

**ANNUAL AUDIT REPORT ON ACCOUNTS OF THE VILLAGE
PANCHAYAT " ASSONORA " IN BARDEZ
BLOCK FOR THE YEAR 2016-2017**

PART-I

V. P. ASSONORA
INWARD No.....
DATE 31/03/2018

A. Name of the Sarpanch:-

Sr.no	Name of the Sarpanch	Fr.	To
1	Smt:- Sapna Mapari	01/04/2016	31/03/2017

B. Name of the Secretary :-

Sr.no	Name of the Secretary	Fr.	To
1	Shri:- Amit N. Prabhu	01/04/2016	30/08/2016
2	Shri:- Rajkumar Chodankar	31/08/2016	31/03/2017

C. Names & designation of audit parties

Sr.no	Names of the audit parties	Designation
1	Shri:- Kisan Gaude	Dy. D.A./Insp.
2	Shri:- Deepak K. Velip	A.A.O.
3	Shri:- Milind Bodke	A.C.
4	Shri:- Supresh Naik	A.C.

D. Date of Audit :- From :- 28/08/2017 to 29/08/2017

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 Assonora in Bardez Block for the year 2016-17 was conducted from 28/08/2017 to 29/08/2017 as per the Circular No. 30/7/75Fin(Bud) dated 21/08/1996 from Finance (Budget) Department, based on the records furnished by the Panchayat.

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

Sr.No.	Type of Grants	Amount
1	Member salary	Rs. 3,42,000=00
2	Garbage Grants	Rs. 1,00,000=00
3	XVith Finance	Rs. 8,45,589=00
4	MGNREGA	Rs. 52,000=00
5	Library Grants	Rs. 2,70,600=00
Total		16,10,189=00

PART -III

The Village Panchayat Assonora maintaining its records in the Form 1 to 11 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. 31,49,327=00
Total Expenditure for the year 2016-17	Rs. 61,74,826=00

Total 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. 19,23,882=80

2	DRDA Grants	Rs.	46,501=00
3	Library Grants	Rs.	920=00
4	E.M.D.	Rs.	1,07,174=00
5	S.D.	Rs.	3,15,854=94
6	Income Tax	Rs.	69,229=86
	Education Cess on I.T.	Rs.	932=00
	Secondary & Higher Edu. Cess	Rs.	465=00
7	Vat (Sales Tax)	Rs.	4,12,414=99
8	Royalty	Rs.	37,735=59
	TCS on Royalty	Rs.	387=00
9	Labour Cess	Rs.	59,739=79
10	Panchayat Fund	Rs.	(-) 6,39,147=05
Total		Rs.	23,36,089=92

ii) Details of Utilized / Unutilized Grants

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

Sr No	Name of Grants	Previous Year Balance as on 31/03/2016	Amount Sanctioned (2016-17)	Amount Utilized/ref. (2016-17)	Balance as on 31/03/2017
1.	V.P. Mem. Salary	2,29,094=00	3,42,000=00	3,70,500=00	2,00,594=00
2.	Staff Salary	5,235=00	-	-	5,235=00
4.	XIIth Finance	62,021=00	-	-	62,021=00
5.	XIIIth Finance	2,36,345=00	-	-	2,36,345=00
6.	XIVth Finance	2,71,244=00	8,45,589=00	34,800=00	10,82,033=00
7.	Garbage Grants	1,68,500=00	1,00,000=00	-	2,68,500=00
8.	Golden Jubilee Gr	48,108=00	-	-	48,108=00
9.	GIA	5,94,624=80	-	5,73,578=00	21,046=80
Total		16,15,171=80	12,87,589=00	9,78,878=00	19,23,882=80
1.	MGNREGA	825=00	52,000=00 Int. 23=00	15,477=00	37,371=00
2.	GREGS	9,130=00	-	-	9,130=00
Total		9,955=00	52,023=00	15,477=00	46,501=00
1.	Library Grants	50,309=00	2,70,600=00 Int. 2,315=00 PF.28,197=00	3,50,501=00	920=00
Total		50,309=00	3,01,112=00	3,50,501=00	920=00

