

VILLAGE PANCHAYAT PIRNA
BARDEZ - GOA

INWARD No. 693

Date: 09-11-2017

MOST URGENT
AUDIT PARAS

No.3-EOVP-II/BDO-BAR/Audit Report/ Mem/2017-18/5050

Office of the Block Development Officer,
Bardez, 2nd Floor, Govt. Office Complex,
Mapusa, Bardez, Goa.

Date: 02/11/2017

MEMORANDUM

Sub: - Audit Report on the accounts of the Village Panchayats of
Pirna, in Bardez Block for the Year 2016-17.

Ref:- No.DA/Control/31-5(H)/2017-18/196 dated 27-9-2017

Attention of the Secretary, Village Panchayat Pirna, is hereby invited to the above referred Audit Report for the year 2016-17 received from Directorate of Accounts, Panaji - Goa, which is self-explanatory, (A copy of Audit Report is enclosed herewith).

Therefore, the Secretary, Village Panchayat Pirna is hereby directed to go through the audit observations of the Audit Report for the year 2016-17, comply with the observations and submit the compliance report to the Dy. Director of Accounts/ Inspection Cell, Directorate of Accounts, Panaji- Goa without further delay from the receipt of this memorandum under intimation to this office.



(Prajakta D. Goltekar)
Block Development Officer- II
Bardez, Mapusa, Goa.

Encl: as above

To,
The Secretary, Village Panchayat Pirna, Bardez- Goa.

Copy to:- 1. The Director, Directorate of Panchayats, Panaji- Goa for information.
2. Chief Executive Officer, North Goa Zilla Panchayats, Panaji- Goa for information.
3. Dy. Director of Accounts/ Inspection Cell, Directorate of Accounts, Fazenda, Buildg, Behind old Secretariate, Panaji- Goa for information

i) SUMMARY OF THE ACCOUNTS

Total Receipts for the year 2016-17	Rs.30,55,252=00
Total Expenditure for the year 2016-17	Rs. 23,56,465=00



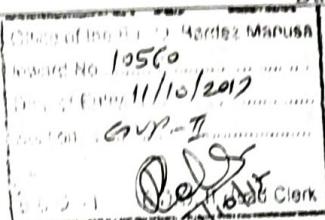
1690
12/10/2017

Government of Goa
Directorate of Accounts
Fazenda Building, Behind Old Secretariat, Panaji, Goa.

No.DA/Control/31-5(II)/2017-18/ 146

Dated: 27-09-2017.

To,
The Director of Panchayats,
Government of Goa,
Panaji-Goa.



Sub:- Audit Report on the accounts of the Village Panchayat of
"Pirna" in Bardez Block for the year 2016-2017.

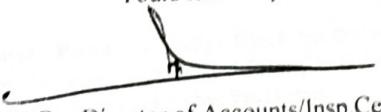
Sir,

A copy of the Audit Report on the accounts of the above Village Panchayat for the year 2016-2017 is enclosed herewith for information and necessary action at your end.

A copy of the said report is also sent to the said Panchayat through their respective Block Development Officer, for the needful.

Despite recording the observations during the last inspection report, compliance to the previous audit observations has been neglected. Rigorous efforts should be made to comply with the audit observations and compliance report should be submitted to audit without further delay.

Yours faithfully,


Dy. Director of Accounts/Insp. Cell.

Copy to:-

1. The Chief Executive Officer, North Goa Zilla Panchayats, Panaji.
2. The Block Development Officer, Bardez. Copy of the Audit Report of Village Panchayat mentioned above is sent herewith, in duplicate, with a request to send one copy of the report to the concerned Village Panchayat, for due compliance.
3. DDA/Inspection (HQs).

i) SUMMARY OF THE ACCOUNTS

Total Receipts for the year 2016-17	Rs.30,55,252=00
Total Expenditure for the year 2016-17	Rs. 23,56,465=00

ANNUAL AUDIT REPORT ON ACCOUNTS OF THE VILLAGE
PANCHAYAT "Pirna" IN BARDEZ
BLOCK FOR THE YEAR 2016-17
PART-I

A. Name of the Sarpanch/Dy. Sarpanch:-

Sr.No	Name of the Sarpanch	Fr.	To
1	Shri:- Gopal Y. Naik	01/04/2016	23/05/2017
2	Shri:- Surendra E. Chari	24/05/2016	31/03/2017

B. Name of the Secretary :-

Sr.No	Name of the Secretary	Fr.	To
1	Shri:- AvinashPalani	01/04/2016	11/05/2016
2	Shri:- SubhashKambli	12/05/2016	30/08/2016
3	Shri:- AvinashPalani	31/08/2016	10/01/2017
4	Shri:- Rajesh Asolkar	11/01/2017	03/02/2017
5	Shri:- AvinashPalani	04/02/2017	31/03/2017

C. Names & Designation of audit parties

Sr.No	Names of the audit parties	Designation
1	Shri:- KisanGaudé	Dy. D.A./Insp.
2	Shri:- Milind M. Sadvelkar	A.A.O.
3	Shri:- DasharathTuenkar	A.C.
4	Shri:- Shekhar L.T. Khorjuvekar	A.C.

D. Date of Audit :-

From :- 16/08/2017 to 17/08/2017

E. Period covered during the Audit :- From:- 01/04/2016 to 31/03/2017

PART - II - INTRODUCTORY

The audit on Accounts of the Village Panchayat "Pirna" in Bardez Block for the year 2016-17 was conducted from 16/08/2017 to 17/08/2017 as per the Circular No. 307/75Fin(Bud) dated 21/08/1996 from Finance (Budget) Department, based on the records furnished by the Panchayat.

