs to be collected on unapproved layout sites but on the same area some of the applicants were imposed 10% O.S.C. where as some others were exempted from the payment of 10% O.S.C. even though the sites belong to the register of approved layouts and the notified extension areas was also not produced to audit. Due to lack of the said records and sufficient information Hence action needs to be taken to get entire transactions verified for finding the correctness of the same.

Para No.65

Code No.11

**BUDGET -REVISED BUDGET FOR THE YEAR 2015-16 APPROVED BY THE DIRECTOR OF MUNICIPAL ADMINISTRATION A.P. HYDERABAD - NOT PRODUCED.**



The revised budget for the year 2015-16 duly approved by the Director of Municipal Administration A.P. Hyderabad was not obtained and produced to audit. In the absence of the same the expenditure incurred with in the budget provision or not could not be verified in audit and excess incurred whether ratified or not could not be verified. Early action would need to be taken to obtain and produce the approved revised budget for the year 2015-16 to audit.

Para No.66

Code No.11

**PUBLIC HEALTH - D&O TRADES - DELETIONS LIST NOT PRODUCED TO AUDIT - NEEDS ACTION.**

As verified from the D&O Trade license fees register, division wise during the year 2015-16 many new licenses were sanctioned. But the details as to of how many licenses were sanctioned and the details of the same were not produced to audit.

Para No.67

Code No.11

**WATER SUPPLY - NEW CONNECTIONS APPLICATIONS NOT PRODUCED.**

During verification of the water supply connection registers, and tap donations received register maintained relating to the water supply through new connections, the details of the same were not produced to audit.

Para No. 68

Code No.11

**PROPERTY TAX ASSESSMENT FILES NOT PRODUCED**

Property tax of all assessments were fixed through MLs in respect of all the new and additional assessments etc., Elaborate procedure was prescribed to fix the property tax. The details of the same were not produced to audit.

Para No. 69

Code No.11

**REGISTER OF REVISION PETITIONS AND APPEALS ALONG WITH FILES NOT FURNISHED**

The records relating to the revision petitions received and allowed were not produced to audit. Hence it could not be verified in audit whether RPs were allowed or not in the year 2015-16.

Para No. 70

Code No.11

**REGISTER OF REMISSIONS AND WRITEOFFS NOT PRODUCED**

The records relating to the remissions and write offs allowed were not produced to audit. It was not made known as to how much was allowed as remissions and write offs in the year 2015-16.

Para No.71

Code No.11

**MUTATION REGISTER NOT PRODUCED**

During the course of audit the register containing all the permanent changes made either by the Commissioner or by the Appellant Authority in the assessment of houses were not produced to audit.

Para No. 72

Code No.11

**REGISTER OF BUILDINGS EXEMPTED FROM THE PAYMENT OF PROPERTY TAX - NOT MAINTAINED AND PRODUCED TO AUDIT.**

The register of buildings exempted from payment of property tax during the year 2015-16 was not maintained and produced to audit for verification. In the absence of the same, early action would, therefore, need to be taken to get the register written up and maintained up to date.

PARA NO: 73

CODE NO.11

**TAXES - PROPERTY TAX COLLECTED THROUGH E.SEVA CENTRES - DETAILS NOT PRODUCED:**

As verified from the D.C.B statement for the year 2015-16 it was observed that a total amount of Rs355.42 Lacks was collected and adjusted through E-Seva, Cheques and cash from the person or persons responsible.

Para No. 74

Code No. 11

**VACANCY REMISSION REGISTERS - NOT PRODUCED:**

During the course of audit, the register of vacancy remissions was not produced for verification in audit. In absence of the same, it could not be verified in audit whether the following conditions were satisfied:

- i) The building should be vacant and unlet for a considerable period of 36 or more days in the half year.
- ii) There should be a notice of vacancy from the owner either in that half year or in the proceeding half year indicating the period of vacancy.
- iii) There should be a demand for remission of tax either in that half year or in the succeeding half year.
- iv) The amount of remission shall be proportional to the period of vacancy and it shall not exceed half of the amount of tax.

Hence the above register would need to be written up and produced to audit early for verifying whether the above conditions were fulfilled.

PARA NO.75

CODE NO.11

**INVESTMENTS - THE REGISTER OF INVESTMENTS NOT MAINTAINED PROPERLY:-**

The register of investments will show all investments belonging to the Municipality. They are considered as the assets of the Municipality. The purpose for which each No investment will be deleted from the register, unless they are realized or recovered or otherwise.

The register will also show interest due and realization of it from time to time. It has to be ensured that the amounts due are realized on due dates.

The total amount of investments need to be verified annually and a certificate of verification be appended in the register by the executive authority concerned.

But this important register is not maintained properly in Municipal Council, Chirala. As a result no information stated above is forthcoming in audit. The original dep

PARA NO.76

CODE NO.11

**TAXES - ARREAR DEMAND REGISTERS ALONG WITH OUT STANDING BILLS NOT PRODUCED:-**

In respect of the following taxes, arrears demand registers along with outstanding bills were not produced for verification in audit. In the absence of the same, the gen

1. Water tax.
2. M.V. Tax
3. Advertisement tax.
4. Vacant land tax.
5. Property tax
6. Leases, rents and fees etc.,

Immediate action may be taken to produce the same.

PARA NO.77

CODE NO.11

**ENCROACHMENT FEES - DEMAND AND ARREAR DEMAND REGISTERS NOT MAINTAINED AND PRODUCED:-**

The register of encroachment fee (current) provides a record of all encroachments identified, and demand, collection and balance of license fees from objectionable encroa  
Similarly, the Arrear Demand Register provides record of all balances of encroachments fees outstanding at the end of the year. But the above registers were not maint

PARA NO.78

CODE NO.11

**PROVIDENT FUND ACCOUNT NOT MAINTAINED PROPERLY - NEEDS RECTIFICATION:-**

Though subscribing to the provident fund is optional in Municipal Councils, the provident fund account with the existing balances of the employees, had to be maintaine

1. Forms of nomination.
2. Statement of annual account.
3. Notice to the nominee.
4. P.F. ledger of subscriber.
5. Abstract register.
6. P.F. cash book.
7. Voucher for payment of P.F.
8. Register of subscriber.
9. Register of Temporary withdrawals and their recoveries.

But none of the above registers were maintained in Municipal Council Mangalagiri .As a result the correctness of the transactions carried out, under P.F. during the ye

PARA NO.79

CODE NO.11

-

**REGISTER OF REVENUE YIELDING PROPERTIES NOT MAINTAINED AND PRODUCED:-**

In order to guard any item of Municipal revenue being left out in the M.D.R., a register of Revenue yielding properties and other miscellaneous sources of revenue of the  
However, this important register was not maintained. As a result it could not be fully ascertained in audit, whether revenue from all sources was being recorded or ther

Para No.80

Code No.11

**PURCHASE OF UNIFORM TO P.H WORKERS - STOCK AND UTILISATION NOT PRINTED OUT TO AUDIT Rs.84883/-**

-

On Vr.No.82/6-5-2015 an amount of Rs.84883/- was drawn and paid to APSHINCS Limited, Vijayawada towards supply of Series and Uniforms etc., to the P.H Workers for 1

Para No.81

Code No.11

**PROPERTY TAX COLLECTION SHOWN CHITTA - BUT ON LINE DAILY COLLECTION SHEETS NOT PRODUCED TO AUDIT:**

-

During the course of audit as verified from the property tax collection for the financial year 2015-16 the following amounts were shown in Chitta as Property tax. But on

Date of collection	Details	Amount
29-3-2016	Property tax collection (Office collection)	562185
31-3-2016	Property tax collection (Office collection)	771392

Code No.11

Para No.82

**MUNICIPAL COUNCIL MANGALAGIRI - AMOUNT PAID TO INSURANCE COMPANIES - TOWARDS RENEWAL OF INSURANCE PREMIUM TO MUNICIPAL COUNCIL VEHICLES - CO**

-

As verified from the following the paid vouchers during the course of audit for the year 2015-16, It was noticed that an amount of Rs.228970/- was drawn on the followi

Vr.No.&Date	Particulars	Amount
221/14-8-15	The New Inida Insurance Company Limited, Guntur towards Insurance renewal of Tractor and Trailor	71250
488/5-12-15	The New Inida Insurance Company Limited, Guntur towards Insurance renewal of Sanitation Vehicles	157720
	Total	228970

Para No.83

Code No.11

**PURCHASE OF CC CAMERAS - CONNECTED FILE, STOCK REGISTER NOT PRODUCED Rs.91854/-**

On Vr.No. 81/5-5-2015 an amount of Rs.91854/- was drawn and paid to Magic Eye Solutions towards purchase of CC Cameras . But the connected file, stock regist

Para No.84

Code No:11

**LAW CHARGES PAID-CONNECTED SUIT REGISTER-NOT PRODUCED-EXPENDITURE INCURRED RS.122050/-HELD UNDER OBJECTION.**

During the course of audit as verified from the vouchers listed out in the annexure enclosed, a sum of Rs 122050/- was drawn and paid towards legal charges (during to

Due to non-production of suit register, it could not be verified in audit whether the following procedure prescribed for maintenance of suit register was followed or not.

- 1) That all the suits to which the institution was a party were entered in the register.
- 2) That separate pages were allotted for each suit and that appeals were entered separately giving a cross reference to the original suit.
- 3) That the expenditure incurred on a suit was entered with full details in the appropriate columns of the register.
- 4) That advances made to advocates and their adjustments on receipt of detailed bills was written up against the suit concerned.
- 5) That particulars regarding, results of this suits, the sum decreed towards suit, costs etc were noted in the appropriate columns of the register.
- 6) That recoveries made were also noted in it.
- 7) That decrees were not allowed to become time barred and that execution petitions have been filed in time.
- 8) That the progress of suits, execution of decrees and recoveries of amounts decreed were watched through this register by the institution.
- 9) That half yearly returns showing the number of suits pending relating to previous year, number filed during the half year, the number disposed of and the number pending at the end of the half year have been obtained from the pleaders and cl
- 10) That amounts decreed have been noted in the miscellaneous demand register with a view to watch their recovery.

Sl.No	Vr.No./Date	Details	Amount Rs.
1	90/18-5-15	Amount paid to Sri P.Rangnadh MSC O.A.No.42/2013	6050
2	588/25-1-16	Amount paid to N.Venkateswarlu MSC WPNo.24297/2014	5500
3	590/25-1-16	Amount paid to B.D Maheswara Reddy MSC WP.No.19411/2014	7500
4	591/25-1-16	Amount paid to B.D Maheswara Reddy MSC WP.No.2680/2014	10000
5	592/25-1-16	Amount paid to B.D Maheswara Reddy MSC WP.No.115799/13	5000
6	593/25-1-16	Amount paid to B.D Maheswara Reddy MSC WP.No.14148/13	5500
7	594/25-1-16	Amount paid to B.D Maheswara Reddy MSC WP.No.35554/13	5500
8	595/25-1-16	Amount paid to B.D Maheswara Reddy MSC WP.No.12595/13	5500
9	596/25-1-16	Amount paid to B.D Maheswara Reddy MSC WP.No.12945/13	5500
10	597/25-1-16	Amount paid to B.D Maheswara Reddy MSC WP.No.7183/13	5500
11	598/25-1-16	Amount paid to B.D Maheswara Reddy MSC WP.No.1453/13	5500
12	599/25-1-16	Amount paid to B.D Maheswara Reddy MSC WP.No.14151/13	5500
13	649/19-2-16	Amount paid to Shanthi Neelam Ex MSC AP Hyderabad WPNo.5401/2013	5500
14	650/19-2-16	Amount paid to Shanthi Neelam Ex MSC AP Hyderabad WPNo.12907/2013	5500
15	651/19-2-16	Amount paid to Shanthi Neelam Ex MSC AP Hyderabad WPNo.12595/2013	5500
16	652/19-2-16	Amount paid to Shanthi Neelam Ex MSC AP Hyderabad WPNo.14148/2013	5500
17	653/19-2-16	Amount paid to Shanthi Neelam Ex MSC AP Hyderabad WPNo.7183/2013	5500
18	654/19-2-16	Amount paid to Shanthi Neelam Ex MSC AP Hyderabad WPNo.90/2013	5500
19	655/19-2-16	Amount paid to Shanthi Neelam Ex MSC AP Hyderabad WPNo.1484/2013	5500
20	656/19-2-16	Amount paid to Shanthi Neelam Ex MSC AP Hyderabad WPNo.4943/2013	5500
21	657/19-2-16	Amount paid to Shanthi Neelam Ex MSC AP Hyderabad WPNo.15799/2013	5500
		Total	122050

Para Number : 2

OTHERS (Code : 18) Rs : 0

Para No.85

Code No.11

**AMOUNT PAID TO APSAIDC LTD., FOR SUPPLY AND DELIVERY OF POST HOLE DIGGER - CONNECTED FILE, STOCK REGISTER NOT PRODUCED Rs.89108/-**

On Vr.No. 570/7-1-16 an amount of Rs.89108/- was drawn and paid to APSAIDC Limited, Guntur towards supply and delivery of post hole digger to Mangalagiri Mun

Para No.86

Code No.11

**VOUCHERS -PAID VOUCHERS NOT PRODUCED TO AUDIT RS.942979/-**

Paid vouchers in respect of the following payment were not produced for verification in audit. In the absence of the same the correctness of the expenditure could not be

Vr.No.&Date	Particulars	Amount
185/27-6-2015	Purchase of Camera	18350
186/27-6-2015	Purchase of Color printer	32133
497/11-12-15	Sri Venkata Kanakadurga Vinay filling station, Mangalagiri towards supply of fuel for the month of 3/2015 to 7/2015	675269
498/11-12-2015	Sri Venkata Kanakadurga Vinay filling station, Mangalagiri towards supply of Diesel for the month of 3/2015 to 7/2015	154243
499/11-12-2015	Sri Venkata Kanakadurga Vinay filling station, Mangalagiri towards supply of Diesel for the month of 5/2015 to 7/2015	23483
783/24-3-16	BSNL Land line charges 1-2-16 to 29-2-16	19140
784/24-3-2016	Amount paid to I.Sivaji towards payment of New service connection charges SI I & SI II rooms	4900
795/24-3-2016	Airtel cell phone charges 23-1-16 to 22-2-16	15461
	Total	942979

Para No 87

Code No.11

**WORKS -EXECUTION OF WORKS CONNECTED PAID VOUCHERS ESTIMATES AND M.BOOKS NOT PRODUCED -EXPENDITURE INCURRED RS. 7708651/- HELD UNDER OBJECT**

During the course of audit. The period vouchers estimates and connected M.Books pertaining to works executed as detailed below were not made available for verification. The connected M.Books as prescribed in the paras 290 to 292 of APPWO code and articles 171 to 174 of A.P financial code volume-I would need to be produced for verification.