During audit it was noticed that the spare funds of Rs. 62,021/-, 2,36,345/-, 48,108/-, received under XIIth & XIIIth Finance, Golden Jubilee are still lying in the Panchayat Fund (Saving Bank Accounts) for so long instead of utilizing the same for the purpose for which it was sanctioned. The same may be utilize after obtaining extension of time limit, or may be refunded back to the grant sanctioning authority immediately. Secondly, after utilizing the grants sanctioned amount, a Utilization Certificates should be furnished to the grants sanctioning authority as required under GFR 19 in stipulated time. In case the grants are not utilized within the specific time, then necessary approval of extension of time limits has to be obtained from the grants sanctioning authority or else the same should be refunded in the Government Treasury immediately under intimation to audit. Action taken in this regards will be verified during next audit.

iii) VARIATION BETWEEN BUDGET ESTIMATE AND ACTUAL

A) INCOME

ORIGINAL BUDGET ESTIMATES	REVISED BUDGET ESTIMATE	ACTUAL INCOME	SHORT
41,59,850=00	-	31,49,327=00	10,10,523=00

B) EXPENDITURE

ORIGINAL BUDGET ESTIMATES	REVISED BUDGET ESTIMATE	ACTUAL EXPENDITURE	EXCESS
60,60,295=00	-	61,74,826=00	1,14,531=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 actuals. 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 the 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.

PART – IV – COMMENTS ON TRANSACTION

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

Year	Para's Outstanding	Para's Settled	Balance	Brief Description of Para's
1983-84	02	—	02	Para-4- Recovery of License fees. Para-6- (2)(5) (7)
1985-86	01	—	01	Para -5 Works RTS
1986-87	01	—	01	Para -10- Works
1987-88	01	—	01	Para 5 Auction Recovery of Rs.1270/- from Shri. Pandari Bandodkar
1990-91	01	—	01	Para -9- Auction fee of Rs.365/-
1994-95	01	—	01	Para -9- Works RTS
1998-99	01	—	01	Para 11- works
2000-01	01	—	01	Para 4 Works
2001-02	01	—	01	Para 4 Works excess payment of Rs.37252/- to Shri. Kalidas Baskar
2004-05	02	—	02	Para 5 Purchases of Stationery in 2003-04. Para 10- works sales tax Royalty
2010-11	02	—	02	Para 11- Department Works. Para 12- Financial Power
2011-12	02	—	02	Para -9 works (i) Excess payment recovery of Rs.4830/- from contractor Shri. Pascol L. Fernandes. (ii) Extension of time limits (iii) Vat @2% to be deducted. Para 12- Excess Exp over Budget
2012-13	01	—	01	Para 11- works
2013-14	01	—	01	Para 9- (3) (iii) Vat is deducted 2% instead of 5% (repair of Market at V.P Assonora)
2015-16	20	20	00	All 20 Paras are commented and dropped in current audit.
Total	38	20	18	

There are eighteen outstanding paras are remained un-settle from 1983-84 to 2016-17. Early action may be taken to settle all outstanding paras by rectifying the deficiencies. Action taken in this regards will be verified during the course of next audit.

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 shown as Rs. 23,36,089=92 .

