

**AUDIT REPORT ON THE ACCOUNTS OF THE  
MC MADANAPALLI MUNICIPAL  
COUNCIL, MADANAPALLI MANDAL,  
CHITTOOR DISTRICT FOR THE YEAR 2015-16**

**File Number : SA/CTR/MADANAPALLI/MC(4)/MC  
MADANAPALLI/2015-16**

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

**1. Mr/Mrs MURALI KRISHNA - ASSISTANT  
AUDIT OFFICER**

**Date Of Audit :**

**From 20-06-2016 To 22-04-2017**

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

**1.Mr Sri.B.J.S.P.Raju - Commisioner From  
01-04-2015 To 18-08-2015**

**2.Mrs Sri.G.C.Suseelamma - Commisioner  
From 19-08-2015 To 31-01-2016**

**3.Mr Sri.K.L.Varma (FAC) - Commisioner  
From 04-02-2016 To 31-03-2016**

**GENERAL FUND**

**Para Number : 1**

**NON-COLLECTION OF DUES-INCLUDES CASES  
OF OFFICE MANAGEMENT RESULTING IN  
SHORT REALIZATION OF DUES (Code : 7) Rs :  
5157949**

**Code No.7 6)LABOUR CESS - DEDUCTION UNDER LRS SCHEME  
-1% NOT COLLETED Rs.5,11,112/- During the course of Audit as verified  
from the Building Applications an amount of Rs. 5,11,112 was remitted as  
Labour cess to the Labour Department as per G.O.Ms.No.112 Labour  
employment training & Factories Lab.II Department. Dt:15/12/2009. In  
total paid amount of Rs.5,11,112. 1 % has to be reimbursed to the  
Municipal Funds by the Labour department .But no amount had been  
reimbursed to the Municipal Funds. Further it is treated as loss of revenue  
to the institution . The executive authority should Take immediate and  
necessary action in this regard under intimation to Audit. TPS Section(15-  
16) Code-07 7) Town Planning-Advertisement Tax collection pending -  
Needs action Rs.493719-00 As verifies from the advertisement Tax register  
for the year 2015-16 an amount of Rs.493719-00 is pending collection as on  
31-3-2016. The town planning authorities was instructed to collect the  
pending amounts. Early action would need to be taken to 2collect the  
balance amounts and credited to the Municipal funds and intimated to  
audit for Verifications.(Year wise balances enclosed) Sl.No Year Demand  
Collection Balance Arrear Current Arrear Current Arrear Current 1 2014-  
15 to 2015-16 441900 479694 143000 286965 298990 194729 Total 298990  
194729 The following defects were noticed in audit. 1. D.C.B Register  
abstract did not certified by the competent Authority. 2. The totals of the  
DCB Statements are written with pencil. 3. the totals of the abstract are also**

written with pencil. 4. Arrear year details (i.e., Demand, Collection and Balance) Of Advertisement Tax were not displayed in DCB statements. There fore the Executive Authority is instructed to issue necessary instructions to concerned section authority to write the proper DCB Register and countersigned DCB statements and the same may produce to audit. T.P.Sec Code. No.7 8) NON-COLLECTION OF ADVERTISEMENT TAX ON CABLE T.V. NET WORK As per Memo. No. 581(T.C.I) 2001-2002, Dated: 30/10/2001, the Commissioner of Municipal Corporations/Municipalities were appointed as entertainment tax officers to ensure the process in respect of collection of taxes on entertainment or cable Televisions net work operated by the cable T.V. operators with in their respective jurisdiction under the previous of the Acts and Rules. Sl. No. No. of Connections Category A B C D 1 Up to 250 1000 750 500 250 2 251-500 2000 1500 1000 500 3 501-750 3000 2250 1500 750 4 751-1000 4000 3000 2000 1000 5 1000 above for every 250 4000 +1000 3000+750 2000+500 1000+250 6 Licence fee 5000 3000 2000 500 As per the ordinance 8 of 1997 which may be called the entertainment tax (Amendment) ordinance, 1997 every cable operator shall pay entertainment tax every month for the number of connections given to the subscribers at the rates specified under each category as shown below. Hence action would need to be taken to work out arrears pending from cable T.V. operators to Madanapalli Municipality till to date of tax collections transferred to commercial tax officers, Chittoor District. Rev.Section Code No.7 9) Non Taxes -Arrear Shop Room Rents Pending realization of Rs. 4153118- An amount of Rs. 4153118-00 was pending collection as per shop rooms Arrear Demand Register for the year 2014-15, from 1991-92 to 2013-14. Was not realized vide statement of DCB enclosed. The amount foregone due to non-collection of Shop Rooms etc.amount of Rs.4153118-00 pending realization till the end of financial year 2014-15. The pending collection of shop rooms rents etc. to be collected at an early date under intimation to audit. (Statement Enclosed)

### **Para Number : 2**

### **NON-COLLECTION OF DUES-INCLUDES CASES OF OFFICE MANAGEMENT RESULTING IN SHORT REALIZATION OF DUES (Code : 7) Rs : 1264804**

Rev.Section Code No.7 10) GENERAL SHOPROOMS RENTS NOT REALIZED -Rs. 2,74,704-00 As verified from the general shop room rents leases register an amount of Rs. 274704-00 was not collected towards general Shop Rooms rents for the year 2015-16,vide Statement of DCB enclosed. The amount foregone due to non-collection of Shop Rooms amount of Rs.274704-00 pending realization till the end of financial year 2015-16. Any loss caused due to non collection of shop room rents, would need to be recovered with interest from the person or persons responsible under intimation to audit. (Statement Enclosed) Rev.Section Code No.7 11) IDSMT SHOPROOMS RENTS NOT Collected -Rs. 9,90,100-00 As verified from the IDSMT shop room rents leases register an amount of Rs. 9,90,100-00 was not collected towards IDSMT Shop Rooms rents for the year 2015-16,vide Statement of DCB enclosed. The amount foregone due to non-collection of Shop Rooms amount of Rs. 9,90,100-00 pending realization till the end of financial year 2015-16. Any loss caused due to non collection of shop room rents, would need to be recovered with interest from the person or persons responsible under intimation to audit. (Statement Enclosed) Rev.Section Code No.7 12) MARKET LEASES -DUES NOT REALIZED - NEEDS ACTION. An amount of Rs. 27,32,369.00 was not realized towards market leases during the year under audit as detailed in The amount foregone due to non-collection of Shop Rooms amount of Rs.27,32,369-00 pending realization till the end of financial year 2015-16.The para was already raised in previous audit reports for the year 2013-14 and 2014-15, but no action was taken to collect the arrears from the tenants. Suits are

filed but no follow of action may be taken by the executive authority Any loss caused due to non collection of Market leases would need to be recovered with interest from the person or persons responsible under intimation to audit. (Statement Enclosed)

### Para Number : 3

### ADVANCES PENDING ADJUSTMENT (Code : 8) Rs : 2395985

GENERAL FUND Code No.8 13) ADVANCES - NOT ADJUSTED - NEEDS IMMEDIATE ACTION- Rs.23,95,985-00 During the course of Audit , It is noticed that the following staff sanctioned for Advances are pending Adjustment during the year 2015-16 under report is highly irregular in Audit . In previous Audit Reports also pointed out the same objection but no action will be initiated, It shows the negligence on the part of Executive Authority. Take immediate and necessary action to recover the Advances already given in the previous years under intimation to Audit. Further it is mentioned that there is no financial propriety in sanctioning of huge advances to the executive authority . Any loss sustained in this regard may be treated as serious irregularity . (STATEMENT ENCLOSED)

Advances Pending adjustment for the year 2015-16 S.no Vr.No.& month Particulars Amount  
 1 303/6-8-2015 Amount payable to Sri.G.Nagaraju LS Towards purchase of A/c-s LED Tv and Fridge to Chairperson chamber 200000  
 2 304/6-8-2015 Amount payable to Sri.G.Nagaraju LS Towards purchase of furniture to chairperson chamber 200000  
 3 305/6-8-2015 Amount payable to Sri.G.Nagaraju LS Towards fixing of CC cameras in all ELSRS and sumps for monitoring to water supply tankers 250000  
 4 306/6-8-2015 Amount payable to Sri.G.Nagaraju LS Towards purchase of Safety Equipment like glouses boots tools and equipment 100000  
 5 307/6-8-2015 Amount payable to Sri.G.Nagaraju LS Towards purchase of cellphone tabs for IHTL 100000  
 100000  
 6 311/6-8-2015 Amount payable to Sri.T.Rangachari Fitter Towards purchase of fencing to weekly market 7 312/6-8-15 Amount payable to Sri.T.Rangachari Fitter Towards purchase of fencing of GLSR 100000  
 8 313/6-8-15 Amount payable to Sri.T.Rangachari Fitter Towards purchase of chlorine water TDS Meter Etc testing equipment 100000  
 9 314/6-8-15 Amount payable to Sri.T.Rangachari Fitter Towards purchase of Supply of bleaching powder for cleaning ELSRS sumps 100000  
 10 315/6-8-15 Amount payable to Sri.T.Rangachari Fitter Towards purchase of distribution pipeline to gothami nagar sump 300000  
 11 316/6-8-15 Amount payable to Sri.T.Rangachari Fitter Towards purchase of Ramp at ramnagar park ELSR for transport water to sump 150000  
 12 205/10-6-15 Amount payable to Sri.A.Vamsi TPBO Towards payment of townplanning section building penalization scheme 2015 200000  
 13 142/1-6-15 Amount payable to G.Nagaraju LS towards payment of janmabhoomi maa voori programme 200000  
 14 148/2-6-15 Amount payable to Sri.G.Nagaraju Ls Towards repairs of central lighting at gollapalle road ,Bangalore road , ntr circle 200000  
 15 149/2-6-15 Amount payable to Sri.G.Nagaraju Ls Towards Street lighting 200000  
 16 150/2-6-15 Amount payable to Sri.G.Nagaraju Ls Towards S.V.Lamps in the Town 200000  
 17 262/10-7-2015 Amount payable to Sri.G.Nagaraju Ls Towards purchase of 10 No-s system and 12 No-s canon printers 293985  
 18 332/27-8-15 Amount payable to Sri.V.Nagaraju Driver Towards repairs of water tankers 72000  
 19 333/31-08-2015 Amount payable to Sri.A.Vamsi TPBO towards BPS implementation purpose 280000  
 TOTAL 2395985

### Para Number : 4

### VIOLATION OF RULES (Code : 9) Rs : 13802269

P ( code :9 [19])