Vr.No. & Date	Particulars	Amount
61/30-4-15	Providing CC road from J.Vijay Kumar (H) to I Tata Rao (H) in 19 <sup>th</sup> ward	138000
62/30-4-15	Providing CC road from T.Durga Rao (H) to VV Satyanaraya (H) in 21 <sup>st</sup> ward	26049
63/30-4-15	Providing CC road fromj Anatha Lakshmi (H) to 1 <sup>st</sup> Middle road in 21 <sup>st</sup> ward	29995
64/30-4-15	Providing CC road from VVSatyanaraya (H) to end of street in 21 <sup>st</sup> ward	27512
65/30-4-15	Providing CC road from K.Sanakara Rao (H) to M.Madhavi (H) in 21 <sup>st</sup> ward	28347
66/30-4-15	Providing CC road from D.Basi (H) to Last Electrical pole in 21 <sup>st</sup> ward	6080
67/30-4-15	Providing CC road from GT road to N.Pullra Rao work shop in 12 <sup>th</sup> ward	35152
68/30-4-15	Providing CC road rom J.RamaRao (H) north side road in 26 <sup>th</sup> ward	58000
69/30-4-15	Providing CC road from A.Umamheswara Raoi (H) to P.Someswara Rao (H) in 20 <sup>th</sup> ward	52921
70/30-4-15	Providing CC road from T.Satyanarayana (H) to TSRamakrishna H in 25 <sup>th</sup> ward	56000
71/30-4-15	Providing CC approaches at KVenkateswara Rao (H) in 17 <sup>th</sup> ward	25423
72/30-4-15	Providing CC road from D.Padmavathi (H) to B.Lakshmikantahmma (H) in 26 <sup>th</sup> ward	46000
73/30-4-15	Providing CC road from Electrical pole No.SS45/A/4/1 to SS45/4/4 in 26 <sup>th</sup> ward	104000
74/30-4-15	Construction of CC approaches from GT road to Vijaya Press in 12 <sup>th</sup> ward	75065
75/30-4-15	Providing CC road from K.Krishnamma (H) to N.Nageswra Rao (H) in 15 <sup>th</sup> ward	120000
76/30-4-15	Construction of CC approaches from GT Road to Pedakonedy south sice road in 12 <sup>th</sup> ward	53919

78/4-5-15	Providing CC road from T.Ngeswara Rao vacant land to K.Chenchaiah (H) in 21 <sup>st</sup> ward	19159
79/4-5-15	Construction of RCC culvert at D.Radha (H) in 8 <sup>th</sup> ward	42555
80/4-5-15	Construction RCC culvert at Nancharamma Cheruvu south side in 10 <sup>th</sup> ward	41349
180/20-6-15	Providing CC road from S.Pakeeramma (H) to A.Sambaiah (H) in 3 <sup>rd</sup> ward	83491
181/20-6-15	Providing CC road from P.Nagasuri (H) to D.Subbamma (H) in 15 <sup>th</sup> ward	49831
188/27-6-15	Construction of Culverts with RCCNP3 chass pipes at 1.A.Mastan House north side2. Ankamma Rao gari street 22 <sup>nd</sup> ward	23371
189/27-6-15	Supply and delivery of fixing of Audio system in commissioner chamber and chairperson	42410
190/27-6-15	Supply and delivery of Honda bush cutter Modal 435T U2ST petrol engine	71900
191/4-5-15	Supply and delivery and fixing of Ahuja Mike sound system for quotos and tractors	83628
192/27-6-15	Towards supply and delivery of sand at sivalayam radhostavam in Mangalagiri	40455
193/27-6-15	Providing 110mm dia HDPE pipe line from Bavi to Mohiddin (H) 28 <sup>th</sup> ward	63232
194/27-6-15	Providing 110mm dia HDPE pipe line from B.Sambasiva Rao (H) to Samadhanam (H) 28 <sup>th</sup> ward	78641
195/27-6-15	Providing 110mm HDPE pipe line from P Seetharamaih (H) to venkayamma (H) in 28 <sup>th</sup> ward	75061
196/27-6-15	Providing 110mm dia HDPE pipe line from D.Subba Rao (H) to Chinthaiiah (H) in 23 <sup>rd</sup> ward	56458
197/27-6-15	Providing 110mm dia HDPE pipe line from K.Nageswarrarao (H) to J.Ratnam (H) 23 <sup>rd</sup> ward	29971
198/27-6-15	Towards Providing 110mm dia HDPE line from Joseph (H) to N.Obul devei (H) in 28 <sup>th</sup> ward	42051
199/27-6-15	Providing 110mm dia HDPE pipe line from Kattapogu (H) to Bethalu Pradhanamandiram in 23 <sup>rd</sup> ward	49279
201/27-6-15	Providing CC road from B.Raju (H) to Doctor Home in 9 <sup>th</sup> ward	65000
202/27-6-15	Providing CC road from B.Jagannadha Rao (H) to T.Sambaiah (H) in 9 <sup>th</sup> ward	35000
203/27-6-15	Quarry dust in Damaged roads in Retala cheruvu	43881
204/27-6-15	Providing CC road from K.Kameswara Rao (H) to G.Chinaramulu (H) in 10 <sup>th</sup> ward	54000
205/27-6-15	Repairs and maintenance of leakages in various places	83360
206/27-6-15	Providing CC road at M.Sambrajyam (H) to V.Venkateswaralu7 (H) in 17 <sup>th</sup> ward	49313
209/27-6-15	Constructions of RCC culvert from sharf bazaar	40349
213/18-8-15	Supply and delivery sand at lard Sri Lakshmi Narasimha Swamy temple	45252
216/12-8-15	Providing CC road from J.Pravathi (H) to A.Nagarjuna (H) in 22 <sup>nd</sup> ward	310000
217/12-8-15	Supply and delivery of computer for usage at Revenue and Health section	88991
218/12-8-15	Supply and delivery of lime powder in Health section	44669
219/12-8-15	Construction of RCC culvert at Vakkagadda complex west side in sharaf bazaar in 14 <sup>th</sup> ward	21733
220/12-8-15	Supply and delivery of All in one computer for usage commissioner chamber	61810
272/25-8-15	Providing CC road from Masid street to D.V Bhavanarayana (H)	133918
273/25-8-15	Providing CC road from Electrical pole No.119/A/1A to last electrical pole in 21 <sup>st</sup> ward	181012
377/15-9-15	Engaging of JCB for removal of silt on existing culverts and removal of bushes at vacant land	68953
382/15-9-15	Providing CC road from Markandeya colony 5th lane in 27 <sup>th</sup> ward	265000
392/30-9-15	Supply of labour fro removal of wet silt and removal of RCC cover slabs on top of drain in 1 <sup>st</sup> ward	136961
394/6-10-15	Removal of High burns and encroachment and filling quarry dust	45000
408/16-10-15	Construction of CC culvert at MV Lakshmi (H) at 3 <sup>rd</sup> ward	47000
409/16-10-15	Engaging of 200 capacity excavor on hir basis from removal of com post and leveling at compost yard	125415
443/24-11-15	Supply of labour for removal of wt silt and removal of RCC cover slabs on top drain in 2 <sup>nd</sup> division	136500
481/28-11-15	Providing CC road from Sidanthigari (H) to East side to J.Nageswramma (H) in 10 <sup>th</sup> ward	265130
485/28-11-15	Providing CC road from K.Vani (H) to M.Koteswara Rao (H) in 9 <sup>th</sup> ward	120000
486/28-11-15	Providing CC road from GNT road to Ninnakota Hotel road in 17 <sup>th</sup> ward	29224
495/11-12-15	Providing CC raod from M.Thamas (H) to K.Ramesh (H) in 28 <sup>th</sup> ward	12546
503/18-12-15	Payment of carting of silt in 1 <sup>st</sup> division	56430
571/7-1-16	Removal of wet silt from Devastanam Arch to CPI Office	31380
572/7-1-16	Removal of wet silt from Hussain kattavagu to Kondalu mechanic shed	34723
577/7-1-16	Development of nursery at kondapanenei estate in Mangalagiri	600000
632/10-2-16	Construction of culverts from P.Venkatswara Rao (H) Right side and left side	42000
634/10-2-16	Providing 110mm dia HDPE pipe line from	95000

	SK.Mahaboob jilani (H) to Darga in 26 <sup>th</sup> ward	
635/10-2-15	Providing CC road from K.Srinivasa Rao (H) to V.Nagaiah (H) in 19 <sup>th</sup> ward	400000
642/19-2-16	Providing CC road from Markandeya colony 5 <sup>th</sup> lane in 27 <sup>th</sup> ward	69375
645/19-2-16	Providing CC road from J.Parvathi (H) to A.Nagarjuna (H)	63322
666/2-3-16	Supply and delivery of Xerox machine	190365
668/2-3-16	Providing CC road from D.No.7 -483 to SK.Mahabbob subhani (H) in 29 <sup>th</sup> ward	630000
669/2-3-16	Providing CC road from SK.Nagur vali (H) to Vacant land in 27 <sup>th</sup> ward	212228
673/2-3-16	Providing 110mm dia HDPE pipe line Dopplapudi subba Rao (H) to P.Babu Rao (H) in 15 <sup>th</sup> ward	31870
675/3-3-16	Providing 110mm dia HDPE pipe line from K.Devadanam (H) to K.Deved (H)	56000
678/3-3-16	Supply and delivery of exide battery	42835
690/9-3-16	Supply and arrangements of tent house materials at Eedga beside petrol bunk	22771
692/9-3-16	Providing CC road to Hospital road in 12 <sup>th</sup> ward	436615
695/9-3-16	Providing CC road from K.Vani (H) to M.Koteswara Rao (H) in 9 <sup>th</sup> ward	10970
780/21-3-16	Construction of CC culvert at Ch.Racha (H) to south side and Iron mesh on open well in 26 <sup>th</sup> ward	26000
797/31-3-16	Providing CC road from APSP camp road to G.Jagannndham (H) in 6 <sup>th</sup> ward	371475
	Total	7708651

Para No. 88

Code.No.11

**DEPOSITS REGISTER-NOT PRODUCED-LOSS IF ANY SUSTAINED TO MUNICIPAL FUNDS-NEEDS RECOVERY AND SUITABLE ACTION- NEEDS INITIATION AGAINST THE CONCE**

During the course of audit, the deposits register was not made available for verification.

- Due to non-production of the deposits register, it could not be verified in audit that the procedure prescribed in maintenance of deposits register as detailed hereunder.
- That no item of receipt which can be clearly brought to account under the concerned head. Pay, pension, leave salary or other allowance and fines is credited to deposits.
  - That the written orders of the executive authority have been obtained in respect of every item credited to deposits.
  - That separate registers or separate pages of the register have been set apart for recording cash transactions relating to different classes of deposits, such as election deposits.
  - That transactions relating to deposits otherwise than in cash have been recorded in a separate register maintained for the purpose.
- II. That deposits taken from contractors, tenderers, municipal employees were in the form prescribed in the rules.
- That the deposits received in cash have been promptly remitted into the treasury and those received other wise than in cash have been kept by the executive authority
  - That any deposit or balance there of which has remained unclaimed for a period of three years from the date on which it became repayable and any deposit or balance there of
  - That the refunds have been drawn on prompt vouchers.
  - That a certificate to the effect that the entries in the register of deposable up to date have been recorded in the register by the executive authority at the end of each quarter.
  - That monthly totals of receipts and refunds have been made in the deposits register and they agree with the figures appearing in the posting register

Due to non-production of the deposits register, it could not be verified in audit whether the said procedure was followed or not.