The Village Panchayat "Pirna" was sanctioned the following types of grants/funds during the year 2016-17. The details of the same are given below:

Sr.No.	Type of Grants	Amount
1	Member Salary	Rs. 2,70,000=00
2	Staff Salary	Rs. 11,81,885=00
3	Matching Grants	Rs. 3,43,406=00
4	Garbage Grants	Rs. 1,00,000=00
5	XIV Finance Grants	Rs. 3,35,104=00
6	MGNREGA	Rs. 2,56,000=00
Total		Rs. 24,86,395=00

PART - III

The Village Panchayat "Pirna" maintaining its records in the Form I to II as per Rule 20, 21 (a) and 25 of the Goa Panchayat, (Accounts, Audit & Custody of funds) Rules 1997, comprising particulars of Income & Expenditure for all the grants, received i.e. Administrative & Development Grants

i) SUMMARY OF THE ACCOUNTS

Total Receipts for the year 2016-17	Rs. 30,55,252=00
Total Expenditure for the year 2016-17	Rs. 23,56,465=00

Funds available with the Panchayat as on 31/03/2017 are as detailed below:

Sr. No.	Total Funds/deductions as on 31/03/2017	Amount
1	Government Grants	Rs. 32,15,616=00
2	DRDA (NRLG)	Rs. 1,02,768=00
3	Library Grants	Rs. 610=00
4	E.M.D.	Rs. 83,875=00
5	S.D.	Rs. 82,485=00
5	Income Tax	Rs. Nil
7	Vat (Sales Tax)	Rs. Nil
8	Royalty 2% Vat on Royalty	Rs. Nil
9	Labour Cess	Rs. Nil
10	Panchayat Fund	Rs. 5,96,305=41
Total		Rs. 40,81,659.41

ii) Details of Utilized / Unutilized Grants

The statement showing details of grants as on 31/03/2017 are as follows:

S. r. N. o.	Name of the Grants	Previous Balance	Grants Sanctioned 2016-17	Amount Utilized during the year 2016-17	Balance as on 31/03/2017
1	V.P. Member Salary	2,72,958/-	2,70,000=00	2,97,098=00	2,45,860=00
2	Staff Salary Grants	-	11,81,885=00	6,44,254=00	5,37,631=00
3	XIII th Fin. Comm.	2,31,631/-	-	58,000=00	1,73,631=00
4	XIV th Fin. Comm.	2,71,244/-	3,35,104=00	1,58,824=00	4,47,524=00
5	GIA Grants	20,12,945/-	-	4,89,222=00	15,23,723=00
6	Golden Jubilee Gr.	1,69,410/-	-	67,716=00	1,01,694=00
7	Garbage Grants	1,31,583/-	1,00,000=00	46,030=00	1,85,553=00
8	Matching Grants	--	3,43,406=00	3,43,406=00	-
Total I		30,89,771/-	22,30,395=00	21,04,550=00	32,15,616=00
II – DRDA/RDA					
1	NREGS	51,634/-	2,56,000=00	2,04,866=00	1,02,768=00
Library Grants					
1	Library Grants	35,610/-	-	35,000=00-	610=00

It can be seen from above table that grants of Rs.1,73,631/-Rs.4,47,524/-Rs.17,27,141/-15,23,723/-&Rs.1,85,553 received under XIII & XIV Finance & GIA, Golden Jubilee & Garbage are remain unutilized in the Panchayat fund (in Saving Bank Accounts) instead of utilizing the same for the purpose for which these were given. The same may be utilize after obtaining extension of time limit, or may be refunded back to the grant sanctioning authority immediately. Despite observations to this effect in the past, no timely action has been taken by the Panchayat to utilize the grants. The Directorate of Panchayat may evolve a mechanism to ensure that utilisation certificates in respect of grants released for specific purposes are furnished by the grantee institution in time.

Action taken in this regard will be verified during next audit

iii) VARIATION BETWEEN BUDGET ESTIMATE AND ACTUAL

A) INCOME

ORIGINAL BUDGET ESTIMATES	REVISED BUDGET ESTIMATE	ACTUAL INCOME	SHORT
44,54,500=00	-	30,55,252=00	13,99,248=00

B) EXPENDITURE

ORIGINAL BUDGET ESTIMATES	REVISED BUDGET ESTIMATE	ACTUAL EXPENDITURE	SHORT
43,46,000=00	-	23,56,465=00	19,89,535=00

Although it was told earlier that, if in the course of the financial year, Panchayat finds it necessary to revise the provision made in original budget, it may revise based on the available trends of actual. This has not done. There was need to revise the Budget Estimates based on comparing the original Budget prepared for the year 2016-17 to avoid variations between the budget and actual Income and expenditure. The secretary has projected his ignorance in preparing realistic budget. This may be noted and in future budget may be prepared in realistic manner in order to avoid variations. (i) The Budget estimate of a Panchayat shall be prepared by the Secretary in Form No. II appended to these rules not later than 15th February and forwarded to the concerned Block Development Officer not later than the 1st of March. (ii) Suitable minor and detailed heads may be added to the Budget heads as specified in Form No. II as may be necessary with the approval of the concerned Block Development Officer in consultation with the Director of Accounts. (iii) A copy of the revised and Supplementary Budget Estimates shall be forwarded to the Director within 15 days of its approval by the Panchayat. (iv) All budget estimates, original, revised and supplementary shall be passed before the Financial year to commence on the first day of April next following and the budget as passed by the Panchayat shall be forwarded to the Zilla Panchayat.

