

AUDIT REPORT
ON THE ACCOUNTS
OF
MUNICIPAL
COUNCIL
HINDUPUR
FOR THE YEAR
2015-16



Office of the Dist., Audit Officer,
State Audit, Anantapur.

[Signature]
4.2.17

SUBMITTED.

THE DRAFT AUDIT REPORT ON THE ACCOUNTS OF MUNICIPAL COUNCIL, HINDUPUR, ANANTAPUR DIST., FOR THE YEAR 2015-16 IS SUBMITTED HERewith FOR FAVOUR OF KIND APPROVAL PLEASE.

[Signature]
D.A.O

PCS
010217
A.A.O

A to
Receipts & Vouchers ready for audit
by Receipts in H H.C.

Invoice No
37/287
dt. 01-02-17

**GOVERNMENT OF ANDHRA PRADESH
STATE AUDIT DEPARTMENT**

From
Sri G.Ramachandra Reddy,
District Audit officer,
State Audit, Anantapur,
Anantapur District.

To
The Commissioner
Municipal Council
HINDUPUR
Anantapur Dist.,

Letter S.A. No. 101 Dt 14-2-17 .

Sir,

Sub : AUDIT - Audit on the accounts of General Funds, Elementary Education Fund and Secondary Education Fund of the Municipal Council, HINDUPUR, ANANTAPUR, Dist., for the Year 2015-16 is forwarded -Regarding.

* * * * *

I forward herewith the audit report on the accounts of General Funds, Elementary Education Fund and Secondary Education Fund of municipal council Hindupur, Anantapur dist., for the year 2015-16 in duplicate required under section 196 of Hyderabad Municipal act 1955 read with rule 7 of Andhra Pradesh State Audit rules 2000 and request you to furnish replies to the audit objections pointed out in the audit report within 2months from the date of receipt of this audit report as per rule 8 of Andhra Pradesh state audit rules 2000 together with the 2nd copy of the audit report .

Yours faithfully,


**District Audit Officer,
State Audit, Anantapur.**

P.S
010217

Copy submitted to The Secretary to Government Housing & Municipal Administration and Urban Development of Andhra Pradesh, Andhra Pradesh, Hyderabad.

Copy to The Account General Andhra Pradesh, Hyderabad.

Copy submitted to The Director of State Audit, Andhra Pradesh Hyderabad.

**AUDIT REPORT ON THE ACCOUNTS OF GENERAL FUNDS OF THE
MUNICIPAL COUNCIL, HINDUPUR, ANANTAPUR DISTRICT FOR
THE YEAR 2015-16**

NAME OF THE AUDITOR : Sri P.Chandrashekara,
Assistant Audit officer.

Assistance By
1.A.Mallikarjuna , SA
2.V.Srinivasa Reddy, SA
3.K.Varalakshmi, SA
4.M.Suresh, SA
5.G.V.Rama Mohan Reddy, SA

TIME TAKEN FOR AUDIT :

The office the Commissioner, HINDUPUR Municipal Council was held by the following persons during the year under report.

NAME OF THE COMMISSIONER:

PERIOD

1) Sri A.V.V.Badrha Rao

01.04.2015 to 31.03.2016

The office of the Chair person was held by Smt R.Lakshmi of Municipal Council Hindupur during the period 1-4-2015 to 31.03.2016 under report.

PART- I

1) GENERAL FINANCIAL REVIEW AND BUDGET

Code No -1

a) The Receipts and payments during the year shown in the abstract of Annual Account appended together with the opening and closing balance. The opening balance in the cash book is agreement with the closing balance of the previous year. The consolidated closing balance in both the general fund cash book,(001 & 002) as on 31-3-2016 viz.,Rs.9121063.00 & 16927540.00 is in agreement with the consolidated closing balance in the account for Mach` 2016. the closing balance viz.Rs.26048603.00 as on 31-3-2016 is in agreement with the balance in the sub-treasury pass book after allowing for un-cashed cheques and un-remitted revenue on hand at the close of the year subject to the differences detailed below.

RECONCILIATION BETWEEN CASH BOOK AND BANK/ TREASURY ACCOUNT AS ON 31/3/15

001 Account

Closing balance as per of cash book as on 31-3-2016	:	Rs. 9121063.00
Add un-cashed cheques	:	Rs. 948365.00
016058 = 8800.00		
016059 = 747793.00		
016060 = 620978.00		
016061 = 213266.00		
016018 = 30528.00		
Total = 948365.00		
Closing balance as per S.T.Pass Book as on 31-3-16	:	Rs.10069428.00

002 Account

Closing balance as per of cash book & Pass Bookas on 31-3-2016	:	Rs. 16927540.00
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2) COMPLIANCE OF AUDIT OBJECTIONS BY THE MUNICIPAL AUTHORITIES

The number of Audit objections pending at the beginning of the year, no of objections added during the year, the number of objections settled during the year and the balance left at the close of the year was not made up to date.

According to the instructions issued in G.O.Ms.No.874 M.A Dept. Dt.13-11-67 the Audit report and the replies have to be placed before the municipal council and later the replies to be submitted to the Government through the Director of the State Audit A.P Hyderabad, with a copy of resolution for taking further action. As verified the settlement of Audit objections during the period was Nil.

Effective steps would need to be taken to furnish the replies for settlement of Audit objections duly recovering the excess payments made as pointed in the Audit objection.

3) BUDGET

Under G.O.Ms.No: 128 Municipal Administration and urban Development (Election -II) Dept., Dt: 2-3-2007 the HINDUPUR Municipality fulfill the criteria to declare the same as larger Urban area so as to constitute a Municipal Council (Clause (d) of section -II of the A.P.Municipal Council Act`1994).

According to rule 8 of the rules relating to the preparation of budget allotted and transfer of funds issued in Go Ms No.619 MA Dt.7-10-1967 the budget as approved by the Municipal Council should be submitted to the Government through the district Collector or Director of Municipal Administration Andhra Pradesh, Hyderabad by December 31st of each year. The budget estimate as approved by the Municipal Council was not produced to Audit to verify whether the expenditure incurred was with in the budget limits or not.

Further the expenditure is incurred over and above the approved budget, the executive authority shall forth with communicate the circumstances to the standing committee under clauses (e), (f),(g)or (h) of the sub- section 172 and under section (2) of 191 would need to be got rectified by the Council and produced for Audit.

The revised budget for the year 2015-16 was approved by the Municipal Council in its standing committee resolution No: Dt: with council resolution No: Dt:

PART – II
(REVENUE)

4)REVENUE RECEIPTS – TAX REVENUE & NON – TAX REVENUE AND ITS ANALYSIS

The sources of revenue receipt during the year were through

1. Revenue raised by Municipal Council
2. Receipts from the state Govt. towards percapita grant
Entertainment tax, M.V. tax, land cess, surcharge on
Stamp duty etc;
3. Grant - in – aid received from Govt.

Analysis on receipts under the above heads during the year was not possible in Audit due to Non maintenance of posting registers abstract of receipts and charges, consolidated DCB registers for taxes and Non – Taxes, Grant registers and Grant appropriation registers, and Grant – in – aid particulars. In the absence of the same the correctness of the figures noted in the Annual account could not be certified in Audit. The Main source of income for the institution is government grant and grant in aid from government. The revenue in come by self was not realized in a satisfactory manner. The Council authorities were not taken any steps for 100 % realization of revenue income. Hence the Council financial position was in a satisfactory manner.

5)TIME BARRED TAXES

The following taxes relating to the year of audit must have become barred by limitation of time under section 365(1) of A.P. Municipalities act 1965 during the year under report.

S. No.	Name of the Tax	Year	Amount
1	2	3	4
1	Property Tax		Arrear demand register were not written by up to the year 2015-16
2	Profession Tax		
3	Agricultural land tax		
4	Encroachment Fee		
5	V.L.T		
6	Leases		
7	D&O Traders		

Due to non maintenance of A.D.R.S. the time barred taxes could not be arrived at.

No coercive steps like recovery through distraint, prosecution, fitting suits as laid down under Section 365 of A.P. Municipal Act 1965 appeared to have been taken to avoid loss to Municipal funds. These taxes cannot be covered now and as such constituted, loss which will have to be made good from the person or persons responsible under intimation to audit.

5.1) MUNICIPAL COUNCIL - TOWN PLANNING - UNAPPROVED LAYOUTS – 14% OPEN SPACE CHARGES NOT COLLECTED- NEEDS RECOVERY RS 3,58,166.00

As per G.O.Ms.No dt of the Principal Secretary of Municipal Administration and Urban Development Department issued under Section 344 of the Hyderabad Municipal corporation Act 1955, 14% of open space charges needs to be collected on unapproved layout sites but on verification of the building application register for the year 2015-2016, it was noticed that there was difference in collection of the open space charges in the building application.

In the same area some of the application was imposed 14% open space charges where as some others were exempted from the payment of 14% open space charges even though the sites belong to same area. But the reasons for not imposing the 14% open space charges were not explained in audit.

Apart from the register of approved layouts and the notified extension areas was also not produced to audit. Due to lack of the said records and sufficient information with regard to the approved layouts and unapproved layouts the veracity in giving exemption and imposition of 14% open space charges could not be verified. 14 % of sight cost or present sub registrar value recovered in the approved building applications calculation sheet but in the following building applications the same was not recovered 14 % of the sight cost or Present Sub-Registrar, Hindupur value in the calculation sheets, action would need to be taken from the person/persons responsible and credited the values from the Municipal Council funds under intimation to audit.

Hence, the amounts would need to be collected from the person or persons held responsible and credited immediately to the municipal funds under intimation to audit.

S.No	Name of the applicant and B.A.No	Market deed value	Non-layoutharges of 14 %on Market deed value
1	P.Eswaraiah, B.A.No 44/2015/G1	92000.00	12880.00
2	S.B.Nagesh, B.A.No 74/2015/G1	623000.00	87220.00
3	B.Shafulla,B.A.No 80/2015/G1	600000.00	84000.00
4	K.Basheer Khan, BA.No 39/15/G2	227000.00	31780.00
5	S.Sunil Kumar, BA.NO 49/15/G2	300000.00	42000.00
6	K.M.Akbar Ali Khan,BA.No 61/15/G2	383000.00	53620.00
7	D.M.Narayanamurthy BA.No 66/15/G2	Actual 33330x2=66660.00x14% 93332.00 calected 46666.00	46666.00
	Total		358166.00

Code No.07

5.2) TOWN PLANNING SECTION – BETTERMENT CHARGES NOT COLLECTED- NEEDS RECOVERY. Rs.57725.00

During the course of audit, as verified from the building applications pertaining to town planning section received from the concerned site owners towards for construction of buildings for residential and non-residential purposes, it was noticed that the betterment charges were not collected in contravention of Section 211 of A.P. Municipalities Act, 1965 and as per the approved rates of the Municipal Council, Hindupur.

S.L.No	Name of the Applicant	BA.NO	Site Area (sqm)	Betterment Charges of Rs.
1	G.Gangadhar	38/15/G2	195	19500.00
2	S.Sunil Kumar	49/15/G2	116	11600.00
3	KMA.Akbar Ali Khan	61/15/G2	213	26625.00
	Total			57725.00

Code No.7

5.3) TOWN PLANNING –14% OPEN SPACE CHARGES COLLECTED ON DOCUMENT VALUE INSTEAD OF PREVAILING MARKET VALUE ON THE DATE OF APPLICATION- LOSS TO MUNICIPAL FUNDS – WOULD NEED TO BE CALCULATED ON THE ON THE MARKET VALUE AND THE DIFFERENCE WOULD NEED TO BE RECOVERED FROM THE PERSON RESPONSINLE

As verified from the Building license fee register for the year 2015-16 it was noticed that the in the following cases the 14% open space charges were collected on the document value instead of on the Market value prevailing on the date of applications. Hence the 14% open space charges shall be worked out on the Market Value and difference in the amount would need to be recovered from the person responsible.

SL.No	Name of the Applicant	BA.No	Date of Application	Year of document
1	T.Ranjithkumar	30/15/G2	02.04.15	2012

5.4) BATH ROOMS AND TOILETS FEE-NOT COLLECTED IN FULLY-SHORT AMOUNT COLLECTED-NEEDS COLLECTED RS. 109841.00

As verified the Gazettee as shown the rate towards both rooms and toilets Rs 200/- per metre. But as shown in the building applications and blue prints was collected of each both room and toilet of Rs 200/- only. Bath room and toilet fee short amount collected as shown in the Annexure. Early action would need to be collected and remitted to the municipal funds and challan produced for verification in the audit.