Vr.No. & Date	Particulars	Amount
794/31-3-16	Amount paid to MVRS Sastry, Guntur towards EMD	33200
	Total	33200

Para No. 89

Code No.11

**REVENUE SECTION - TITLE TRANSFERS - CONNECTED FILES NOT PRODUCED:**

During the cause of Audit the Title Transfer Petitions along with connected records were not produced for verification in audit. In the absence of the same the correctness

Para No.90

Code No.11

**TOWN PLANNING SECTION: NON-PRODUCTION OF BUILDING APPLICATION FILES :**

The following building applications, for which licenses were issued during the year 2015-16, were not produced to audit for verification. In the absence of the same, the

Sl.No.	B.A.No.	Name
1	96/19-4-2015	Sri M.Nageswara Rao, D.No.8-564
2	116/17-4-2015	Sri B.M.Jyothi Devei, D.No.208/1B
3	120/23-4-2015	Sri K.Srinivasa Rao D.No.225/A
4	129/27-4-2015	Sri G.Mohan D.No.274/C2A1B
5	164/15-6-2015	Sri V,L Narayana, D.No.14,15/1A,15/2/15/3a
6	202/13-8-2015	Sri P.Raghavendramma D.No.7-471D
7	206/17-8-2015	Sri Ramayogeswara Rao, D.No.169-1
8	207/17-8-2015	Smt.Y.Jayalakshmi, D.No.169-1
9	208/17-8-2015	Smt.Y.Jayalakshmi, D.No.169-1
10	239/1-10-2015	Sri SK.Jameer, D.No., 1-728/41
11	243/13-10-2015	Smt.A.Sridevi, D.No.1-1506/2
12	274/9-11-2015	Smt.G.Rajyalakshmi, D.No.5-178B3/4
13	295/2-11-2015	Sri G.Sukhaveer,D.No.4-148
14	343/30-12-2015	Smt.M.Ramadevei, D.No.5-469B4
15	322/15-12-2015	Sri P.Siva Nageswarao, D.No.206/1
16	29/20-2-2015	Sri K.Subba Rao D.No.5-199/1B
17	56/4-3-2015	Smt.J.Sudha Rani D.No.1-26
18	63/5-3-2015	Sri A.Venkateswara Rao, D.No.232/3
19	67/10-3-2015	Sri B.Raghu Prasad, D.No.8-2012
20	74/12-3-2015	Sri T.Venkata Rao, D.No.5-254
21	75/17-3-2015	Sri G.Ramkrishna,D.No.5-603
22	85/25-3-2015	Sri P.Sambasiva Rao, D.No.5-825
23	92/30-3-20105	Sri K.Srinivasa Rao, D.No.8-313
24	93/30-3-2015	Sri K.Srinivasa Rao, D.No.8-313

Para No.91

Code No.11

**TOWN PLANNING SECTION - XEROX COPIES OF LABOUR CESS CHALLANS ATTESTED TO THE BUILDING APPLICATIONS-GENUINENESS OF THE REMMITANCE TO THE CONC**

As seen from the connected records i.e., Building Applications of Town Planning Section, it was noticed that the tariff of 1% Labour Cess relating to -Building and other As per the Provisions contained in Annexure -I of the Building and other construction workers (Regulation of Employment and conditions of Service) Act, 1996 (Central Act) is levied on a contractor, but does not include an individual who employs such workers in any building or construction work in relation to his own residence the total cost of such cons

As per the Para No.5 of the said G.O. as per rule 4(4) of the Cess Rules, where the approval of construction work by a Local Authority is required, every application for :

As per Para No.6 of the said G.O. further, as per Rule-5 the Government Office/public Sector undertakings/Local Bodies/Cess Collector shall transfer the cess collected

As per the Para No.7 of the said G.O. as per Rule - 5(3), the amount collected shall be remitted to the Board within 30 days of collection.

As per the Para No.8 of the said G.O. as per section 6(1) of the Cess, every employer within 30 days of commencement of his work or payment of Cess, shall furnish ac

In the light of the above position all establishments which have employed more than 10 workers on any day or the cost of construction exceeded Rs.10 lakhs are liable fo

But, as verified from the applications, it was noticed that, Xerox copies of the labour cess component challans were attested to the building applications. The authorities

Hence, necessary action would need to be taken to produce the connected bank scrolls along with original challans of the said component. Loss, if any, caused due to t

Para No.92

Code No.11

**TOWN PLANNING -REGISTER OF TDR BONDS NOT PRODUCED - SECURITY MEASURES NOT FOLLOWED IN ISSUING TDR BONDS-NEEDS STRICT INSTRUCTIONS-**

As per GO.MS No.168, MA & UD(M) department, Rule No 17 says, Grant of Transferable Development Right(TDR).

As verified from the building applications, it was noticed that, the Municipality awarded the TDR Bonds in obedience of the said Government Order. But , the register

- (i): Security measures such as procedure of printing, confidential measures etc.
- (ii): For preparing of the Bonds, calling tenders/quotations or any other following methods etc
- (iii): The details whether the signatures of the Competent / issuing authority duly taken on each and every Bond or not
- (iv) and other mandatory measures

The authorities concerned were not responding to the audit party for the above procedural lapses. For non- producing of the said records, the loss caused, if any, held r



Para No.93

Code No.11

**NON PRODUCTION OF RECORDS - ADVERTISEMENT TAX:**

Vide G.O. Ms No.266, M.A. Dt.05.05.2000 clause 7B of Advertisement Tax rules was incorporated and as per G.O. Ms.No.487, M.A. Dt.20.04.2000, Advertisement Tax on But concerned records relating to the ADVERTISEMENT TAX not produced to audit. The Executive authorities shall instruct to maintain and produce the said records.

Para No. 94

Code No.11

**ADVANCES SANCTION OF INTREST BEARING ADVANDCES TO MUNICIPAL STAFF - CONNECTED SANCTIONED ORDERS VOUCHERS NOT PRODUCED RS.420000/-**

As verified from the cash book for the year 2015-16 an amount of Rs.420000/- was drawn in the following vouchers and paid to the Municipal staff towards Motor cycl

Vr.No. & Date	Particulars	Amount
2/20-4-15	Advance paid to Sri S.Srinivasa Rao, Lighting helper towards Motor cycle advance	60000
386/19-9-15	Advance paid to Sri S.Krishna Dev, J.A towards Motor cycle advance	60000
432/7-11-15	Advance paid to Sri D.Vijayakumar, Manager towards Motor cycle advance	60000
433/7-11-15	Advance paid to Smt.P.V.Ramadevi, S.A towards Motor cycle advance	60000
434/7-11-15	Advance paid to Sri D.Kirankumar, S.A towards Motor cycle advance	60000
435/7-11-15	Advance paid to Sri M.Jaganmohana Rao, B.C towards Motor cycle advance	60000
630/10-2-16	Advance paid to Sri K.Srinivasa Rao, J.A towards Motor cycle advance	60000
	Total	420000

Para No. 95

Code No.11

**MANGALAGIRI MUNICIPALITY - AMOUNT INCURRED VARIOUS PURPOSE - CONNECTED FILES, VOUCHERS AND OTHER RECORDS WERE NOT PRODUCED TO AUDIT :**

During the course of audit it was observed that an amount of Rs. 2670868/- was drawn in following vouchers and incurred various purpose for the year 2015-16. But th

Vr.No. Date	Particulars	Amount
5/21-4-15	Amount paid to Scrutiny test check charges of providing cc roads and construction of culverts from S.Anjaneyulu (H) to Bye pass road in 8 <sup>th</sup> ward	39420
6/21-4-15	Amount paid to Scrutiny test check charges for supply of contract workers for maintenance of water supply.	82170
7/21-4-15	Amount paid to Scrutiny test check charges for construction of compound wall at BR Nagar school in 1 <sup>st</sup> ward.	33702
77/30-4-15	Test checking charges for 19 works under General Funds	265000
178/10-6-15	Amount paid to K.L University, Vaddeswaram towards consultancy charges in connection with the project work entitled abetment of foul smell in the surrounding of slaughter house in the outskirts of Mangalagiri	70000
182/22-6-15	Scrutiny and Test check charges of EE & Public Health division, Guntur	500000
183/22-6-15	Scrutiny and Test check charges of SE & Public Health QC circle, Guntur	500000
491/11-12-15	Amount paid to K.L University, Vaddeswaram towards survey work for sanitation toilets.	35000
680/3-3-16	Scrutiny and Test check charges for technically sanction	981950
681/3-3-16	E.E.P.H Guntur towards payment of user charges for technically sanction	138166
385/18-9-15	Payment of Estimate charges for DC works of shifting of LT line in 1 <sup>st</sup> ward	25460
	Total	2670868

Para No.96

Code No.11

**DRAWAL OF VEHICLE HIRE CHARGES - AUTHORITY NOT PRODUCED TO AUDIT Rs.59520/-**

An amount of Rs. 59520/- was drawn and paid to Sri P.Yedukondalu A.E in the Vr.No.283/31-8-2015 to 344/31-8-15 towards vehicles hire charges during the year under

Para No.97

Code No.11

**AMOUNT PAID TO DIVISIONAL ENGINEER OPERATIONS APSPDCL GUNTUR - TOWARDS PROVIDING NEW ELECTRICAL POLES - STOCK AND UTILISATION NOT POINTED OUT**

As verified from the cash book for the year 2015-16 an amount of Rs.413220/- was drawn in the following vouchers and paid Divisional Engineer, APSPDCL Guntur towa

Vr.No. & Date	Particulars	Amount
383/18-9-15	Providing ne electrical poles at SC ST area in 15 <sup>th</sup> ward and 23 <sup>rd</sup> ward	174160
384/18-9-15	Providing ne electrical poles at SC ST area in 15 <sup>th</sup> ward and 28 <sup>th</sup> ward	119110
149/24-3-16 (002)	Divisional Engineer, Operations APSPDCL, Guntur towards providing New Electrical Poles	119950
	Total	413220

Para No. 98

Code No.11

**PAYMENT OF STIPEND UNDER APPRENTICE SHIP - CONNECTED FILE SANCTIONED ORDERS NOT PRODUCED RS.193546/-**

As verified from the cash book for the year 2015-16 an amount of Rs.193546/- was drawn in the following vouchers and paid to the following employees towards stipe

Vr.No & Date	Particulars	Amount
511/22-12-15	Kum. S.Tejaswi GEA towards payment of stipend under apprentice ship from 22-5-15 to 30-11-15	96773
	Kum. P.Nagarani GEA towards payment of stipend under apprentice ship from 22-5-15 to 30-11-15	96773
	Total	193546

ParaNo.99

CodeNo.11

**DRAWAL OF VEHICLE HIRE CHARGES FOR THE TOURS PERFORMED BY CHAIRPERSON - AUTHORITY NOT PRODUCED TO AUDIT :**

An amount of Rs. 188503/- was drawn and paid in the following vouchers towards vehicles hire charges during the year under report for the tours performed by the Cha

Vr.No. & Date	Particulars	Amount
492/11-12-15	Amount paid to T.Someswara Rao, towards supply of vehicle on hire basis to Municipal Chairperson from 6/15 to 10/15	117814
699/14-3-15	Amount paid to T.Someswara Rao, towards supply of vehicle on hire basis to Municipal Chairperson from 12/15 to 1/16	47126
791/30-3-16	Amount paid to T.Someswara Rao, towards supply of vehicle on hire basis to Municipal Chairperson from 2/16	23563
	Total	188503

Para No.100

Code No.11

**MANGALAGIRI MUNICIPALITY -C.C CHARGES PAID TO ELECTRICITY DEPARTMENT - CONNECTED DEMAND NOTICE AND RECEIPTS NOT PRODUCED:**

As verified from the annual account an amount of Rs. - was drawn and paid to Electricity Department towards C.C Charges for maintenance of Water pumping, Street lig

Para No.101

Code No.11

**AMOUNT SPEN TOWARDS NUTRITION FOOD- MID DAY MEALS FOR STUDENTS - CONNECTED FILE AND UTILISATION CERTIFICATES NOT PRODUCED: Rs.85844/-**

As verified from the following vouchers an amount of Rs 85844/- was drawn and paid towards supply and delivery of Nutrition Food to 10<sup>th</sup> class students evening stu

Vr.No. & Date	Particulars	Amount
387/23-9-15	Amount paid to Sri K.K Mustafa proprietor, Hotel Great India towards supply of Breakfast and Mid Day meals to 1136 Nos. 8 <sup>th</sup> to 10 <sup>th</sup> class students including Teachers under IIT foundation career course conducted in Municipal High School Weavers colony	47144
799/31-3-16	Amount paid to Sri SK.Nagulmeera towards payment of supply and delivery of Nutrition food to 10 <sup>th</sup> class students evening study hours purpose in the Municipal High School wavers colony during the period from 19-12-15 to 22-12-16	38700
	Total	85844

Para No. 102

Code No.11

**PAYMENT OF VEHICLE HIRE CHARGES - TOUR DIARY AND LOG BOOK NOT PRODUCED TO AUDIT Rs.377810/-**

In the following vouchers an amount of Rs.377810/- was paid towards vehicle engaged by the Chairperson and Commissioner, Mangalagiri Municipality for regularly monit

But the approved tour diary and log book was not furnished to audit.