Rev. Section Code No. 9 14) PROPERTY TAX & WATER TAX - ARREAR DEMAND REGISTER & CURRENT DEMAND REGISTER

**NOT WRITTEN UP - ADMINISTRATIVE FAILURE - NEEDS IMMEDIATE ENQUIRY** As seen from the Chitta Registers for the year 2015-16 pertaining to property tax of Madanapalli Municipal Council an amount of Rs. 5,71,92,223 was remitted but the Actual collection during the year not known due to Non- Maintenance of DCB. Whether collected amount as property tax either it is current or Arrear collection not known because the Arrear Demand Register up to 2014-15 and Current Demand Register during the year not written up and submitted to Audit by the Executive Authority . The property tax and Water tax which years are pending collection could not be authenticated in audit. In the absence of the arrear demand register and current demand register of property tax and Water Tax, the correctness of the demand, collection and balances of property tax and water tax could not Known and verified in audit. During the course of Audit,it is observed that Arrear Demand Register towards Property tax and Water tax not verified in Audit because the same registers not written up manually or computerized by the Executive Authority . The Demand Collection and Balance statements also not prepared and produced to Audit . Further Half Margin letters were issued to Commissioner but no reply received from the Executive Authority it clearly shows the negligence and administrative failure . If any miss-appropriation in this matter treated as serious irregularity and recover the same from the person or persons responsible under intimation to Audit. P.H Sec. (Code No.9) 15) D&O Traders - MONTHLY LISTS NOT PRODUCED AND COUNTER CHECK NOT DONE The Monthly lists furnished in prescribed form by the Sanitary Inspector of their Divisions for the year 2015-16 were not produced to check whether all new licenses were added to the existing Demand. A very few cases of new licences were taken to demand at the end of the year. There was no other recorded evidence to the effect that the monthly list or by the commissioner as Instructed in G.O.Ms. No. 250 MA dated. 28-03-1972 . Any loss sustained due to the above omission to collect licenses fee without the Monthly lists being approved by the commissioner assessed and recovered from the person(or) persons responsible. PH.Section Code No.9 16) E.S.I , E.P.F AMOUNT -DELAY REMITTANCE In the PH section as verified from the records ,it is noticed that ESI, EPf amount of PH workers the amounts deducted from pay bills and is not remitted from time to time .The same amount is delay remitted for a long period .Hence it shows the violation of rules and further action should need to be taken . The reasons for delay was not explained in Audit. PH Sec. Code.No.9 17)License fee not collected from Cinema Theatre and Cable T.V. Operators - Loss of Revenue. As verified from the license fee Demand Register it was noticed that the license fee not levied on Cinema Theatres, stalls and Cable T.V. operators there are 8 cinema theatres in ,Madanapalle Municipality. List of theatres given below. 1.Sri Krishna Theatre 2.Sidhartha Theatre 3.Mini Sidhartha Theatre 4.Sunil Theater 5.Sai Chithra Theatre 6.Ravi Theatre 7.ASR Theatre 8.MSR Theatre And Madanapalli town cabel T.V Operators Ph. Sec. Code.No.9 18)Purchase of Thymopasail with out calling for tenders Rs.302555/- In the course of audit it was observed while verified the following vouchers for the year 2015-16 that an amount of Rs. 1,89,000/- was incurred towards purchase of thymopasail without calling for tenders for a huge amount. It was further assured that the lacking of for view by the executive authorities that stock of the material on hand and time consumed for tender process. Hence action would need to be taken to avoid such irregular process and be planned in advance to avoid material procurement other than tender process. Sl.No Vr.No&Date Particulars Amount 1 313&13-8-15 Vasavi enterprises and suppliers,Thadapathri 1,51,099-00 2 335&13-8-15 Vasavi enterprises and suppliers,Thadapathri 1,51,456-00 302557-00 T.P.Sec Code No.9 19)ADVERTISEMENT CHARGES NOT FIXED - DURING THE YEAR - LOSS-NEEDS TO BE WORKED OUT AND RECOVERED FROM THE PERSONS RESPONSIBLE The demand under Advertisement charges levied under sections 114 & 119 of A.P.M. Act, 1965, 1965 was not fixed during the year

and produced for audit vide Government in G.O.Ms.No.266 M.A., dated: 5-5-2000 have added Rule7 (B) to the A.P. Municipalities (Advertisement Tax) Rules, 1967 permitting the Municipalities to levy advertisement tax on Electronic Media including cable T.V. on a Various basis at10% on the rates charged by the advertises. But the details of advertisement tax levied on cable T.Vs which is a major part of income of advertisement tax were not made available for verification in audit to assess the loss sustained to the Municipal Funds. The loss sustained would need to be worked out and taking all the sources of income into consideration pertaining to levy of Advertisement tax. The loss sustained to the Municipal funds under advertisement taxes basing on all the sources of levy of advertisement taxed would need to be worked out good from the person(s) responsible by enforcing the posers vested under section-56 of the Municipalities Act, 1965 and loss made good from the concerned. T.P.Sec (15-16) Code.No.9

20)Town Planning - Betterment charges not collected Loss-Needs recovery Rs.10335-00. As verified from the following approval of building applications and the calculation sheet for the year 2015-16. Betterment charges were not collected in total Sqmts., under the scheme of L.R.S., as per Gazettee Notification on 135/2006 Dt.12-10-2006. Therefore the loss of Rs.10335-00 caused due to non-collection of Betterment charges. Early action would need to be taken to recover the loss caused to the Municipal funds. From the person or persons responsible and fact intimated to the audit for verification. Annexure Sl.No B.A.No.& Date Applicant Name & Details Total Sq.m Percentage Amount to be collected 1 174/2015 Sri K.Dayanda,S/O K.Kadirappa,Marpuri street,Madanapalli 137.80 75 10355-00 Total 10355-00 TP section (15-16) Code-9 21) Town planning section - Rs.5/-conversion fee not collected on document value - loss Need Recovery of Rs.689-00. As verified from the following approved building applications and the calculation sheets for the year 2015-16. It is observed the calculation sheet, An amount of Rs.5/- has to be collect on document value under the scheme of L.R.S.as per Gazettee Notification on 135/2006 Dt.12.10.2006. But some of the applications conversion fee was not collected which are the listed hereunder. Therefore the loss of Rs.689-00 caused due to irregularity. Early action would need to be taken recover the loss caused to the Municipal funds the person or persons responsible and intimated to audit for verification. Annexure Sl.No B.A.No.& Date Applicant Name & Details Details of Calculations Site Value Percentage Amount to be remitted Rs. 1 174/2015 Sri K.Dayanda,S/O K.Kadirappa,Marpuri street,Madanapalli 137.80 5 689 TOTAL 689 TP section (15-16) Code-9 22) Town planning section - 14% of the document Value not collected - loss Need Recovery of Rs. 124690-00. As verified from the following approved building applications and the calculation sheets for the year 15-16. It is observed that 14% of the document value was not collected under the scheme of L.R.S.as per Gazettee Notification on 135/2006,Dt.12.10.2006.GOMs.No.589/31.12.2011 w.e.f31.12.11. . Therefore the loss of Rs. 124690-00 caused due to irregularity. Early action would need to be taken recover the loss caused to the Municipal funds the person or persons responsible and intimate to audit for verification. Annexure Sl.No B.A.No.& Date Applicant Name & Details Details of Calculations Site value Percentage Amount to be remitted 1 174/2015 Sri K.Dayanda,S/O K.Kadirappa,Marpuri street,Madanapalli 890641 14% 124690 TOTAL 124690 TP Sections (14-15) CODE -09 23)\_ Town Planning -Cell Phone Towers- Annual Renewal pending collections -Needs action Rs.5,80,000-00. As verified from the Cell Towers files for the year 2015-16 an amount of Rs.5,80,000-00 is pending collection as on 31-3-2016. The town planning authorities was instructed to collect the pending amounts. Early action would need to be taken to collect the balance amounts and credited to the Municipal funds and intimate to audit for verification. (Arrear and current balances enclosed) Statement showing the Arrear and Current Balances of Cell Tower Renewal Fee Sl.no Name of the company No.of towers 2012-13 2013-14 2014-15 2015-16 Demand Collection Balance Demand Collection

Balance Demand Collection Balance Demand Collection Balance 1 INDUS TOWER 15 75000 0 75000 75000 75000 0 75000 75000 0 75000 0 75000 2 BSNL 10 50000 0 50000 50000 0 50000 50000 0 50000 50000 0 50000 3 RELIANCE 4 20000 .0 20000 20000 0 20000 20000 0 20000 20000 .0 20000 4 TATA 5 25000 0 25000 25000 0 25000 25000 0 25000 25000 0 25000 5 GTL RELIANCE 2 10000 0 10000 10000 0 10000 10000 0 10000 10000 0 10000 6 ATC 2 10000 10000 0 10000 10000 0 10000 10000 0 10000 10000 6 Reliance Jio 5 ----- 60000 60000 0 TOTAL 38 190000 10000 180000 190000 85000 105000 190000 75000 115000 180000 ENG.SEC CODE.NO.9 24) WATER TRANSPORTATION - FILLING OF WATER POINTS NOT MENTIONED -AE CERTIFICATION NOT DONE -NEEDS ENQUIRY During the course of Audit an amount of Rs.2,45,000 in Vr.No.431 Dated.15-11-2015 Was drawn and spent towards water transportation in Annagutta Sump .It is observed that during the water transportation as verified from the Trip sheets the filling points from the place where it is filling not mentioned and the distance for filling the water were also not noted in the tripsheets .The verified officer also not certified the Tripsheets . Further in Audit Observations it is observed that in Vr.No. 431/Dt.15-11-2015 same as mentioned above that the Driver Bhanu who transported water at annagutta sump with Two vehicles frequently twice used by the same Driver at the short timing as listed below .Audit could not conclude the correctness of this payment .It clearly shows the violation of the executive authority by not certifying the tripsheets and the same is held under objection. Any loss in this regard treated as serious in nature and recover from the person or persons responsible under intimation to Audit . LIST ENCLOSED List of water transportation done by the same driver with different tractor SL.No TRACTOR NUMBER TIMING OF WATER DISTRIBUTION DRIVER NAME 1 AP03 TA 7843 05:50 AM to 6:00 AM BHANU 2 AP03 BJ 6070 06:15 AM to 06:25 AM BHANU 3 AP03 TA 7843 06:42 AM to 06:50AM BHANU 4 AP03 BJ 6070 07:10 AM to 07:20 AM BHANU ENG.SEC CODE.NO.9 25) WATER TRANSPORTATION - MONTHLY ABSTRACT OF THE CLAIM NOT ENCLOSED - VERIFIED OFFICER NOT CERIFIED Rs.1,27,84,000 During the course of Audit an amount of Rs.1,27,84,000 Was drawn and spent towards water transportation in various Sumps .It is observed that during the water transportation as verified from the Trip sheets the filling points from the place where it is filling not mentioned and the distance for filling the water were also not noted in the tripsheets . Monthly abstract also not enclosed to the tripsheets , in absence of the same audit could not know whether the water transportation done through GPS system or manually by the executive authority .In tripsheets the verified officer have to certified the claim but no certification had been done by the executive authority and the same is held under objection any loss in this regard should be treated as serious in nature and recover the same from the person or persons responsible under intimation to Audit .

### **Para Number : 5**

### **NON-REMITTANCE OF DEDUCTIONS/RECOVERIES FROM WORK BILLS/PAY BILLS/CONTIGENT BILLS ETC. (Code : 10) Rs : 817213**

### **DEDUCTION / RECOVERIES OF INCOME TAX NOT REMITTED OR PARTLY REMITTED ( code :10 [2])**

Rev.Section Code No.10 26) LIBRARY CESS-SHORT REMITTANCE Rs.7,41,039-00. As verified DCB statements for the year 2015-16 an amount Of Rs.5,71,92,223-00 was collected both arrear and current towards property tax. An this amount library cess at 8% calculated of Rs.45,75,378- to be paid as library cess but Rs. 38,34,339-00 was only paid. Short

remittance of Rs. 7,41,039-00 needs to be remitted to ZGS Chittoor at an early date and produce challan particulars to audit. For the total amount of Rs.38,34,339 -00 remitted challan not produced to Audit . P.H.Sec Code.No.10 27)IT not deducted from Ph employees salary bill -Not remitted Rs.76174/- As verified from the vouchers of salary to ph contract works the IT deductions not deducted and remitted to the IT department .Details of Vouchers and cheques are detailed below .Hence the expenditure could not be admitted and the same is held under objection. Statement enclosed Statement showing the voucher-s of stationary and IT remittance-s not remitted Sl.no Vr.no Date &Ch.No. Month ITRemittance Amount 1 50/25-5-15 4/15 25322/- 2 81/2-6-15 5/15 25250/- 3 203/10-7-15 6/15 25602/- -----  
- Total 76174 -----

### Para Number : 6

### NON-PRODUCTION OF RECORDS (Code : 11) Rs : 933800

P.H.Sec Code 11 28) PUBLIC HEALTH -D&O TRADERS-DELETIONS LIST NOT PRODUCED TO AUDIT-NEEDS ACTION. As verified the D&O Trade license fees register, division wise during the year 2015-16 many new licenses were sanctioned. But the details as to how many licenses were renewed and how may licenses were cancelled, were not produced to audit for verification. The deletions list duly enclosing the stoppage letters from the traders along with council resolution were not produced for verification . it would need to be produced early. In the absence of the deleted list, loss if any caused in this regard would need to be made good from the person or persons responsible. Code 11 PH section 29) MAINTANCE OF VEHICLE REGISTER NOT PRODUCED -LOG BOOK DEFECTS - NEDDS ACTION. The following are important registers to be checked in audit of bills relating to maintenance of vehicles 1.Log books (with defects produced ) 2.Registers of fuels . 3.Register inventory or equipment 4.Hire vehicle charges payment registers 5.Registers of old spear parts collected after replacement 6.Registers accidents. Log books of vehicles produced in audit for verification but the following defects were pointed out and procedure was not followed. 1. That al the entrees in the relevant columns in the log books are not made. 2. That there no entrees in log books are noted by the officer used the vehicle in their own hand writing the mileage at the start and at the completion of their trips after verifying kilometers. 3. That the quantity of diesel /petrol purchased has been entered in the log book of the respective vehicle. 4. That the hire charges collector as per hire charges payment register have been entered in the concerned log books. 5. That the log book is scrutiny personally by the authority concerned once in a month and this signature appended there in 6. That sufficient particulars are not recorded regarding movement and purpose to indicate the journeys are on official 7. That the log book in respect of each vehicles is not closed at the end of the month and summary prepared in the log book showing details of duty and non0 duty journey per formal during the month in the prescribed proforma. P.H.Sec Code-11 30) Voucher not produced -needs action Rs.179488- An aggregate amount of Rs.179488-00 was drawn in voucher mentioned in the list enclosed and spent for ph contact employes salary. But the connected voucher-s were not produced to audit to verify the correctness of the expenditure incurred for said purpose. Tough the half margin letter issued to executive authority concerned for production of above said vouchers the executive authority has failed for production of above said vouchers. As such the entire expenditure incurred for said purpose is not admitted in audit and is held under objection. List Enclosed Non Productions Of Vouchers 2015-16 S.No Vr.No &Month Particulars Amount 1 1870/30-3-16 Ph employes 7/15 salary 179488 P.H.Sec CODE-11 31)PAYMENT OF WAGES TO CONTRACT LABOURS WORKING IN MUNICIPALITY. SANCTION ORDERS OF D.M.A, A.P., AMARAVATHI NOT PRODUCED -PAYMENT MADE IS HELD