S.I. No	Name of the applicant	B.A.No	Toilet measurements	Total measurements	Rate of Sq. feet	Total amount to be collected	Amount allready collected	Balance amount to be collected
1	M.V.k.Naveed	28/2015/G1	1.20x2.80					
			1.20x2.80	6.72	200	1344	400	944
2	M.S.Anuradha	27/2015/G1	2.0x2.61	5.22	200	1044	250	794
3	M.Prakash Rao	24/15/G1	1.65x1.25					
			1.65x1.25					
			1.65x1.25					
			1.65x1.25	8.25	200	1648	500	1148
4	B.Muneruddin	20/2015/G1	2.3x1.5					
			2.3x1.5					
			2.3x1.5	10.35	200	2070	750	1320
5	G.Aruna prasanna	22/2015/G1	1.20x2.40					
			1.20x2.40	5.76	200	1152	500	652
6	B.Ramu	19/2015/G1	1.50x1.60	2.4	200	480	200	280
7	A.Ramesh Reddy	29/2015/G1	2.5x1.2	3	200	600	400	200
8	R.Pani Raj	30/2015/G1	1.10x1.20					
			2.02x1.20					
			1.80x2.20					
			1.90x1.20	9.98	200	1996	250	1746
9	C.Vijaya Bhaskar Reddy	31/2015/G1	2.28x1.50					
			2.28x1.50					
			1.60x1.50					
			2.28x1.50					
			2.28x1.50					
			1.60x1.50	18.48	200	3696	1750	1946
10	P.Manjula	32/2015/G1	1.50x1.63					
			3.00x1.35	6.49	200	1298	200	1098
11	J.Jayamma	34/2015/G1	1.20x1.50					
			1.20x1.50	3.60	200	720	500	220
12	B.Aswarhamma	35/2015/G1	1.50x1.20					
			1.50x1.20					
			1.50x1.20					
			1.50x1.20	7.2	200	1440	1000	440
13	G.A.Chinnaiah	36/2015/G1	1.54x2.38					
			1.54x2.38					
			1.54x2.38					
			1.50x2.38					
			1.54x2.38					
			1.50x2.38	21.69	200	4338	1500	2838
14	P.Suresh Reddy	37/2015/G1	1.20x2.00					
			1.20x2.00					
			1.20x2.00					
			1.20x2.00	9.6	200	1920	1500	420
15	G.Pothi Reddy	38/2015/G1	2.10x1.20					
			2.10x1.20					
			2.10x1.20					

			2.10x1.20	10.08	200	2016	400	1606
16	N.Ramanji	39/2015/G1	2.8x1.2					
			2.8x1.2					
			2.8x1.2					
			2.8x1.2	13.44	200	2688	400	2288
17	C.R.Eswaraiah	40/2015/G1	1.72x1.50					
			1.72x1.50					
			1.72x1.50					
			1.72x1.50	10.32	200	2064	1000	1064
18	K.Ravi sankar	41/2015/G1	3.60x1.20					
			3.60x1.20	8.64	200	1728	500	1228
19	P.Eswaraiah	44/2015/G1	2.40x1.35					
			2.40x1.24	6.21	200	1242	250	992
20	G.R.Harinath	45/2015/G1	1.80x2.31					
			1.80x2.31	8.30	200	1660	500	1160
21	K.Suniya Begam	46/2015/G1	1.80x2.29					
			1.80x2.29	8.24	200	1648	500	1148
22	E.Ramanjinamma	47/2015/G1	2.00x1.50					
			2.00x1.50					
			2.00x1.50					
			2.00x1.50	12	200	2400	1000	1400
23	Aravind Gousia	48/2015/G1	2.00x1.50	3	200	600	250	350
24	E.Lathamangeswari	51/2015/G1	2.27x1.50					
			2.27x1.50	6.80	200	1360	500	860
25	B.Prabhavathamma	52/2015/G1	2.10x1.20	2.52	200	504	250	254
26	K.Sathyanarayanapa	53/2015/G1	1.20x2.09					
			1.20x2.09					
			1.20x2.09					
			1.20x2.09	10	200	2000	1000	1000
27	P.M.Sibhathulla	54/2015/G1	1.50x1.61					
			1.50x1.61					
			1.58x1.20					
			1.58x1.20					
			1.50x1.61					
			1.50x1.61					
			1.58x1.20	15.31	200	3062	2000	1062
28	Jagadeesh Naik	56/2015/G1	1.68x1.46					
			1.68x1.46	4.9	200	980	500	480
29	B.Venkatesh	57/2015/G1	1.20x3.00					
			1.20x3.00	7.2	200	1440	500	940
30	G.T.Anil kumar	60/2015/G1	3.88x1.20					
			3.88x1.20					
			3.88x1.20	13.95	200	2790	750	2040
31	S.Lakshmi devi	62/2015/G1	1.20x3.65					
			1.20x3.65	8.76	200	1752	500	1252
32	K.Sarwamangalam	63/2015/G1	1.22x1.88					
			1.72x1.88					
			1.22x1.88					
			1.72x1.88	11.16	200	2232	1000	1232
33	Gousia	64/2015/G1	1.82x1.22					
			1.82x1.22	4.44	200	888	500	388
34	Sreenivasa Naik	65/2015/G1	1.80x1.20					
			1.80x1.20	4.32	200	864	500	364
35	T.Kulesekhar	67/2015/G1	1.50x1.44					
			1.50x1.44					
			1.50x1.44					
			1.50x1.44	8.64	200	1728	1000	728
36	K.Abubaskar	68/2015/G1	2.10x1.20					
			2.10x1.20	5.04	200	1008	500	508
37	G.Kumar	70/2015/G1	1.37x2.44					
			2.17x2.44					
			1.37x2.44					
			1.05x2.44	14.53	200	2906	1250	1656
38	B.Nethravathi	71/2015/G1	1.50x1.80					
			1.50x1.80					
			2.27x2.43					
			1.50x1.80					
			1.50x1.80					
			2.27x2.43	21.82	200	4364	1500	2864
39	G.Jagan Mohan	72/2015/G1	1.20x1.44					
			1.20x1.44					
			1.20x1.44					
			1.20x1.44	6.88	200	1376	1000	376
40	V.Thulabi Naik	77/2015/G1	2.75x1.31					

			2.75x1.31	7.2	200	1440	500	940
41	S.S.Kavitha	78/2015/G1	1.15x2.43	2.79	200	558	250	308
42	B.Shafiulla	80/2015/G1	1.8x1.5					
			1.8x1.5					
			1.8x1.5					
			1.8x1.5	10.8	200	2160	1000	1160
43	A.Manjunath	83/2015/G1	1.77x1.25					
			1.77x1.25	4.41	200	882	500	382
44	Papulamma	85/2015/G1	2.00x1.50					
			2.00x1.50					
			3.00x1.50					
			3.00x1.50					
			3.00x1.50					
			3.00x1.50	22.50	200	4500	500	4000
45	M.Hanumantharayudu	87/2015/G1	1.2x2.5					
			1.2x2.5	6	200	1200	500	700
46	S.Sivamma	88/2015/G1	1.2x2.5					
			1.2x2.5	6	200	1200	250	950
47	S.Abdul Rahiman	89/2015/G1	1.4x2.3					
			1.4x2.3	6.44	200	1288	500	788
48	P.Azamthulla	90/2015/G1	1.09x2.5					
			1.09x2.5	5.44	200	1088	500	588
49	B.Bhagyamma	91/2015/G1	3.9x3.9					
			3.9x3.9	30.42	200	6084	500	5084
50	T.Ram Kumar	93/2015/G1	1.67x1.37					
			1.67x1.37	4.56	200	912	500	412
51	T.R.Prasad Rao	94/2015/G1	1.67x1.37					
			1.67x1.37	4.56	200	912	500	412
52	B.G.mohansadevi	95/2015/G1	1.20x3.00					
			3.17x1.20					
			1.20x3.00					
			1.20x3.00					
			3.17x1.20					
			1.20x3.00	22	200	4400	1500	2900
53	C.Nagaraju	03/2016/G1	2.40x1.20					
			2.40x1.20	5.76	200	1152	500	652
54	B.Venkaresh	4/2016/G1	1.50x3.18					
			1.50x3.18	9.54	200	1908	500	1408
55	Syed Hussain	5/2016/G1	1.20x2.43					
			1.20x2.43	5.83	200	1166	500	666
56	K.Supriya	6/2016/G1	1.50x2.90					
			1.50x2.90					
			2.33x1.51					
			2.33x1.51					
			1.88x1.51					
			1.88x1.51	21.38	200	4276	2250	2026
57	Shaik Nagreentaj	7/2016/G1	1.67x1.20					
			1.67x1.20	4.00	200	800	500	300
58	B.Abdul raseed	8/2016/G1	2.2x2.5					
			2.2x2.5	11.0	200	2200	500	1700
59	V.Nagaraju	9/2016/G1	2.50x1.5					
			2.50x1.50	7.50	200	1500	0000	1500
60	M.Adilakshamma	10/2016/G1	1.5x2					
			1.5x2	6	200	1200	500	700
61	P.Obaiah	11/2016/G1	2.00x1.20					
			1.50x1.50					
			1.50x1.50					
			2.00x1.20					
			1.50x1.50					
			1.50x1.50	13.80	200	2760	1500	1260
62	Shaik Rubia	12/2016/G1	2.2x2.5					
			2.2x2.5	11	200	2200	500	1700
63	G.Harish Reddy	13/2016/G1	2.54x1.525					
			2.54x1.525	7.74	200	1548	500	1048
64	K.Anuradha	14/2016/G1	2.10x1.50					
			2.1x1.50	6.30	200	1240	500	740
65	M.Nagamani	15/2016/G1	1.52x1.90					
			1.52x1.90					
			2.44x1.82					
			1.52x1.90					
			1.52x1.90					
			2.44x1.82	20.4	200	4080	1500	2580
66	D.L.Bheemaraj	16/2016/G1	2.44x1.82					
			1.52x1.90					

			1.52x1.90					
			2.44x1.82					
			1.52x1.90					
			1.52x1.90	20.4	200	4080	1500	2580
67	K.A.Shanuka sreenivas	17/2016/G1	1.20x2.47					
			1.20x2.47	5.928	200	1186	500	686
68	R.Suseela	18/2016/G1	1.20x1.50					
			1.20x3.00					
			1.085x3.00					
			1.20x1.50					
			1.20x3.00					
			1.085x3.00	21.90	200	4380	1500	2880
69	B.S.Sunna	19/2016/G1	1.20x1.14					
			1.20x1.25					
			1.20x1.14					
			1.20x1.25	5.736	200	1147	1000	147
70	D.Himabindu	20/2016/G1	1.20x1.80					
			1.20x1.80	4.32	200	864	500	364
71	T.Naga obulesu	21/2016/G1	1.80x1.50					
			1.80x1.50	5.4	200	1080	500	580
72	D.Somi Reddy	22/2016/G1	2.70x1.8					
			2.70x1.8	9.72	200	1944	500	1444
73	V.Praveen Naik	23/2016/G1	3.4x1.52					
			3.4x1.52	10.336	200	2067	500	1567
74	S.Vijayagopal	25/2016/G1	1.35x2.4					
			1.35x2.40					
			2.00x1.20					
			2.00x1.20	11.28	200	2256	1000	1256
75	L.Krishna Murthy	26/2016/G1	2.5x1.2					
			1.20x2.5					
			2.5x1.2					
			1.2x2.5	12	200	2400	1250	1150
76	M.Sivajyothi	27/2016/G1	1.50x2.40					
			1.50x2.40	7.2	200	1440	500	940
77	S.Khajavali	29/2016/G1	1.20x3.36					
			1.20x2.42					
			1.20x2.43					
			1.20x3.36					
			1.20x2.42					
			1.20x2.42	19.68	200	3936	1000	2936
78	P.Padmaja	30/2016/G1	1.99x1.20					
			1.99x1.20	4.76	200	952	500	452
79	J.laxmidevi	28/15/G2		3.6	500	720	500	220
80	HG.Gangadrappa	28/15/G2		11.7	250	2340	250	2090
81	T.Ranjithkumar	30/15/G2		6.552	500	1310	500	810
82	P.Sudhamani	33/15/G2		5.28	500	1056	500	556
83	B.Gopal	35/15/G2		4.32	500	864	500	364
84	M.Rudresh	36/15/G2		6.57	500	1314	500	814
85	P.Aruna	37/15/G2		7.2	500	1440	500	940
86	K.Basher Khan	39/15/G2		22.38	500	4476	500	3976
87	T.Roshan Ali	43/15/G2		2.37	--	474	--	474
88	V.Nagaraju Guptha	48/15/G2		3.66	250	720	250	470
89	S.Sunil Kumar	49/15/G2		11.24	500	2248	500	1748
90	E.Hanumanthappa	50/15/G2		13.53	1000	2707	1000	1707
91	DV.Sreenivasareddy	53/15/G2		20	1500	4000	1500	2500
	Total							109841

5.5)D&O Trades- Public Health Authorities not followed the Gazette in collection of license fee from Schools and Degree colleges- Huge loss of revenue to Municipal funds and also violation of council resolution – the same would need to be recover from the executive authority responsible.RS.313000.00

During the course of audit, it was noticed that according to Extraordinary Gazette published by Andhra Pradesh Government, the Public Health authorities of Hinudpur shall collect license fee from school, junior college and PG Degree College and E-techno and concept schools as follows.

S.No	Serial No in the Gazette	No in Section the M.Act	Name of the Trade	License fee to be collected
1	234	301	Running of private school and college LKG to 5 th class 6 th to X XI to XII Degree to PG	Rs.2000.00 Rs.3000.00 Rs.5000.00 Rs.10000.00
2	271	301	Private Etechno and E.Concept School LKG to 5 th class 6 th to 10 th class Intermediate Degree to PG	Rs.5000.00 Rs.10000.00 Rs.15000.00 Rs.20000.00

But as verified from Division register for collection of license fee, it was noticed that nothing was collected from above said institution towards license under Extraordinary Gazette published by Govt of Andhra Pradesh though there was huge number private schools, colleges and Degree colleges.

According to sub section 1 of Section 374 of Andhra Pradesh Municipal act 1965 places the liability for loss on the officers of the Municipality if it is direct consequence of that negligence. In the present case PH authorities are responsible for the loss of income to municipality due non showing interest in collection of license fee as per the Gazette. Action would need to taken to recover the loss as detailed below in the preview section 374 AP Municipal act.