PART - IV - COMMENTS ON TRANSACTION

Section A:- Outstanding audit paras from previous Audit Report in brief.

Year	Paras B/F	Paras Settled	Paras Outstanding	Subject in brief
1997-98	01	--	01	Para 5 – Electrical Materials.
1998-99	01	--	01	Para 5 – Works
2011-12	01	--	01	Para 10 – Works
2015-16	15	15	00	All the 15 Para's are dropped as the same are commented in current audit wherever required.
Total	18	15	03	

There are 03 outstanding paras are remained unsettled. The VP Secretary is required to submit appropriate replies to above outstanding para in order to settle the paras once for all. Progress made may be intimated.

Part -III-CURRENT -AUDIT**1) CASH BOOK**

The Cash book is checked during the course of audit. The closing balance as per the cash book as on 31/03/2017 is Rs. 40,81,659=41 (Rupees Forty Lakhs Eighty One thousand six hundred fifty nine and paise forty one only)

The details of the closing balance as per the Cash Book as on 31/03/2017 is as follows.

Sr.No. i)	Closing balance as per the Goa State Co-op Bank A/c No. 03420300001	
	Closing balance as per Cash Book	Rs. 17,34,710=77
ii)	Closing balance as per the Goa State Co-op Bank A/c No. 034203000102	
iii)	Closing balance as per Cash Book	Rs. 610=00
	Closing balance as per the Goa State Co-op Bank A/c No.	

00342030000127		Rs. 1,02,768=00
Closing balance as per Cash Book		
iv) Closing balance as per the Goa State Co-op Bank A/c No. 00342030000070 Balance as per pass book Rs. 6,07,117.00 Add: Un reconciled amount of Previous year (2009-10) Rs. 16,669.00 Rs. 6,23,786=00		Rs. 6,23,786=00
Closing balance as per Cash Book		
v) Closing balance as per the Goa State Co-op Bank A/c No. 00342030000185		Rs. 2,48,879=00
Closing balance as per Cash Book		
vi) Closing balance as per the State Bank of India A/c No. 31662449055 Balance as per pass book Rs. 4,06,489.00 Less: Interest received in bank, but Not added in cash book Rs. 3,975.00 Rs. 4,02,514=00		Rs. 4,02,514=00
Closing balance as per Cash Book		
vii) FDR'S a) Goa State Co-op Bank A/c No. 432/64 Rs. 5,38,572.00 b) Goa State Co-op Bank A/c No. 432/65 Rs. 2,55,461.00 c) Goa State Co-op Bank A/c No. 432/66 Rs. 1,73,607.00		Rs. 9,67,640=00
xiii) Cash in hand		Rs. 751=64
Total Closing balance as per Cash Book as on 31/03/2016		Rs. 40,81,659.41

After reconciliation the above bank closing balances as per cash book are found to be tallied with the closing balances as per the bank figures as on 31/03/2017.

B- MAJOR IRREGULARITIES

NIL

B II OTHER IRREGULARITIES

1. Bank reconciliation statement is not prepared and recorded in the cash book at the end of each month.
2. Voucher are not cancelled by endorsement paid and cancelled.
3. Sub Vouchers are not certified by the Sarpanch.
4. The amount paid to Shri Prashant S. Naik towards cleaning of Well vide voucher No. 135 dt. 1/10/2016 Rs. 40,000/- the TDS on this bill has not been deducted by the Panchayat.
5. Many receipts found cancelled during the year 2016-17. same are however not cancelled by drawing a line through them and writing "Cancelled". Such cancellation should be attested by the Secretary and the Sarpanch.
6. Pages count certificate is not recorded in the cash book.
7. Each entry is not attested.
8. The Village Panchayat has not maintain the mandatory registers like Pay Bill Register, Asset & Property Register and Dead Stock Register.
9. Many receipts found cancelled during the year 2016-17. same are however not cancelled by drawing a line through them and writing "Cancelled". Such cancellation should be attested by the Secretary and the Sarpanch.
10. Annual physical verification certificate is not found recorded in the register Form 5. This may be done now after the registers is reviewed and shown to next audit. The Secretary may take note of this and guide the staff doing the needful.

RDA ACCOUNTS

NREGS: The following are the details position of MGNREGS Dena Bank A/C No.

12030000127

i)	Opening balance for 2016-17	Rs. 51,634=00
ii)	Grants rec. during the year 2016-17	Rs. 2,56,000=00
iii)	Add:-Interest Accrued during the year 2016-17	-
iv)	Less:- Expenditure incurred	Rs. 2,04,866=00
	Closing balance for the year.....2016-17	Rs. 1,02,768=00

The above closing balance is found to be tallied with the closing balance as per the cash book as on 31/03/2017.

The Scrutiny of RDA account in audit is only to confirm the closing balance figures only. The audit of the RDA account is carried out by the office of the District. Rural Development Agency, Panaji-Goa.

ii) **LIBRARY GRANTS:** The following are the details position of GGSY State bank Of India A/C No. 0342030000102

i)	Opening balance for 2016-17	Rs. 35,610=00
ii)	Grants rec. during the year 2016-17	-
iii)	Add:-Interest Accrued during the year 2016-17	Rs. Nil
iv)	Less:- Expenditure incurred	Rs. 35,000=00
	Closing balance for the year.....2016-17	Rs. 610=00

The audit of library A/C is carried out by the office of Art & Culture. Library Section Panaji-Goa.