**UNDER OBJECTION** During the course of audit it was noticed that the contract labours were engaged in Ph sections of the municipality to discharge their entrusted duties in the concerned section. But sanction orders for payment of wages to daily waged contract laborers were not obtained from the D.M.A., A.P.Amaravathi and produced for verification in audit. The council resolutions for engaging the contract laborers in Ph sections for the various purposes of works were also not made available for verification in audit. The movement Registers pertaining to daily waged contract laborers section wise were also not made available for verification in audit. In absence of above all relevant records the rationality of work extracted with reference to the wages they were paid would need to be certified in audit the rates of wages they are sided could also be not verified in audit in absence of the relevant authority. P.H.Sec Code No.11 32) REGISTER DRAWING THE REPAIRS, REPLACEMENTS, SPARE PARTS ETC not produced Due to non-production of this registers, it could not be verified in audit whether the following prescribed procedure was followed. a) that the voucher No. and date and nature of repairs etc. together with amount are noted in the appropriate columns of the register. b) That in the case of replacement etc. the old parts were disposed off in public auction noted and the sale proceeds credited to municipal funds c) That in case of purchase of spare parts, the rules relating to the invitation and disposal of tenders have been observed. P.H.Sec CODE-11 33) License fee under D&O Traders ,DCB,ADR and list of Traders etc. not produced. D.C.B Register with arrear demand register of License fee made D&O Traders with list of new traders opened during the year and closed during the year were not produced. As seen from the annual account during the year under report an amount of Rs. 18,77,975-00 was collected. In the absence of the above records the correctness of the amount collected and balance arrived could not be certified in audit. They would need to be produced any loss caused in this regard to the recovered from the persons and remit to Municipal funds. CODE.NO.11 34) REGISTER SHOWING THE COST OF PETROL, OIL, ETC., not produced Due to non-production of this register, it could not be verified in audit whether the following prescribed procedure was followed or not. a) That the details of expenditure incurred towards cost of petrol etc. have been entered with reference to the voucher No. and date and the amount covered for the same. b) That the consumption of the petrol, oil etc. date wise has been entered therein. c) That in respect of the contingent bills for the supply of petrol/diesel oil, the following certificate have been recorded by the concerned authority on the bills. Certified that quantities purchased have been entered in the log book of the respective vehicle. Certified that necessary recoveries under rules have been made from the parties concerned using the vehicles for non-duty journeys and the amounts credited to the institution. d) That the mileage run by the vehicle during a particular period as per log book is in accordance with the issues of petrol and oil shown in this register. e) That the propulsion charges or cost of fuel etc., received if any from the persons who used the vehicle on non-duty have been entered in this register and a receipt to that effect has been issued to the parties. f) That the register is periodically checked by the concerned authority and a certificate to that effect has been recorded. P.H.Sec Code 11 35) UNIFORMS TO PH WORKERS STOCK REGISTERS NOT PRODUCED Rs.3,87,674- During the course of audit it was noticed that the contract laborers Uniform disbursed stock registers were not produced for verification in audit in absence of these registers the opening balance of the uniforms made during the year, utilized, issued balance could not be verified in audit. As per the rules, the stock register should be maintained with details of opening balance of purchase of uniforms, issued, utilized balance should be maintained. In absence of these registers, the stock opening balance, received, utilized, necessity of purchases, utilization balance could not be certified in audit. If any losses sustained due to any irregularities noticed later, the same would need to be made good from the person (3) responsible. P.H.Sec Code 11 36) SOAPS, OILS, OTHER ITEMS TO PH WORKERS



**STOCK REGISTERS NOT PRODUCED Rs.3,66,638-00** During the course of audit an amount of Rs. 3,66,638 was drawn and spent towards the purchase of soaps ,oil and other items and paid to PH workers .For the sum amount the stock registers were not produced for verification in audit in absence of these registers the opening balance of the stock made during the year, utilized, issued balance could not be verified in audit. As per the rules, the stock register should be maintained with details of opening balance of purchase of soaps, oils, issued, utilized balance should be maintained. In absence of these registers, the stock opening balance, received, utilized, necessity of purchases, utilization balance could not be certified in audit. If any losses sustained due to any irregularities noticed later, the same would need to be made good from the person (3) responsible. P.H.Sec Code No.11 37) **D & O - TRADES LICENSE FEES UNDER D&O TRADES RATES NOT REVISED.** The rates of license fees under D & O Trades shall have to be revised once in 3 years so that the collections under license fees are compulsory to commensurate with the increase in expenditure involved in issue of licenses and supervising the trades. A notification for giving license fees was issued in 1986 w.e.f. 01-11-1986. Since then rates were not revised and though a decade passed as per the information made available to audit. The same would need to be got revised and fact reported to audit immediately. Code No.11 P.H.Sec 38) **D&O TRADE LICENCE FEE-MONTHLY LISTS FROM OUT DOOR STAFF-NOT OBTAINED-OTHER DEFECTS** The monthly lists of D&O trades license fees additions and deletions if any for the year 2015-2016 from the outdoor staff were not obtained and produced for verification in audit. In the absence of the same, the correctness of the license fees demand arrived could not be verified in audit. The loss if any sustained in this regard would need to be made good from the person or persons responsible and credited to Municipal funds. The monthly lists from the out-door staff would need to be obtained and produced early to audit. T.P.Sec Code:11 39) **ADVERTISEMENTS TAX-TEMPORARY STRUCTURES, PERMANENT STRUCTURES HOARDINGS- DEMAND, CORRECTION, BALANCE REGISTER ALONG WITH CONNECTED NOT PRODUCED.** The municipality should prepare the demand register for advertisement tax on temporary structure, hoardings, slides in cinema theatres maintained as on first april and further demand should be fixed for the above items by way of monthly lists of concerned field staff and fix the tax as per notification and correct the tax. The afore said registers along with the connected files were not made available for verification in absence of these records the collections shown could not be verified and certified in audit could also be not verification audit whether the prescribed procedure was followed or not. 1) That the rates of very shall be in accordance with the rates specified. 2) That the collection of tax on advertisements may be leased out for a period not exceeding on year on the terms and conditions fixed by the council (Section 119 of the Act). 3) That the tax is collected at 1/12th of every month and if any advertisement is erected for less than a month, full month rates was collected (Rule:7) since the rate of the tax is an annual basis. 4) That the advertisements were approved by the commissioner and whether erected after approval (Rule 4). 5) That in addition to this tax, fees or rent for using the land of the municipality was charged (Rule 6). 6) Whether if any person failed to pay the tax, the advertisement was removed and the charges there of are recovered from him/her (Rule 9). 7) That the rates of very shall be in accordance with the rates specified. 8) That the collection of tax on advertisements may be leased out for a period not exceeding on year on the terms and conditions fixed by the council (Section 119 of the Act). 9) That the tax is collected at 1/12th of every month and if any advertisement is erected for less than a month, full month rates was collected (Rule:7) since the rate of the tax is an annual basis. 10) That the advertisements were approved by the commissioner and whether erected after approval (Rule 4). 11) That in addition to this tax, fees or rent for using the land of the municipality was charged (Rule 6). 12) Whether if any person failed to pay

the tax, the advertisement was removed and the charges there of are recovered from him/her (Rule 9). Due to non-production of the relevant files and records 9 it could not be verified in audit whether the procedure prescribed in this regard as above was followed or not. If any financial irregularities are notice later in this regard the loss sustained to the municipal funds would need to be made good from the person (s) responsible. The executive authority is requested to follow the procedure prescribed as per the Act in this regard.

### **Para Number : 7**

### **VIOLATION OF RULES (Code : 9) Rs : 3308699**

#### **P ( code :9 [19])**

**T.P.Sec Code No.09 40) ADVERTISEMENT TAX - ADVERTISEMENT TAX ON CABLE T.V. OPERATORS - DEMAND NOT ARRIVED - LOSS OF REVENUE TO THE MUNICIPAL CORPORATION.** As per G.O. Ms. No. 266. M.A., Department, dated: 05-05-2000, Advertisement tax has to be levied @ 10% of the fees collected by cable T.V. operators from the persons for which Advertisements were casted in the cable T.V. The corporation authorities have to obtain monthly statements from the cable T.V. operators regarding the amount of fees collected by the operators for broadcasting advertisements in their cable T.V., and advertisement tax has to be fixed at 10% on that amount. But, during the year 2015-16, it was observed that the corporation authorities have not followed the above procedure and demand not arrived at under the head of advertisement tax on cable T.V. operations resulting in loss of revenue. Therefore, action would need to be taken to fix the demand as per rules and collect the same and loss, if any, sustained would need to be made good from the person or persons responsible and credited to General funds under intimation to audit.

**T.P.Sec Code No.09 41) ENCROACHMENT - CLASSIFICATION NOT DONE.** The list of encroachments in the municipal area was not got prepared by the Municipal Surveyor / Building Inspector and verified by the commissioner. The encroachments were not got classified as objectionable or non-objectionable by the Municipal Commissioner and got approved by the municipal Council and the District Collector. All the objectionable encroachments should be removed and the un-objectionable encroachments licensed under section 193 of the Act duly collecting the required fee, which should be treated as encroachment fee demand. As seen from the records of the Municipal Corporation the demand of encroachment fee has not been fixed. In the absence of proper demand having been fixed with reference to the encroachments lists the correctness of the collection made and balance left cannot be ascertained in audit.

**T.P.Sec Code No.09 42) BUILDING APPLICATIONS - DETAILS OF APPLICATIONS RECEIVED, APPROVED AND REJECTED - NOT POINTED OUT - OTHER DEFECTS - NEEDS RECTIFICATION.** During the course verification of Building Applications etc., it is noticed that the register containing details of Building Applications received, approved and rejected was not written up properly. The following defects have been noticed during the course of audit. The number of Building Applications received, approved and rejected have not been produced to audit. The files connecting to rejection of Building Applications have not been produced for verification in the absence of same the reasons for rejection for the application could not be verified. Further, it is not forthcoming audit whether the rejected applications have resubmitted for approval or not. If, they were resubmitted the details of approval of the applications along with fee collected details etc., not made available in audit. The Building Applications register has not been certified by the Commissioner which is not in order. It is observed in audit that the stage of construction of approved buildings i.e., whether the buildings were constructed within the stipulated time after approval is given etc., is not being watched by the authorities. No fees for late construction have been credited to the Municipal