	SCHCD	SCHNAME	LOW CLAS S	HI GH CL AS S	RECOGNISATION NO. Progs.No. & Date	License
510	28225700108	VIJAYA EM SCHOOL	1	5	2069/B7/2010,28-5-2010	2000.00
511	28225700602	NARAYANA E TECH PS	1	5	2295/B7/2011,3-5-2011	2000.00
512	28225700612	VISION PUBLIC SCHOOL	1	7	5560/B7/2012,18-07-2012	3000.00
513	28225700613	AKSHRAMALA EM SCHOOL	1	7	10475/C3/2011,03-12-2011	3000.00
514	28225700615	SRI VASAVI EM PS	1	5		2000.00
515	28225700616	KRISHNADEVARAYA VIDYALAYA PS	1	5	10258/C-3/2011,01/12/2011	2000.00
517	28225700910	L R G VIDYALAYAM	1	5	10783/B7(C4)/2008,15	2000.00

					-4-2010	
518	28225700913	L.R.G.VIDYALAYAM	6	10	51505/A3/2009,20-2-2010	3000.00
519	28225700916	ANGELO PUBLIC SCHOOL PS	1	5		2000.00
520	28225701408	SARASWATI VIDYA MAND	1	5		2000.00
521	28225790543	CHINMAYA VIDYALAYA E.M.SC	1	5	5635/B7/2009,23-2-2010	2000.00
522	28225790544	SRI SARASWATHI VIDYA MAND	1	5		2000.00
523	28225790546	ALHILAL ENGLISH MEDIUM SC	1	5	3832/B7/2012,04-7-2013	2000.00
524	28225790547	BalayesuVidyalaya P.S	1	5	3391/C4/2009,4-5-2009	2000.00
525	28225790548	SRI BALAJI VIDYA VIHAR	1	5	6561/B7/2009/R.R,31-1-2011	2000.00
526	28225790550	SREE SARASWATHI VIDYAMAND	1	5		2000.00
527	28225790553	DEEPTI EM HS HINDUPUR	1	5	165/B7/2014,6-2-2014	2000.00
528	28225790565	SRI VANI VIDYALAYAM E/M S	1	7		3000.00
529	28225790566	Sri Saraswathividyam andi	1	7		3000.00
530	28225790572	JAWAHAR VIDYALAYA	1	7		3000.00
531	28225790575	BRILLANTS ENGLISH MEDIUM	6	10		3000.00
532	28225790580	SRI VIVENKANANDA SCHOOL	1	7		3000.00
533	28225790592	DEEPTHI EM HS HINDUPUR	6	10	2298/A3/2009,6-5-2009	3000.00
534	28225790594	SRI SARASWATHI VIDYA MAND	6	10		3000.00
535	28225790595	CHINMAYA VIDYALAYA E.M.H.	6	10	4998/A3/2009,7-11-2009	3000.00
536	28225790597	ALHILAL E.M.HS HINDUPUR	6	10	1557/A3/2013,23-4-2013	3000.00
537	28225790598	BALAYESU VIDYALAYAM T.M.	6	10	4006/A3/2011,17-11-2011	3000.00
538	28225790599	BALAYESU VIDYALAYAM E.M.	6	10	4005/A3/2011,17-11-2011	3000.00
539	28225791301	SREE CHAITANYA EM HIGH	6	10	4792/A3/2012,11-10-2012	3000.00
540	28225791304	RENEWED EM SCHOOL	1	5	6172/B7/2011/ETR,4-6-2011	2000.00
541	28225791305	SREE ESWAR EM SCHOOL	1	5	7668/B7/2013,01-01-2013	2000.00
542	28225791306	VAILANGAN MATA EM SC	1	5	3523/B7/2013,1-1-2014	2000.00
543	28225791307	SIDDARTHA EM SCHOOL	1	7		3000.00
544	28225791308	MARGADAESI VIDYA NIK	1	7	5737/C-3/2012,17-07-2012	3000.00
545	28225791311	SRI SAI KRUPA EM SCH	1	5		2000.00
546	28225791314	REOWNED EM SCHOOL	6	10	2224/A3/2013,8-8-2013	3000.00
547	28225791315	SREE ESWAR EM SCHOOL	6	10	2223/A3/2013,8-8-2013	3000.00
548	28225791316	VAILANGAN MATA EM SC	6	10	4150/A3/2013,11-11-2013	3000.00
549	28225791319	AL HIRA EM SCHOOL	1	7	4471/C3/2010,3-7-2010	3000.00

550	28225791320	PANCAJANYA BRILLIANT HS	6	10	2817/B7/2013,22-4-2012	3000.00
551	28225791321	venu vidya VIHAR HS	6	10	3894/A3/2013,28-10-2013	3000.00
552	28225791322	venu vidya VIHAR PRI SCHOOL	1	5	3938/B7/2013/ETR,4-7-2013	2000.00
553	28225791323	TV BASAVARAJ TALENT SCHOOL	1	5	10447/B7/2010,16-7-2010	2000.00
554	28225791325	PRE.MOTHER THERESA	1	5		2000.00
555	28225791326	PANCH JANYA EM SCHOOL	1	5		2000.00
556	28225791327	SW RWO SCHOOL	1	7	6319/C-3/2009,10-5-2010	3000.00
557	28225791335	SREE VIJAYA RAM SCHOOL HS	6	10	2492/A3/2010,16-8-2010	3000.00
558	28225791336	SREE VIJAYA RAM SCHOOL PS	1	5		2000.00
559	28225791337	SREE BALAJI VIDYA VIHAR	6	10	5257/A3/2009,23-11-2009	3000.00
560	28225791338	SRI VIDYRANYA AVASA HS	6	10	1231/A3/2010,30-7-2010	3000.00
561	28225791339	VICTORY UP EM SCHOOL	1	7	4781/C4/2009,19-6-2009	3000.00
562	28225791340	MANASWI COCEPT SCHOOL	1	8	10058/C3/2009,2-7-2010	3000.00
563	28225791343	AL-AMEEN EM PS	1	5	3081/C3/2011,04-06-2011	2000.00
564	28225791344	AL-AMEEN EM HS	6	10	3558/A3/2011,24-10-2011	3000.00
565	28225791345	RAVINDRA BHARATHI PS	1	5		2000.00
566	28225791346	RAVINDRA BHARATHI HS	6	10		3000.00
567	28225791347	NARAYANA E TECHNO HS	6	10	1166/A3/2011,11-5-2011	10000.00
						153000.00

LICENSE FEE TO BE COLLECTED FROM JUNIOR COLLEGE, DREGREE COLLEGE AND PG COLLEGES

S.No	Name of the college	Date of estt	Licese fee
1	Balayesu Junior college	2001-02	5000.00
2	Balayesu junior college	1994-95	5000.00
3	Sri Bharathyeesvidyavihar	1993-94	5000.00
4	Sapthagiri junior college	1993-94	5000.00
5	LRG Naidu Jr college	2004-05	5000.00
6	Sri sai junior college	2010-11	5000.00
7	Narayana Junior college	2014-15	5000.00
8	SuvarnaBharathi Junior college	2014-15	5000.00
9	SDGS junior college	1965-66	5000.00
10	AML junior college	1982-83	5000.00
	DEGREE & PG COLLLEG		0
11	Sri Balajividyavihar degree college		10000.00
12	St xavior college of education		10000.00
13	Vasavi institute Of management		10000.00
14	SPVM Degree college		10000.00
15	SDGS BEd college		10000.00
16	Balayesu degree college		10000.00
17	Sapthagiri degree college, six Bangla rd		10000.00
18	BITs inistitue of College		20000.00
19	Sapthagiri degree college, RS road		10000.00
20	Manasvi concept school		10000.00
			160000.00

Code No.7

5.6)D& O TRADES – LICENSE FEE NOT COLLECTED FROM WATER TANKERS SEVERAL YEARS –INCOME FOREGONE – WOULD NEED TO BE RECOVERED.

As verified from the records relating D&O Trades for the year 2014-15 it was noticed that nothing towards license fee was collected from the water Tankers existed in the Municipality. It was well known that the scarcity of water in Hindupur. Daily so many water tankers are carrying water tankers

According to Extraordinary Gazette publish in the month of January 2012 by Government of Andhra Pradesh in respect Hindupur Municipality as serial No.168, the license fee shall be collected at the rate of Rs.500/-from the Water Tankers. But No license fee was collected from the water tankers for several years.

Code No.7

5.7)D& O TRADES – LICENSE NOT COLLECTED FROM PRIVATE ATM & BANKS SINCE SEVERAL YEARS –INCOME FOREGONE – WOULD NEED TO BE RECOVERED.

As verified from the records relating D&O Trades for the year 2014-15 it was noticed that nothing towards license fee was collected from the Private ATMS existed in the Municipality.

According to Extraordinary Gazette publish in the month of January 2012 by Government of Andhra Pradesh in respect Hindupur Municipality as serial No.171, the license fee shall be collected to run the private Banks and ATM.

5.8)D&O TRADES – LICENSE NOT COLLECTED FROM KALYANAMANDAPAMS AND FUNCTION HALLS SINCE SEVERAL YEARS –INCOME FOREGONE – WOULD NEED TO BE RECOVERED.RS.38500.00

As verified from the records relating D&O Trades for the year 2015-16 it was noticed that nothing towards license fee was collected from the Kalyanmandhpams and function halls existed in the Municipality.

Further it was learnt that there was three function halls were noticed from records. But license fee was not collected from since several Years.

S.No	Name of the function hall	Amount to be colleted as per Gazette
1.	Sri RMS function hall	3500.00
2.	TTD Kalyanamandapam	3500.00
4	Rajadhani function hall	3500.00
5	International Function hall	3500.00
6	AMS function hall	3500.00
7	Vasavi function hall	3500.00
8	Chowdeswari function hall	3500.00
9	All Filial function hall	3500.00
10	Railway community fuction hall	3500.00
11	Kanchikamakshi function hall	3500.00
12	Shalimar Function hall	3500.00
		38500.00

According to sub section 1 of Section 374 of Andhra Pradesh Municipal act 1965places the liability for loss on the officers of the Municipality if it is direct consequence of that negligence. In the present case PH authorities are responsible for the loss of income to municipality due non showing interest in collection of license fee as per the Gazette. Action would need to taken to recover the loss as detailed below in the preview section 374 AP Municipal act.

Besides recovering the loss of revenue Rs.38500.00 for the year 2014-15, action would need to be taken to work out the loss for the past several years and recovered and survey should be conducted regarding the number of function halls existed in the Municipal and estimate license fee foregone for past several years and recover the same officers responsible since several years under the section 374 of APM act.

5.9)D& O TRADES – LICENSE FEE NOT COLLECTED FROM WATER TANKERS SEVERAL YEARS –INCOME FOREGONE – WOULD NEED TO BE RECOVERED.Rs.7800.00 ALONG WITH ARREARS FOR THE PAST SEVERAL YEARS

As verified from the records relating D&O Trades for the year 2015-16 it was noticed that nothing towards license fee was collected from the Cycle stands, sale of cool drinks, snacks etc in cinema Halls existed in the Municipality.

According to Extraordinary Gazette publish in the month of January 2012 by Government of Andhra Pradesh in respect Hindupur Municipality as serial No.198, the license fee shall be collected from the cycle stands in cinema Hall and canteens in cinema hall at the rate of Rs.500/- and RS.800/-respectively. But No license fee was collected from the above said trades for several years.

S.No	Name of the cinema hall	License fee to be collected for cycle stand and canteens the year 2015-16		Total to be collected for the year 2015-16
1	Balaji theatre	500.00	800.00	1300.00
2	Sri Vishnu picture talkies	500.00	800.00	1300.00
3	Sri Srinivasa talkies	500.00	800.00	1300.00
4	AmruthMahal	500.00	800.00	1300.00
5	Gurunath theatre	500.00	800.00	1300.00
6	Lakshmi Theatre	500.00	800.00	1300.00
	Total	3000.00	4800.00	7800.00

5.10)D& O TRADES – License fee not collected from cell shops and Sim Cards providers – revenue fore gone would need to be recovered . Rs.35000/-

According to Extraordinary Gazette publish in the month of January 2012 by Government of Andhra Pradesh in respect Hindupur Municipality as serial No.155, the license fee shall be collected from the Cell phone sim cards and internet connections at the rate 5000/-. But no license fee was collected towards the following

S.No	Name of the Cell shop	Amount to be collected as per Gazette
1	A.P Mobiles below Andhrabank,HDP	5000.00
2	Tata indicom Exclusive show room, Nut bazaar	5000.00
3	Airtel gallery, Dhanalakshmi road	5000.00
4	Vision net, RL Road	5000.00
5	Tirumala internet service providers, penukondrd	5000.00
6	Big C Mobiles	5000.00
7	King C mobile DL Road	5000.00
		35000.00

5.11)D& O Trades – the authorities not followed the Gazette for collection of license fees- Demand Trade wise not prepared- License fee not collected from some important business establishments – loss of revenue –would need to be investigated and loss would need to be recovered

During the course of audit on the D&O Trades it was noticed that the then Sanitary Inspectors were not followed the Municipal Gazette published in the Month of January 2012. Some Important Trades which fetch huge income in the form license fee were left untouched.

According to sub section 1 of Section 374 of Andhra Pradesh Municipal act 1965 places the liability for loss on the officers of the Municipality it is direct consequence of that negligence. In the present case PH authorities are responsible for the loss of income to municipality due non showing interest in collection of license fee as per the Gazette. Action would need to taken to recover the loss as detailed below in the preview section 374 AP Municipal act.