3) TAXES

The following statement showing the Arrears Current Demand Collection and Balance for the period from 01/04/2016 to 31/03/2017.

Sr. No.	Nature of taxes	Arrears Demand	Current Demand	Total Demand	Collection of taxes	Balance of taxes
1	House tax	1,85,323=00	1,55,773=00	3,41,096=00	1,41,451=00	1,99,645=00
2	Light tax	20,915=00	7,957=00	28,872=00	7,834=00	21,038=00
3	Proff. tax	79,979=00	47,015=00	1,26,994=00	26,789=00	1,00,205=00
4	Bicycle tax	15,716=00	890=00	16,606=00	10=00	16,596=00
5	Bullock Cart tax	1,684=00	180=00	1,864=00	-	1,864=00
	Total	3,03,617=00	2,11,815=00	5,15,432=00	1,76,084=00	3,39,348=00

Panchayat has collected an amount of Rs.1,76,084=00 towards the various taxes during the year 2016-17. The tax collection is only 34% out of total demand. The position of the Panchayat in respect of collection of taxes is not satisfactory. The lethargic nature of the Village Panchayat in recovering of Taxes has resulted in accumulation of these arrears. The Panchayat failed to give due attention in collecting of revenue as well as accumulated arrears. The overall arrears of taxes are mounting year by year. As specially House Tax, Professional Tax and Light Tax As per Sub-Section (3) of Section 154 of the Goa Panchayat Raj Act, 1994, VPs are empowered to issue notices to defaulter of taxes and revenue arrears and levy 10% penalty to outstanding arrears recoverable under Sub- Section (4). Thus it was observed that provisions of Panchayat Raj act have been violated in failure to recover the arrears. Therefore, the VP is required to take remedial action for recovery of all outstanding taxes along with the prescribed penalty from the defaulters and revision of taxes as well.

in this regard may be stated.

chaya is leased out five premises on rental basis and collected an amount of during the year 2016-17. The details of the rent are as follows.

	Arrears	Current Demand	Total	Collection	Balance
ed	12,432=00		12,432=00		12,432=00
Sty.					
State	6,180=00	48,000=00	54,180=00	48,000=00	6,180=00
erative					
nk, Pirma					
otal	18,612=00	48,000=00	66,612=00	48,000=00	18,612=00

Rent collected is 72% out of total demand. The position of the Panchayat in respect of Rent is satisfactory.

The Secretary of the Village Panchayat shall recover or cause to be recovered the rent or any imposed or levied by the Village Panchayat. However, it is seen that arrears of Rs. 12,432/- 180/- is still remain to be recovered from the V.K.S. Society, Pirma & Goa state Coop. Bank respectively for so long. In reply it is stated that, the demand notices have been issued for recovery ars but no response fond from the defaulter's. further course of action under prescribed provisions RA will be initiated against the defaulter's. progress will be intimated to audit.

CONSTRUCTION ACTIVITIES/CONSTRUCTION LICENCES

V.P. Sarpanch had certified vide certificate No. V/P/PIR/BAR/Cer/2016-17/386 dated c 17/08/2017 he has not issued any type of construction licenses during the year 2016-2017.

ILLEGAL CONSTRUCTION:

V.P. Sarpanch certified vide certificate No. No. V/P/PIR/BAR/I.Cer/2016-17/381 datedc 7/08/2017. That the Panchayat has detected 01 illegal constructions during the year 2016-2017. The details of illegal construction cases are as follows:-

1) Nos. of Illegal Construction cases on 01/04/2016	08
2) Illegal Construction cases detected during the year 2016-17	01
3) Nos. of illegal construction cases settled/ disposed during the year 2016-17	-
Total cases pending for settlement upto 31/03/2017	09

As per the provision of Section 66 of the Goa Panchayat Raj Act, 1994 no person shall erect any building or alter or add any existing building or reconstruct any building without the written permission from Panchayat and payment of fees. However, it is noticed that, the houses are constructed without obtaining VP's permission. There are 09 cases of illegal constructions in the Village Panchayat as on 31/03/2017. Non regularization of above illegal constructions under section 66 (2) resulted in loss of revenue of the Panchayat. The Village Panchayat should take corrective action by exercising the powers available under the Goa Panchayat Raj Act, 1994 in the matter immediately. Action taken and result thereof may be intimated to audit.

6) PURCHASE OF ELECTRICAL MATERIAL/ REGISTER

The Panchayat have purchased street light materials valued at Rs. 73,527/- during the year 2016-17 inviting quotations from few local dealers. However, since overall value of the goods exceeded Rs. 15,000/- a notice inviting tenders should have been issued to the local newspapers and tenders invited. This has not been done. In fact, the Panchayat required to assess the annual needs of Electrical materials and only then purchase the electrical items from the open market after observing the necessary purchase procedure as prescribed from time to time i.e. placing indent for calling quotations/tenders, preparing comparative statement etc.

Secondly, bills submitted by the concerned supplier for payment has not been certified by the Sarpanch/Secretary by recording necessary certificate that the goods/materials are received correctly

condition & necessary note has been taken in stock register No. and page No. etc. This may or future guidance.