**Funds. Hence, it is brought to the notice of the authorities concerned for taking necessary action in the matter. Further, no mechanism is available in the council whether the Buildings for the approved applications have brought in to demand of property tax. In the absence of the same the council is forgoing a considerable amount of revenue which causes loss to the institution. Hence, it is brought to the notice of the authorities concerned. Effective steps would need to be taken for rectification of the defects noticed above. The loss if any sustained in this regard would need to be worked out and made good from the person or persons responsible and credit to the council Funds under intimation to this Department without fail. T.P.Sec Code No.09 43) LAYOUTS - LAYOUTS FEES COLLECTED - CERTAIN DEFECTS - NEEDS RECTIFICATION. During the course of audit on the accounts of Madanpalli Municipal council for the year 2015-16, it is noticed from the records of the council that no layout fees has been collected during the year under audit. It is not forthcoming in audit whether any application for approval of layout has been received in the council and the stage of the application etc., was not been pointed out in audit. Further, register containing details of layout applications received, approved and rejected has not been provided to audit. In the absence of the same the correctness of layouts couldn-t be verified in audit. Hence, it is brought to the notice of the authorities concerned. Effective steps would need to be taken for rectification of the defects noticed above. The loss if any sustained in this regard would need to be worked out and made good from the person or persons responsible and credit to the council Funds under intimation to this Department without fail. T.P.Sec Code No.09 44) ENCROACHMENTS PERMANENT - ENCROACHMENTS REGISTER NOT PRODUCED During the Course of Audit it is verified that the permanent encroachment register for the year 2015-16 was not produced for verification in audit. In the absence of the same the correctness could not be verified in audit. Any loss caused due to non production of encroachments register would need to be made good from the person or persons responsible. T.P.Sec Code No.09 44) BUILDING - UNAUTHORIZED CONSTRUCTIONS REGISTER NOT MAINTAINED - NEEDS EARLY ACTION : During course of audit, it was observed that the un-authorized building constructions register showing the No. of un-authorized constructions made in this Municipality Area, location particulars etc., were not maintained and produced to audit for verification. As per rules the outdoor staff should verify the un-authorized building constructions ward wise and submit the lists for the regularization by imposing penalties as fixed by the Government from time to time. The above procedure was not followed by the outdoor staff due to lack of supervision of superiors which is highly irregular. Early action would need to be taken to point out un-authorized building constructions during local verification. Such un-authorized constructions should be entered in the watch register and settle the same by imposing fines as fixed by the Government from time to time. T.P.Sec Code No.09 45) RAIN WATER HARVESTING SCHEME - CONSTRUCTIONS FROM BUILDING APPLICATIONS NOT COLLECTED - IRREGULAR As per instructions issued in G.O.M.S.No. 112M.A,Dt.31.01.2008. The Municipal Authorities should collect Rs. 15 per Square Meter with a slab 100SQM .But as verified from the Building Applications it is noticed that up to 200 Square Meters per SQM 15 not collected , only above 200 SQM the executive authority imposed the Rain water harvesting fee from the Building applicants. It clearly shows the violation and negligence in collection of Rain Water Harvesting fee from the applicants. It clearly states that loss to the institution by the Executive Authority , further action would need to be taken to collect the Fee from the building applicants under intimation to Audit . Code No.09 T.P.Sec 46) ADVERTISEMENT CHARGES NOT FIXED - LOSS - NEEDS TO BE WORKED OUT AND RECOVERED : The demand under Advertisement charges levied under sections 114 & 119 of A.P.M. Act, 1965 was not fixed during the year and produced for audit vide Government in G.O.M.S. No. 266 M.A., Dated : 05-05-2000 have added**

**Rule 7(B) to the A.P. Municipalities (Advertisement Tax) Rules, 1967** permitting the Municipalities to levy advertisement tax on Electronic Media including cable T.V. on ad valorem basis at 10% on the rates charged by the advertisement media. But the details of advertisement tax levied on cable T.V.s which is a major part of income of advertisement tax were not made available for verification in audit to assess the loss sustained to the Municipal Funds. The loss sustained would need to be worked out taking all the sources of income into consideration pertaining to levy of advertisement tax and made good from the person(s) responsible by enforcing the powers vested under section - 56 of the Municipalities Act, 1965. T.P.Sec Code No.09 47) REGISTER OF LICENSES ISSUED FOR THE CONSTRUCTIONS OR RECONSTRUCTIONS OF BUILDING - NOT MAINTAINED PROPERLY : As seen from the Building Licenses Register, the following defects were noticed during audit. The completion report was not furnished to revenue section to verify whether the buildings were assessed to house in the respective half year. If the building have not been constructed or reconstructed with the time fixed in the licenses, the stage of which the matter stand was not noted in the building application register. In the absence of the same it could not be verified in audit. Whether the building which have been occupied during the year 2015-16 have been assessed to property tax or not. The completion of reports would need to be furnished for audit duly rectifying the other defects otherwise the loss if any caused to the funds constructions in this regard would need to be recovered from the person or persons responsible. Code.no 9 ENG-SEC 48) WORKS - BOREWELL REGISTER NOT MAINTAINED -PHOTO EVIDENCES NOT ENCLOSED As verified from the cashbook of General Fund , New PD ,TFC and FFC various works had been done by the Executive Authority . The works like New Bore well and Motor repairs for this purpose the executive authority have to enclose the photo evidences to the connected file before and after the work ,no such photo evidences are not enclosed in this regard . Bore well register also not maintained , in the absence of the bore well register Audit could not conclude how many bores are there and how many new bores are constructed during the year. Therefore Audit would not able to find the genuineness of the works .It clearly shows the negligence towards the duties by the Executive Authority. it is the responsibility of the Executive Authority for the proper maintenance of records as above mentioned . Further said that Any loss in this regard may be treated as serious in nature under intimation to Audit ENG-SEC CODE-NO.09 49) WORKS - NON AGREEMENT QUANTITY ,RATES RECORDED AND EXECUTED DURING THE WORK -NEEDS TO BE RECOVERED RS. 360101.48 During the course of Audit as verified from the measurement books it is noticed that the quantity that are proposed by the executive authority in the agreement are fully violated and used non agreement quantities and rates .While executing the work the non-agreement items ,quantity and rates are executed during the work by the executive authority . It shows the clear violation and negligence towards the duties and it-s a clear loss to the institution. Further action is need to be taken on the person or persons responsible and recover from them under intimation to audit .

List enclosed STATEMENT OF NON AGREEMENT QUANTITY AND RATES EXECUTED DURING THE WORK SL.No. VR.No.DATE NAME OF THE WORK NAME OF THE ITEM USED IN WORK QUANTITY \*RATE AMOUNT

1	70/14-9-15	CONSTRUCTION OF 300 MM -CC Drain at Gowthami Nagar Cheekaligutta Supply and fixing of steel and its fabrication charges including C/C of all materials and all labour charges etc	229.62*57.50
2	70/14-9-15	CONSTRUCTION OF 300 MM CC Drain at Gowthami Nagar Cheekaligutta Rcc 1:2:4 mix using 20 MM Crushed metal excluding cost of steel including cost of all materials all labour charges Etc	2.52*5562.80
3	70/14-9-15	CONSTRUCTION OF 300 MM CC Drain at Gowthami Nagar Cheekaligutta Pcc 1:2:4 mix using 20 MM Crushed metal excluding cost of steel including cost of all materials all labour charges Etc	2.25*4637.65
4	265/10/7/15	Maintenance and	10434.71

repairs to water supply material godown -2 at municipal office Supply and fixing of GYP Susended regular single layer false ceiling (G.S-MF SC-4.1 as per India GYPSUM) using 12.5 MM thick Gyp board conforming TIS 2095-1982 fixing to Gyp steel GI perimeter channels of size 20mm\*27mm\*30MM (WEB) of 0.55MM thick along the perimeter at 610mm c/c and suspending the frame work using intermediate channel fixed with GI cleat and steel expansion fasteners and connecting clip to the ceiling channels including filling the tapered and square edges with jointing compound two coats of drywall top coat complete for finished item of works as per GYPSUM specified 23.94\*1039.00 24873.66 5 265/10/7/15 Miantainance and repairs to water supply material godown -2 at municipal office Supply and fixing of alluminium annodised fixed glazing as per drawing using standard aluminium (STN-annodised section of 63.5\*38.1\*1.53 mm (Jindal20047) thick fitted with 6.0mm thick 4.0-13.27mm thick plain glass glazing clips and approved brand silicon seal including coat and conveyance of all materials and labour charges manufacturing fixing position using wooden blocks and sheet metal screw etc to complete for finished item of work as approved by engineer incharge for partion wall 9.60\*4720.00 45312 6 265/10/7/15 Miantainance and repairs to water supply material godown -2 at municipal office Supply and fixing of aluminnum and addised section for windows 1.74\*4720 8212.80 7 265/10/7/15 Miantainance and repairs to water supply material godown -2 at municipal office Supply and fixing of fan - Havells company 1\*2700 2700 8 265/10/7/15 Miantainance and repairs to water supply material godown -2 at municipal office Supply,deliver and fixing of closenst for aluminium 1\*1650 1650 9 70/14-9-15 Construction of 300 mm cc drains at Gowthami nagar, cheekaligutta Supply and fixing of steel and its fabrication charges including cost of all materials and labour charges as per ss 229.62\*57.50 13203.15 10 70/14-9-15 Construction of 300 mm cc drains at Gowthami nagar, cheekaligutta Rcc 1:2:4 mix using 20 mm crushed metal excluding cost of steel including cost of all materials all labour charges etc. 2.52\*5562.80 14018.26 11 70/14-9-15 Construction of 300 mm cc drains at Gowthami nagar, cheekaligutta PCC 1:2:4 mix using 20 mm crushed metal excluding cost of steel including cost of all materials all labour charges etc complete as per ss 2.25\*4637.65 10434.71 12 234/26-6-15 Maintainance and repairs to water supply materials godown at municipal office Brick work in CM 1:6 mix using 2nd class bricks as per ss 2.16\*4354 9405.59 13 234/26-6-15 Maintainance and repairs to water supply materials godown at municipal office Roofing with 6MM thick corrugated cement sheets fixing with balls 8M g plain washers complete including seinorage E.T.c but excluding 10 SQM 24\*3151.02 7562.44 14 234/26-6-15 Maintainance and repairs to water supply materials godown at municipal office White washing with super cement paint with 2 coats 375.39\*96.83 3634.90 15 234/26-6-15 Maintainance and repairs to water supply materials godown at municipal office Painting to walls in all colours including c/c of all materials all labour charges etc 67.76\*905.85 6138.03 16 234/26-6-15 Maintainance and repairs to water supply materials godown at municipal office Supply and fixing of panel (IS14276) false ceiling 8MM- Bis on panel with galvanized and pre painted steel T section of size 24MM \* 38MM \*0.3MM for main dutr pre punched to accept cross section of size 34MM \* 30MM \*30MM \* 0.3MM punched of both ends for quantity end 11.78\*1039 12239.42 17 231/19-6-15 Maintenance Repairs to water supply (Godown 3) (DE Room ) Supply and delivered of old GI Pipes 2 ? dept supply including xing & welding painting 1 job \*5000 5000 18 70/14-9-15 CONSTRUCTION OF 300 MM CC Drain at Gowthami Nagar Cheekaligutta Supply and fixing of steel and its fabrication charges including C/C of all materials and all labour charges etc 229.62\*57.50 13203 19 70/14-9-15 CONSTRUCTION OF 300 MM CC Drain at Gowthami Nagar Cheekaligutta Rcc 1:2:4 mix using 20 MM Crushed metal excluding cost of steel including cost of all materials all labour charges Etc 2.52\*5562.80 14018.26 20 70/14-9-15 CONSTRUCTION OF 300 MM CC Drain at Gowthami Nagar Cheekaligutta Pcc 1:2:4 mix using 20 MM Crushed metal excluding cost of