Further the commissioner, Hindupur Municipality has not conducted any survey regarding to all trades, Schools, colleges lodges, industries, Kalyamandhapams and function halls, cinema Halls etc along with details measurements of the shops, number rooms in lodges, number of rooms with AC, whether the lodge have any function halls, wine shops with bar and restaurants and its Market value, industries with HP power etc and a complete demand was not prepared. Consequently whatever the Sanitary Maistry collected is final and the collection itself shown as demand, collection and balance nil.

Accordingly huge recurring loss of revenue is being caused to Municipals funds for years together.

5.12)D&O Trades- license in respect of cinema theatres not collected- loss to municipal funds from years together- would need to be recovered loss of current year along with previous year's loss.

According to resolution No.96, dt; 30/7/2011 published in extraordinary gazette, the PH authorities shall collect Rs.3000/- from cinema halls existed in municipal area limits.

But it was learnt that the following cinema halls were existed in the Municipal limits

S.No	Name of the cinema hall	License fee to be collected for the year 2012-13
1	Balaji theatre	3000.00
2	Sri Vishnu picture talkies	3000.00
3	Sri Srinivasa talkies	3000.00
4	AmurthMahal	3000.00
5	Gurunath theatre	3000.00
6	Lakshmi Theatre	3000.00
		18000.00

But nothing was collected from above theatre towards license fee. The loss of Rs.18000-00 for the year 2014-15 along with loss for previous year which would need to be worked out, would need to be recovered.

Code No.7

5.13)D&O Trades –license fee not collected from commission agents of the Market committee, Hindupur- Huge loss of revenue caused to Municipal funds – loss for the year 2015-16 would need to be recovered from the person responsible.Rs.122000/-

According to Serial No. 218 of the Exordinary Gazette and under section of 213 of the AP Municipal act, the public health authorities shall collect Rs.1000/- Per annum form every commission Agent towards the license fee.

But as verified from the records produced nothing was collected from commission agents of Market committee agents for the past several years.

As per the available sources it is learnt that there was learnt that there was nearly 122 commission agents in the Hindupur Municipal Market committee. Accordingly the license fee of Rs.122000/- would need to be collected from the commission agents.

According to subsection 1 of section 374 of AP Municipal act 1965 places the liability for loss on the officers of the Municipality if the loss is a direct consequence of the their neglect. Inspite of various statutory provisions for their collection, the PH authorities not collected. If the dues cannot be recovered and constitute a permanent loss to funds of local body.

Action would need to be taken to recover the loss for the year 2014-15 worked out to Rs.122, 000/- would need to be made good from the person responsible.

Code No.07

5.14) LICENCE FEE – TRADE LICENCE FEE – NOT COLLECTED - LOSS NEEDS RECOVERY.

As per Gazette Notification of the Municipal Corporation, Anantapur, licence to trades of the following traders was not collected for the year 2014-15 as detailed below. Appropriate action would need to be taken to collect the trade license fee under intimation to audit.

- 1) super markets
- 2) Mineral water plants
- 3) Exhibitions and circus
- 4) Diwali Crackers
- 5) Rice mills and Oil mills
- 6) Fertilizer shops
- 7) Petrol bunks
- 8) Chit fund company's
- 9) Chicken and mutton shops
- 10) Banks& ATM
- 11) Two wheeler and four wheeler Show rooms
- 12) Nursing Homes

5.15)Water Tax –Metered Water tax –nothing received towards Metered Water tax even though there was 3676 number of property assessments under commercial head - Loss of revenue – would need to be ascertained after necessary investigation.

According to bye law No 10 of 4th schedule of the Water supply Bye laws passed in Council resolution No.567, Dt:4/11/1994 published in District Gazette of Ananthapur, the municipality has to collect at the following rates from the Non-Residential Buildings after fixing the Meter.

- 1 Residential Houses Rs.1.50 per a Kilo litre
2. Lodges Rs1000 per a 1000KI
3. Shops, Business establishments, industrial establishments etc., Rs.10 per a 1000 kl
4. Industrial organizations Rs.10 per a 1000KI

Accordingly Non- residential Building and Partly Non residential and Partly residential buildings shall be fixed with water meter and water tax shall be collected basing on the meter reading.

The Hindupur Municipal has, as per statement obtained from E-Suvidha , 2605 numbers of residential assessments and 1071 partially residents and partially non residential assessments. As such there should be 3676 number of metered water tap connections and from them the water tax shall be collected basing on the meter reading `

But as seen from the accounts, it was noticed that there was not water tax receipts from the category of metered water tap connection head.

As there was loss of revenue in form short collection of water tax from the non residential and commercial connection for years together and the same would need to be ascertained and recovered from the person responsible.

6.) ADVANCES PAID – NOT GOT ADJUSTED. Rs.4,74,600.00.

During the course of audit, it was noticed that an aggregate amount of **Rs.4,74,600.00** was drawn and paid as advance vide vouchers as listed below.

But, the Advance adjustment bills, vouchers etc.. Were not produced to audit verification.

Hence, immediate action would need to be taken to produce the advance adjustment bills for verification. Loss if any shall be made good from the person/s responsible under intimation to audit.

Vr.No. & Date	Nature of Advance	Amount
46/20.6.2015	Advance for flight charges for commissioner	48600
69/10.07.2015	Advance towards Godavari Pushkaralu	58000
78/14.8.2015	Advance towards Independence day	40000
168/13.1.2016	Advance towards Pulse polio programme	63000
187/20.2.2016	Advance towards Pulse polio programme	65000
??/20.2.2016	Advance towards mobile toilets @ Lepakshi utsavalu	200000
		474600

Code No.9

7) PUBLIC HEALTH WING-SUPPLY OF OUT SOURCING PERSONNEL BY AGENCIES – SERVICE TAX NOT BEING DEDUCTED WHILE MAKING THE PAYMENT TO THE AGENCY SINCE BEGINNING OF CONTRACT – IRREULAR

During the course of audit on the accounts of Hindupur Municipal council for the 2015-16, as verified from the vouchers relating to the payments made to the Agency supplied out sourcing staff Public Health, it was noticed, the service Tax is not being recovered from the bills while making payment. It is clear violation of rules. Hence the Service Tax amount along with the previous years' service tax would need to be worked out and remitted to the concerned Department head.

Code No.09

7.1) PROPERTY TAX – COLLECTION MADE – DEMAND REGISTERS MAINTAINED – CERTAIN IRREGULARITIES – NEEDS ACTION.

As verified from the Annual account, Chitta and Demand Registers of Property Tax, it is noticed that an amount of Rs. 50660157.00 was collected towards Property Tax including both the arrear and current during the year under report. Due to the following irregularities, the above collection of the property tax could not verify with the Demand and Arrear Demand Registers.

1. The Ward wise demand was not arrived.
2. The collection of postings was not made in respect of all collections of Property Tax by the way of E. Seva, DDs, Cheques and Challan Register of Bill Collectors.
3. In some cases, the balance was not stroked against the each assessment.
4. In some cases, the figures were written with the pencil.
5. The list of new assessments which taken in Demand during the year was not made available for verification of the fixation of Property Tax whether it has correct or not.
6. The page wise totals in respect of Demand, Collection and Balance in Demand Registers were not made.
7. The ward wise totals of Demand, collection and Balance were not made.
8. The abstract of total Demand, collection and balance was not written and not certified by the Executive Authority.
9. The outstanding bills of Property tax were not made available for verification.
10. And finally, the Arrear Demand Registers were not maintained as on date.

In this connection, the collection which noted above was not classified as arrear and current and the balance of property tax was not also ascertained in audit. Due to this, the above collection was not certified and admitted in audit. And also if any loss sustained to the institution that would need to be recovered from the person or persons responsible.

7.2) VACANT SITE TAX – COLLECTION MADE – DEMAND REGISTERS MAINTAINED – CERTAIN IRREGULARITIES – NEEDS ACTION.

As verified from the Annual account, Chitta and Demand Registers of Vacant Site Tax. Due to the following irregularities, the above collection of the Vacant Site Tax could not verify with the Demand Registers.

1. The Ward wise demand was not arrived.
2. The collection of postings was not made in respect of all collections of Vacant Site Tax by the way of E. Seva, DDs, Cheques and Challan Register of Bill Collectors.
3. In some cases, the balance was not stroked against the each assessment.
4. In some cases, the figures were written with the pencil.
5. The list of new assessments which taken in Demand during the year was not made available for verification of the fixation of Vacant Site Tax whether it has correct or not.
6. The page wise totals in respect of Demand, Collection and Balance in Demand Registers were not made.
7. The ward wise totals of Demand, collection and Balance were not made.
8. The abstract of total Demand, collection and balance was not written and not certified by the Executive Authority.
9. The outstanding bills of Vacant Site Tax were not made available for verification.
10. And finally, the Arrear Demand Registers were not maintained as on date.

In this connection, the collection which noted above was not classified as arrear and current and the balance of Vacant Site Tax was not also ascertained in audit. Due to this, the above collection was not certified and admitted in audit. And also if any loss sustained to the institution that would need to be recovered from the person or persons responsible.

7.3) BUILDING LICENCE ISSUED – COMPLETION REPORT/DATE OF OCCUPATION NOT OBTAINED FOR ASSESSMENT LEVY AND COLLECTION OF WATER TAX – LOSS OF REVENUE – NEEDS – INVESTIGATION.

As per the Building rules as laid down under Section 230 of Schedule III the town planning section should send the extract of Register of Building permission issued to the outdoor staff for verification of completion or occupation and the same should be reported in the monthly lists for assessment levy and collection of Water Tax. As verified the Register of Building licence it is noticed that the entire procedure to be followed has not been followed by the Town planning section. As a result whether all the buildings have been completed within the time brought for assessment of Water Tax could not be verified. Further the non constructions if any were taken to VSP were also not noted.

This is a clear evidence of inaction of the town planning section and it is a clear violation of rules and loss of revenue to the institution which deteriorate the financial soundness of the local body institutions. As such the matter needs for investigation on the lines stated above.

CODENO.09

7.4) TAX – COLLECTION OF PROPERTY TAX AFTER 30 DAYS OF THE EVERY YEAR – LOSS IF ANY SUSTAINED BY THE INSTITUTION – EXECUTIVE AUTHORITY IS HELD RESPONSIBLE.

The property tax shall be levied for every half year and it is the duty of the assesses to pay it within 30 days after the commencement of each half year i.e. 30th April/31st of October (Section 91)

Loss if any sustained by the institution due to non-collection of tax within time specified as per section 91 of the A.P. Municipalities Act 1965, the Executive Authority will have to be held responsible.

7.5) TOWN PLANNING –BUILDING SURVEYORS- LICENCE AMOUNT NOT RENEWED IN FULLY – BASED ON THEIR GAZETTE- LOSS TO MUNICIPAL FUNDS –EARLY ACTION WOULD NEEDS RECOVERY FROM THE SURVEYORS .RS 120000.00

During the course of audit it was noticed that several building permissions were issued based on the plans prepared by the surveyors, whose licenses were not renewed in fully. Surveyors shall renew their Licenses every year.As per the Gazettee notification of the collected & District Magistrate, Ananthapuramu of D.Dis .No A5/5603/2013 dt 18.05.2013 as per each surveyor renewal of the each year of amount of Rs 10000/- .But the collected amount of each surveyor of Rs 2000/- only. The Building Plans prepared by the surveyors whose licenses were not renewed in fully as per gazette should not be considered for issue of permission by the Municipal Authorities. Non collection of short amount renewal fee caused loss to municipal funds. Suitable action needs to be taken to rectify the omission and loss caused in this regard would need to be made good by the person or persons responsible.

S.L.No	Name of the surveyors	As per Gazette collected amount	Collected amount	To be collected
1	K.Ranga Rao	10000.00	2000.00	8000.00
2	B.Chandra sekhar	10000.00	2000.00	8000.00
3	G.V.Jagadeesh	10000.00	2000.00	8000.00
4	S.M.Sbdul Hafeez	10000.00	2000.00	8000.00
5	M.Haranath	10000.00	2000.00	8000.00
6	P.Anandakrishna	10000.00	2000.00	8000.00
7	K.m.Syed Mohd Ali	10000.00	2000.00	8000.00
8	K.Aswartha Narayana	10000.00	2000.00	8000.00
9	P.Kiran Kumar	10000.00	2000.00	8000.00
10	N.Jaya chandra	10000.00	2000.00	8000.00
11	S.S.N.Kristappa	10000.00	2000.00	8000.00
12	J.Venkateswara Prasad	10000.00	2000.00	8000.00
13	B.C. Sudhkar	10000.00	2000.00	8000.00
14	P.Raghunath	10000.00	2000.00	8000.00
15	R.P.Ramesh Babu	10000.00	2000.00	8000.00
			TOTAL	120000.00

7.6) TOWN PLANNING- TREE GUARDS CHARGES NOT RECOVERED- NEEDS RECOVERY

As verified the Gazettee Tree Guard charges for Residential Building areas which construction area exceeds 101sqts to 250 sqts . But in the Building application through the construction area exceeds 101 sqts to 250 sqts tree guards was not recovered which results loss to the institution .Action would need to be taken to recovered from the person(s) responsible and remitted to Municipal Council funds under intimation of audit for verification.

CODE NO:09

7.7) PLANNING-STAIR CASES MEASUREMENTS NOT SHOWN IN THE BLUE PRINT- THIS IS IRREGULAR

As verified the Gazettee as shown the rate towards stair cases Rs 200/- per metre. But as shown in the building applications and blue prints was not shown measurements of the stair cases. But as verified the building application and blue print was collected of Rs 200/- per each stair case. This irregular. Non collection of as per Gazette rates of stair cases short amount collected to wards stair case fee caused loss to municipal funds. Suitable action needs to be taken to rectify the omission and loss caused in this regard would need to be made good the person or persons responsible.