As per Para 6 of Circular Memo. No.10783-C/321/DCM-II/2010, Dated 13-6-2012 of Finance (DCM.II) Department, the following instructions have to be necessarily be

- 1)The private vehicles, which are registered as a Taxi can only be hired for Government duty.
- 2)The Owner of the vehicle hired for Government duty should produce d the pollution control certificate for every six months.
- 3)The owner of the vehicle hired for Government duty should produced the valid documents like permit, fitness certificate, insurance, tax etc., for paying of hire.
- 4)The owner of the vehicle hired for Government duty should also produced the Professional Driving License with badge of the Driver proposed to be engaged.

In view of the above defects, the expenditure of Rs.377810/- is not admissible in audit and held under objection.

Para No.103

Code No.11

**AMOUNT PAID TO A.P.S.P.D.C.L TOWARDS CC CHARGES CONNECTED DEMAND NOTICE AND PAID RECEIPTS WERE NOT PRODUCED TO AUDIT:**

During the course of audit it was observed that an amount of Rs.15861090/- was drawn in the following vouchers and paid to A.P.S.P.D.C.L towards CC Charges to Ma:

Sl.No.	Vr.No.&Date	Particulars	Amount
1	6/10-4-15	S.A.O APSFDCL Guntur towards HT Electrical consumption charges of water works for 3/15	647710
2	16/30-4-15	AAO ERO APSFDCL Street lighting consumption charges for 4/15	389076
3	17/8-5-15	HT Electrical consumption charges of water works for 4/15	808288
4	26/27-5-15	AAO ERO APSFDCL for 5/15	373578
5	29/4-6-15	SAO HT Electrical consumption charges for 5/15	870938
6	34/27-6-15	AAO ERO APSFDCL for 6/15	397916
7	49/30-7-15	AAO ERO APSFDCL for 7/15	382452
8	54/26-8-15	AAO ERO APSFDCL for 8/15	384533
9	61/15-9-15	SAO APSFDCL Guntur	
		19-5-15 to 20-6-15	1000626
		20-6-15 to 21-7-15	846059
		Advance deposit 2015-16	1000600
10	63/15-9-15	SAO APSFDCL Guntur for 8/15	822909
11	71/24-9-15	AAO ERO APSFDCL for 9/15	401928
12	82/13-11-15	AAO ERO APSFDCL LT Consumption charges	383664
13	83/13-11-15	SAO APSFDCL Guntur for 9/15	905405
14	84/13-11-15	SAO APSFDCL Guntur for 10/15	906212
15	93/28-11-15	AAO ERO APSFDCL Street lighting charges for 11/15	485766
16	105/30-12-15	AAO ERO APSFDCL Street lighting charges for 12/15	392566
17	117/27-1-16	AAO ERO APSFDCL Street lighting charges for 1/16	437861
18	134/18-2-16	SAO ERO APSFDCL Street lighting charges for 11/15	756012
19	135/18-2-16	SAO ERO APSFDCL Street lighting charges for 12/15	758538
20	136/18-2-16	SAO ERO APSFDCL Street lighting charges for 1/16	798702
21	137/18-2-16	AAO ERO APSFDCL Street lighting charges for 2/16	414589
22	145/17-3-16	SAO ERO APSFDCL Street lighting charges for 2/16	901117
23	150/24-3-16	AAO ERO APSFDCL Street lighting charges for 3/16	394045
		Total	15861090

Para No. 104

Code No.11

**AMOUNT PAID TO GRAM PANCHAYAT TOWARDS PROPERTY TAX- DEMAND NOTICE AND PAID RECEIPTS WERE NOT PRODUCED TO AUDIT Rs 123153/-**

During the course of audit it was observed that an amount of Rs.123153/- was drawn in the following vouchers and paid to Gram Panchayat, Atmakur towards Propert

Sl.No.	Vr.No.&Date	Particulars	Amount
1	10/21-4-15	Property tax of Municipal water works for the year 2014-15	60075
2	148/24-3-15	Property tax of Municipal water works for the year 2015-16	63078
		Total	123153

Para No.105

Code No.11

**CONTRACT WORKERS - APPOINTMENT OF WORKERS ON CONTRACT BASIS - DETAILS AND FILES AGREEMENTS ETC., WERE NOT PRODUCED TO AUDIT:**

The files relating to appointment/engagement of contract workers for the year 2015-16 were not produced to audit. In the absence of the requirement of workers at M

Para No. 106

Code No.11

**E.P.F - E.P.F RECOVERED FROM THE WORKERS SALARY BILLS AND PAID TO DEPARTMENT CONCERNED - CONNECTED CHALLANS WERE NOT PRODUCED TO AUDIT RS. 152**

As verified from the following vouchers and cash book an amount of Rs.1523897/- was drawn and paid towards Employees Provident Fund recovered from the pay bill

Vr.No.Date	Month	Amount
27/29-4-15	4/15	439182
77/26-10-15	7/15	249146
78/26-10-15	8/15	427072
119/9-2-16	9/15	408497
	Total	1523897

Para No.107

Code No.11

**E.S.I- E.S.I RECOVERED FROM THE WORKERS SALARY BILLS AND PAID TO DEPARTMENT CONCERNED - CONNECTED CHALLANS WERE NOT PRODUCED TO AUDIT RS. 6006**

As verified from the following vouchers and cash book an amount of Rs.600637/- was drawn and paid towards E.S.I recovered from the pay bills. But the connect chall

Vr.No.& Date	Month	Amount
1/26-8-15	4/15	110587
2/26-8-15	5/15	109009
3/26-8-15	6/15	108355
120/9-2-16	7/15	62475
121/9-2-16	8/15	107443
122/9-2-16	9/15	102768
	Total	600637

Para No. 108

Code No.11

**STATUTORY DEDUCTIONS SUCH AS VAT, INCOME TAX, RECOVERED FROM WORK BILLS - REMITTED TO CONCERNED HEAD OF ACCOUNTS - CHALLANS NOT PRODUCED R**

As verified from the cash book and paid vouchers it was noticed that the following amounts were recovered from work bills towards statutory deductions such as Vat, an

Para No.109

Code No.11

**SERVICE TAX - RECOVERED AND PAID TO DEPARTMENT CONCERNED - CONNECTED CHALLANS WERE NOT PRODUCED TO AUDIT RS. 234898/-**

As verified from the following vouchers and cash book an amount of Rs. /- was drawn and paid to Central Board of Excise and customs towards Service Tax. But the co

Vr.No.& Date	Month	Amount
4/4-9-2015	11/2014	23691
5/4-9-2015	12/2014	18155
6/4-9-2015	2/2014	33622
529/9-2-2016		159430
	Total	234898

Para No.110

Code No.11

**TOWN PLANNING - DEVELOPMENTAL CHARGES PAID - CONNECTED CHALLANS WERE NOT PRODUCED TO AUDIT Rs 241764/-**

During the course of audit it was observed that the following building plan approvals Developmental charges were paid. But the connected Paid challans were not produ

Para No. 111

Code No.11

**PURCHASE OF PETROL AND OTHER OILS TO MUNICIPAL VEHICLES - LOG BOOKS NOT PRODUCED TO AUDIT RS. 1825488/-**

An amount of Rs.1825488/- was incurred to expenditure on the following vouchers towards cost of petrol and other oils to Municipal Vehicles during the year under repo

Sl.No.	Vr.No.& Date	Particulars	Amount
1	8/22-4-15	Venkata Kanakadurga vinay filling station, Mangalagiri towards supply of Oil to Autos for maintenance of P.H Section from 1-12-14 to 31-12-14	35092
2	9/22-4-15	Tractor and dumper placer H.V for the maintenance of P.H section 12/14	158026
3	10/22-4-15	Autos of PH section for 1/15	39112
4	11/22-4-15	Tractor and dumper placer H.V for the maintenance of P.H section 1/15	118607
5	12/22-4-15	Autos of PH section for 2/15	31866
6	13/22-4-15	Tractor and dumper placer H.V for the maintenance of P.H section 2/15	115949
7	497/14-12-15	Tractor and dumper placer H.V for the maintenance of P.H section 3/15 to 7/15	675269
8	498/14-12-15	Light vehicle for PH section 3/15 to 7/15	154243
9	499/14-12-15	Cutting machine 5/15 to 7/15	23483
10	600/27-1-16	Heave vehicles 8/15 to 10/15	363090
11	601/27-1-16	Light vehicles 8/15 to 10/15	83975

12	602/27-1-16	Cutting machine 8/15 to 10/15	26776
		Total	1825488

Para No. 112

Code No.11

**VEHICLES- VEHICLES REPAIRS - CNNECTED FILES NOT PRODUCED:**

As verified from the following vouchers during the cause of audit an aggregate amount of Rs. 939543/- was spent towards the following vehicle repairs. But connected file:

Sl.No	Vr.No. & Date	Vehicle No.	Particulars	Amount
1	19/27-4-15	ATG 1622	I Ravi Chandra, contractor towards payment for repairs to the tractor	91441
2	20/27-4-15	A.P0053, A.P 0054,	I Ravi Chandra, contractor towards payment for repairs to Autos	91465
3	21/27-4-15	AP7TB 0187	I Ravi Chandra, contractor towards payment for repairs to Auto	42372
4	87/11-5-15	AP07TW2546	I Ravi Chandra, contractor towards payment for repairs to dumper placer	23199
5	163/30-5-15	AP 7TR 2910	Anusha enterprise, Guntur, towards payment for repairs to tractor	7650
6	164/30-5-15	AP 7TR 6179	Anusha enterprise, Guntur, towards payment for repairs to tractor	5350
7	165/30-5-15	AP 7TR 6179	Anusha enterprise, Guntur, towards payment for repairs to tractor	12963
8	166/30-5-15	AP 7TR 1840	Anusha enterprise, Guntur, towards payment for repairs to tractor	5565
9	167/30-5-15	AP 7TR 1840	Anusha enterprise, Guntur, towards payment for repairs to tractor	14713
10	168/30-5-15	AP 7 TR 2910	Anusha enterprise, Guntur, towards payment for repairs to tractor	13411
11	169/30-5-15	AP 7 TR 2910	Anusha enterprise, Guntur, towards payment for repairs to tractor	55087
12	170/30-5-15	AP 7TR 7770	Anusha enterprise, Guntur, towards payment for repairs to tractor	36359
13	171/30-5-15	AP 7TR 8544	Anusha enterprise, Guntur, towards payment for repairs to tractor	13254
14	172/30-5-15	AP 7TR 6179	Anusha enterprise, Guntur, towards payment for repairs to tractor	11475
15	173/30-5-15	AP 07TB 9908	M/s Ramcor Vijayawada towards payment for repairs to Auto	12879
16	174/30-5-15	AP 07 TB 9905	M/s Ramcor Vijayawada towards payment for repairs to Auto	19968
17	210/27-6-15	AP 07 TR 0035	SK.Nagulmeera towards payment for repairs to Tractor Truck	92165
18	211/27-6-15	AP 07 8544	SK.Nagulmeera towards payment for repairs to Tractor Truck	91933
19	212/27-6-14	AP7 TB 0052	Purchase of spare parts and repairs of 3 wheels auto	57848
20	374/11-9-14	AP 7 TB 9908	Repairs to 4wheel auto	63385
21	625/30-1-16	AP07TB 0056	Sarvo motors. Guntur towards payment for repairs to Auto	86077
22	647/19-2-16	AP 7T 9905	Towards payment for auto repair	84112
23	648/19-2-16	AP 7T 9908	Towards payment for auto repair	6872
24	697/9-3-16	AP 7TR 8544	Anusha enterprise, Guntur, towards payment for repairs to tractor	74089
25	698/9-3-16	AP7R 1840	Repair charges	6025
			Total	939543

Para No.113

Code No.11

**13<sup>th</sup> FINANCE COMMISSION AND 14<sup>TH</sup> FINANCE COMMISSION- CASH BOOK - SUB TREASURY PASS BOOKS - NOT PRODUCED TO AUDIT:**

During the course of Audit, 13<sup>th</sup> Finance Commission Cash Book, 14<sup>th</sup> Finance Commission cash book and Sub Treasury Pass Books for the year 2015-16 were not produced.

Para No. 114

Code No.11

**HALF MARGIN LETTERS ISSUED - INFORMATION NOT FORTHCOMING**

During the course of audit of the Municipal Council, Mangalagiri, Guntur District for the year 2015-16, several half margin letters were issued to the heads of sections a

Action would need to be taken by the executive authority to avoid such instances in future and records required for audit to be produced.

Para No.115

Code No.13

**MACHERLA MUNICIPALITY -CELL PHONE CHARGES EXCESS PAID THAN ADMISSIBILITY -NEEDS RECVOERY RS.48726/-**

During the course of audit Macherla Municipality for the year 2015-16 it was notice that cell phone charges were paid to the following staff members in excess of admis

Category I - Rs.2000/- P.M

Category II - Rs.1375/- PM

Category III -Rs.625/- P.M

But in the following vouchers cell phone charges were in excess of admissibility.