steel including cost of all materials all labour charges Etc 2.25\*4637.65  
 10434.71 21 265/10/7/15 Miantainance and repairs to water supply material  
 godown -2 at municipal office Supply and fixing of GYP Susended regular  
 single layer false ceiling (G.S-MF SC-4.1 as per India GYPSUM) using 12.5  
 MM thick Gyp board conforming TIS 2095-1982 fixing to Gyp steel GI  
 perimeter channels of size 20mm\*27mm\* 30MM (WEB) of 0.55MM thick  
 along the perimeter at 610mm c/c and suspending the frame work using  
 intermediate channel fixed with GI cleat and steel expansion fasteners and  
 connecting clip to the ceiling channels including filling the tapered and  
 square edges with jointing compound two coats of drywall top coat  
 complete for finished item of works as per GYPSUM specified  
 23.94\*1039.00 24873.66 22 265/10/7/15 Miantainance and repairs to water  
 supply material godown -2 at municipal office Supply and fixing of  
 alluminium annodised fixed glazing as per drawing using standard  
 aluminium (STN-annodised section of 63.5\*38.1\*1.53 mm (Jindal20047)  
 thick fitted with 6.0mm thick 4.0-13.27mm thick plain glass glazing clips  
 and approved brand silicon seal including coat and conveyance of all  
 materials and labour charges manufacturing fixing position using wooden  
 blocks and sheet metal screw etc to complete for finished item of work as  
 approved by engineer incharge for partion wall 9.60\*4720.00 45312 23  
 265/10/7/15 Miantainance and repairs to water supply material godown -2 at  
 municipal office Supply and fixing of aluminnum and addised section for  
 windows 1.74\*4720 8212.80 24 265/10/7/15 Miantainance and repairs to  
 water supply material godown -2 at municipal office Supply and fixing of  
 fan - Havells company 1\*2700 2700 25 265/10/7/15 Miantainance and repairs  
 to water supply material godown -2 at municipal office Supply,deliver and  
 fixing of closenot for aluminium 1\*1650 1650 26 70/14-9-15 Construction of  
 300 mm cc drains at Gowthami nagar, cheekaligutta Supply and fixing of  
 steel and its fabrication charges including cost of all materials and labour  
 charges as per ss 229.62\*57.50 13203.15 27 70/14-9-15 Construction of 300  
 mm cc drains at Gowthami nagar, cheekaligutta Rcc 1:2:4 mix using 20 mm  
 crushed metal excluding cost of steel including cost of all materials all labour  
 charges etc. 2.52\*5562.80 14018.26 28 70/14-9-15 Construction of 300 mm cc  
 drains at Gowthami nagar, cheekaligutta PCC 1:2:4 mix using 20 mm  
 crushed metal excluding cost of steel including cost of all materials all labour  
 charges etc complete as per ss 2.25\*4637.65 10434.71 TOTAL 360101.48  
 Eng.Sec Code.No.9 50) PURCHASE OF ELECTRICALS - VIOLATION  
 OF RULES -NEEDS ENQUIRY RS. 20,19,991 During the course of Audit  
 as verified from the Measurement books , vouchers and bills it is noticed  
 that the purchase of electrical goods from Jyothi marketing MPL ,Sri ven  
 Electrical solutions , and Manjunatha electrical-s madanapalli . The  
 executive authority purchased huge electrical items frequently at the Same  
 date and same month , the purpose of frequently purchased also not known  
 and not mentioned in Audit as mentioned below . Further it is noticed in the  
 bills , the company name of item not written. Enquiry is needed to find the  
 correctness of bills and the registration firms . Any loss in this regard may  
 be recovered from the person or persons responsible under intimation to  
 Audit . List of bills enclosed STATEMENT OF ELECTRICALS BILLS  
 PURCHASED SL.No VR.No/Date Purchase of electrical goods Bill /Invoice  
 No./Date Name of the contractor Gross Amount Net payment 1 129/28-6-15  
 Electrical goods -Nil- Jyothi marketing MPL 99559 98065 2 13/8-4-15 -Do-  
 2792/11-3-15 Sri ven electrical-s solutions MPL 99880 97129 3 8/18-4-15 -d-  
 o- 2797/11-3-15 Sri ven electrical-s solutions MPL 99960 97206 4 192/29-6-15  
 -do- -Nil- Jyothi marketing MPL 99900 97171 5 349/16-9-15 Manjunatha  
 electricals madanapalli 94140 91396 6 9/18-4-15 2796/11-3-15 Sri ven  
 electrical-s solutions MPL 99960 97206 7 7/7-4-15 2795/11-3-15 Sri ven  
 electrical-s solutions MPL 99620 96876 8 13/18-4-15 2794/11-3-15 Sri ven  
 electrical-s solutions MPL 99620 96876 9 12/18-4-15 2793/11-3-15 Sri ven  
 electrical-s solutions MPL 99620 96876 10 11/18-4-15 2798/11-3-15 Sri ven  
 electrical-s solutions MPL 99140 96409 11 194/29-6-15 22/27-4-15 Sri ven  
 electrical-s solutions MPL 99089 95870 12 433/7-1-16 -do- 836/29-12-15

Manjunatha Electricals and Hardware MPL 94394 91254 13 342/17-8-15 -do- 191/15-6-15 Unik chemicals karakambadi road tirupati 39292 38000 14 427/15-10-15 -do- 990/9-10-15 Manjunatha Electricals and Hardware MPL 99587 91803 15 432/7-1-16 -do- 825/28-12-15 Manjunatha Electricals and Hardware MPL 93560 90448 16 426/15-10-15 -do- 987/9-10-15 Manjunatha Electricals and Hardware MPL 94760 91559 17 350/16-9-15 -do- 977/ Manjunatha Electricals and Hardware MPL 93735 90922 18 190/26-6-15 -do- 18/27-4-15 Jyothi marketing RP Secendarabad 99090 95871 19 191/29-6-15 -do- Jyothi marketing RP Secendarabad 99900 96171 20 431/7-1-16 -do- 838/26-12-15 Manjunatha Electricals and Hardware MPL 93978 90851 21 425/15-10-15 -do- 996/9-10-15 Manjunatha Electricals and Hardware MPL 94400 91211 22 430/7-1-16 -do- 826/28-12-15 Manjunatha Electricals and Hardware MPL 93947 90821 Total 2019991 ESTABLISHMENT SEC CODE-NO.09 51) WAGES PAID IN CASH TO THE MUNICIPAL SCHOOLS CONTINGENT SWEEPERS As verified from the Vouchers of the wages to the contingent sweepers wages were paid in cash and received acquaintance with them .In absence of the account payment to the contingent sweepers the correctness of the payment could not be verified in Audit. A total number of 30 contingent sweepers are working in the municipal schools in the municipal jurisdiction . Further Audit recommending the compulsory account payment for the contingent sweepers working in Municipal Schools for financial accountability. Action would need to be taken on account payment to the contingent employees under intimation to Audit . ENG SEC Code.No.9 52) WORKS - MEASUREMENT BOOKS -SPECIFICATION REPORT , LEAD STATEMENT NOT ENCLOSED During the course of Audit as verified from the Measurement books and it connected files it is observed that the various works that had been executed during the year 2015-16 the lead statement and comparative statement and specification report were not enclosed to the file . With lead statement and specification report Audit can compare the quantity and rates as per data to be used by the executive authority in executing a work as per ap srr . In absence of this, Audit could not find the correctness and genuineness in the works. It is the duty of the Executive authority to enclose the lead statement and specification report to each and every work for audit verification .But the executive authority failed to enclose the files for proper verification and correctness . It clearly shows the negligence and there is a chance of mis-utilizing of funds by not enclosing and following the correct data as per rules. Further action need to be taken to produce the records properly as per rules and needs enquiry . ESTABLISHMENT SEC CODE-NO.09 53) EPF EMPLOYEE SHARE DELAY REMITTED TO EMPLOYEE-S PROVIDENT FUND ORGANIZATION CUDAPA As verified from the challan-s that paid for EPF share of contingent sweeper salaries to the Employee-s Provident Fund Organization Cudapa had been delay remitted. The executive authority would need to be remit the share amount of EPF contingent sweeper on the respective month only .But as observed from the challan-s from April 2015 to January 2016 a total amount of Rs. 20646\*10 months had been remitted on 01-02-2016 .It is an abnormal delay , It clearly shows the negligence of the executive authority further action would need to be taken to remit the amount from time to time any loss in this regard may be treated as serious in nature under intimation to Audit ENG.SEC Code.No.09 54) EMD DEPOSIT NOT PAID ON THE AGREEMENT DATE -EXECUTIVE AUTHORITY RECOVERED ON WORK RECOVERIES RS.928607 During the course of Audit as verified from the Measurement books and connected files it is observed that the total percentage of 2.50 have to be recovered from the contractor before the date of agreement . Only 1 percent of the EMD recovering from the bidder before agreement remaining 1.50 percent had not been recovered on the agreement date . Same percentage of 1.50 from the contractor recovering on work deductions after the work had been completed .It clearly shows the violation of the rule hence it is not admissible in Audit and the same is held under objection. Acc.Sec

**Code.No.09 55)Deposits - Non-Maintenance of Deposits Register and Non-Lapsing of outstanding deposits to contractors. As per the codal provisions, amounts in the shape of Earnest Money Deposit, Security Deposit etc., collected, from the contractors are required to be recorded in a separate register called -Deposit Register-. Any refund/release of deposit has to be recorded against the original entry in the Deposit Register. The Deposit Register has to be closed periodically and invariably at the end of every year in order to find out the balances available in the municipality. The balances have to be supported with year-wise and contractor-wise details. Any deposit lying unclaimed for more than three accounting years from the year in which the deposit becomes due for refund has to be lapsed to Board funds. However no register was maintained by the executive authority . Since Deposits Register is an important initial record to watch the receipt and refund of deposits the same is required to be maintained as per rules.**

**Para Number : 8**

**NON-REMITTANCE OF DEDUCTIONS/RECOVERIES FROM WORK BILLS/PAY BILLS/CONTIGENT BILLS ETC. (Code : 10) Rs : 3279151**

**DEDUCTION / RECOVERIES OF INCOME TAX NOT REMITTED OR PARTLY REMITTED ( code :10 [2])**

Engg.Sec. Code No.10 56) WORK BILLS - NON REMITTENCE OF OUT GOING RECOVERIES FROM THE WORK BILLS - NEEDS TO BE REMITTENCE TO CONCERNED HEAD OF ACCOUNTS- Rs. 32,79,151-00 As per G.O.Ms.No.217 industries & commerce (M-I) Dept., dt.29-9-2001,GOMS No.11 Finance (W&P) F-8 department dated:29-7-2005 and G.O.Ms.No.159 R&B (R-3\_ Dept., dt:30-10-2004 the deductions towards Seigniarage Fee, Vat and Income Tax etc., respectively were made to Rs. 32,79,151-00 From the work bills pertaining to works executed during the year as detailed below. The Works recoverable register not produced to the Audit , in absence of the same audit could not know whether the recoveries are remitted or not remitted not known in Audit and the same is held under objection . Early action would need to be taken to produce the Works recoverable register as well as remitted challans to the Audit under intimation to audit. WORKS - OUT GOING RECOVERIES SL.No. Name of the scheme VAT IT SC ASD Cess Total 1 G.F. 1127785 411951 266279 524542 200995 2531552 3 PD A/C 307217 148658 67019 125025 61530 709449 4 BPS/LRS 21413 4497 7743 0 4497 38150 TOTAL 1456415 565106 341041 649567 267022 32,79,151

**Para Number : 9**

**NON-PRODUCTION OF RECORDS (Code : 11) Rs : 142560**

T.P.Sec Code-11 57 ) Non- Production of Building approval application. As verified from the Building plan applications registers for the year 2015-16. it was noticed that the following Builder plan approval applications of Individuals are not produced to audit. In the absence of the above applications; the correctness at building plan approvals were not certified in audit. Early action would need to be taken to produce for audit. S.No B.A.No & Month Name of the applicant 1. 97/15 S.Beebejan,W/O S.Ahmmmed Basha. 2. 129/15 S.Rahanathunnisa,Marpuri Street. 3. 245/15 K.Krishnaprasad,S/O K.Nagaraja 4. 251/15 P.Somasekhar 5. 154/16 D.AmarnathReddy,SBI Colony. T.P.Sec CODE-11 58) Building Applications refused and returned for un-authorized constructions if any- Not pointed out - Needs action. As verified the building application Register and building applications in respect of applicants, which returned for