7.8) Amount paid to Thasildar, Hindupur- Higher authority sanction orders not obtained- Irregular

As verified the cash book and voucher an amount of Rs 80500.00 was drawn and paid to thasildar, Hindupur vide vr.no 39/10.10.2015 towards celebrations of Navamiramma deeksha of AP on 2-6-2015 vide pro Rc no 314/15/c1 dt 6.6.15. But connected file and D.M.A sanctioned orders or collected orders or authentic higher authority sanction orders not obtained to payment of Thasildar, Hindupur. The Executive authority reasons are also not explained in the audit.

If any loss sustained of the institution person or persons responsible. Early action would need to be produced the above records, otherwise an amount of Rs 80500.00 was recovered from the responsible person, remit the Municipal Funds and challan produced in the verification in audit.

7.9) PLANNING – LOG BOOKS – ENGAGING OF VEHICLES etc. – CERTAIN DEFECTS – NOTICED – NEEDS TO BE RECTIFIED

During the course of audit, as verified from the Log Books, the defects were pointed out as detailed below.

- ➡ Meter readings were not noted/recorded.
- ➡ All columns in Log Book were not filled in.
- ➡ Timings were not noted/recorded for some days.

Therefore, the defects pointed out would need to be rectified and if there any excess payment was made, the same has to be recovered from person or persons responsible and credit the same to the Head of Account of Municipal Corporation under intimation to audit.

**7.10)WATER METER RATES – METER READING CARDS & REGISTERS
PRESCRIBED – NOT MAINTAINED – VIOLATION OF RULES – NEEDS
IMMEDIATE ACTION::**

METER REGISTER::

Meters issued to various houses are entered in the Register. Among various details, the register includes date of application for meter, date of providing meter and diameter of meter. But the date of providing meter and diameter of meter was not recorded in the Register of Meter.

METER READING CARD::

Wherever tap is provided on meter basis, it is necessary that the water consumed has to be recorded every month. This card provides a record of water consumed. The meters are read by Meter Reader once in a month and the readings (units) will be noted in the Meter Reading Cards. The Meter Reading Cards have to be maintained in duplicate, one card has to be given to the owner and the other card will be sent to the municipal office.

METER LEDGER::

Based on the entries in the Meter Reading Card, the demand will be fixed and entered in the relevant register i.e., Meter Ledger. But no such ledger was maintained in municipal office. Only one register i.e. named as "WATER METER RATES" was only maintained in the municipal office.

In view of the circumstances explained above, appropriate and immediate action would need to be taken to maintain the registers mentioned above and take action to enter the details in the relevant registers to avoid chances for misappropriations & mis-utilisations and produce the same for audit for verification.

8) WORKS – EXECUTION OF WORKS GOVERNMENT RECOVERIES MADE FROM THE WORK BILLS NOT REMITTED TO THE CONCERNED HEAD OF ACCOUNTS NEEDS ACTION - RS 782147.00

As per G.O.Ms.No: 217 Industries & Commerce (M-I) Dept., Dt: 29-9-2004, G.O.Ms.No: 11 Finance (W & P) F – 8 department dt: 29-7-2005 and G.O.Ms.No: 159 R & B (R-3) Dept., Dt: 30-10-2004 the deduction towards Seigniarage fee, VAT & I.T. etc., respectively were made to Rs. 782147.00 From the work bills pertaining to works executive during the year as detailed below. But the same were not remitted to the concerned head of accounts the same would need to be remitted to the respective heads of accounts, early action would need to be taken to remit the same and remittance challance may be produced to audit.

S.L. No	Name of the fund	NAC	CMRF	Q.C	Cor.	S.T	Total
1	Engineering section in General Funds	27728/ -	41594/ -	328954/ -	295200/ -	88671/ -	782147/ -

8.1) TOWN PLANNING – 'LABOUR CESS' NOT RECOVERED FROM THE BUILDING HOLDERS – NEEDS RECOVERY :

As per G.O.Ms.No. 42 Dated recovery @ 1% of the amount has to be made towards Labour Cess from building holders on the total collected fees.

As per U.O. Note No.4763/PFS.F8(A1)/08-4, Dated 28-2-2008 of the Finance (Works & Projects) Department, 'in respect of ongoing works, wherever agreements do not contain the clause relating to the condition of the Building and other construction workers Cess Act, an amount of 1% of the amount will be added to the estimates and the estimates revised accordingly.

But, recovery of Labour Cess from the building holders was not made during the year 2015-2016.

Early action may be taken for arriving the 1% amount to be recovered from building holders during 2015-16 and recovered from the concerned and remitted to concerned head of account.

8.2)WORKS - EXECUTION OF WORKS GOVERNMENT RECOVERIES MADE FROM THE WORK BILLS NOT REMITTED TO THE CONCERNED HEAD OF ACCOUNTS NEEDS ACTION - Rs 815035.00

As per G.O.Ms.No: 217 industries Commerce (M-I) Dept., Dt: 29-09-2004, G.O.Ms.No: 11 Finance (W & P) F - 8 department dt: 29-7-2005 and G.O.Ms.No : 159 R&B (R-3) Dept., Dt: 30-10-2004 the deduction towards Seigniarage fee, VAT & I.T etc., respectively were made to Rs.89342.00 from the work bills pertaining to works executive during the year as detailed below. But the same were not remitted to the concerned head of accounts the same would need to be remitted to the respective heads of accounts, early action would need to be taken to remit the same and remittance challance may be produced to audit.

Name of the Scheme	sc	it	vat	LC	QC	Total
13th Finance Commission	126977	168080	375182	75036	59019	804294
MPLADS	2144	0	0	780	0	2924
Night home for homeless					7817	
Total	129121	168080	375182	75816	66836	815035

Code No;11

9)Claiming of car Hire Charges by Commissioner,Chairmen ,Municipal Engineer,Water supply section and Revenu section etc Connected Tour dairies and files not produced Rs 696000.00

During the course of audit, it is noticed that, an aggregate amount of Rs. 696000.00 was incurred towards 5 cars engaged in the municipal Council to wards hire charges paid to contractors during the year under report as per vouchers. The connected tour dairies of commissioner,chair person, M.E,Water supply and revenu section etc and connected files were not made available to audit to verify and certify that the dates on which cars was engaged is included in the Tour dairies as well and the Journeys performed. Action would need to be taken for the production of the connected records to audit.

Further action would need to be taken to get the reimbursement of cars hire charges from the municipal funds as per instructions of Govt. Memo.No.15966/RD II/A1/2009-1,dated 19-08-2009 as the entire amount was met from Municipal corporation funds.

Sl.N o	Vr. No & date	Nature of payment	Amount
1	3/2.4.15	Engage of private car on hire bases for Municipal chairperson for the month of 3/15	24000.00
2	287/5.8.15	-----do----- 7/15	24000.00
3	495/1.10.15	-----do----- 9/15	24000.00
4	158/4.6.15	-----do-----5/15	24000.00
5	567/20.11.15	-----do----- 10/15	24000.00
6	948/10.3.16	-----do----- 2/16	24000.00
7	3/2.4.15	-----do-----3/15	24000.00
8	658/9.3.16	Engage of private vehicle on hire basis for the purpose of Municipal engineer for the month of 2/16	24000.00
9	578/1.11.15	-----do-----10/15	24000.00
10	458/6.10.15	-----do----- 9/15	24000.00
11	299/17.8.15	-----do-----7/15	24000.00
12	159/4.6.15	-----do-----5/15	24000.00
13	4/9.4.15	-----do-----3/15	24000.00
14	965/16.2.16	Engage of private vehicle on hire basis for the purpose of water supply section for the month of 2/16	24000.00
15	182/6.6.15	-----do-----4/15	24000.00
16	181/16.6.15	-----do-----3/15	24000.00

17	579/10.11.15	-----do----- 10/15	24000.00
18	580/10.11.15	-----do-----9/15	24000.00
19	953/4.3.16	Engage of private vehicle on hire basis for the purpose of Revenu section for the month of 2/16	24000.00
20	160/4.6.15	-----do-----5/15	24000.00
21	569/3.11.15	-----do-----10/15	24000.00
22	441/10/15	-----do----- 6/15	24000.00
23	286/8/15	-----do-----7/15	24000.00
24	7/9.4.15	Engage of private vehicle on hire bais for the commissioner for the month of 3/15	24000.00
25	954/4.3.16	-----do-----2/16	24000.00
26	568/4.3.16	-----do-----10/15	24000.00
27	442/3.10.15	-----do-----9/15	24000.00
28	285/3.8.15	-----do-----7/15	24000.00
29	161/4.6.15	-----do-----5/15	24000.00
		TOTAL	696000.00

9.1)TRACED VOUCHERS ALONG WITH CONNECTED RECORDS NOT PRODUCED Rs 2200517.00

During the course of audit the paid vouchers in respect General Funds have been traced out in the cash book have been entered in the note book and handed over to the concerned case workers to produce them along with the related files records and registers etc the same were acknowledged by them. But the said paid vouchers along with connected files during the year as detailed below were not produced to audit. The reasons for non produced were also not explained in audit. Action would need to be taken to produce the same at an early date. In the absence of the same the expenditure incurred for Rs 2200517.00 held under objection.

Vr.no&dt	Nature of Payment	Amount
2/2.4.15	Towards painting to traffic Islands from Municipal school ar Railway station at Bypass road in HDP	50547.00
228/29.6.15	Towards providing of distribution pipe line to the existing pipe line in 30 th ward	87817.00
208/29.6.15	Towards providing of distribution pipe line to the existing pipe line in 13 th ward	87052.00
176/16.6.15	Towards providing of distribution pipe line to the existing pipe line in 33 rd ward	87817.00
431/1.10.15	Towards maintainance of internal road in 14 th ward	286737.00
495/17.10.15	Towards engage of frused lrads on hire hasis for remove of wet silt and jungle cleaning	87377.00
506/19.10.15	Towards maintainance & repairs to Municipal sanitation AP02 Y 0511 in HDP	75960.00
302/18.8.15	Being the amount payable to sri venkataramudu, contractor towards balance amount remitted for dimolished of old ELSR of parigi Bustand	350000.00
04/9.4.15	Towards engage of private car/jeep on hire basis for Municipal engage for the month of 3/15	23365.00
200/20.6.15	Towards maintainance of internal road from E.P 5/12 to D.N 27-8-1273 of M.R palli in 36 th ward	340188.00
472/8.10.15	Being amount payable to manager drawm APUFIPC Ltd,Hyderabad towards refund of subsidiary .	672000.00
434/1.10.15	Towards maintainance of internal road from D.N 26-4-2825 to E.P 91/5 in 32 rd ward.	51657.00
	TOTAL	2200517.00

9.2) MUNICIPAL COUNCIL - PAYMENT OF WAGES TO CONTRACT WORKERS SUPPORTING RECORDS – ESTIMATE FILES NOT PRODUCED.

During the year 2015-16, the following amounts were drawn and paid to Contractor/Societies towards payment of wages to Engineering workers who were engaged through societies/contractor for regular maintenance of Engineering section in Corporation area. Similarly workers were engaged for maintenance of Street light maintenance on contract basis. The wages were paid to the Contract workers basing on the agreement/Work Order rates. To verify the correctness of the payments made to the Societies/Contractors the following important supporting records not made available for audit.

1. Rough attendance sheets indicating total number of workers attended both morning hours and afternoon hours for the entire month.
2. Total number of workers engaged during the month duly attested/signed by the Asst. Engineers not made available.
3. Connected file in which the work order, agreements, admn. sanction not available to audit.
4. The wages were paid per worker for which specific approval and authority not made available.
5. The entire transactions paid under wages has been studied in depth. Huge payments were made for payment of wages to Private workers engaged on Contract basis to justify to correctness of the payments made the following data not prepared by the Executive Authority before engaging the private workers
 - a) Total number of Workers required for maintenance in Engineering section duly arriving the total number of Existing work..
 - b) Total number of workers(regular) available in the Corporation as regular salary basis.
 - c) Short i.e., (a) – (b) = c
 - d) Private workers actually engaged by the Department. The above information shall be collected for each ward wise.

An estimate would have been prepared initially for the entire financial year for engaging of private health workers as detailed below –

Total number of existing work	X Men required per day	X 30 days	X Rate of wage	= Estimate amount per month	X 12months
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This was not done by the Department in engaging private workers for maintenance in Engineering section, and street lights maintenance.

There is no any supporting record maintained actual work extracted or executed with the labor engaged on contract basis.

In the absence of the above important data with annual maintenance estimate the total number of engaged could not be justified.

Due to the above non-availability of supporting records if any loss sustained of the instution person or person responsible. Early action would need to be produced the above supporting records as early as possible for verification of audit..

9.3)ENGINEERING SECTION – REGISTERS RELATING ON MAINTAINANCE OF VEHICLES AND DISPENSERIES AND OTHERS NOT PRODUCED.

During the course of audit the expenditure incurred towards maintenance of vehicles, purchasing spare parts and others were not forthcoming for verification in the selected months. In this regard, the Half Margin Letter was issued to Executive authorities for the following registers and files for verification.

1. Register showing repairs, replacements, spare parts etc.,
2. Register showing the cost of petrol, oil etc.,
3. Register of inventory of equipment
4. Nominal muster rolls of contract employees.

But the said registers above were not produced for verification in audit. In the absence of these important registers, the irregularities if any happened could not be verified in audit.