Vr.No.&Date	Bill Period	Cell Number	Admissible amount	Actual paid	Excess
27/27-4-15	23-2-15 to 22-3-15	9849907939	625	926	301
		9849907701	625	863	238
		9849907305	625	907	282
		7674932071	625	1204	579
		7674932074	625	1002	377
128/28-5-15	23-3-15 to 22-4-15	9849907939	625	1635	1010
		9849907302	625	1146	521
		9849907303	625	3397	2772
		9849907305	625	1063	438
		7674932073	625	994	369
222/18-8-15	23-4-15 to 22-5-15	9849907939	625	1796	1171
		9849907302	625	1120	495
		9849907303	625	3350	2725
		9849907304	625	841	216
		9849906595	625	847	222
223/18-8-15	23-5-15 to 22-6-15	7674932072	625	774	149
		9849907939	625	1730	1105
		9849907302	625	1073	448
		9849907303	625	3548	2923
		9849907305	625	866	241
388/28-9-15	23-7-15 to 22-8-15	9849906595	625	809	184
		9849907939	625	1692	1067
		9849907303	625	3424	2799
		9849906595	625	798	173
		7674932074	625	867	242
390/28-9-15	21-4-15 to 23-5-15	7093912653	625	847	222
		7093912654	625	1509	884
		7093912653	1250	4006	2756
		7093912654			
		9849907939	625	1648	1023
424/28-10-15	23-8-15 to 22-9-15	9849907302	625	927	302
		9849906595	625	845	220
		7093912653	625	1203	578
		7093912654	625	1279	654
		9849907939	625	2506	1881
474/24-11-15	23-9-15 to 22-10-15	9849907302	625	912	287
		7093912653	625	1251	626
		7093912654	625	1139	514
		9849907939	625	2894	2269
		9849907302	625	875	250
562/28-12-15	23-10-15 to 22-11-15	9849907939	625	2899	2274
		9849907301	625	1452	827
		9849907302	625	1258	633
		9849906595	625	860	235
		7674932074	625	841	216
623/28-1-16	23-11-15 to 22-12-15	7093912653	625	909	284
		9849907939	625	3345	2720
		9849907939	625	3345	2720
		9849907939	625	3345	2720
		9849907939	625	3345	2720
682/3-3-16	23-12-15 to	9849907939	625	3345	2720



22-1-16					
		9849907301	625	1520	895
		9849907302	625	837	212
		9849907305	625	1558	933
		7674932069	625	790	165
		7674932072	625	1139	514
795/31-3-16	23-1-16 to 22-2-16	9849905836	625	981	356
		9849907939	625	3054	2429
		9849907302	625	875	250
		9849907304	625	905	280
		9849907305	625	2201	1576
		7674932072	625	869	244
		7093912653	625	795	170
				Total	48726

The above excess paid to the individuals who were allotted the above cell phones would need to be recovered and credited to the Municipal funds.

Para No.116

Code No.13

**MUNICIPAL COUNCIL - MANGALAGIRI - WORKS - EXECUTION OF WORKS- WORKS EXECUTED BEYOND THE TENDER VALUE OF WORK - IRREGULAR - NEEDS RECOVERY RS.**

As verified from the M.Books, Estimates, Tender files and vouchers of the following works, it was noticed that the total value of work done has exceeded the beyond the

1) Vr.No.215/12-8-15& 641/19-2-16  
M.B No.5/2015-16

Name of the Work: Providing CC road from SK.Rajak (H) to A.Subrahmanyam (H) in 21<sup>st</sup> ward in Mangalagiri Municipality.  
Est. 560000/- E.C.V Rs 485543/-

As per M.Book		To be paid	
T.V.W	488123	T.V.W	488123
(-)T.P 15.50%	75659	Ltd to E.C.V	485543
	412464	Less T.P 15.50%	75259
Add Vat 5%	20623		410284
L.C1%	4125	Add Vat 5%	20514
	437212	L.C 1%	4102
I.T 1%	4125		434900
Vat 5%	20623	IT 1%	4103
LC 1%	4125	Vat 5%	20514
Seig.	9147		
	38020	L.C 1%	4103
Net	399192	Seig.	9147
			37867
			397033

Excess paid 399192-397033= 2159/-

2) Vr.No. 664/2-2-16  
M.B No. 84/2015-16

Name of the Work: Providing CC road widening 1.Gali gopuram south road from culvert to main kbazar 2) Infront of road Municipal office road and Const. of CC drain from

Est. 990000/- E.C.V Rs. 874657/-

As per M.Book paid		To be paid	
T.V.W	947268	T.V.W	947268
Less T.P 19.10%	180928	Limited to E.C.V	874657
	766340	Less T.P 19.10%	167059
Vat 5%	38317		707598
L.C 1%	7663	Vat 5%	38317
	812320	L.C 1%	7663
Deductions:			753578
Vat 5%	38317	Deductions:	
I.T 2%	15327	Vat 5%	35380
		IT 2%	14152
L.C 1%	7663	LC 1%	7076
Seig.	13686	Seig.	13686
	74993		73294
Net	737327		680284

Excess paid 737327-680284= 57043/-

3)Vr.No. 415/26-10-15 &644/19-2-16  
M.B No.22/2015-16

Name of the Work: Providing cc road from Guntur Road to Satyanarayana Reddy Hospital in 12<sup>th</sup> ward in Mangalagiri municipality .

Est. 695000/- E.C.V 597381/-

As per M.Book paid To be paid

T.V.W	616045	T.V.W	616045
Less T.P 15.25%	93947	Limited to E.C.V	597381
	-----	Less T.P 15.25%	91101
	522098		-----
Add Vat 5%	26105		506280
LC 1%	5221	Vat 5%	25314
	-----	LC 1%	5063
	553424		-----
			536657
<b>Deductions:</b>		<b>Deductions:</b>	
IT 1%	5221	IT 1%	5062
Vat 5%	26105	Vat 5%	25314
LC1%	5221	LC 1%	5063
Seig.	10438	Seig.	10438
	-----		-----
	46985		45877
			-----
Net	506439		490780
	-----		-----

Excess paid 506439-490780 = 15659/-

4) Vr.No. 396/6-10-15 & 640/19-2-16  
M.B.No.20/2015-16

Name of the Work: Providing cc road from SK.Biskarah (H) to M.Venkayamma (H) road from SK.Bikarsa (H) to Nageswara Rao vacant land in 28<sup>th</sup> ward.

Est. 550000/-	E.C.V	Rs. 356679/-	
As per M.Book Paid	To be paid		
T.V.W	496765	T.V.W	496765
Less TP 15.20%	75508	Limited to E.C.V	474896
	-----	Less T.P 15.20%	72184
	421257		-----
			402712
Vat 5%	21063	Vat 5%	20136
LC 1%	4213	LC1%	4027
	-----		-----
	446533		422848
IT 1%	4213	IT 1%	4027
Vat5%	21063	Vat 5%	20136
LC1%	4213	LC 1%	4027
Seig.	9368	Seig	9368
	-----		-----
	38857		37558
			-----
Net	407676		385290
	-----		-----

Excess paid: 407676/- - 385290/- = 22386/-

ABSTRACT

Sl.No.	Amount
1	2159
2	57043
3	15659
4	22386
<b>Total</b>	<b>97247</b>

Para No.117

Code No.13

**WORK - EXECUTION OF WORKS - EXCESS PAYMENT MADE DUE TO DEVIATION OF ESTIMATE RATES - IRREGULAR - NEEDS RECOVERY**  
**RS.16080/-**

As verified from the M.Books, estimates, files vouchers for the year 2015-16, it was noticed during the course of audit, than an amount of Rs. was excess paid in the fol

1)Vr.No.& date 214/12-8-15 & 643/19-2-16

Name of the work: Providing CC road from A.Balaiah (H) to south side in 24<sup>th</sup> ward.

M.B.No.7/2015-16

Amount paid as per M.Book

As per Estimate

Description	contents	Rate	Amount		contents	Rate	Amount
San filling under the lean concrete as leveling construction building cost filling sand	36.11	967.72	34944		36.11	725.08	26183

conveyance charges to site of work.							
-------------------------------------	--	--	--	--	--	--	--

Excess amount paid Rs. 34944/- - 26183/- = 8762/-

2) Vr.No.574/7-1-16

Name of the work: Providing CC road from D.No.8-192 to T.Eswaramma complex in 14<sup>th</sup> ward  
M.B.No.59/15-16

Amount paid as per M.Book

As per Estimate

Description	contents	Rate	Amount		contents	Rate	Amount
Laying VCC (1:4:8) using 40MM grade HBG paid metal including cost and conveyance of all materials labour charges	12.51	3816.76	47748		11.32	3816.76	43206

Excess amount paid Rs. 47748/- - 43206/- = 4542/-

3) Vr.No.478/28-11-15

Name of the Work: Providing CC road from D.Krishan Rao (H) to APSP camp road in 6<sup>th</sup> ward in Mangalagiri.  
M.B.No.38/15-16

Amount paid as per M.Book

As per Estimate

Description	contents	Rate	Amount		contents	Rate	Amount
Supply and delivery of crusher stone dust including cost and conveyance and labour charges	82.46	967.72	79798		81	967.72	78385

Excess amount paid Rs. 79798/- - 78385/- =Rs.1413/-

4) Vr.No. 628/5-2-16

Name of the work: Providing CC road in front of G.Kankaiah (H) in 1<sup>st</sup> ward in Mangalagiri Municipality  
M.B.No. 66/15-16

Amount paid as per M.Book

As per Estimate

Description	contents	Rate	Amount		contents	Rate	Amount
Supply and delivery of sand filling including cost and conveyance and labour charges	18.10	725	13123		16.22	725	11760

Excess amount paid Rs. 13123/- - 11760/-=1363/-

ABSTRACT

Sl.No.	Amount
1	8762
2	4542
3	1413
4	1363
<b>Total</b>	<b>16080</b>

Para Number : 3

OTHERS (Code : 18) Rs : 0

Para No.118

Code No.16

**NON-SUBMISSION OF UTILISATION CERTIFICATES:**

According to Article 211 (A) of the Andhra Pradesh, Financial Code Vol-I it is the responsibility of the grant receiving authority to furnish U.C. to the grant releasing

Para No: 119

Code. No.18

**WORKS - EXECUTION OF WORKS - CONNECTED GUIDELINES FOR ANY SCHEME AGREEMENTS AND FILE, COMPLETION**

During the course of audit regarding execution of works both in General funds and scheme funds the connected agreements along with files, guide lines of many of ti

Regarding departmental execution in absence of the aforesaid records, the following observations could not be made whether these instructions were scrupulously follo

- 1) Number of departmental works executed under General funds and scheme works during 2015-16 .
- 2) Number of departmental works pending completion as on 1/4/2015 regarding General and all scheme works (Scheme wise)
- 3) Number of departmental works pending completion as on 31/3/2016 (General and all scheme funds)
- 4) Out standing advances - Advances pending as on 1/4/2015 both General and all the scheme funds.
- 5) Advances pending as on 31/3/2016 general and all scheme funds.
- 6) Whether proper indenting system for issue of material to the works not exceeding the theoretical requirement as worked out in the estimates were followed (both gene
- 7) Measurement, Detailed designs, Estimates, completion reports (As per para No.173 of A.P. P.W.D. code, Article 181 of A.P. Financial code Vol -I and paras 216 to 218 o
- 8) Whether material were issued after approval of the competent authority were issued and duly acknowledged (General and all scheme funds)
- 9) Whether material at the site account is maintained (General and all scheme funds)
- 10) Whether the utilization of the material in the works based on the measurements recorded and check measured properly calculated (General and all schemes)
- 11) Whether the utilization of the material returned to the stores duly acknowledged (General and all scheme funds) (Cement, steel, sand, Gravel, HBT metal etc. complet
- 12) Whether the labour required were engaged on tender system or through department personnel only (General and all schemes).
- 13) Whether the nominal muster rolls maintained for the labour (General and Scheme funds)
- 14) Correctness of the payments made to the labour particularly when the labour is to be paid partly cash and partly food grains (General and all scheme)
- 15) In case of purchase of material / Machinery required for execution of the works whether the procedure prescribed was followed.
- 16) Whether reasons for execution of the works departmentally were recorded by the competent authority.
- 17) Whether works executed at rates not more than estimated rates.
- 18) Whether material and labour components work out with reference to the standard data.
- 19) Whether deviations if any - Deviation Statement.
- 20) Quality control measures - connected details
- 21) Others - Technical persons engaged - Connected details
- 22) General and schemes- Achievement of objection of all scheme - whether accordance with the guidelines framed regarding connected schemes.
- 23) NMR-s - Total man days - Scheme wise for all the schemes.
- 24) Diversion of scheme fund, if any details.
- 25) Connected lead statements of all the works executed under General and Schemes.
- 26) Material sufficiency certificates for all the works executed under General and schemes.
- 27) Revision of estimates - Approval and Technical sanction of the competent authority.
- 28) The Quarries are approved as per the survey of reports.