RECEIPT BOOK STOCK REGISTER

A register of Receipt Book shall be maintained in Form No. 5 and shall be kept with the stock of and returned Receipt Books under lock and key on the responsibility of the Secretary. The receipt must be kept under lock and key in the personal custody of the officer authorized to sign the receipt half of the Government. Before the receipt book is brought into the use, the number of forms contained therein shall be counted and the result recorded in a noticeable place in the book over the signature of the government office in charge of the book. Counterfoils of the used receipt book shall be in his personal custody. The receipt book stock register were checked during the course of audit and 02 receipts book in the stock as on 31/03/2017. (Last receipt book used up to 31/03/2017 is 65).

8) REGISTER OF PROPERTIES AND ASSETS

All property vested in the Panchayat shall be entered in a Register of Properties and Assets in Form No. 6. In addition to all items of furniture and other equipment, this register shall contain a list of buildings, land Manual of Goa Laws (Vol. III) -789- Panchayat Raj Act & Rules and the like which is vested in the Panchayat. Whenever any property is acquired or disposed of it shall be entered in the Register of properties and Assets. Secretary stated that the register of Property & Assets will be maintained in all respect and shown to next audit.

9) REGISTER OF CONDITIONAL GRANTS SANCTIONED DURING THE YEAR

A Register shall be maintained in Form No. 9 for record of conditional grants given for special and specific purpose under section 160 of the Act or under any special orders and expenditure there from.

10) MONTHLY AND ANNUAL ACCOUNTS

Every Panchayat shall, at the end of each month as well as at the end of the year, prepare an Account in Form No.10 showing the receipts and payments classified under the several Heads of Account contained in the Budget Estimates. The totals of the details under each head of receipt and payment as given in account shall agree with the figure under the same heads in the General Ledger. The details of the balance in the office and in the Bank shall be separately shown in the account and a certificate that the closing balance as shown in the accounts has been compared with that shown in the cash book and the Bank Pass Book. Certificate, and found to be correct shall be appended to the account. A memo explaining the differences, if any, shall also be attached to the certificate. Certificate showing the 'Monthly Closing Balance' in the Account shall be obtained and kept on record. The Pass Book of the Bank shall be under the lock and key of the Secretary. He shall examine the Pass Book/Certificates from time to time and shall immediately call the attention of the Bank to any discrepancy that may appear. This may be noted for future guidance.

11) RESERVE FUND FOR STAFF RETIREMENT BENEFITS:

The Goa Panchayat Raj (Application of Panchayat or ZillaPanchayat funds Coordination & Limitation) Rules 2006 which came into force vide Notification No. 34/DA/PAN/2P/2006 dated 03/11/2006 and as per Rule 4 of Goa Panchayat Raj Rules 2006, every Panchayat shall reserve 2.5% of their income as reserve fund for contributory Provident fund, Pensionary Benefits etc to the staff working in the Village Panchayats. However, It is seen that no such funds have been created nor any efforts have been made to implement the above scheme. Failure to create Reserve Fund is against the provision of the Panchayat Raj Act. Action taken in the matter may be intimated to audit.

12) VIOLATION OF STATUTORY PROVISION TOWARDS PROVIDENT FUND BENEFITS:

As per para 5 of order No. 35/OP/PAN/EMP/2000 dated 06/03/2003 published in the official Gazette Govt. of Goa, it is stated that permanent employee shall be entitled for the benefits of employees Provident Fund. The amendment of the said order was published in the official gazette of Govt. of Goa under No. 35/DP/PAN/EMP/2006 dated 25/01/2007 under the title Goa Panchayat (staffing pattern, Scale of Pay & mode of recruitment of staff of Panchayats first Amendment) order, 2006 Clause 5 stated that permanent employee of the Panchayat shall be entitled for EPF, Gratuity, Pensionary benefits etc. Also, the circular No. 19/33/DA/PAN/STAFF/PAN/05/3947 dated 18/11/2005 and No.19/31/DA/STAFF/09/3937 dated 21/10/2009 issued guidelines about implementation of Provident Fund, Gratuity, Pensionary Benefits, etc. to the permanent staff of the Panchayats. However, it was

ed that except Village Panchayat Secretary, no recoveries or provision towards provident fund and benefits have been made applicable to other regular staff of the Panchayats. Non-recovery of provident fund from the monthly salaries of the regular staff amounts to violation of Employees Provident Funds regulations.

Appropriate action may be taken & result may be intimated to audit.

13) NON FILING OF E-TDS RETURNS WITH INCOME TAX DEPARTMENT & ASSESSING OF STAFF

It may be noted that every employer (DDO) should deduct Income Tax at source in monthly instalment on salaries disbursed by him, and accordingly quarterly TDS returns for the recovery of Income Tax has to be filed online on quarterly basis, which has made mandatory by the Income Tax Department. Further, the final adjustment of Income Tax should make from the last salary payable before the end of the March. Whereas, in your case it is observed that no Income Tax has been deducted nor it is feel compulsory to do so. Any fine /penalty levied by the Income Tax Department on late payment have to be borne by the person responsible for late remittance.

14) AUCTION

The Panchayat had leased out it right for the collection of Jatra fees for the period from 10/11/2016 to 31/10/2017. The said auction was published in the local newspaper Notice no. P/P/BAR/AN/A2016-17/711 dated 05/11/2016 and held at 3.00pm in the office of VP Perna the Initial bid was Rs.25,000/-.