9.4)Stock entries- Purchase of water supply materials ,stationery and etc- stock entries and issues not produced. Rs 1062917.00

An amount of Rs 1062917.00 was drawn and paid in the following vouchers towards Purchase of Water supply materials , stationery and etc . The connected stock entries along with issues and utilization of meterilas issue register not produced for verification in audit. Further, the acknowledgements obtained from recepetients has also to be recorded in the stock register and produced for verification in audit.

S.No	Vr.&dt	Nature of payment	Amount Rs
1.	555/30.12.15	Providing of protection wall with cuddapah slab toilets and MS gate at Rythu Bazar in Hindupur	63195.00
2.	42/24.4.15	Stationery of sri Lakshmi Narasimha book stall,HDP	24600.00
3.	531/30.10.15	Supply and delivery of submersible pumpset with accesseries to existing bore well at 13 th ward	74586.00
4.	477/15.10.15	Supply and delivery of 40W st. lighting fitting at various places in HDP	80755.00
5.	606/21.11.15	Supply and delivery of st. lights materials for maintainance of st. lighting .	745218.00
6.	532/19.11.15	Supply and delivery of submersible pump set with assesssries to existing bore well at M.R palli in 36 th ward	74563.00
		TOTAL	1062617.00

(code11)

9.5) Vouchers and connected Bills and files not Produced.

During the course of Audit it is noticed that an amount of Rs.686703-00 was paid as detailed in the annexure but the connected vouchers and Bills and other connected files were not produced in Audit. Hence the Amount paid to the concerned individuals were not certified in Audit. Necessary action may be taken to produce the Vouchers and Bills in Audit.

vr no/dt	Particulars	Amont
33/18.4.15	Advertisement Charges	34001-00
40/24.4.15	Repaires to Mikeset and purchase of play materials.	12000-00
41/24.4.15	-----do-----	24975-00
43/24.4.15	-----do-----	24640-00
156/1.6.15	Advertisement charges	20800-00
157/1.6.15	-----do-----	7800-00
186/18.6.15	-----do-----	12800-00
187/18.6.15	-----do-----	10168-00
211/27.6.15	Phone Bill	4605-00
212/27.6.15	Phone Bill	4063-00
303/18.8.15	Land Phone Bills	14156-00
304/18.8.15	-----do-----	20028-00
308/22.8.15	Supply of U.P.s in Municipal office	20500-00
534/19.8.15	Offset Printers	22000-00
508/19.10.15	Stationary	1550-00
509/19.10.15	-----do-----	1875-00
510/19.10.15	-----do-----	1820-00
511/19.10.15	-----do-----	1925-00
512/19.10.15	-----do-----	1700-00
513/19.10.15	-----do-----	1875-00
514/19.10.15	-----do-----	1565-00
515/19.10.15	-----do-----	1920-00
516/19.10.15	-----do-----	1880-00
517/19.10.15	-----do-----	1925-00
518/19.10.15	-----do-----	1930-00
519/19.10.15	Stationary	1700-00
520/19.10.15	-----do-----	1920-00
521/19.10.15	-----do-----	1980-00
522/19.10.15	-----do-----	1905-00
523/19.10.15	-----do-----	1730-00
524/19.10.15	-----do-----	1800-00
525/19.10.15	-----do-----	1950-00
526/19.10.15	-----do-----	1115-00
527/19.10.15	-----do-----	1985-00
528/19.10.15	L.I.C Recoverirs	85000-00
541/21.10.15	Internet bills	7060-00
963/16.3.16	Advertisement charges	30528-00
964/16.3.16	-----do-----	8200-00
970/18.3.16	-----do-----	11620-00
971/18.3.16	-----do-----	7263-00
972/18.3.16	-----do-----	6640-00
973/18.3.16	-----do-----	6640-00
974/18.3.16	-----do-----	9130-00
975/18.3.16	-----do-----	5478-00
976/18.3.16	-----do-----	10956-00
977/18.3.16	-----do-----	74400-00
1013/24.3.16	Supply of Blankets,Pillos,Toweles etc	24900-00
1014/24.3.16	-----do-----	9800-00
1015/24.3.16	-----do-----	24900-00
1016/24.3.16	Supply of Mikeset and Water cans	15900-00
1017/24.3.16	-----do-----	25000-00
1018/24.3.16	-----do-----	21200-00
1019/24.3.16	-----do-----	7950-00
1020/24.3.16	-----do-----	21200-00
1025/28.3.16	Land Phone Bills	4352-00
	TOTAL	686703-00

Code No.11

9.6). Legal Charges paid –Administration Sanction orders and other connected files, Suit Registers not produced.

During the course of Audit it is Noticed that an amount of Rs. 71026-00 Was drawn and through the following Vouchers during the year. But the connected Administration Sanction Orders and connected files, not produced for verification and the Expenditure incurred could not be certified in Audit. Hence it WOULD need to be produced for verification in Audit.

s.no	Vr,no/Dt	Detailes	Amont
1.	38/20.4.15	Advocate fees	5500-00
2.	203/17.6.15	----d0-----	27500-00
3.	960/15.3.16	-----d0-----	38026-00
	TOTAL		71026-00

(Code-11)

9.7)Stock register not Produced.

During the course of Audit Stock Register for the year 2015-16 were not produced for verification during the year under report. In the absence correctness of the Amounts Expenditure incurred could not be verified in Audit. Early action would need to taken to produced StockRegister . Any loss sustained due to non production of stock register would need to be made Good from the persons responsible.

Code No 11

9.8) AGRICULTURAL LAND TAX DEMAND REGISTER AND ARREAR DEMAND REGISTER NOT PRODUCED.

The Agricultural Land Tax Demand Reister for the year 2015-16 was not written –up and demand not fixed and collections not made during the year under report.

The Arrear Demand Register in respect of Agricultural Land Tax for the year 2015-16 the outstanding balances upto the year 2015-16 were not carried forwarded to Arrear Demand Register and the collectionsa on outstanding tax was not made and credited to Municipal funds during the year under report. The loss sustained due to non –fixation of demand both curet and arrears and non collection of taxes would need to be made good from the person or persons responsible and credited to Municipal funds.

9.9)WATER TAX CURRENT AND ARREAR DEMAND REGISTERS NOT MAINTAINED PRODUCED FOR AUDIT.

The municipality should maintain the Water Tax register as per the demand on the previous half year duly adding additions and deletions as per monthly list on half yearly basis for 2 half yearly. Demand and amount collected by the house tax receipt by cheque, demand drafts & E-Seva collections, gross amount duly posted in the demand register and balance in the concerned month. The same should be tallied with chitta.

If any interest collected under the concerned head, the same recorded in ink and should be totaled page wise word wise year wise. The totals should tally with chitta figures. But the concerned registers were not produced.

In absence of these registers, the correctness of the demand, collection, balance of arrears, current could not be verified in audit and the correctness of the same could not be certified in audit.

Further the outstanding bills were not made available for verification. Therefore the executive authority was requested to initiate immediate action to close the connected register and produce the same for verification in audit.

Loss if any or irregularities noticed in future, the same would need to be made good from the person (s) responsible

9.10)PROPERTY TAX-ARREAR DEMAND REGISTERS NOT MAINTAINED AND PRODUCED FOR AUDIT.

The municipality should maintain the property tax register as per the demand on the previous half year duly adding additions and deletions as per monthly list on half yearly basis for 2 half yearly. Demand and amount collected by the house tax receipt by cheque, demand drafts & E-Seva collections, gross amount duly posted in the demand register and balance in the concerned month. The same should be tallied with chitta.

If any interest collected under the concerned head, the same recorded in ink and should be totaled page wise word wise year wise. The totals should tally with chitta figures. But the concerned registers were not produced.

In absence of these registers, the correctness of the demand, collection, balance of arrears, current could not be verified in audit and the correctness of the same could not be certified in audit.

Further the outstanding bills were not made available for verification. Therefore the executive authority was requested to initiate immediate action to close the connected register and produce the same for verification in audit.

Loss if any or irregularities noticed in future, the same would need to be made good from the person (s) responsible.

9.11) MUNICIPAL COUNCIL - REGISTER OF INVENTORY OF IMMOVABLE PROPERTY NOT PRODUCED:

During the course of audit the afore said register was not produced. Due to non-production of this register the following observations could not be made in audit.

1) that all the lands, buildings and building sites newly acquired or constructed by the municipal council during the year under report have been duly entered in the register with particulars of T.S.No. extent, value cost of construction or acquisition and also the cost of any additions to the existing lands, buildings and due to non-production of each register the following observations could also be not verified whether the following procedure was scrupulously followed or not.

- 1) The register should show a list of roads, bridges, culverts and other properties vested in or belonging to council.
- 2) Governments have ordered that the control of avenues on government roads including national highways in municipal areas be vested in the municipal council concerned. The council should maintain and develop the avenues subject to the general control of the high ways authority and may appropriate the entire income from they source.
 - i) That if any property was rented out, the rent has been fixed by competent authority and realized regularly and credited in the accounts and.
 - ii) That no immovable property has been let-out/sold when have without competent sanction.

The total value of the property according to this register should be shown in the statement of assets and liabilities appearing in the annual account).

9.12)VACANCY REMISSION REGISTERS (M.A.) NOT PRODUCED:

During the course of audit, the register of vacancy remissions was not produced for verification in audit. In absence of the same, it could not be verified in audit whether the following conditions on which the remission of Water Tax can be granted were fulfilled.

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

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

9.13) MUNICIPALITY – TOWN PLANNING SECTION - LIST OF UNAUTHORISED LAYOUT NOT PRODUCED – LOSS NEEDS RECOVERY – MATTER NEEDS ACTION:

The Asst. city planner has been requested several times to produce the following important records for audit.

1. The list of un- authorized layout in the Agricultural land which have been converted into residential areas and which have been recorded in the master plans Agricultural lands.
2. The list steps taken by Asst. city planner to take over the reserved land from the owners of pending approval of layout which have been permitted by the Director of town Planning with L.P. Member.
3. The list of rejected layouts in which the work started.
4. The above important records would need to be produced to audit.

The matter needs through investigation. Action would also and be taken to recover the loss caused to the Municipal funds due to not taken over the reserved land, Non- recovery of V.L.T charges from the persons or person responsible and credited to municipal funds.

Action would also needs to be taken to immediate action against the persons who have started the works in rejected layout.

Code No.11

9.14) ENCROACHMENTS – TEMPORARY AND PERMANENT ENCROACHMENTS - LICENSE GRANT REGISTER AND FEE COLLECTION REGISTERS WERE NOT MAINTAINED AND PRODUCED .

According the G.O.Ms.No.1468 MA Dt.18.12.1965 a demand registers has to be maintained for each tax separately and for temporary encroachments demand register shall be written once in an year and as per section 193 of A.P, Municipality act 1965 and rules in G.O.Ms.No.900 MA Dt.26.11.1969 license shall be issued for encroachments and fee also collected as per rates fixed by the Council time to time. But no such registers were maintained even though there was large number of assessments found permanent encroachments. The Executive authority could not be explained that why such register of encroachments was not maintained and produced. Early action would need to be produced for verification of audit.

9.15)ADVERTISEMENTS TAX-TEMPORARY STRUCTURES, PERMANENT STRUCTURES HOARDINGS- DEMAND, COLLECTION, BALANCE REGISTER ALONG WITH CONNECTED NOT PRODUCED.

The municipality should prepare the demand register for advertisement tax on temporary structures, 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 was collected at 1/12th of every month and if any advertisement was 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).

Due to non-production of the relevant files and records 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 noticed later in this regard the loss sustained to the municipal funds would need to be made good from the person (s) responsible.

Code No.11

9.16) PROPERTY TAX – Government offices located in private buildings and paying rent to owners – Registers not maintained and produced to audit.

Information relating to Govt. Offices located in private buildings was not available to verify whether property Tax was levied as per rent paid by Government offices to the building owners A register containing Government offices located in private buildings should be maintained so as to verify whether property Tax being levied as per the rent paid by the Government Offices or not and in order to prevent leakage of revenue to the corporation similarly a register containing central and state Government Offices located in their own building also needs to be maintained so as to verify the correctness of levy of property Tax as per rules relating to levy and collections of the Government buildings.

Code No.11

9.17) TOWN PLANNING SECTION – NON-PRODUCTION OF B.P.S AND L.R.S APPLICATIONS ALONG WITH REGISTER – NEEDS EARLY ACTION FOR PRODUCTION:

During the course of audit ,Building penalization scheme applications and L.R.S Schme applications along with the register were not produced to audit. Due to non-production of the building penalization scheme L.R.S scheme applications along with the register, it could not be verified whether the B.P.S. and L.R.S amount was correctly calculated and collected. Hence immediate action would need to be taken to produce the building penalization scheme and L.R.S scheme applications along with register to audit for verification. Loss, if any, caused in this regard would need to be taken to collect and credited to Municipal Funds and produce challans to audit.

Code.No.11

9.18) WATER TAX CURRENT AND ARREAR DEMAND REGISTERS NOT MAINTAINED PRODUCED FOR AUDIT.

The municipality should maintain the Water Tax register as per the demand on the previous half year duly adding additions and deletions as per monthly list on half yearly basis for 2 half yearly. Demand and amount collected by the house tax receipt by cheque, demand drafts & E-Seva collections, gross amount duly posted in the demand register and balance in the concerned month. The same should be tallied with chitta.

If any interest collected under the concerned head, the same recorded in ink and should be totaled page wise word wise year wise. The totals should tally with chitta figures. But the concerned registers were not produced.