**REGARDING TENDER SYSTEM**

In absence of the aforesaid records, the following observations could not be made whether these instructions were scrupulously followed or not.

- 1) Register of Registered contractors of the Municipality
- 2) Whether agreement was concluded by the competent authority after the finalization of the contract.
- 3) Whether the advances were paid for the works earlier to contractors -connected details.
- 4) Whether the bills supported by the necessary documents such as vouchers along with measurement books for the material produced by the contractor/ Section sheets
- 5) Whether such of the items of the works check measured without any conditions were only billed.
- 6) Whether additional quantities of already existing items of work in the agreement are billed as per the preliminary specifications.
- 7) Whether the cost of the material departmentally supplied to the contractor recovered in the bills if not whether recovery of such material effected at the rates mention
- 8) Whether hire charges for machinery supplied to the contractor recovered from him.
- 9) Whether fines/Penalties if any imposed, recovered from the contractor.
- 10) Whether all the statutory deductions are effected from the work bills.
- 11) Whether in case of work entrusted on nominations basis, the payment should be at estimated rates.
- 12) Quality control measures and its reports.
- 13) Advances outstanding of all funds General and all schemes as on 1/4/2015 and 31/3/2016 (Complete information).
- 14) In case of final bills, the release and discharge certificate and a certificate in full and final settlement of all demands should be furnished and income tax clearan
- 15) Whether the objects with which the work has been executed are achieved and whether fruits are enjoyed by the public.
- 16) N.M.R-s - Total man days for each work and each scheme pertaining to all the schemes.
- 17) Higher specification if any
- 18) Inflation of estimated rates.
- 19) Adhoc estimates if any.
- 20) Revision of estimates - Approval and technical sanction of the competent authority.
- 21) If any changes in the specification.
- 22) Tender notification - Inadequate time and publicity of the Tender, notification.
- 23) Deviations from standard conditions.
- 24) Non-encashment of bank guarantees of contractors who abandoned the works - details.
- 25) Diversion of funds (General funds to scheme funds and from scheme funds to another schemes and scheme funds to General funds).

Para No. 120

Code No.18

**IMPROPER MAINTENANCE OF ASSESSMENT BOOKS AND MR REGISTERS**

According to the Rule 3 of schedule II to the AP Municipalities Act 1965, the capital value of the land and building has to be entered in Assessments/ML Registers maintain

Para No.121

Code No.18

**ASSET MANAGEMENT NOT PRODUCED IMMEDIATE NEEDS FOR PRODUCTION**

All Urban local bodies are required to maintained separate registers for movable and immovable assets as per the orders issued in G.O.Ms.No.1512 Local Administrati  
Municipal Council Mangalagiri Guntur District is endowed with large and varied assets i.e. Grade-I Municipality. It should be ensured that the resources are used in  
An asset register must be maintained ensuring that that all physical assets held by it were faithfully entered in it and it will  
Facilitate and secure the physical control and security of these assets Provide information and values for insurance and accounting purpose Facilitate the provision of  
All new purchase of assets and the value addition due to improvements should be captured in the asset register including the gifted assets that become the property of the  
The external sale, write off or scrapping of any asset has to be recorded in the asset register showing the disposal of any asset.  
The transfer of ownership from one section to another was done properly or not would need to be watched.  
As periodical inspection of the assets by the heads of the sections would need to be conducted to check the accuracy of the details held in the asset register.  
In the absence of assets registers showing all the above, it cod not be held in audit that the Municipal Council, Mangalagiri, Guntur District is pursuing a sound policy ass

Para No122

Code No. 18

**REGISTERS NOT MAINTAINED:**

The important registers to be maintained along with cash book were as detailed below. Early action would need to be taken to maintain these registers and produced

1. Undisbursed pay register
2. Permanent advance register
3. Register of contingent charges
4. Register of A.G. Objections.
5. Stock register of Furniture
6. Establishment Audit register
7. Increment Watch register
8. Register showing the temporary establishment and their continuance.
9. Stock register of M.V. Forms
10. Register of Security deposits
11. Register of recoveries of loans granted to government servants for purchases of Bicycles, H.B.A.M.A., Motor cycle etc.,
12. Condemned articles register.
13. Mutation register
14. Stock register of P.H. articles.
15. Petty Cash book
16. Tools and Plants Register
17. Stock Register for Stationery
18. Register of V.L.T.
19. D.C.B of vacant Land Tax
20. D.C.B. of Advertisement Tax
21. Used Receipt Books for the taxes collected manually (WT VLT and M.R)
22. Register of Auction files of Vacant condemned

Para No.123

Code No.18

**DATA BASE OF THE RECORDS OF TAXATION - EFFICACY OF THE SOFT WARE :**

During the course of audit, it was noticed that the Demand Registers (both current and arrear) of property tax and other tax and non tax revenues were maintained base Collection of property tax and other revenues is done in many ways like remittance in e-seva, by online remission, payment by way of Cheque or Demand Draft etc., from As seen from the Cheques received register, the corresponding credit entries in the Bank account could not be traced in audit and the amount realized in lump sum on As seen from the Cash Book, the receipt side of the cash book was not at all maintained. Treasury adjustments, voucher adjustments etc., were not carried out. Registers of appeals, revisions, mutations, writes off, remissions etc., were not maintained and produced to audit. Monthly lists of out door staff whether given effect, in In the absence of maintenance of subsidiary registers connected with levy, collection of property tax and other taxes and non taxes, the demand generated by the comp

Para No.124

Code No.18

**GRANTS RELEASED TO MUNICIPAL COUNCIL FOR VARIOUS PURPOSES - GRANTS APPROPRIATION REGISTER NOT MAINTAINED.**

During the year under audit several grants both statutory and non-statutory were sanctioned and adjusted to Municipal Council. A separate register of appropriation of

Para No.125

Code No.18

**DD/CHEQUE REGISTERS NOT MAINTAINED PROPERLY.**

Scrutiny of the -DD/Cheque registers- revealed that the Municipality was receiving DD/Cheques for various purposes such as PT, EMDs, Tender schedules, BPS etc. Tho

Para No.126

Code No.18

ENTERTAINMENT TAX FILES RELATING TO ET OF CINEMA AND CABLE T.V NOT MAINTAINED

As per GO.Ms No.1644 Revenue (CT-IV) Department dt.8.11.2006, the levy, assessment, collection and enforcement of Entertainment Tax on Cinema, Cable TV network

ParaNo. 127

Code No. 18

SPECIAL NOTICES ISSUED - RECORD NOT MAINTAINED

In case of all the new and additional assessments made during the financial year were entered in the e-Suvidha package and the special notices of demands fixed were o

Para No.128

Code No.18

REGISTER OF LIBRARY CESS NOT MAINTAINED

- (A) As per GO.Ms No 68 dt.12.9.2009, under Section 85(2) of the AP, Municipality Act read with Section 20 of Andhra Pradesh Libraries Act 1960, the Municipality  
(B) Government issued orders vide GO. No 122 Education (PE Prog.I) Department Dt:26.10.2009 para 5 of (II) directing of Library Cess @ 8 percent on property tax

Para No.129

Code No.18

DEPARTMENTAL INSPECTION AND INTERNAL AUDIT OF THE OFFICE NOT DONE.

Departmental Inspection:- According to the Government orders in G.O.Ms.No.247,GAD,dated 8.2.1962 and instructions issued from time to time. District Officers and Internal Audit:- As per the orders in G.O. Ms.No.34, F & P Department dated 1-7-1997, it was the responsibility of the Accounts Branch of the Head of the Department to produce the copies of the Departmental Inspection notes and Internal Audit notes were not produced to audit. In the absence of the said copies it could not be known whether

Para No.130

Code No.18

NON EXCHANGE OF INFORMATION BETWEEN TOWN PLANNING AND REVENUE SECTION:

The Revenue Wing of the Municipality did not have access to the Building Approvals plans from the town Planning wing as there was no system to furnish copies of a the work of the town planning wing of the ULB.

ParaNo. 131

Code No. 18

PAID VOUCHERS - -COUNCIL RESOLUTION- NUMBER WAS NOT NOTED ON THE PAID VOUCHERS :

As verified from the paid vouchers for the year 2015-16, it was noticed that the -Council Resolution- number was not noted on back side of the vouchers. In the absence of

Para No.132

Code No.18

DEMAND REGISTER - WATER TARRIF FOR HOUSE HOLD WATER SUPPLY SERVICE CONNECTIONS (HSCs) - NOT MAINTAINED:-

- As per G.O.ms.No.303 Municipal Administration & Urban Development (A2) Department, dated 3-8-2004 the Government have decided to formulate a new strategy for the  
1. Any Below Poverty Line house holders, possessing a White Ration Card and not having access to house service connection, shall be granted one HSC on payment of Rs.1  
2. The beneficiary shall be given the option of paying the amount in 12 equal monthly installments without interest. The house service connection shall be given after payment

The proof of receiving the installments and the schedule of the giving connections was not produced to audit. But the Demand register of water tariff was not maintained

Para No.133

Code No.18

**DIFFERENCES IN MEASUREMENTS BETWEEN M.Ls AND E-SUVIDHA PACKAGE AND RESULTANT VARIATIONS IN FIXING OF PT - NEEDS TO BE REVISED AND LOSS ASSESSE**

During the scrutiny of records relating to PT it was noticed that many variations existed between the measurements as recorded in the ML and the measurements ente calculated manually it results in recurring extra burden on the tax payer. The calculation logic in the package was not consistent and not free from inconsistencies as a result

Para No.134

Code No.18

**INCONSISTENCIES IN THE E-SUVIDHA PACKAGE RESULTING IN LOSS TO THE MC.**

Certain inconsistencies were noticed in the e-Suvidha package during the course of audit which had a bearing on the correctness or otherwise of the PT fixed and coll the Commissioner was appended.

Para No.135

Code No.18

**NON-UTILISATION OF FEE TOWARDS PUBLICATION OF BUILDING PERMISSION IN NEWSPAPERS COLLECTED FROM THE APPLICANTS SEEKING PERMISSION FOR HOUSE-PL**

In accordance with Government memo.no.22889/MA/97, MA&UD, dated 1-11-1997, an amount of Rs.100/- from individuals and Rs.1000 from apartment builders, are It was observed during the scrutiny of the records that the particulars of building permissions were not made public through the press utilizing the publication charge:

Para Number : 4

STATUS OF OBJECTIONS (Code : 19) Rs : 0

CODE NO.19

**STATUS OF AUDIT OBJECTIONS:-**

1546 no. of objections involving amount of 185506926/-

as detailed below are pending settlement, at the close of audit.

Year	No.of Objection	Amount
Up to 2000-01	767	18077154
2001-02	24	759326
2002-03	5	7284249
2003-04	15	6378162
2004-05	4	0
2005-06	2	0
2006-07	3	12586746
2007-08	21	5154688
2008-09	13	9715215
2009-10	30	6526340
2010-11	36	14551799
2011-12	136	19554854
2012-13	135	16412376
2013-14	118	27971567
2014-15	102	21656593
2015-16	135	18877857
<b>Total</b>	<b>1546</b>	<b>185506926</b>

Code No.	Para No.	Amount
3	1	0
7	2	0
7	3	0
7	4	0
7	5	0
7	6	2287346
7	7	0



7	8	0
7	9	0
7	10	0
7	11	0
7	12	0
8	13	823800
9	14	0
9	15	0
9	16	0
9	17	0
9	18	0
9	19	0
9	20	0
9	21	0
9	22	0
9	23	0
9	24	0
9	25	0
9	26	0
9	27	0
9	28	0
9	29	0
9	30	0
9	31	0
9	32	0
9	33	0
9	34	0
9	35	0
9	36	0
9	37	0
9	38	0
9	39	0
9	40	0
9	41	87679
9	42	0
9	43	3000
9	44	11900
9	45	266001
9	46	8200
9	47	14543
10	48	0
10	49	0
10	50	0
10	51	0
11	52	0
11	53	49005
11	54	0
11	55	0
11	56	0
11	57	0
11	58	0
11	59	0
11	60	0
11	61	0
11	62	0
11	63	0
11	64	0
11	65	0
11	66	0
11	67	0
11	68	0
11	69	0
11	70	0

11	71	0
11	72	0
11	73	0
11	74	0
11	75	0
11	76	0
11	77	0
11	78	0
11	79	0
11	80	84883
11	81	0
11	82	228970
11	83	91854
11	84	122050
11	85	89108
11	86	942979
11	87	7708651
11	88	33200
11	89	0
11	90	0
11	91	0
11	92	0
11	93	0
11	94	420000
11	95	0
11	96	59520
11	97	0
11	98	193546
11	99	0
11	100	0
11	101	85844
11	102	377810
11	103	0
11	104	123153
11	105	0
11	106	1523897
11	107	600637
11	108	176078
11	109	234898
11	110	241764
11	111	1825488
11	112	0
11	113	0
11	114	0
13	115	48726
13	116	97247
13	117	16080
16	118	0
18	119	0
18	120	0
18	121	0
18	122	0
18	123	0
18	124	0
18	125	0
18	126	0
18	127	0
18	128	0
18	129	0
18	130	0
18	131	0
18	132	0
18	133	0
18		