In response two bidders were present for the auction. The highest bid was Rs. 25,700/- in respect of Shri. Raghuvir Naik which was accepted by the Panchayat. The bidder had paid Rs. 23,700/- vide receipt No 211/12 dated 14/11/2016 leaving balance of Rs. 2000/- . Same may be recovered under intimation to audit.

15) SURETY BOND OF V.P. SECRETARY

The V.P. secretary is handling cash transactions of the village Panchayat , however, the mandatory security/Surety bond as per Rule 275 of GFR and Rule 4 (3) of the Goa Panchayat (Accounts, Audit and Custody of Funds) Rule 1997 has not been furnished by the secretary. As per sec. 113-A(x) of the Goa Panchayat Raj Act, 1994 the Secretary is responsible for safe custody of Panchayat Fund, Assets of Panchayat and all the register maintained by the Panchayat. The Director of Panchayats may also demand a security from such persons as are actually in charge of cash transaction of a Panchayat.

16) EXCESS EXPENDITURE OVER PRESCRIBED LIMITS.

The under below mentioned headPanchayat had made excess expenditure during the year 2016-17.

Sr no.	Major head of account	Prescribed limit	Expenditure incurred	Excess / Short
1	Advocate fees	30.000/-	55,900/-	25,900/-
	Total	30,000/-	55,900/-	25,900/-

Necessary ex-post facto approval may be obtained from the competent authority to regularize the excess amount and shown to the next audit. Further, it has to be ensured that costs, as order and whenever feasible, should be recovered from the complainants who have dragged the Panchayat to the Courts. It is observed from the vouchers that no mention is made about the approval granted by the body to the payment of such payments. The details of Resolution No. and date approving such payments need to be recorded on the reverse of the vouchers by endorsing a suitable certificate. The separate register may be maintained by recording necessary entries such as Case particulars, name of the Advocate, amount paid, date Voucher no. on each occasions and total expenditure etc. as well.

17) WORKS

The Panchayat has undertaken only one of works under GIA grants during the financial year 2016-17 as per the statement of work submitted to audit. So on verification of the FEW works file following point are made for compliance.

1. Agreement in Form No 8 has not been executed and the payment is released without agreement which is irregular and not acceptable.

Envelopes containing the tender papers are not numbered serially. It may be ensured in future that all envelopes should be numbered serially in red ink pen and same number should record on the tender documents after opening. Corrections/Cancellations/Over writing's if any should be recorded in the schedule and initialled by the person witnessing the opening of tender.

3. The work file produced did not contain original documents such as Resolution, Work Estimate, Abstract Sheets, Technical Sanction, Completion/Valuation Certificates etc.

18) **FINANCIAL POSITION OF THE PANCHAYAT DURING THE YEAR 2016-17.**

The Panchayat is having an amount of Rs. **596305/-** in their Panchayat Fund Account as on 31/03/2017. This shows that the financial position of the Panchayat is satisfactory during the year. However, Panchayat should make sincere efforts to recover the amount of arrears of Taxes / Rents along with prescribed penalty from the defaulters, in order to strengthen the financial position of the Panchayat.

19) **ANNUAL ACTION PLAN**

As per section 238 of Goa Panchayat Raj Act, 1994 the VP is required to submit their annual action plans to the Zilla Panchayat, who is in turn would consolidate and forward the same to District Planning Committees for the development work to be undertaken during the next financial year. Further, Government of Goa has framed Rules under Goa Panchayat (Constitution, Power and Functions of Ward Development Committees and preparation of Annual Development Plan) Rules, 2008 so as to guide the Village Panchayats in preparation of Annual Action Plans.

In this connection, it is observed that Panchayat had not prepared any plans so far for preparation of Annual Action Plan which is contrary to the provision of the Panchayat Raj Act.

20) **FUNCTION OF THE GRAM SABHA**

1. The Village Panchayat should constitute two Supervisory Committees as per the section 6 (2) of the Goa Panchayat Raj Act / Rules to supervise the Panchayat works, Schemes and other activities. The committees should submit their report to the Panchayat and place the copy of the report in the Gram Sabha Meeting for an appropriate decision.
2. As per Section 6 (8) of the Act ibid, the Panchayat should constitute two or more Ward Development Committees for keep proper on development activities of wards.
3. As per Section 6 (3) of the Act ibid, the Government should constitute Vigilance Committee to oversee the different works/schemes and other activities of the Panchayat.

21) **GENERAL**

As per the system in vogue, the Block Development Officer (BDO) should conduct at least three inspections and Extension officer VP (EOVP) five of the Village Panchayat.

a) **Inspections**

	<u>B.D.O.</u>	<u>E.O.(VP)</u>
i) Prescribed	03	05
ii) Actually carried out	Nil	Nil

Non-compliance of above requirement may be justified and in future B.D.O. /EO (V.P.) should ensure that the prescribed numbers of inspections are carried out at regular intervals in order to have control over the Administration of the Panchayat.

b) The B.D.O. should also ensure to take appropriate action on the following points:

As per Rule 4 (3) of the Goa Panchayat (Accounts, Audit and Custody of Funds) Rule 1997, the Secretary shall furnished the security bond in such a form and for such an amount as may be prescribed by the Director of Panchayat.