In absence of these registers, the correctness of the demand, collection, balance of arrears could not be verified in audit and the correctness of the same could not be certified in audit.

Further the outstanding bills were not made available for verification. Therefore the executive authority was requested to initiate immediate action to close the connected register and produce the same for verification in audit.

Loss if any or irregularities noticed in future, the same would need to be made good from the person (s) responsible.

9.19) EXEMPTIONS OF PROPERTY TAX NOTED IN THE DEMAND REGISTER – DETAILS NOT FURNISHED TO AUDIT.

On verification of the demand registers of All wards for the year **2015-16**, it was noticed that, in many instances, the demand was kept blank in the demand register.

It is also noticed in the Demand Register that certain assessments taken to demand for the previous years were granted exemptions against many assessment Nos. The details of such exemptions granted by the appellate authority were not furnished to audit for verification in audit that whether the exemptions have been covered under section 88 of the A.P. Municipal Act. Otherwise it constitutes a loss to the institutions.

Further, the amended rates of property tax as assessed in the last General revision was not made available to the audit in order to verify the correctness of the Demand fixed in respect of property tax and the year of last General revisions was also not informed to the audit.

9.20) ASSESSMENT OF PROPERTY TAX – MONTHLY LISTS – NOT PRODUCED.

The fresh assessments were made towards the property tax for the year **2015-16**. But, the connected monthly lists of all wards were not made available for audit to verify the correctness of the demand Fixed. The monthly lists would need to be produced and the loss of any caused in this regard would need to be made good by the Persons responsible.

The mutation register was not maintained. The monthly lists obtained from the outdoor staff were not produced to audit to certify the difference of increased or decreased demand for the current year.

Early action would need to be taken to produce the monthly lists. The loss, if any sustained by the institution in this regard, and loss if any occurred to the funds of the institution the same would need to be made good from the persons responsible by enforcing the powers vested under section-56 of the Andhra Pradesh, Municipalities Act, 1965 and remitted to the Municipal funds

9.21) SUB-VOUCHERS NOT PRODUCED. Rs.2,54,300.00

It was noticed that the following amounts were drawn and spent towards various purposes as detailed below. But the Sub-vouchers were not made available to audit.

In the absence of the same, the correctness of the expenditure incurred therein could not be verified in audit.

The same would need to be produced to audit. Loss if any shall be made good from the person/s responsible under intimation to audit.

Vr.No. & Date	Particulars	Amount
09/30.4.2015	Payment towards Auto Hire charges	48000
10/30.4.2015	Payment towards Auto Hire charges	10800
11/30.4.2015	Payment towards Auto Hire charges	40800
195/18.3.2016	To RSA Automobiles, Bengaluru towards electro magnetic material	154700
		254300

Code No.11

9.22) TITLE TRANSFER APPLICATIONS – CONNECTED APPLICATION OF TITLE TRANSFER IN RESPECT of CERTAIN WARDS NOT PRODUCED TO AUDIT.

During the course of audit on the accounts of Municipality for 2015-16, the application received for transfer of title and sub division in all wards were made available to audit for verification purpose.

In the absence, the correctness of the collection could not be verified in audit. Hence the same would need to be produced at early date for verification purpose

Code.No.11

9.23) WATER TAX CURRENT AND ARREAR DEMAND REGISTERS NOT MAINTAINED PRODUCED FOR AUDIT.

The municipality should maintain the Water Tax register as per the demand on the previous half year duly adding additions and deletions as per monthly list on half yearly basis for 2 half yearly. Demand and amount collected by the house tax receipt by cheque, demand drafts & E-Seva collections, gross amount duly posted in the demand register and balance in the concerned month. The same should be tallied with chitta.

If any interest collected under the concerned head, the same recorded in ink and should be totaled page wise word wise year wise. The totals should tally with chitta figures. But the concerned registers were not produced.

In absence of these registers, the correctness of the demand, collection, balance of arrears, current could not be verified in audit and the correctness of the same could not be certified in audit.

Further the outstanding bills were not made available for verification. Therefore the executive authority was requested to initiate immediate action to close the connected register and produce the same for verification in audit.

Loss if any or irregularities noticed in future, the same would need to be made good from the person (s) responsible

9.24)WATER TAX BYE-LAWS NOT PRODUCED.

Code No 11

The bye laws of water tax were not produced to audit to verify the conditions and the rates fixed to collect water tax.

Further, as verified the demand register the register was not maintained category wise.

In the absence of bye laws whether the water tax has been collected as per the bye laws or not could not be verified. If any loss sustained the same would need to be verified and made good from the persons responsible.

9.25) WATER TAX – WATER TAX METER READING CURRENT AND ARREAR DEMAND REGISTER – NOT PRODUCED

As per by laws of Municipal Council, Hindupur for the year wise arrear demand of water tax meter reading should be fixed and connected demand registers should be maintained and collections posted in the connected registers. But, no such arrear demand register was maintained by municipal authorities.

In the absence of this register the correctness of the collections could not be verified in audit. The outstanding bills were also not made available to audit for verification. The arrear amounts were collected without maintenance of arrear demand register of water tax meter reading, which was irregular.

Due to aforesaid reasons, if any financial irregularities were noticed later, the loss sustained to the Municipal Funds would need to be made good from the person (s) responsible under intimation to audit for further course of action.

9.26) Elementary and Secondary Education and out going recoveries Registers not Produced and challans not Produced.(Code-11)

Elementary and secondary Education and outgoing recoveries Registers and challans for the year 2015-16 were not Produced for verification during the year. In the absence of above side records in the correctness of the Payment could not be verified in Audit. Action would need to be taken to furnish the connected Records for verification in Audit. Any Loss sustained due to non Production of Records would need to be made good from the persons responsible.

9.27) Elementary and Secondary Education and out going recoveries Registers not Produced and challans not Produced.(Code-11)

Elementary and secondary Education and outgoing recoveries Registers and challans for the year 2015-16 were not Produced for verification during the year. In the absence of above side records in the correctness of the Payment could not be verified in Audit. Action would need to be taken to furnish the connected Records for verification in Audit. Any Loss sustained due to non Production of Records would need to be made good from the persons responsible.

(Code-11)

9.28) Leases Arrear Demand Register not produced.

During the course of Audit it is noticed that the Leases Arrear Demand Register were not produced in Audit. In the absence of it is not possible how much amount is due under leases as on 31-3-16. Early action would need to be taken to produce the Leases Arrear Demand Register. The Loss if any sustained by the institution in this regard the same would need to be made good from the persons responsible.

9.29) CHARGES PAID-CONNECTED SUIT REGISTER-NOT PRODUCED.

the course of audit as verified from the vouchers listed below, a sum of **Rs.93000.00** was drawn and paid towards legal charges but the connected suit register was not made available for verification.

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

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

Vr.No. & Date	Details	Amount
51/3.7.2015	Payment towards legal charges	65500
109/26.10.2015	Payment towards legal charges	27500
		93000

12th FINANCE COMMISSION
9.30) M.BOOKS ESTIMATES AND CONNECTED FILES NOT
PRODUCED. Rs.600000.00

The M.Books, Estimates and connected files pertaining to the works executed during the year under report as detailed below were not produced for audit under night shelter for homeless. The M.Books and estimates need to be audited. Action would need to be taken to produce the same at an early date.

Vr.No. & Date	Particulars	Amount
03/16.03.2016	Repairs to the existing building at krishna layout for night shelter	600000.00
	Total	600000.00

**10) IRREGULAR AND EXCESS PAYMENT OF WAGES TO P.H.WORKERS
CONTRARY TO THE GOVT.ORDERS-NEEDS RECOVERY.Rs1320000.00**

As verified from the wages bills paid to the P.H.Workers during the year 205-16.An amount of Rs 500/- per each contract basis P.H.Workers was paid then the agreed amount as verified from the connected file it was agreed to pay an amount of Rs 8300/-P.M to each P.H.Worker. But an verification of connected vouchers an amount of Rs 8800/- was paid as wages to each contract basis workers during the entire year to all the P.H.Workers it contingencies to excess amount of Rs 500/- to each P.H.Worker was paid . 220 Numbers of Contract basis P.H.workers worked in the Municipality in 4 divisions.

The total excess amount of Rs $500 \times 12 =$ Rs $6000 \times 220 =$ Rs 1320000/-.These excess payment of Rs 1320000/- was paid without specific orders of the Govt. The same may be recovered funds the concered responsible.

11)WORK VOUCHERS- SERVICE TAX, LABOUR CESS AND VAT NOT DEDUCTED - EXCESS PAYMENT MADE- NEEDS RECOVERY Rs. 272106.00

As verified the vouchers and M.Books , estimates and files as shown in the detailed cum estimaters added in the value of work done of Service tax ,Labour cess and VAT. The following works Service Tax,Labour cess and VAT were not deducted from the work bills during the year 2015-16 under the following heads detailed below resulting an amount of Rs 272106-00 paid in excess .

Therefore the action would need to be taken to recover the same and remit to the concerned head of account under intimation to audit.

Vr.No &dt	Nature of work	Value of work done	Service tax to be recovered	L.C to be recovered	VAT	Total Amount to be recovered
232/29.6.15	Maintainance of internal road from on sarathi building and satyanarayana peta in 23 rd ward	191423.00	7887.00	----	-----	7887.00
476/15.10.15	Maintanance of internal road	799807.00	32952.00	-----	----	32952.00
615/24.11.15	Providing CC road at E.P.O 102/12 to E.P.O 45/14	240030.00	9889.00	----	----	9889.00
201/20.1.15	Maintance of CC road in 6 th ward near colony under drainage in H.D.P	140580.00	5792.00	----	---	5792.00
475/15.10.15	Laying of CC road in Sc ward	682111.00	28103.00	----	----	28103.00
499/	Extention and inter connection of existing pipe line at singareddipalli	70962.00	29236.00	---	---	29236.00
213/27.6.15	Manufacture and delivery of the pushcants for SWM equiputer to H.D.P To be Deduc Cted 77257 Allredy Deduct Ed 24947 Diff 52310	532805	-----	-----	52310.00	52310.00
959/14.3.16	Providing compound wall pathway and lighting and other at housing board park	985000	40582.00	---	---	40582.00
210/27.6.15	Maintainance of internal road in Mukkidpeta in 7 th ward	397759.00	16388.00	---	-----	16388.00
507/28.10.15	Maintainance and rapairs to Municipal sanitation APE wheel .	71824.00	-----	718.00	----	718.00
290/5.8.15	Providing 900mm CC drain from D.No 6-1-4 to existing culvert at Balaji circle in 24 th ward.	188368.00	7761.00	----	----	7761.00
180/16.6.15	Maintainance of CC road in 8 th ward at sreekantapuram	447394.00	18433.00	----	---	18433.00
179/16.6.15	Providing CC road in S.C ward.	443336.00	18265.00	----	-----	18265.00
555/30.12.15	Providing of protection wall with cuddaph slab toilets and Ms gate at Rythu Bazar in HDP	63195.00		630.00	3160.00	3790.00
		TOTAL	215288.00	1348.00	55470.00	272106.00

12)MUNICIPAL COUNCIL - PROPERTY TAX- MUTATION REGISRTER NOT WRITTENUP AND NOT PRODUCED.

The permanent changes in the assessment of buildings, land, lighting water, drainage, scavenging, railway and Education taxes have to be recorded in the register of mutations with reference to the register of revision petitions and monthly lists of outdoor subordinates.

But the mutation register for property tax for the year 2015-16 was not written up and produced for verification in audit.

In the absence of the mutation register, the correctness of the demand under property tax could not be verified. The same would need to be maintained and produced early. The omission, if any would need to be included in the demand and fact reported to audit.

12.1) MUNICIPAL COUNCIL - PROPERTY TAX- MUTATION REGISRTER NOT WRITTENUP AND NOT PRODUCED.

The permanent changes in the assessment of buildings, land, lighting water, drainage, scavenging, railway and Education taxes have to be recorded in the register of mutations with reference to the register of revision petitions and monthly lists of outdoor subordinates.

But the mutation register for property tax for the year 2015-16 was not written up and produced for verification in audit.

In the absence of the mutation register, the correctness of the demand under property tax could not be verified. The same would need to be maintained and produced early. The omission, if any would need to be included in the demand and fact reported to audit

12.2) ENCROACHMENTS – PERMANENT ENCROACHMENTS - LICENSE GRANT REGISTER AND FEE COLLECTION REGISTERS WERE NOT MAINTAINED FOR YEARS TOGETHER – HUGE LOSS CAUSED TO INSTITUTION – NEEDS INVESTIGATION

According to the G.O.Ms.No.1468 MA Dt.18.12.1965 a demand register has to be maintained for each tax separately and for temporary encroachments demand register shall be written once in an year and as per section 193 of A.P, Municipality act 1965 and rules in G.O.Ms.No.900 MA Dt.26.11.1969 license shall be issued for encroachments and fee also collected as per rates fixed by the Council time to time. But no such registers were maintained even though there was large number of assessments found permanent encroachments. This is highly irregular and huge loss may cause to the municipality from years together. The Executive authority could not be explained that why such register of encroachments was not maintained. Needs investigation in this matter, to bring the facts in to light of the government.

Code No;18

12.3) WORKS – EXECUTION OF WORKS CERTAIN DEFECTS NOTICED – NEEDS ACTION.

During the course of audit , as verified from the work bills the following defects were noticed in audit.