refusing permission for constructions of buildings could not be verified with reasons. In several cases ,whether any Un-authorized Constructions were made in such cases information were not forthcoming. Fess and fines collected if any in such un-authorized constructions or prosecutions against the such constructions were not forthcoming to audit. Any loss caused in this regard the same may be recovered from the person(S) responsible. T.P.Sec CODE-11 59) Permanent Encroachments - DCB and ADR not produced -The register of Encroachment also not produced. During the course of Audit Several Half Margin letters had issued to the Executive Authority, but no reply had been submitted by the Executive Authority to Audit .The Permanent Encroachments , DCB & ADR Register for Permanent Encroachments not available in Audit .In absence of the non maintenance of the same the exact collection of Permanent Encroachments are not known in Audit . It clearly shows the negligence in producing the records to the Audit .Further action would need to be taken to produce the records as on early date . T.P.Sec Code No.11 60) LABOUR CESS - DEDUCTION UNDER LRS SCHEME - ORIGINAL CHALLANS NOT PRODUCED As per G.O.Ms.No.112 Labour employment training & Factories Lab.II Department. Dt:15/12/2009. 1% of the Building applications collected from the building applicants and the same is remitted to the Labour department and the original remitted challans of Andhra Bank should be enclosed to the building applications .But during the course of Audit the Xerox copies of the Andhra bank challans only enclosed to the building applications. The acknowledgements not obtained from the labour dept. A.P and not produced to audit for verification. So kindly Take immediate and necessary action to produce original challans of Andhra bank and acknowledgements under intimation to Audit. T.P.Sec CODE-11 61) Levy of Advertisement tax defects -DCB and ADR not produced. The list of advertisements and sing boards exhibited in the municipal area was not got prepared by the Municipal surveyor /Building inspector and verified by the commissioner. As verified the annual account ,an amount of Rs. 493719 Was collected under advertisement tax during the year. The DCB and ADR of the Advertisement tax not maintained and produced along with Demand Registers to audit. In the absence of the above, the correctness of the demand fixed could not be verified. The connected advertisement register along with current demand collection and balance left with arrear demand registers etc. would need to be produced to audit. Any loss caused the same be recovered from the person(S) responsible. ENG.SEC CODE-11 62) WORKS - NON PRODUCTION OF MEASUREMENT BOOKS , AGREEMENTS AND CONNECTED FILES RS.2,05,58,213 As verified from the cashbook the works relating to the funds of General Funds , TFC , BPS LRS , NEW PD , the measurement books of various works were not produced during the Audit . G.O MS No 589 PR & RD Department Dt 29-09-1989 and GO MS No 195 PR & RD Dept 10-05-1999 the records related to works i.e . Estimates agreements, M. Books must be produced to Audit for verification. But the same were not produced to Audit for verification contrary to above G.O-s. In the absence of the Measurement books and connected files audit could not conclude the genuineness of works expenditure could not verified during the course of Audit. The loss if any caused due to the above reason would need to be recovered from the person or persons responsible and made good to the Municipal Funds . During the course of Audit Half margin also issued to the Executive Authority .But no reply received from the Executive Authority . There is a chance for Mis-Utilizing and Mis-Appropriation , it clearly shows the negligence towards the proper production of records to the Audit .Necessary action would need to taken to produce the records for proper verification under intimation to Audit . Eng.Sec Code.No.11 63) Tap Connections Disconnected Register - Connected files not produced. As verified from the Engineering Section in respect of water tap connections, disconnected register along with connected files for the year 2015-16 were not produced to audit , and the connected orders were also not produced in audit for verification. In the absence of

same the correctness of the disconnections made during the year 2015-16 could not be ensured in audit. The connected files and register would need to be produced to audit at an early date. NEW PD CODE-11 64) HIRE CHARGES -CONNECTED FILES AND LOG BOOK NOT PRODUCED RS.142560 As verified from the cashbook of New PD it is noticed that an amount of Rs.1,42,560 Was drawn and paid towards to the Commissioner Hire Vehicle charges for the months of @Rs.23760 \*6 months comes to Rs.1,42,560 .But the connected files and logbook relating to the hire charges to commissioner were not produced during the course of Audit. In absence of the logbook ,connected files and vouchers Audit could not conclude the correctness of the expenditure .Further action would need to be taken to produce the records under intimation to Audit. List enclosed Statement SL.No VR.No./Date Particulars Amount 1 61/25-5-15 Amount payable to Sri.S.Dodapeer towards commissioner hire vehicle for 4/15 23760 2 103/5-6-15 Payment of commissioner hire vehicle for 5/15 23760 3 267/12-8-15 Payment of commissioner hire vehicle for 6/15 23760 4 311/13-8-15 Payment of commissioner hire vehicle 7/15 23760 5 399/5-10-15 Payment of commissioner hire vehicle 8/15 23760 6 474/19-11-15 Payment of commissioner hire vehicle 10/15 23760 TOTAL 142560 ENG-SEC CODE-11 65) TAP DONATIONS -TAP CONNECTIONS - DCB STATEMENT FOR TAP CONNECTIONS -CONNECTED FILES NOT PRODUCED During the course of Audit the Demand Collection and Balance statement for the year 2015-16 for tap connections were not produced to Audit . The files connected to the Tap connection applications were also not produced to audit . In absence of this audit could not conclude the correctness in it , further audit could not even know the actual receipt of tap connections to Madanapalli municipality . It shows the negligence towards the duties of the executive authority and proper production of records During the course of Audit Half margin letter also issued to the Executive Authority .But no reply received from the Executive Authority . It clearly shows the negligence towards the proper production of records to the Audit . Any loss in this regard may be treated as serious in nature . Necessary action would need to taken to produce the records for proper verification under intimation to Audit . ENG-SEC Code.No 11 66) TENDER FILE -CONNECTED RECORDS NOT PRODUCED During the course of Audit as verified from the Works that had executed in various funds the tender file of all the bidders and participants those who enter in to the tender schedule and challans of tender schedules also not enclosed to the file . In absence of the tender file Audit could not know the correctness and the total number of participants in tender not known in Audit . Any loss in this regard may be treated serious in nature , Further it is the responsibility of the executive authority to produce the file for Audit verification .

### **Para Number : 10**

### **EXCESS PAYMENTS (Code : 13) Rs : 3178708**

ENG-SEC CODE.NO.13 67) TRIPSHEETS -EXCESS AMOUNT PAID TO THE CONTRACTOR -NEED TO BE RECOVERED RS.27,50,710 During the course of Audit as verified from the Tripsheets an amount of Rs. 1,46,65,580 were drawn and paid towards water transportation it is observed during the year 2015-16 the water transportation had to be done only through the GPS system .In GPS system the water transportation proposed by the municipality a total number of trips 27709 \* @ Rs.430=Rs.1,19,14,870-00 but during the year 2015-16 an total trips of 34106 had been incurred @Rs.430 =Rs.1,46,65,580 .An excess of 6397 trips @RS.430 =27,50,710 had paid to the contractor .It shows the clear violation and due to excess trips the excess amount paid to the contractor it should be recovered as on early date . Statement enclosed ENG-SEC CODE.NO.13 68) MEASUREMENT BOOK -EXCESS QUANTITY RECORDED - EXCESS AMOUNT PAID TO CONTRACTOR -NEEDS TO BE RECOVERED RS. 427998.31 During the course of Audit as verified from the Measurement

Books the expenditure incurred in various works of General Fund , New PD , 13th Finance Commission Grants , and BPS /LRS Scheme funds it is noticed that the works recorded in the Measurement Books are recorded in excess than the agreement Quantity by the executive authority , with this , the excess amount paid to the Contractor and it should be recovered . An amount of Rs. 427998.31 Was recorded excess and paid excess and it should be recovered . It clearly shows the violation and negligence towards their duties and proper recording of Measurement Books . Action would need to be taken on the person or persons responsible and instruct the Executive Authority for proper recording of Measurement books under intimation to Audit . List Enclosed STATEMENT RELATING TO THE EXCESS

QUANTITY PAID TO CONTRACTORS	SL.No.	VR.No.	DATE	NAME OF THE WORK	NAME OF THE ITEM USED IN WORK AGREEMENT	QUANTITY	*Rate	AMOUNT INCURRED	QUANTITY	*Rate	EXCESS	
362/14-10-15				Providing of CC pavement at gopal reddy street and kammagadda extension	M30 grade of design mix concrete using 20mm crushed metal including cc of all materials labour charges including 30 days	42.50	*5869.63	=249459.28	43.39	*5869.63	=254683.5223.72	
2.	463/11-2-16			Construction of cc drains ,Rcc Culverts and repairs at Burma street , Vemanna St, T.N.Nagi reddy street	Providing of compacted crushed stone dust bed complying with specifications for spreading for road works	1cum	3.96	*734.26	=2907.67	4.86	*734.26	=3568.50
660.83	3	463/11-2-16		Construction of cc drains ,Rcc Culverts and repairs at Burma street , Vemanna St, T.N.Nagi reddy street	Supply and fixing of steel and its fabrication charges etc,as per ss	120	*62.24	=7468.80	137.51	*62.24	=8558.62	
1089.82	4	463/11-2-16		Construction of cc drains ,Rcc Culverts and repairs at Burma street , Vemanna St, T.N.Nagi reddy street	RCC 1:2:4 mix using 20 mm crushed metal excluding cost of steel including cost of all materials all labour charges etc.	1.20	*6517.76	=7821.31	1.58	*6517.76	=10298.06	
2476.75	5	463/11-2-16		Construction of cc drains ,Rcc Culverts and repairs at Burma street , Vemanna St, T.N.Nagi reddy street	PCC 1:2:4 mix using 20 mm crushed metal excluding cost of steel including cost of all materials all labour charges etc and curing for 21 days	1.50	*5141.60	=7712.40	5.10	*5141.60	=26222.16	
18509.76	6	234/26-6-15		Maintenance and repairs to water supply materials godown at municipal office	Painting to Iron work with synthetical enaimel paint including c/c of all materials labour charges Etc	18	*613.40	=11041.2	25.61	*613.40	=15709.17	
4667.97	7	231/19-6-15		Maintenance Repairs to water supply (Godown 3) (DE Room )	2.35 CUM cc1:4:8 mix using 40 MM metal including C/C all material and all labour charges etc as per ss	2.35	*3600.56	=8461.32	2.45	*3600.56	=8821.37	
360.05	8	98/23-5-15		Construction of CC Drain repairs at Devalam Street	Providing of compacted crushed stone dustbed complying with specifications for spreading for road works	1Cum	3.96	*734.26	=2907.67	3.98	*734.26	=2922.35
14.68	9	98/23-5-15		Construction of CC Drain repairs at Devalam Street	Pcc 1:2:4 mix using 20MM crushed metal excluding cost of steel , including c/c of ll materials all labour charges etc	1.50	*5141.60	=7712.40	4.66	*5141.60	=23959.16246.6	
16246.6	10	98/23-5-15		Construction of CC Drain repairs at Devalam Street	Supply and fixing of steel and its fabrication charges etc as per ss	120	*62.24	=7468.80	174.91	*62.24	=10886.39	
3417.59	11	98/23-5-15		Construction of CC Drain repairs at Devalam Street	Pcc 1:2:4 mix using 20MM crushed metal excluding cost of steel , including c/c of ll materials all labour charges etc	1.50	*5141.60	=7712.40	2.82	*6517.76	=18380.08	
10667.6	12	126/23-5-15		Raising of walls to storm water Drain at in front of 2 town police ststion near RTC bustand	V.C.C (1:3:6) using 20mm (SS-5) HBG M/C metal and opc course fine agreeegates conforming IS:383 including cost and coneveyance of all materials , labour charges ,machine mixing , vibrating , centring laying in position,curing for 21 days etc.a per ss	15.39	*4609.36	=70938.05	18.59	*4609.36	=85688.00	
14749.95	13	255/10-7-15		Construction of culverts at fire office back side area 13th ward	Providing of compacted crushed stone dust bed complying with specifications for spreading for road works	1.92	*734.26	=1409.78	2.14	*734.26	=1571.32	