	134	0
18	135	0
<b>Total</b>	<b>135</b>	<b>18877857</b>

Para Number : 5

OTHERS (Code : 18) Rs : 0

Para No 1 Code No.9

**CERTAIN TRANSACTIONS NOT CAPTURED - NEEDS TO BE RECTIFIED**

During verification of account in DEABAS it was noticed that certain transactions were not captured in the account. The details of receipts and expenditure e

Para No 2 Code No.9 **NON MAINTENANCE OF REGISTERS PRESCRIBED IN THE MANUAL**

The APMAM prescribed maintenance of certain registers and forms. The formats of the books, registers and forms referred to in Table 4.1 of Cha

Para No 3 Code No. 9

**NON-IDENTIFICATION OF MANY ASSETS**

Many assets were not identified in spite of pointing out relevant objections in the FOBS verification report. The Executive Authority of the ULB ought to have

Para No. 4 Code No.9

**CERTAIN TRANSACTIONS INCORRECTLY CAPTURED :**

During verification of account in DEABAS, it was noticed that certain transactions were incorrectly captured. Some of the transactions, which were incorrect

Para No5 Code No.9

**RECEIVABLES AND PAYABLES NOT ASCERTAINED PROPERLY**

APMAM mandates that the receivables in case of tax income shall be ascertained for the last five years and in case of non tax income for the last three year

Para No 6 Code No.9

**RECEIVABLES NOT RECONCILED**

The Accounts Section and the Tax Section shall reconcile the balance at the beginning of the accounting year in respect of the year wise property and other

Para No 7 Code No.9

**ADVANCE COLLECTION OF D&O TRADE FEES INCLUDED IN THE I&E STATEMENT**

The convention in the ULBs with regard to the collections of D & O trade fees was to collect the same in advance for the subsequent year i.e., before Febru; Expenditure statement to that extent suffered due to the above defect pointed out.

Para No 8 Code No.11

**VERIFIED FOBS NOT FURNISHED**

The OBs of the respective G.L. accounts were drawn from the OBs provided in the FOBS furnished to audit. The said FOBS was verified and certain material d the non rectification/ remedying the defects pointed out in FOBS issued to the Municipal Council vide letter SA No. dated. persisted in the final accounts of this

Para No 9 Code No.11

**LEDGER ACCOUNT NOT FURNISHED:**

The ledger account relating to the receipts and payments for the year 2015-16 were not furnished along with the financial statements. Due to non production

Para No 10 Code No.11

**RECONCILIATION STATEMENTS NOT FURNISHED:**

It was mandated by the manual instructions and also a fundamental principle in the maintenance of accounts that bank reconciliation statements be prepared |

Para No.11 Code No.11

**RECORDS - RECORDS NOT PRODUCED TO AUDIT:**

During the course of audit, General Fund 001,002 accounts were produced to audit for verification. Other Funds records were not produced to audit. In the :

Para No 12 Code No.18

**RECEIPT ENTRIES WERE BASED ON CHITTA**

It was observed in audit that the base document that was considered for recording receipt entries in the new system of accounting was Chitta. The endeavor

Para No 13 Code No.18

**SOME OTHER MATERIAL OBSERVATIONS**

- ? As verified from the Schedules enclosed to the -Income and Expenditure statement-, it was noticed that the amount
- ? As verified from the Schedules enclosed to the -Balance Sheet-, it was noticed that the details of -additions- and -de
- ? Statement of cash flows (a summary of ULBs cash flow for the period from 1-4-2015 to 31-3-2016) was not furnish
- ? Financial performance indicators were not furnished.
- ? Financial ratios were not calculated and produced.

Para No 14 Code No.18

**FIXED ASSETS REGISTER NOT MAINTAINED**

The A.P. Municipal Asset Valuation Methodology Manual provides for maintenance of Fixed Assets Register for 11 categories of assets and formats were pre: No effort has been made either to maintain Fixed Asset Register as part of preparation of annual account in the year 2009-10 and no updation was recorded. Non maintenance of the important Asset register by the ULBs having significant and valuable assets, impairs the asset management system and proper wa

Para No 15 Code No.18

**NOTES TO ACCOUNTS NOT ENCLOSED TO FINANCIAL STATEMENTS**

The Notes to accounts comprising of the statement of significant accounting principles followed by the ULB in respect of accounting for its transactions and analyzed fully during the course of audit.

Para No 16 Code No.18

**REVENUE EXPENDITURE VIS A VIS CAPITAL EXPENDITURE**

It is the object of any institution to contain the revenue expenditure well within the revenue income. But in case of this ULB the revenue expenditure was all

Para No 17 Code No.18

**RECONCILIATION PROCEDURES NOT OBSERVED:**

A.P.M.A.M., prescribed reconciliation procedures with an objective to ensure that the accounting information is recorded at more than one place, there are no

- a) Bank reconciliation: aiming at reconciliation of bank, treasury balances with cash book balances.
  - b) Inter Unit reconciliation: intending to identify the disputed/un accepted inter unit transactions and to take appropriate action for rectification which is necessary
  - c) Reconciliation of Deposits: Aiming at reconciliation the balance of EMD/SD etc., and any other deposits received by the ULB. The reasons for differences shall be
  - d) Reconciliation of receivables and collections : The receivables and collections shall be reconciled on a quarterly basis or such other shorter time intervals, how
  - e) Reconciliation of Advances given: Advances given shall also be reconciled on a quarterly basis including advances given to employees of ULB, sections of the ULB
- Further A.P.M.A.M. envisaged reconciliation of loans taken, reconciliation of payables, reconciliation of ledger balances etc., also.

But during the scrutiny in audit it was observed that these procedures prescribed were not followed and no reconciliation statements were enclosed to the fi

Para No 18 Code No.18

**MANY ITEMS WERE BOOKED UNDER THE HEAD -OTHERS- FOR NOT KNOWING CORRECT CLASSIFICATION**

It appears that while making data entry and creating vouchers many items were booked under the head -others- either due to lack of understanding at d:

Para No 19 Code No.18

**MIS-CLASSIFICATIONS**

Instances of misclassifications are many and some of the misclassifications may have material effect in reflecting the true and fair view of the accounts so

Para No 20

Code No.18

**VOUCHERS NOT VERIFIED DURING DATA ENTRY**

It appears that at data entry level the original vouchers were not verified and as such the vouching appears to have been done based on the entries in the

Para No 21

Code No.18

**IRREGULAR CALCULATION OF DEPRECIATION**

As per para 5.2.1 of A.P. Municipal Asset Valuation Methodology Manual Depreciation shall be provided at full rates for assets purchased/constructed before

Para No. 22

Code No.18

**NON-DEDUCTION TOWARDS PROFESSIONAL TAX FOR THE WORKS CONTRACTORS :**

As per the first schedule of A.P. tax on professions, trades, calling and employment act, 1987, contractors falling in the following categories have to pay profi

Sl. No.	Class of Contractors	PT to be paid per annum
1	Special Class & Class-I Contractors	Rs.2500
2	Class-II Contractors	Rs.1500
3	Class - III contractors and below	Rs. 500

It was observed during the scrutiny of the records that payment of Professional Tax is not being made directly by the Municipal Contractors to the Commercia

Immediate action needs to be taken for effecting recovery towards professional tax at the above rates in the work bills to be paid in future or for giving insti

Para No. 23

Code No.18

**RECONCILIATION DONE BETWEEN CASH BOOK AND TREASURY PASS BOOK/BANK PASS BOOKS WITHOUT CLOSING CASH BOOK- OTHER DEFECTS - NEEDS ACTION**

According to para 196 of A.P.Budget Manual read with G.O.Ms.No.318, Finance & Planning Department , dated 10.11.1980 and orders of Government issue

The reconciliation statements were produced along with annual account during the year. On a verification of the same some defects were noticed as a res

A) The cash books (manual) which were maintained in the municipality (all schemes and funds) were not closed monthly and not even annually under the

B) The relevant register of DD/MO received was also not maintained properly. As such the classification of the receipt could not be known in audit. The re

Para No.24

Code No.18

**DD/CHEQUE REGISTERS NOT MAINTAINED PROPERLY.**

Scrutiny of the -DD/Cheque registers- revealed that the Municipality was receiving DD/Cheques for various purposes such as PT, EMDs, Tender schedules,

Para No. 25

Code No.18

**CASH BOOK AND SUBSIDIARY REGISTERS NOT MAINTAINED PROPERLY - ENTRIES ON THE RECEIPTS SIDE NOT MADE, NOT TOTALLED, NOT BALANCED AND NO**

As per the -Andhra Pradesh Municipal Accounts Manual- the Urban Local bodies should maintain each financial year the -General cash book- in form GEN-1,

showing the balances of all the subsidiary cash books(General Fund Cash Book, DDO Current A/c, Grants cash Book, FDR, Permanent Advances Register etc.,) and

There were no periodical closings under proper attestation. Reconciliation of balances of cash book with those of banks was not made regularly. Erroneou

No pages should be left blank and each page should be serially numbered duly enclosing a certificate to the extent of pages in the cash book. However man

Most of the entries were being made in pencil which was highly irregular.

The details of book adjustments, treasury receipts, the details of MRs were not recorded in cash book.

Para No.26

Code No.18

**INPROPER MAINTENANCE OF ACCOUNTING RECORDS :**

Municipal Council, Mangalagiri had switched over from single entry cash based system to modified accrual based Double Entry Financial Accounting System

During scrutiny of accounting records, the following observations are made.

**1. Non-Maintenance of Cash Books**

According General Accounting procedures of National Municipal Accounts Manual (NMAM), Cash Book shall be maintained as per format specified vide Form more over, the cash books exhibits reliable information in regard to fund balances at every stage. Further, each transaction entered in the Cash Book must invari

Government had not relaxed the Financial code for any department in dispensing with the maintenance of cash books even on computerization of accounts.

**2. Non-Maintenance of Separate accounts for the grants received for specific purpose**

Grants received by the ULB may be of a capital or revenue nature. A capital grant is usually utilized for capital expenditure i.e. creation of a fixed asset wh

Municipal council, Mangalagiri is receiving huge grants towards specific purposes such as Schemes of MMTS, NSDP, SGSRY Funds, etc. As per accounting m: reconcile the expenditure incurred on the purpose, the balances available with the Municipal council, Mangalagiri etc. Similarly, grant Register are also not being

**3. Financial Ratio Analysis**

Financial Ratio Analysis is the indicators of performance of the ULB. From this analysis, the leakage of Revenue / Expenditure can be identified at a proper repayment of loan.

The above observations are only illustrative but not exhaustive. Thus, the requisite records as mentioned in NMAM and as per orders issued by Government

Para Number : 6

STATUS OF OBJECTIONS (Code : 19) Rs : 0

### STATUS OF AUDIT OBJECTIONS:-

1572 no. of objections involving amount of 185383773/-

as detailed below are pending sett

Year	No. of Objection	Amount
Up to 2000-01	767	18077154
2001-02	24	759326
2002-03	5	7284249
2003-04	15	6378162
2004-05	4	0
2005-06	2	0
2006-07	3	12586746
2007-08	21	5154688
2008-09	13	9715215
2009-10	30	6526340
2010-11	36	14551799
2011-12	136	19554854
2012-13	135	16412376
2013-14	118	27971567
2014-15	102	21656593
2015-16	135	18754704
Part - II	26	-
<b>Total</b>	<b>1572</b>	<b>185383773</b>

**DISTRICT AUDIT OFFICER  
STATE AUDIT, GUNTUR.**

Para Number : 7

RECEIPTS & CHARGES (Code : 20) Rs : 0

Annexure I

Sl.No.	Vr.No. & Date	Particulars	Amount	Remarks
1	584/19-1-16	Vehicle hire charges	23563	Not taken
2	629/9-2-16	Service Tax	159430	Not taken
Sl.No.	Challan No. & Date	Receipts Particulars	Amount	Remarks
1	6542/3-7-15	Property tax, Water tax, MRs etc	6031	Not taken
2	6543/3-7-15	-do-	70650	Not taken
3	6541/8-7-15	-do-	345000	Not taken
4	6540/8-7-15	-do-	150000	Not taken
5	6539/8-7-15	-do-	360000	Not taken
6	8781/29-7-15	-do-	500	Not taken
7	8890/30-7-15	-do-	2250	Not taken
8	8779/12-8-15	-do-	2500	Not taken
9	9562/17-8-15	-do-	3000	Not taken
10	9568/17-8-15	-do-	1900	Not taken
11	9569/17-8-15	-do-	2800	Not taken
12	9643/21-8-15	-do-	5486	Not taken
13	9645/21-8-15	-do-	47804	Not taken
14	9642/21-8-15	-do-	3700	Not taken
15	9647/7-9-15	-do-	4500	Not taken
16	9567/7-9-15	-do-	3000	Not taken
17	95466/7-9-15	-do-	3200	Not taken
18	9565/7-9-15	-do-	4100	Not taken
19	9564/7-9-15	-do-	2200	Not taken
20	9563/7-9-15	-do-	4400	Not taken
21	9560/7-9-15	-do-	4400	Not taken
22	9561/7-9-15	-do-	1600	Not taken
23	9570/7-9-15	-do-	4100	Not taken
24	9638/7-9-15	-do-	5500	Not taken
25	9639/7-9-15	-do-	4800	Not taken