- c) As per Section 113 (1) of the act, the salary and allowances of the Secretary shall be drawn from the Panchayat funds.
- d) Panchayat Secretary shall maintain the personal cash register in terms of Circulars No. ACB/Vigilance/404/1066 dated 22/03/2004 from Vigilance Department, Panaji.
- e) As per Section 5(i) and (ii) of the Act, there shall be minimum 4 (four) each ordinary and special Gram Sabha meetings of the Panchayat during every year. Action at b (i), (ii) & (iii) should be initiated and compliance should be reported to Audit.

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spouse according to discretion during the last inspection expect compliance in the
a. audit, supervision or self control programs where deemed to make a comply with the audit
recommendations within 60 days.

RECOMMENDATION
The auditor agrees the last audit is to the best of information furnished and made available
by the Office of the Auditor, that the Office of the Auditor is responsible for the
recommendations and the responsibility of the audit is with the Office of the Auditor.

Given this 15th day of December 1981
John C. Thompson, Auditor
State of Vermont
Supervision of Programs

DETAIL OF THE BALANCE

	ACNO.	Amount
1. The Goa State Co-op. Bank	01	1334710 = 77
2. The Goa State Co-op. Bank	102	610 = 00
3. The Goa State Co-op. Bank	127	102768 = 00
4. The Goa State Co-op. Bank	70	625586 = 00
5. The Goa State Co-op. Bank	185	248942 = 00
6. State Bank of India.	9055	202514 = 00
7. Fixed Deposite	(431/51)	518572 = 00
8. Fixed Deposite	(431/52)	253461 = 00
9. Fixed Deposite	(431/53)	179502 = 00
10. Cash in Hand		751 = 64
Total		4081659 = 41

DETAILS OF FUNDS

1. Govt. Grants	RS. 32,15616 = 00
2. R.D.A. Grants	RS. 1,02,768 = 00
3. E.M.D.	RS. 83,875 = 00
4. Security	RS. 82,485 = 00
5. Income Tax	RS. NIL.
6. Royalty	RS. NIL.
7. Any other	RS. NIL.
8. Panchayat Fund	RS. 5,96,305 = 41
9. Library Grants.	RS. 610 = 00
Total	RS. 40,81,659 = 41

Certified that the closing balance as shown in the account has been compared with that shown in the Cash Book, Bank Book and found to be correct.

Difference if any

The difference of Rs.
Book is due to be the reason that:-

Between the Pass book and Cash

SARPANG,
Village Panchayat, -,-,
Bardez - 403

CERTIFICATE

I have examined the foregoing accounts and I have obtained all the information and explanation that I required and subject to the observation in the separate Audit Report/Note. I certify as a result of my audit, that in my opinion, these accounts were properly drawn up so as to exhibit a true and fair view of the State of Affairs of the Panchayat according to the best my information and explanations given to me and as shown in the books of the Panchayats.

Deputy Director of Accounts,
Government of Goa

Form No. 10

(See Rule 21(a) and 28 of THE GOA PANCHAYAT (ACCOUNT, AUDIT AND CUSTODY OF FUND) RULES 1992)

OF ANNUAL ACCOUNT OF INCOME AND EXPENDITURE
OF PIRNA PANCHAYAT FOR THE YEAR 2017-2018

Particulars of Income Income	Amount	Particulars of Expenditure Expenditure	Amount
		Budget Head	
1) Closing of the last year	3382872.41	Administration	Rs. 11,66,637.00
Budget Head			
2) Grants from Government	2491539.00	2) Sanitation Public Health and Family Welfare	
i) Special			
i) Staff Salary - Rs. 11,61,885.00			
ii) Member Salary - Rs. 2,70,000.00			
ii) General			
Matching Grants - Rs. 3,43,106.00			
3) Other Grants	Rs. 17952.91	3) Public Works	Rs. 852,292.00
i) Local Authorities			
i) VIII Fin. Rs. 51,444.00			
ii) XIV Fin. Rs. 125,104.00			
ii) Private			
i) Government Grants - Rs. 1,000.00			
ii) M.N.R.G.A Grants - Rs. 2,56,900.00			
4) Proceeds of taxes etc		4) Planning and Development	
under Sec. 153 of the Act	344832.00		
Taxes - Rs. 17,6081.00			
Fees - Rs. 168,7418.00			
5) Proceeds of other loans etc.		5) Social Welfare	Rs. 13500.00
6) Sales Proceeds.		6) Education and Culture	
7) Extraordinary	Rs. 2,16,881.00	7) Rural Housing	
		8) Drinking water	
		9) Poverty alleviation Programs	
Total Receipts	Rs. 3055252.00	10) Libraries	Rs. 50410.00
Grand Total	Rs. 6438124.41	11) Rural Sanitation	
		12) Construction and maintenance of slaughter house and cattle pounds	
		13) Miscellaneous	Rs. 273,626.00
		Expenditure Total	Rs. 23,56,465.00
		Closing Balance	Rs. 4081659.41
		Grand Total	Rs. 64,38,124.41

N.B. Details of Receipts and Expenditure of the items may be given separately.