161.54 14 255/10-7-15 Construction of culverts at fire office back side area 13th ward Plastering in CM 1:3 mix with 12mm thick including c/c of all materials labour charges etc  $27.20*1317.07=3582.43$   $28.15*1317.07=3707.55$  125.12 15 255/10-7-15 Construction of culverts at fire office back side area 13th ward Supply and fixing of steel and its fabrication charges etc, as per ss  $264.00*62.24=16431.36$   $287.57*62.24=17898.36$  1467 16 255/10-7-15 Construction of culverts at fire office back side area 13th ward M-20 design mix using 20mm crushed metal , excluding cost of steel , including c/c of all materials all labour charges etc  $2.40*6517.76=15642.62$   $3.95*6517.76=25745.15$  10102.53 17 105/23-5-15 Construction of cc drain Rcc culverts and repairs at SBI colony Extension Earth work excavation and depositing on bank e=with an initial lead of 10 meters and initial lift of 2 meter sw in case of head load only in loamy and clayey soils like back cotton soils , red earth leveling and trimming road  $22.32*254.89=5689.14$   $26.08*254.89=6647.53$  958.39 18 105/23-5-15 Construction of cc drain Rcc culverts and repairs at SBI colony Extension Providing of crushed stone dust bed complying with specifications for spreading for road works  $3.96*734.26=2907.67$   $4.94*734.26=3627.24$  719.57 19 105/23-5-15 Construction of cc drain Rcc culverts and repairs at SBI colony Extension Plasting in cm 1:3 mix with 12mm thick including c/c of all materials labour charges etc  $76.40*1317.07=10062.41$   $90.67*1317.07=11941.87$  1879.46 20 105/23-5-15 Construction of cc drain Rcc culverts and repairs at SBI colony Extension Supply and fixing of steel and its fabrication charges etc  $120*62.24=7468.80$   $146.05*62.24=9090.15$  1621.35 21 105/23-5-15 Construction of cc drain Rcc culverts and repairs at SBI colony Extension M-20 design mix using 20mm crushed metal , excluding cost of steel , including c/c of all materials all labour charges etc  $1.20*6517.76=7821.31$   $1.70*6517.76=11080.19$  3258.88 22 109/23-5-15 Completion of incompleated bathrooms and latrines at municipal office CC:1:4:8 mix using 40mm HBG metal c/c of all materials all labour charges  $5.45*3534.71=19264.17$   $6.50*3534.71=22975.62$  3711.45 23 109/23-5-15 Completion of incompleated bathrooms and latrines at municipal office Earth work excavation for structures as per drawing technical specifications clause 305,1 inclding setting out construction of shoring and bracing , removal of stumps and other deleterious materials and disposal up to the lead of 50mm dressing of sides etc  $11.75*238.71=2804.84$   $12.50*238.71=2983.88$  179.04 24 485/19-11-15 Providing of cc pavement at Devalam street Madanpalle municipality Earth work excavation and depositing on bank e=with an initial lead of 10 meters and initial lift of 2 meter sw in case of head load only in loamy and clayey soils like back cotton soils , red earth leveling and trimming road  $37.60*156.86=5897.94$   $100.13*156.86=15706.39$  9808.45 25 485/19-11-15 Providing of cc pavement at Devalam street Madanpalle municipality Carting away the surplus excavated earth from the work site with a lead of 1.0 KM beyond initial lead including loading unloading and conveyance but excluding staking charges etc  $37.60*30.92=1162.59$   $80.10*30.92=2476.69$  1314.1 26 485/19-11-15 Providing of cc pavement at Devalam street Madanpalle municipality CC:1:4:8 mix using 40mm HBG metal c/c of all materials all labour charges  $18.80*3674.60=69082.48$   $39.89*3674.60=146579.79$  77497.31 28 362/14-10-15 Providing of CC pavment at gopal reddy street and kammagadda extension M30 grade of design mix concrete using 20mm crushed metal including cc of all materials labour charges including 30 days  $42.50*5869.63=249459.28$   $43.39*5869.63=254683$  5223.72 29 463/11-2-16 Construction of cc drains ,Rcc Culverts and repairs at Burma street , Vemanna St, T.N.Nagi reddy street Providing of compacted crushed stone dust bed complying with specifications for spreading for road works 1cum  $3.96*734.26=2907.67$   $4.86*734.26=3568.50$  660.83 30 463/11-2-16 Construction of cc drains ,Rcc Culverts and repairs at Burma street , Vemanna St, T.N.Nagi reddy street Supply and fixing of steel and its fabrication charges etc,as per ss  $120*62.24=7468.80$   $137.51*62.24=8558.62$  1089.82 31 463/11-2-16 Construction of cc drains ,Rcc Culverts and repairs at Burma street , Vemanna St, T.N.Nagi reddy street RCC 1:2:4 mix using

20 mm crushed metal excluding cost of steel including cost of all materials all labour charges etc.  $1.20 \times 6517.76 = 7821.31$   $1.58 \times 6517.76 = 10298.06$  2476.75  
 32 463/11-2-16 Construction of cc drains ,Rcc Culverts and repairs at Burma street , Vemanna St, T.N.Nagi reddy street PCC 1:2:4 mix using 20 mm crushed metal excluding cost of steel including cost of all materials all labour charges etc and curing for 21 days  $1.50 \times 5141.60 = 7712.40$   
 $5.10 \times 5141.60 = 26222.16$  18509.76 33 257/10-15 Construction pf CC drain at Sri krisha theatre back side VCC 1;3;6 mix wiring 20mm crushed metal including C/C all materials and all labour charges etc.,  $14.28 \times 4609.36 = 65821.66$   $15.41 \times 4609.36 = 71030.24$  5208.58 34 483/19-11-15 Construction of 450mm CC dain & RCC culvert at 11th ward Collection & Supply of crusher stone dust including C/c all materials and all labour charges including spredding and levelling etc.,  $16.38 \times 734.78 = 12035.70$   
 $21.42 \times 734.78 = 157 \times 8.99$  3703.29 35 483/19-11-15 -do- For Side walls  $7.56 \times 4851.32 = 36675.98$   $9.48 \times 4851.32 = 45990.51$  44650.99 36 -do- -do- Plasting cm 1;3 mise with 12 mm thick including C/C all materials and all labour charges etc.,  $319.10 \times 1349.78 = 43071.80$   $414.20 \times 1349.79 = 55909.80$  12838.00 37 47/25-4-15 Construction of CC drain, RCC culverts repairs Rama Rao colony near sumps backside and near Ashok School. Earthwork excavation & depositing an bank with an initial lead of 10meters and initial ift of 2 meter SW in case of head load only in loading and claying soils like black cotton soils, red earth and ordinary gravel, sectioning levelling and trimming road.  $22.32 \times 254.89 = 5689.14$   $26.29 \times 254.89 = 6701.06$  1011.92 38 -do- -do- PCC 1;2;4 mise using 20mm crushed metal excluding cost of steel, including C/C of all materials all labour charges  $1.50 \times 5141.60 = 7712.40$   
 $2.76 \times 5141.60 = 14190.82$  6478.42 39 -do- -do- Plasting in CM 1;3 mm with 12 mm thick including C/c of all materials and all labour charges.  $76.40 \times 1317.07 = 10062.41$   $79.23 \times 1317.07 = 10435.15$  372.24 40 -dp- -do- Supplu & fixing of steel and its fabrication charges etc.,  $120.00 \times 7468.80 = 7468.80$   $142.53 \times 62.24 = 8933.31$  1464.51 41 -do- -do- RCC 1;2;; mm with 20mm crushed etal excluding cost o steel including C/C of all materials all labour chages  $1.20 \times 6517.76 = 7821.31$   $1.20 \times 6517.76 = 10754.30$  2932.99 42  
 45/24-4-15 Construction of CC drain RCC culverts & Repairs at Gowtham Nagar Earthwork excavation & depositing on bank with an initial lead of 1 meters and initial lift of 2 meters in case of head load only in loamy and clayers soils like blank cotton soils, red earth and ordinary gravel, sectioning leveling and trimming the road.  $22.32 \times 254.89 = 5689.14$   $22.83 \times 254.89 = 5819.14$  130.00 43 -do- -do- Plasting in CM 1;3 mm with 12 mm thick including C/C of all materials and all labour charges etc.,  $76.40 \times 1317.07 = 10062.41$   $84.72 \times 1317.07 = 11158.22$  1095.81 44 -do- -do- PCC 1;2;4 mm using 20mm crushed metal including C/C all materials and all labour charges etc.,  $1.50 \times 5141.60 = 7721.40$   $2.18 \times 5141.60 = 11208.68$  3487.28 45  
 379/16-11-15 Improvement to Chittoor bus stand junction in Madanapalli Mply M30 grade of design mix concrete using 20mm crushal metal including C/C of all materials and all labour charges curies for 14 days  $14.70 \times 5600.16 = 82322.35$   $17.38 \times 5600.16 = 97330.78$  15008.43 46 100/23-5-15 Construction of CC drain RCC culvers & Repais at India Nagar near Basha House Earth work excavation and depositing on bank with an initial lead of 10 meters and initial lift of 2meters in case of head load only in loamy and claying soils like black cotting soils, red earth and ordinary gravel, levelling and trimming road  $11.70 \times 254.89 = 2982.21$   $12.76 \times 254.89 = 3252.40$  270.19 47 338/17-8-15 Manufacture supply and delivery of 160 mm diaPVC pipesand specials for water supply maintenance Manufacture supply and delivery of (6kg/em2) unplasticised PVCs pipes poatable water supplies confirming to IS:4985/2000 (third revision) with bell ends (socket) Specification in light grey-nature ivony grey/any other color (except white) inclusive of transportation to sub-excluding excise duty & sales tax etc., complete  $135 \times 653.57 = 88231.95$   $138 \times 653.57 = 90192.66$  1960.71 48 -do- -do- Supply & fixing of steel and its fabrication charges etc.,  $308 \times 62.24 = 19169.92$   $483.86 \times 62.24 = 30116.69$  10946.77 49 464/11-2-16 Construction off CC drains RCC culverts & Reapris at captain Lakshmi street 120Kg

supply & fixing of steel and its fabrication charges etc., 120x62.24 =7468.80  
 235.06x62.24 =14630.13 7161.33 50 554/9-12-15 Maintenance & Repairs to  
 Library at Patel Road 29th warf Earthwork excavation and depositing on  
 bank with an initial lead of 10meters and intial lifeof 2 meters in case of  
 head load only in loamy and clayey sois like black cottonsoils, Red earth and  
 ordinarygravelsanctioning leveling and trimming the road etc., 3.31x156.86  
 =518.58 5.23x156.86 =820.38 301.8 51 -do- -do CC 1;2;4;mix using 20MM  
 crushed metl including C/C all materials and materials and all labour  
 chargesetc., 3.30x5493.79 =18129.51 5.10x5493.79 =28018.33 9888.82 52  
 8/28-5-15 Providing of WBM with BT Road from Gollapalli ring road to  
 wears colony Earthwork excavation & depositing on bank with initial lead  
 of 50m and lift of 3m in all soils by manual means etc complete as per index  
 228.60x10706 =24473.92 351.45x107.06 =37626.24 13152.32 53 -do- -do-  
 Carting away the surplus excavated earth from the work site with a lead of  
 1km beyond initial lead including loading, unloading and conveyance but  
 excluding Stocking charges etc., 233.68x23.34 =5335.52 351.45x23.34  
 =8202.84 2867.32 54 -do- -do- Providing, laying, spreading for a compacting  
 graded HBG crushed stone ageegate to wer Mix macadm specification  
 including cost, seignorage of all materials and including premising the  
 material with water at CMC in mechanical mix olant carriage of mixed  
 material by tipper to site laying in uniform layers with paver in base courses  
 on well with vibratory roller to achieve the desired density etc., as directed  
 by the E-N-C and at per MORTH specification 233.68x1504.04 =351548.19  
 263.58x1504.04 =396529.75 44981.56 55 256/10-7-15 Construction of CC  
 drain at Marpuri street Main Road Metal & OPC coursefire ageegates  
 confirms IS:383 including cost and conveyance of all materials labour  
 charges machine mixing vibrating centring laying in position 14.28x4609.36  
 =65821.66 15.00x4609.36 =69140.40 3318.74 56 100/23-5-15 Construction of  
 CC Drain,RCC Culverts and repairs at indira nagar Earthwork excavation  
 and depositing on bank with an initial lead of 10 meters and initial lift of 2  
 meter sw in case of head load only in loamy and clayey soils like black cotton  
 soils red earth ordinary gravel 11.70\*254.89 =2982.81 12.76\*254.89 =3252.40  
 542.59 57 100/23-5-15 Construction of CC Drain,RCC Culverts and repairs  
 at indira nagar PCC 1;2;4;mix using 20MM crushed metl including C/C all  
 materials and materials and all labour chargesetc., 8.82\*5141.60 =45348.91  
 8.94\*5141.60 =45965.90 616.99 58 100/23-5-15 Construction of CC  
 Drain,RCC Culverts and repairs at indira nagar Plastering in CM (1:3) mix  
 with 12 mm thick including c/c of all material labour charges etc.  
 21.00\*1317.07 =2765.85 24.12\*1317.07 =3176.77 410.92 59 100/23-5-15  
 Construction of CC Drain,RCC Culverts and repairs at indira nagar RCC  
 1:2:4 mix using 20MM crushed metal excluding cost of steel , including all  
 c/c of all materials all labour charges as per ss 3.00\*6517.76 =19553.28  
 3.23\*6517.76 =21052.36 1499.08 60 1/20-4-2015 Providing of cc pavement at  
 raireddy layout left side lane cross Provided compacted crushed stone dust  
 bed complying with specifications for spreading fr road works 44.28\*636.94  
 =28283.70 45.89\*636.94 =29229.18 945.48 61 1/20-4-2015 Providing of cc  
 pavement at raireddy layout left side lane cross Cc 1:4:8 mix using 40 mm  
 HBG machine crushed metal including cost and conveyance of all materials  
 and labour charges etc 88.55\*5534.41 =316459.90 91.88\*5534.41 =328360.74  
 11900.84 427998.31