- 1) The Agreement should be obtained from the contractor before handing over the site as per Article 170 of APFC- vol-1 but contrary to said rule in few instances the Agreement was obtained from the contractors after completion of work .The details shown in the statement appended to this objection (few instances).
- 2) The certificate in token of having engaged technical agent on the work for checking of good quality works not obtained from the contractor for all works costing more than 1.lak and the same was not shown in the agreement as terms and condition.
- 3) The signature of the contractors or his agent not obtained in the M.B. for accepting the each set of measurement recorded by Engg.authority in the M.B. as per article 175 of APFC – vol-1.

Early action would need to be taken to rectify the afore said defects in execution of works in future.

12.4)WORKS – EXCAVATION OF EARTH/DISMANTLING OF RCC RAMPS ETC. – CONVEYANCE OF EARTH AND DEBRIS TO LOW LYING AREAS IN CORPORATION LIMITS – DETAILS OF LOW LYING AREAS AND THEIR ACTUAL DISTANCE NOT RECORDED IN THE M.BOOK – PAYMENT OF CONVEYANCE CHARGES NOT ADMISSIBLE :

In the Engineering section execution of works, earth work excavation/dismantling of R.C.C., ramps etc., was done and payment made for the conveyance of earth/debris. It was noted from the M. Books that the earth/debris was/were conveyed to the low lying areas in municipal corporation limits. But the names of the low lying areas and their actual distance from the work spots were not recorded in the M.Books and it was observed that in all such cases, the conveyance charges were allowed for a uniform distance of 1 KM, which is highly improbable. In the absence of the same, the genuineness of the fact of conveyance of earth/debris to the low lying areas could not be verified in audit.

12.5)Deposits register not maintained properly

Code No;18

The deposit register for the year 2015-2016 was not maintained properly for verification in audit. In the absence of the same, the opening balance, credit, refunds and balance at the end of the year cannot be ascertained in audit. Hence immediate action would need to be taken to produce the same duly recording the final abstract showing the receipts, refunds and balance duly certified by the competent authority and if any loss sustained to the Municipal council funds due to this, the same may be recovered from the person's concerned responsible and fact reported to audit.

12.6)DEPOSITS OVER THREE YEARS LAPSED-NOT MAINTAINED

The deposits which are pending refunded over three years would become lapsed and transferred to General revenue. As separate register would need to be maintained for lapsed deposits. Early action would need to be taken to maintain the lapsed deposits register and produced to audit. The failure to lapse deposits of more than three years to General revenues and other receipts like sale proceeds of empty cement bags, Rice gunny bags i.e., resulted in estimable loss to the earmarked funds.ie., S.C, S.T. & W.C.W and the executive authority is solely responsible for the loss.

code no 18

12.7)Tools and Plants Register not maintained Rs 19000.00

During the course of audit it is noticed that an aggregate amount of Rs19000.00 Was drawn in the voucher 494/17.10.15 towards payment of office furniture and etc.But Tools and Plants register not maintained and produced.Early action would need to be taken to maintain the Tools and Plants register duly noting all the particulars required and produced.

Code No; 18

12.8)Consolidated Tools and Plants register not maintained

The consolidated Tools and plants register was not maintained during the year 2015-2016. Due to non maintenance of this important register, it is not known whether all the tools and plants supplied to the Municipal council are intact or not. It would need to be maintained.

Engineering Section

CODE NO: 18

12.8)ENGINEERING ESTABLISHMENT – SERVICE REGISTERS – SOME IMPORTANT ENTRIES – NOT RECORDED – NEEDS IMMEDIATE ACTION.

During the course of audit, on verification of the service registers of the staff of Engineering Establishment, the important entries relating to the service are not recorded in some service registers as detailed below.

- List of Family members
- Home Town Declaration
- Subscription details under GIS
- Nominee details under Retirement Gratuity Scheme
- Service verification entries up to 31-03-2015.
- Nominee under Provident Fund
- Local Status as per G.O.Ms.No.610
- Signature of Commissioner

Necessary action would need to be taken to record the above entries in the Service Registers of the employees working as they are very important relating to audit and also on the welfare of each employee i.e, in settlement of the claims/pensionary benefits after retirement/resignation/death etc of employee.

CODE.NO;18

12.9) D&O TRADERS POSTING REGISTER NOT MAINTAINED PROPERLY

As verified the D&O T posting register D&OT's firm name,type of D&OT, Area and measurements are not mentioned in the posting register. But the Deamand are fixed and collected. If any loss is caused in this regard the same would need to be recovered from the persons responsible as the correctness of the D&OT demand could not be certified in audit. Early action would need to be taken to the above details mentioned in the D&OT register and produced the same to audit for verification.

Code no.18

12.10) Deposits register not maintained properly

The deposit register for the year 2015-16 was not maintained properly for verification in audit. In the absence of the same, the opening balance, credit, refunds and balance at the end of the year cannot be ascertained in audit. Hence immediate action would need to be taken to produce the same duly recording the final abstract showing the receipts, refunds and balance duly certified by the competent authority and if any loss sustained to the Municipal council funds due to this, the same may be recovered from the person's concerned responsible and fact reported to audit.

12.11) Consolidated Tools and Plants register not maintained

The consolidated Tools and plants register was not maintained during the year 2015-16. Due to non maintenance of this important register, it is not know whether all the tools and plants supplied to the Municipal council are intanct or not. It would need to be maintained.

Code No.18

12.12) Establishment Audit Register not maintained

The Establishment audit register in respect of Municipal Council, Hindupur was not maintained during the year 2015-16. In the absence of the same it could not be verified in audit whether the strength and scales as fixed by the competent authority are correct. Early action would need to be taken to maintain the establishment audit register dely noting all the particulars required and produced for audit.

(Code No.18)**12.13)REGISTERS NOT MAINTAINED**

The important registers to be maintained along with cash book were as detailed below. Early action would need to be maintain these registers and produce the same for verification in audit.

1. T.A. Bill Register (APTC Form.40)
2. Miscellaneous Bill Register (APTC Form.40)
3. Register of contingent charges
4. Register of Advances
5. Register of recoveries of advance on transfer
6. Registers of Recoveries of Festival, Medical Advances separately.
7. Register of recoveries of Loans granted to government servants for purchase of Bicycles, House Building, Marriage, Motor cycle etc.
8. Register of recoveries of P.F.
9. Register of other government recoveries i.e. A.P.G.L.I. etc. (A.P.F.C. Vol.II)
10. Register of valuables (Cheques and drafts received)
11. Register of Security Deposits
12. Register of challans remitted in to Treasury
13. Printed receipt books for the issue of receipts for the amounts received for the parties
14. Registers of objected raised by departmental inspecting officer.
15. Stock Register of Furniture
16. Stock Register of Stationary
17. Stock Register of Computer Hardware
18. Stock Register of Computer Stationery
19. Condemned Articles Register
20. Mutation Register
21. Grants appropriation Register
22. Appropriation Register of Loans
23. Consolidated tools and plant Register
24. Establishment Audit Register etc.

13.)RESULT OF AUDIT:

The general result of audit may be considered fairly satisfactory both with regards to accounts and financial position of the Municipal Corporation.

14.)RECEIPTS AND CHARGES:

The gross and receipts and charges of the Municipal General Revenue Fund and Capital Project Fund were noted below -

S.No	Name of the Fund	Receipts	Payments
1	Municipal General Fund 001	5321410	7234271
2	Municipal General Fund 002	13964019	7262236
Total Rs.		19285429	14496507

Receipts & Expenditure of Total Schemes of Hindupur Municipality for the Year 2014-15

S.No	Name of the Scheme	OB	Receipts	Expenditure	CB
1	IDSMT	1684464.05	31013	1715477.05	0
2	CMAAP	2427649	32006	2459655	0
3	SC Good Will A/c	23321	1027	24348	0
4	UHC I	46483	612	47095	0
5	UHC II	4615	61	4676	0
6	UPA Funds	60353	2047	62400	0
7	Basic Facilities to MPL Schools	18661	455	19116	0
8	Census A/c	35969	1453	0	37422
9	Parks and Play Grounds	600599	24386	0	624985
10	MPLADS	257403.61	10481	73847	194037.61
11	Road Grant	3085812	125296	0	3211108
12	13th Finance Commission	37015819	34289937	30015900	41289856
13	ILCS	1032334	19006	1051340	0
14	LRS	6581855	267250	0	6849105
15	PF Account	14625	644	15269	0
16	BPS	2841407	115372	0	2956779
17	12th Finance Commission	1232420.89	16248.11	1248669	0
18	Development Charges	2234434.75	9675902.44	100	11910237.19
19	swatcha andhra	0	2317245	18605	2298640
20	ESCROW	0	4879563	2500000	2379563
21	Night shulter for homeless	0	1112198	885273	226925
22	14th finance commision	0	37033182	0	37033182

ABSTRACT

Code No	Para No	Amount
7	5.1	358166.00
7	5.2	57725.00
7	5.3	00
7	5.4	109841.00
7	5.5	313000.00
7	5.6	00
7	5.7	00
7	5.8	38500.00
7	5.9	7800.00
7	5.10	35000.00
7	5.11	00
7	5.12	18000.00
7	5.13	122000.00
7	5.14	00
7	5.15	00
		00
8	6	474600.00
		00
9	7	00
9	7.1	00
9	7.2	00
9	7.3	00
9	7.4	00
9	7.5	120000.00
9	7.6	00
9	7.7	00
9	7.8	00
9	7.9	00
9	7.10	00
		00
		00
10	8	782147.00
10	8.1	00
	8.2	815035.00
		00
11	9	00
11	9.1	2200517.00
11	9.2	00
11	9.3	00
11	9.4	1062917.00
11	9.5	686703.00
11	9.6	00
11	9.7	00
11	9.8	00
11	9.9	00
11	9.10	00
11	9.11	00
11	9.12	00
11	9.13	00
11	9.14	00

11	9.15	00
11	9.16	00
11	9.17	00
11	9.18	00
11	9.19	00
11	9.20	00
	9.21	254300.00
	9.22	00
	9.23	00
	9.24	00
	9.25	00
	9.26	00
	9.27	00
	9.28	00
	9.29	00
	9.30	600000.00
		00
12	10	1320000.00
		00
13		272106.00
		00
18	12	00
18	12.1	00
18	12.2	00
18	12.3	00
18	12.4	00
18	12.5	00
18	12.6	00
	12.7	00
	12.8	00
	12.9	00
	12.10	00
	12.11	00
	12.12	00
	12.13	00
	76	9648357.00

AAO

DAO

PENDING OBJECTIONS

Items of objection involving a sum of Rs. _____ as detailed below were pending settlement at close of audit. Expeditious action would need to be taken for their settlement.

Year	No. of Objections	Amount involved
1969-70	2	27511.69
1970-71	1	13017.54
1971-72	1	983.80
1972-73	3	67468.52
1974-75	4	56263.62
1975-76	6	35063.27
1976-77	3	80407.68
1977-78	1	17621.00
1978-79	1	29559.00
1979-80	4	14398.00
1980-81	7	117517.44
1981-82	7	27543.36
1982-83	4	47512.75
1983-84	8	296014.88
1984-85	36	186207.55
1985-86	74	70725.40
1986-87	9	2968.28
1987-88	8	19959.00
1988-89	8	00
1989-90	19	46892.54
1990-91	26	494422.26
1991-92	30	2602631.56
1992-93	32	11898103.51
1993-94	30	2158348.78
1994-95	24	3390085.00
1995-96	32	2128087.00
1996-97	24	3280915.00
1997-98	18	4275430.00
1998-99	22	3444643.00
1999-00	40	7315030.48
2000-01	29	4160725.15
2001-02	32	3591952.00
2002-03	41	999264.72
2003-04	20	2868302.00
2004-05	36	23592359.00
2005-06	18	1379266.00
2006-07	Issued Separately	00
2007-08	Issued Separately	00
2008-09	Issued Separately	00
2009-10	77	6971190.00
2010-11	95	13272138.00
2011-12	101	8618559.00
2013-14	96	13335550.00
2014-15		
Total		
2015-16	76	9648357.00
Grand Total		

District Audit Officer,
State Audit, Anantapur.

From
Sri G.Ramachandra Reddy,
District Audit officer,
State Audit,Anantapur,

To
Sri A.V.V.BadhraRao,Commissioner
Municipal Council
HINDUPUR.

Special Letter. No. _____ Dated. _____.

Sir,

Sub: AUDIT – Audit on the Accounts of Municipal Council
Hindupur communication of Audit observations – Issue of
Special Letter – Regarding.

* * * * *

I have the honour to invite your attention to Para No.5.1,5.2,5.3,5.4,5.5,5.7,5.8,5.9,5.10,5.12,5.13,6,7.5,9,9.1,9.4,9.5,9.21,9.30,10,11 of the Audit Report on the Accounts of Municipal Council, Hindupur for the year 2015-16 during which period you were and to state that unless the defects pointed out therein are rectified and the fact reported to this Office within 4 months from the date of receipt of this letter, action will be taken under Section 10 of the AP State Audit Act 1989 read with rule 9 of AP State Audit rules 2000 issued in G.O.Ms.No.130 (PW Admin-II) Department Dt.8-9-2000. The Special letter was not issued after completion of audit by over sight.

Yours faithfully,

District Audit Officer,
State Audit, Anantapur.

From
Sri G.Ramachandra Reddy,
District Audit officer,
State Audit,Anantapur,

To
Sri A.V.V.BadhraRao,Commissioner
Municipal Council
HINDUPUR.

Special Letter. No. _____ Dated. _____.

Sir,

Sub: AUDIT – Audit on the Accounts of Municipal Council
Hindupur communication of Audit observations – Issue of
Special Letter – Regarding.

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Yours faithfully,

District Audit Officer,
State Audit, Anantapur.