26	9640/7-9-15	-do-	4900	Not taken
27	9641/7-9-15	-do-	4500	Not taken
28	10761/15-9-15	-do-	4400	Not taken
29	10762/15-9-15	-do-	6600	Not taken
30	10763/15-9-15	-do-	6031	Not taken
31	10764/15-9-15	-do-	3600	Not taken
32	12264/7-9-15	-do-	800	Not taken
33	10753/15-9-15	-do-	4100	Not taken
34	10758/15-9-15	-do-	4200	Not taken
35	10759/15-9-15	-do-	2800	Not taken
36	10760/15-9-15	-do-	5400	Not taken
37	10757/15-9-15	-do-	1875	Not taken
38	10221/15-9-15	-do-	96030	Not taken
39	10222/15-9-15	-do-	20000	Not taken
40	10226/15-9-15	-do-	6031	Not taken
41	10227/15-9-15	-do-	4500	Not taken
42	10756/15-9-15	-do-	2500	Not taken
43	10754/15-9-15	-do-	6200	Not taken
44	12003/16-9-15	-do-	1808	Not taken
45	12004/16-9-15	-do-	3616	Not taken
46	12002/24-9-15	-do-	16720	Not taken
47	12005/24-9-15	-do-	30375	Not taken
48	13582/30-9-15	-do-	2250	Not taken
49	13587/30-9-15	-do-	8800	Not taken
50	13588/30-9-15	-do-	3700	Not taken
51	13589/30-9-15	-do-	14100	Not taken
52	13578/30-9-15	-do-	48475	Not taken
53	13579/30-9-15	-do-	20000	Not taken
154	13990/13-10-15	-do-	7100	Not taken
55	13989/13-10-15	-do-	5800	Not taken
56	13591/16-10-15	-do-	2700	Not taken
57	13592/16-10-15	-do-	2700	Not taken
58	14833/16-10-15	-do-	6300	Not taken
59	13593/16-10-15	-do-	800	Not taken
60	13599/16-10-15	-do-	800	Not taken
61	13583/16-10-15	-do-	2250	Not taken
62	13594/16-10-15	-do-	5400	Not taken
63	13595/16-10-15	-do-	3600	Not taken
64	13596/16-10-15	-do-	6000	Not taken
65	13597/16-10-15	-do-	4000	Not taken
66	13598/16-10-15	-do-	2600	Not taken
67	13600/16-10-15	-do-	2100	Not taken
68	13601/16-10-15	-do-	3100	Not taken
69	13602/16-10-15	-do-	7600	Not taken
70	13602/16-10-15	-do-	11400	Not taken
71	13604/16-10-15	-do-	1900	Not taken
72	13605/16-10-15	-do-	2800	Not taken
73	13607/16-10-15	-do-	2000	Not taken
74	13741/16-10-15	-do-	4900	Not taken
75	13584/16-10-15	-do-	1625	Not taken
76	13585/16-10-15	-do-	2000	Not taken
77	13586/16-10-15	-do-	12400	Not taken
78	12006/26-10-15	-do-	11050	Not taken
79	15239/29-10-15	-do-	2500	Not taken
80	15238/29-10-15	-do-	9400	Not taken
81	15237/29-10-15	-do-	5900	Not taken
82	15234/3-11-15	-do-	6031	Not taken
83	15235/3-11-15	-do-	6031	Not taken
84	15236/3-11-15	-do-	139940	Not taken
85	15240/3-11-15	-do-	525	Not taken
86	15241/3-11-15	-do-	1650	Not taken
87	15242/3-11-15	-do-	1400	Not taken
88	15243/3-11-15	-do-	1100	Not taken
89	15244/3-11-15	-do-	1550	Not taken
90	15245/3-11-15	-do-	2500	Not taken
91	15246/3-11-15	-do-	2500	Not taken
92	15247/3-11-15	-do-	1650	Not taken
93	15248/3-11-15	-do-	1650	Not taken
94	15249/3-11-15	-do-	1650	Not taken
95	15250/3-11-15	-do-	1650	Not taken
96	15251/3-11-15	-do-	525	Not taken
97	15252/3-11-15	-do-	2500	Not taken
98	15253/3-11-15	-do-	2500	Not taken
99	15254/3-11-15	-do-	22400	Not taken
100	16522/19-11-15	-do-	3173570	Not taken
101	16530/9-11-15	-do-	3500	Not taken

102	16533/9-11-15	-do-	6600	Not taken
103	16534/9-11-15	-do-	2400	Not taken
104	16535/20-11-15	-do-	15900	Not taken
105	16536/20-11-15	-do-	23850	Not taken
106	16537/20-11-15	-do-	46800	Not taken
107	16523/10-12-15	-do-	1550	Not taken
108	16524/10-12-15	-do-	1650	Not taken
109	16525/10-12-15	-do-	1000	Not taken
110	16526/10-12-15	-do-	1400	Not taken
111	16527/10-12-15	-do-	1300	Not taken
112	16528/10-12-15	-do-	1325	Not taken
113	16529/10-12-15	-do-	2500	Not taken
114	16531/10-12-15	-do-	4400	Not taken
115	18805/19-12-15	-do-	636304	Not taken
116	18808/8-12-15	-do-	7390	Not taken
117	19305/18-12-15	-do-	1808	Not taken
118	19306/19-12-15	-do-	4481	Not taken
119	19307/19-12-15	-do-	15200	Not taken
120	19310/19-12-15	-do-	2400	Not taken
121	19311/19-12-15	-do-	2400	Not taken
122	1653212	-do-	739250	Not taken
123	19309/1-1-16	-do-	1650	Not taken
124	18914/1-1-16	-do-	1810	Not taken
125	18914/1-1-16	-do-	5300	Not taken
126	19308/1-1-16	-do-	1300	Not taken
127	23267/2-2-16	-do-	2500	Not taken
128	23269/12-2-16	-do-	4105	Not taken
129	22614/12-2-16	-do-	2300	Not taken
130	23268/12-2-16	-do-	1600636	Not taken
131	22611/12-2-16	-do-	5100	Not taken
132	22612/12-2-16	-do-	4500	Not taken
133	22613/12-2-16	-do-	2300	Not taken
134	22609/15-2-16	-do-	5800	Not taken
135	22607/15-2-16	-do-	10600	Not taken
136	22610/15-2-16	-do-	7600	Not taken
137	22608/15-2-16	-do-	2500	Not taken
138	24603/26-2-16	-do-	290321	Not taken
139	182024/27-3-16	-do-	4200	Not taken
140	775962/8-3-16	-do-	214	Not taken
141	776242/22-3-16	-do-	3574	Not taken
142	605106/30-3-16	-do-	10000	Not taken
143	2671/5-5-15	-do-	631628	Not taken
144	2670/5-5-15	-do-	23336	Not taken
145	2669/5-5-15	-do-	36395	Not taken
146	7364/29-7-15	-do-	9737	Not taken
147	7359/29-7-15	-do-	34285	Not taken
148	8782/12-8-15	-do-	11260	Not taken
149	7368/12-8-15	-do-	2772553	Not taken
150	9428/17-8-15	-do-	3013165	Not taken
151	11998/16-9-15	-do-	56449	Not taken
152	11997/16-9-15	-do-	3498	Not taken
153	11999/24-9-15	-do-	848605	Not taken
154	12967/3-10-15	-do-	10512	Not taken
155	12968/3-10-15	-do-	106065	Not taken
156	18802/19-12-15	-do-	2726038	Not taken
157	20208/1-1-16	-do-	139940	Not taken
158	20638/2-1-16	-do-	15188	Not taken
159	20640/2-1-16	-do-	180303	Not taken
160	20641/14-1-16	-do-	37956	Not taken
161	25618/10-3-16	-do-	14033	Not taken
162	25682/10-3-16	-do-	139940	Not taken
163	25883/10-3-16	-do-	8063	Not taken
164	26392/24-3-16	-do-	1632340	Not taken



S.No.	Form No.	Name of the Register/Statement
1	GEN-9	Receipt Register
2	GEN-10	Statement on status of cheques received
3	GEN-11	Collection Register
4	GEN-12	Summary of daily collection of _____ collection office/collection centre
5	GEN-13	Register of bills for payment for the year
6	GEN-14	Payment Order
7	GEN-15	Cheque Issue Register
8	GEN-16	Register of Advances for the year
9	GEN-17	Register of Permanent Advance
10	GEN-18	Register of Deposits for the year
11	GEN-19	Summary Statement of Deposits adjusted
12	GEN-20	Demand Register of _____ Income for the year
13	GEN-21	Notice/Bill of _____ Income for the period
14	GEN-22	Summary Statement bills raised for the period _____ in respect of
15	GEN-23	Register of Distant Fee, Warrant Fee, Other Fees and penalties charges in respect of
16	GEN-24	Summary Statement of Distant Fee, Warrant Fee, Other Fees and Penalties Charged
17	GEN-25	Register of refunds, remissions & write off for the year in respect of
18	GEN-26	Summary Statement of Refunds and remissions for the period
19	GEN-27	Summary Statement of Write-offs for the period
20	GEN-28	Statement of outstanding liability for expenses as on
21	GEN-29	Document control register/Stock account of receipt/Cheque book
22	GEN-30	Register of Immovable Property
23	GEN -31	Register of Movable Property
24	GEN-32	Register of Land
25	GEN-35	Asset Replacement Register
26	GEN-36	Register of Public Lighting System
27	G-1	Grant Register
28	OTH-1	Summary Statement of Demand Raised on Assessment for the year
29	OTH-2	Summary Statement of year-wise collection of other incomes for the period
30	OTH-3	Summary Statement of Refunds for the period
31	OTH-4	Summary Statement of write offs for the period
32	WS-1	Summary Statement of Demand raised on assessment for the period
33	WS-2	Summary Statement of year-wise and head-wise collection of Water Taxes for the period
34	WS-3	Summary Statement of Refunds/Remissions for the period
35	WS-4	Summary Statement of Write offs for the period
36	ES-1	Consolidated pay bill/summary roll of the permanent/temporary establishment for the month of
37	ES-2	Register of Employee Loans/Advances for the year
38	ES-3	Register of interest of loans to employees for the year
39	ES-4	Unpaid salary for the year
40	ES-5	Register of Pension Payment Order
41	ES-6	Pension Register
42	SF-1	Special Funds Register
43	BR-1	Register of Loans
44	BR-2	Register of Debentures
45	BR-3	Register of Sinking funds
46	IN-1	Investment Ledger/Register
47	IN-2	Calculation Sheet for Provision for Diminution in Value of Investments for the period ending _____
48	ST-1	Material Receipt Note
49	ST-2	Stores Ledger
50	ST-3	Statement of closing stock as on _____
51	ST-4	Statement of material issued to contractors
52	PW-1	Summary Statement of status of capital work-in-progress/Deposit works
53	PW-2	Work Sheet
54	PW-3	Deposit Works Register

<b>55</b>	<b>LA-1</b>	<b>Register of Loans to Others</b>
<b>56</b>	<b>SPL-1</b>	<b>Register of grants to school boards/Other undertakings</b>

S.No.	Vr.No. & Date	Amount	Amount Booked under the Head	Head to be Booked
1	14/22-4-15	24958	Heavy Vehicles	Tractor repair charges
2	49/30-4-15	10000	Allowance	Funeral charges
3	191/27-6-15	83628	Others	Fixing of Mikes
4	212/27-6-15	67848	Repairs	Purchase of spare parts
5	205/27-6-15	23360	CC road	Repairs and Maintenance of pipeline leakage
6	226/18-8-15	3246	Hospitality	Sweeping charges
7	255/18-8-15	1469	Pocket expenses	Permanent advance
8	269/24-8-15	91105	Magazines	Books and forms
9	270/24-8-15	21691	Magazines	Books and forms
10	426/28-10-15	10000	Special allowances	Funeral Charges
11	578/7-1-15	106000	Others	Advance
12	664/22-2-16	620000	Minor drains	CC roads
13	666/2-3-16	190365	Photo copies	Xerox Machine
14	739 to 742/15-3-2016	21300	Advertisement charges	Canvass charges
15	719/21-3-16	84701	Others	Supply of Excavator



**From**  
Sri J.Nagendra Kumar, M.Sc.,  
District Audit Officer,  
State Audit,  
Guntur

**To**  
Commissioner,  
Municipal Council,  
MANGALAGIRI  
Guntur District.

Sir,

I have the honour to invite your attention to Para No. 1.9.11  
of the Audit Report on the accounts of Municipal Council, Mangalagiri Part -II for the year 2015-16 and state that unless the defects pointed out there in are rectif

Yours faithfully,

District Audit Officer,  
State Audit, Guntur

**Enclosures:**

**Extract of the Paras**

Enclosures :-

I. Employee Particulars Report

II. Inventory Report