### Para Number : 11

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

P.H.Sec Code No.18 69) RECEIPTS-P.H.SECTION-D&O TRADES-  
 COURT CASES-REGISTER OF PROSECUTIONS NOT MAINTAINED.  
 During the course of audit, it was informed that certain court cases have  
 been filed by the traders against the municipal council. Madanapalli,  
 regarding the new rates of licence fee approved and published in Chittoor  
 District Gazette from the year 2015-16 But the connected Register of  
 prosecutions was not maintained and produced to audit. Action would need

to be taken to maintain Register of prosecutions and produce the connected files case wise with full details i.e. along with the final judgment copies if the case was settled. P.H.Sec (Code No.18) 70) REGISTRATION OF BIRTH AND DEATHS - SOME DEFECTS During the course of audit as verified the birth and death records the following defects were noticed; 1) Master register of birth and deaths not maintained. 2) All registers of birth and deaths not certified and not closed under the certification of executive authority/ Health officer. 3) From January Separate PR register not maintained for birth and deaths and same serial no. was maintained for both birth and deaths 4) Registration no. not noted in the applications. Due to above defects verification correctness of the registration and issues could not be possible in audit. Action would need to be taken by the concerned authority to rectify the defects pointed out in audit. P.H.Sec (Code No.18) 71) ARREAR DEMAND REGISTER OF D&O TRADES NOT WRITTEN UP AND PRODUCED. During the course of audit, the arrear demand register of D&O trades was not written up and produced to verify the correctness of the arrear collections of D& O trades for 2015-16. . Early action would need to be taken to produce the same duly certified by the commissioner T.P.Sec Code No.18 72) REGISTER OF UNAUTHORISED CONSTRUCTIONS - NOT MAINTAINED - IRREGULAR: During the course of audit for the year 2015-16, it was noticed that the register of unauthorized constructions was not maintained in town planning section. Whereas on verification of records relating to revenue section, it was noticed that, huge number of unauthorized buildings were constructed during 2006-07 and house tax was also imposed with 10% penalty and the corporation sustained huge loss due to non imposition of penalty on unauthorized constructions as per G.O. Ms. No. 49, M.A., Dated: 30-07-1998. PH Sec. Code No.18 73) P.H.SECTION- FOGGING MACHINE REGISTER NOT MAINTAINED. During the course of Audit as verified from the PH Section the registers of Fogging machine which were prescribed by the government were not maintained and produced for verification in audit. It shows the negligence in proper maintenance of records Early action would need to be taken to produce the same duly certified by the commissioner Eng.Sec Code.No.18 74)WORKS - WATER TRANSPORTATION -DEFECTS POINTED OUT -NEEDS ENQUIRY During the course of Audit as verified from the Trip sheets several defects had been pointed out during the year 2015-16 . 1. The filling points from the place where it is filling not mentioned in the trip sheets 2. The distance for filling the water were also not noted in the trip sheets 3. The verifying Officer not certified the Trip Sheets 4. Water Measuring Instrument not used in Distributing of Water . 5. The driver details ,licence and Other details of the driver not produced . 6. The vehicle-s numbers and its connected files not produced to Audit. 7. The distributing of water in various places in Municipal Jurisdiction frequently supply of water in a very short period of time. 8. Excess payment paid to Contractor-s exceeded the GPS Estimation of water supply 9. Water supplied with the same tankers in different places at the same time Further it is mentioned that all the works relating to the water transportation during the year 2015-16 several defects were pointed out .Audit could not conclude the correctness and genuineness in amount spent towards Water transportation .There is every chance of mis-utilizing and misappropriation of funds .Further action would need to be taken to conduct enquiry as on early date. Code.No.18 75) BUDGET PROPOSED ESTIMATES -APPROVED COPY OF BUDGET - MINUTES REGISTER ,AGENDA ,ATTENDENCE OF COUNCILERS & HEAD WISE UTILIZATION NOT PRODUCED- NEEDS ACTION As verified from the copy of budget provisions proposed budget estimates by the Madanpalli municipality in Resolution No.255/ Dated 31-1-2015 and approved by the Chair Person dt.31-1-2015 for the financial year 2015-16. Approved copy of the budget ,Minutes register ,Agenda Register ,Attendence Register of councilers, and head wise utilization also not produced by the Executive Authority. It is the responsibility of the Executive Authority to produce the initial and compulsory record to Audit

to find the genuineness and correctness .Further Action would need to be taken to produce the records to Audit. Eng.Sec Code.No.18 76) ROAD CUTTING CHARGES NOT COLLECTED - REGISTER NOT PRODUCED During the course of Audit it is noticed that, the road cutting charges under tap connections from the tenants not collected is irregular . The register of Road cutting charges also not maintained and produced for Audit verification .Immediate action would need to be taken to maintain the above said register and collect the amount towards road cutting charges from the tenants as per rules prescribed. Code No.18 Part I 77 ) REGISTERS NOT MAINTAINED AND PRODUCED The following registers which were prescribed by the government were not maintained and produced for verification in audit. Early action would need to be taken to produce the same duly certified by the commissioner. A) REVENUE SECTION 1) Cheques Bounced register. 2) Self assessment registers. 3) Field books of the bill collectors. 4) Out standing bill book register. 5) Register of write off and remissions. 6) Vacancy remission registers. B) TOWN PLANNING SECTION 1) Register of completion report issued. 2) Register of completion certificate sent to the revenue section. 3) Register of demolitions C) PUBLIC HEALTH SECTION 1) Consolidated License fee collection register. 2) Garbage lifting register. 3) Cheques register. 4) Register of trade license issued. 5) Register of compost. 6) Register of conservative articles

### Para Number : 12

#### STATUS OF OBJECTIONS (Code : 19) Rs : 0

78) Result of Audit : The General result of audit may be considered fairly satisfactory.

### Para Number : 13

#### RECEIPTS & CHARGES (Code : 20) Rs : 0

79) Receipts and Charges: The gross receipts and charges for the year 2015-16 were Rs.7,81,72,772 and Rs.5,80,37,271 respectively. 80) P.D.Accounts : Receipts and Charges: The gross receipts and charges for the year 2015-16 were Rs.8,13,03,677 and Rs. 9,14,22,513 respectively. Pending objections: 598 items of objections involving a sum of Rs. 53,81,05,930-00 from the year 1993-94 to 2015-16 were pending at the close of Audit as detailed below.

S.No.	Year No.	of Paras	Amount Involved																																																						
1.	1993-94	1 0	2.	1994-95 to 1995-96	Audit not conducted due to non-production of records	0 3																																																			
8,82,129-00	4	1997-98	14 1,84,75,224-00	5	1998-99	46 86,65,974-00	6	1999-2000	27 17,17,354-00	7	2000-01	24 59,75,962-00	8	2001-02	24 2,63,500-00	9																																									
2002-03	25	17,47,285-00	10	2003-04	15	51,53,626-00	11	2004-05	36	22,44,812-00	12	2005-06	17	1,00,14,399-00	13	2006-07	18	1,45,06,773-00	14	2007-08	26	7,26,78,604-00	15	2008-09	23	22,99,440-00	16	2009-10	28	1,46,98,940-00	17	2010-11	32	1,30,27,301-00	18	2011-12	29	2,35,49,149-00	19	2012-13	30	6,27,05,849-00	20	2013-14	30	12,45,91,854-00	21	2014-15	74	10,42,21,522-00	22	2015-16	77	5,06,86,233-00	TOTAL	598	53,81,05,930-00

Dist. Audit Officer State Audit,Chittoor

ABSTRACT OF AUDIT OBJECTIONS FOR THE YEAR 2015-16

S.No.	Para No.	Code No.	Amount involved.
1	6	7	511112
2	7	7	493719
3	8	7	0 4 9 7 0 5
10	7	274704	6
11	7	990100	7
12	7	0 8	13
8	2395985	9	14 9 0 10 15 9 0 11 16 9 0 12 17 9 0 13 18 9 302555
14	19 9 0 15 20 9 10335	16	21 9 689 17 22 9 124690
18	23 9 580000	19	24 9 0 20 25 9 12784000
21	26 10 741039	22	27 10 76174 23 28 11 0 24 29 11 0 25 30 11 179488
26	31 11 0 27 32 11 0 28 33 11 0 29 34 11 0 30 35 11 387674	31	36 11 366638
32	37 11 0 33 38 11 0 34 39 11 0 35 40 9 0 36 41 9 0 37 42 9 0 38 43 9 0 39 44 9 0 40 45 9 0 41 46 9 0 42 47 9 0 43 48 9 0 44 49 9 360101	45	50 9 2019991
46	51 9 0 47 52 9 0 48 53 9 0 49 54 9 928607	50	55 9 0 51 56 10 3279151
52	57 11 0 53 58 11 0 54 59 11 0 55 60 11 0 56 61 11 0 57 62 11 20558213	58	63 11 0 59 64 11 142560
60	65 11 0 61 66 11 0 62 67 13 2750710	63	68 13 427998
64	69 18 0 65 70 18 0 66 71 18 0 67 72 18 0 68 73 18 0 69 74 18 0 70 75 18 0 71 76 18 0 72 77 18 0	Total	77 -- 5,06,86,233

Asst. Audit



**Officer, State Audit Madanapalli**

**Para Number : 14**

**EMPLOYEES PARTICULARS (Code : 21) Rs : 0**

**Not applicable**

**DAO ( Signature )**

**Enclosures :-**

**I. Employee Particulars Report**

**II. Inventory Report**

**---- 0 ----**

**This Report is Electronically Generated, So Signature is not required**

## Employee Report

District	CHITTOOR			Mandal	MADANAPALLI	
Institute Type	MUNCIPAL COUNCIL			Audit Year	2015-16	
Institute Name	MC MADANAPALLI					
<b>Sector Name</b>	<b>Department Name</b>	<b>Category</b>	<b>As per the information obtained from the department:</b>	<b>As per the budget appendices</b>	<b>Working as per Information</b>	
MUNICIPALITIES	PR AND RURALDEVELOPMENT	GAZETTED	0	0	0	

### Contract Employee Posts

<b>Department</b>	<b>Post</b>	<b>No Of Posts</b>
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Print

Close

<b>District</b>	CHITTOOR	<b>Division</b>	MADANAPALLE
<b>Institute Type</b>	MUNCIPAL COUNCIL	<b>Audit Year</b>	2015-16
<b>Institute Name</b>	MC MADANAPALLI		

### Inventory Report

Office of the Asst. Audit Officer State Audit, Madanapalli. Submitted, The Draft Audit Report on the accounts of Municipal Council, Madanapalli , Chittoor District for the year 2015-16 is submitted along with the following for approval. 1. Audit report for the year 2014-15 2. Annual account for the year 2015-16 3. D.C.B. Statements for the year 2015-16 4. Spl. Letter O/C &F/C A.A.O.(MPL) D.A.O.(CTR) GOVERNMENT OF ANDHRA PRADESH STATE AUDIT DEPARTMENT From To Sri M.L.Manohar,B.Com. The Commissioner, Dist. Audit Officer, Municipal Council, State Audit, Chittoor. Madanapalli Chittoor District Lr.SA.No. dt. . Sir, Sub: - AUDIT- AUDIT on the accounts of Municipal Council, Madanapalli, Chittoor District for the year 2015-16 - Audit report forwarded - Reg. -o0o- I am forward herewith the audit report on the accounts of General funds of Municipal Council, Madanapalli, Chittoor District for the year 2015-16 in duplicate with a request to furnish replies to the audit paras in triplicate duly approved by the council with in three months from the date of receipt of the audit report. Yours faithfully Dist., Audit Officer State Audit, Chittoor GOVERNMENT OF ANDHRA PRADESH STATE AUDIT DEPARTMENT From To Sri.M.L.Mnaohar, The Commissioner, Dist Audit officer, Municipality, State Audit, Madanapalli . Chittoor. Lr. Roc.No. DT: - -2017 Sir, I have the honour to invite your attention to paragraphs

\_\_\_\_\_ of Audit Report on the General Funds Accounts of Madanapalli Municipality , Madanapalli for the year 2015-16 and to state that unless defects pointed out there in are rectified and the fact reported to this office with in two months after the receipts of this letter Action will be taken under surcharge rules issued A.P. Panchayat Raj Act 1994 and State Audit Act 1989 vide instructions issued GO.Ms.No. 130 F&P (FW Admn.II) Dept., dt. 8.9.2000 and rule and sub rule 7&9 under section 10 of A.P. State Audit rules. Yours faithfully  
DIST.AUDIT OFFICER STATE AUDIT:CHITTOOR.