Sarpanch
SARPANCH
Village Panchayat Pirna
Bardez - Goa


Secretary
SECRETARY T. O.)
Village Panchayat Pirna
Bardez - Goa

Particulars of Income	Amount	Particulars of Income	Amount
Income		B/F	
1) Closing of the last Month / Year	3382872 4/-	5) Proceeds of other Loans etc.	—
Budget Head			
2) Grants from Government	2491539 00/-		
i) Special			
I. Staff Salary (₹) 1181885 = 00/-			
II. Member Salary (₹) 270000 = 00/-			
	1451885.00/-		
ii) General			
I. Matching grants (₹) 343406 = 00/-			
3) Other Grants			
i) Local Authorities			
I. XII th Finance (₹) 5144 = 00/-			
II. XIV th Finance (₹) 335104 = 00/-			
III. Gram Panchayat grants (₹) 1,00,000 = 00/-			
IV. M.G.N.R.E.G.A grants (₹) 2,56,000 = 00/-			
	696248.00/-		
4) Proceeds of taxes fees etc. under Sec. 153 of the Act	344832 00/-	7) Extraordinary Receipt	218881 00/-
I. House Taxes (₹) 141,451 = 00/-		I. Fine (₹) 7863.00/-	
II. Light Taxes (₹) 7834 = 00/-		II. Postal Charge (₹) 005.00/-	
III. Probes. Taxes (₹) 2,789 = 00/-		III. Bank Rent (₹) 48,000.00/-	
IV. Cycle Taxes (₹) 10 = 00/-		IV. Chair Rent (₹) 100 = 00/-	
V. Certificate fee (₹) 125010 = 00/-		V. others (₹) 24817.00/-	
VI. R.T.I. Fee (₹) 328 = 00/-		VI. Bank Int. (₹) 60848.00/-	
VII. R.B.D. Fee (₹) 2508 = 00/-		VII. Security Dep. (₹) 36692.00/-	
VIII. Search fee (₹) 52 = 00/-		VIII. Income Tax (₹) 9784 = 00/-	
IX. House Trans. fee (₹) 17150 = 00/-		IX. Royalty (₹) 1103.00/-	
X. Market fee (₹) 23700 = 00/-		X. Sale Tax (₹) 24461.00/-	
	344832.00/-	XI. Ded. Lab. (₹) 4892.00/-	
		XII. Vat. on Royat (₹) 22.00/-	
		XIII. Ed. Cess Tax (₹) 196.00/-	
		XIV. Sec. H. Ed. Cess (₹) 98.00/-	
			218881.00/-
		Total Receipt	3055252
		Grand Total	6438124.

Expenditure of

Amount Particulars of Expenditure	Amount	Amount Particulars of Expenditure	Amount
Expenditure		Expenditure	
1) Closing of the Current Month / Year		2) Education and Culture	
Budget Head		7) Rural Housing	
1) Administration 11,6637.00		8) Drinking Water	
a) Staff Salary (₹) 644254.00 ✓		9) Poverty alleviation Programme	
b) Memb. Salary (₹) 297098.00 ✓		10) Libraries	
c) Garbage Sal. (₹) 46030.00 ✓		I. Staff Salary (₹) 36500.00 150410.00 ✓	
d) Sweeper Sal. (₹) 6900.00 ✓		II. News paper Bill (₹) 13,910.00 ✓	
e) Refreshment (₹) 15,862.00 ✓		(₹) 50410.00 ✓	
f) Stationary (₹) 43,558.00 ✓		11) Rural Sanitation	
g) Electrical Water (₹) 73,527.00 ✓		12) Construction and Maintainance of slaughter house and cattle pounds	
h) Staff T.A. (₹) 7600.00 ✓		13) Miscellaneous	
i) Telephone Bill (₹) 704.00 ✓		I. Office furniture (₹) 18000.00 ✓	
j) Postage (₹) 307.00 ✓		II. Xerox Machine (₹) 31000.00 ✓	
k) Computer Access (₹) 1800.00 ✓		III. Advocate fees (₹) 55900.00 ✓	
l) Advertisement (₹) 5400.00 ✓		IV. Biometric Mach. (₹) 19100.00 ✓	
m) Electricity Bill (₹) 10681.00 ✓		V. Running column (₹) 259.00 ✓	
n) Staff Bonus (₹) 12,916.00 ✓		VI. Refund Taxes (₹) 79871.00 ✓	
o) (₹) 11,66,637.00		VII. Transport (₹) 500.00 ✓	
3) Public Works 852292.00		VIII. (₹) 65914.00 ✓	
I. Cleaning Gutters (₹) 5550.00 ✓		IX. Band Security (₹) 21865.00 ✓	
II. Cleaning Transm. (₹) 1400.00 ✓		X. Legal charges (₹) 368.00 ✓	
III. M.G.R.E.G.A. (₹) 204866.00 ✓		XI. Rent (₹) 500.00 ✓	
IV. Bush cutting (₹) 4000.00 ✓		XII. (₹) 32137.00 ✓	
V. Public work (₹) 2100.00 ✓		XIII. (₹) 1532.00 ✓	
VI. XIIIth Finance (₹) 40000.00 ✓		273620	
VII. XVth Finance (₹) 3600.00 ✓		Expenditure Total 2356465.00	
VIII. G.I.A. Grants (₹) 489,222.00 ✓		Closing Balance 4081659.00	
IX. Sign Board XIVth (₹) 98634.00 ✓		G/and Total 64,38124.00	
X. Other Expenses (₹) 2000.00 ✓			
XI. Advertisement XVth (₹) 1920.00 ✓			
(₹) 852292			
5) Social Welfare	135.00		
I. Anganwadi Rent (₹) 13500.00			

S. Desai
Sarpanch
BARDZER
Village Panchayat Perna
Barder - Goa

SECRETARY
Secretary
SECRETARY
Village Panchayat Perna
Barder - Goa