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

1	Canara Bank A/c No. 0326101001583 Closing balance as on 31/3/2017 Rs. 23,21,305=54 Add:- previous un-reconciled amt Rs. 9,882=00 Less:- cheque issued not realized Rs. 96,939=00 Less:- cheque issued not realized Rs. 3,000=00 Less:- cheque issued not realized Rs. 11,155=00 Rs. 22,20,093=54	
Closing balance as per the Cash book		Rs. 22,20,093=54
2	Closing Balance as per the Canara Bank A/c No. 0326101012484 Rs. 5,669=00	
Closing balance as per the Cash book		Rs. 5,669=00
3	Closing Balance as per the Canara Bank A/c No. 03261011014608 Rs. 9,502=00 Less: Bank Interest Rs. 372=00 Rs. 9,130=00	
Closing balance as per the Cash book		Rs. 9,130=00
4	Closing Balance as per the Canara Bank A/c No. 0326101016031 Rs. 37,371=00	
Closing balance as per the Cash book		Rs. 37,371=00
5	Closing Balance as per the Canara Bank A/c No. 0326101014541 Rs. 713=00	
Closing balance as per the Cash book		Rs. 713=00
6	Closing Balance as per the State Bank of India A/c No. 30654890915 Rs. 67,810=00 Less: Bank Interest Rs. 5789=00 Rs. 62,021=00	
Closing balance as per the Cash book		Rs. 62,021=00
7	Cash in hand	Rs. 1,092=38
Total Closing balance as per Cash Book as on 31/03/2017		Rs. 23,36,089=92

Un-reconciled amount of the previous years under Canara Bank A/C No. 0326101001583 amounting to Rs. 9,882/- is yet to be reconciled and shown to audit.

After reconciliation, the closing balance as per the Cash Book is found to be tallied with Bank closing balance/ Certificates as on 31/03/2017.

MAJOR IRREGULARITIES

- 1) Vouchers are not certified by Sarpanch
- 2) Bank reconciliation statement is not prepared and recorded in the cash book at the end of the each month.
- 3) Overwriting's made in the cash book and receipts are not attested by the competent authority.
- 4) Thump impressions on vouchers are not authenticated by the Sarpanch.
- 5) Cancelled receipts are not attested by the Sarpanch.
- 6) Pay bill Register, Salary Register is not maintained.
- 7) EMD/SD sub vouchers are not enclosed to the vouchers.
- 8) Amount of Rs. 14,250/- excess paid to VP Member for the month of 02/2013 vide Voucher No. 160 dated 04/03/2013 is still not recover from the concerned member nor efforts have been made to recover the same.
- 9) Form No. 6 Assets and Property register is maintained but not found in order.

SECTION-B-II**OTHER IRREGULARITIES****Nil**

- i) Each entry in the cash book is not attested.

2) RDA ACCOUNTS

- i) **RDA/MGNREGA:** The following are the details position of MG NREGA(Canara Bank A/C No.326101016031)

i)	Opening balance for 2016-2017	Rs.	825=00
ii)	Grants rec. during the year 2016-2017	Rs.	52,000=00
iii)	Add:-Int. Accrued during the year 2016-2017	Rs.	23=00
iv)	Less:- Expenditure incurred	Rs.	15,477=00
	Closing balance for the year.....2016-2017	Rs.	37,371=00

- ii) **RDA/GREGS:** The following are the details position of GREGS (Canara Bank A/C No. 326110101014608)

i)	Opening balance for 2016-2017	Rs.	9,130=00
ii)	Grants rec. during the year 2016-2017	Rs.	Nil
iii)	Add:-Int. Accrued during the year 2016-2017	Rs.	NIL
iv)	Less:- Expenditure incurred	Rs.	Nil
	Closing balance for the year.....2016-2017	Rs.	9,130=00

The Scrutiny of RDA account during 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.

- iii) **Library :** The following are the details position of Library garnts (Canara Bank A/C No. 0326101014541)

i)	Opening balance for 2016-2017	Rs.	50,309=00
ii)	Grants rec. during the year 2016-2017	Rs.	2,70,600=00
	Add:-Int. Accrued during the year 2016-2017	Rs.	2,315=00
iii)	Add:- Membership Fee		--
iv)	Add:- Fund from V.P. Fund	Rs.	28,197=00
iv)	Less:- Expenditure incurred	Rs.	3,50,501=00
	Closing balance as per library a/c as on 31/03/2016	Rs.	920=00
	less:- Cash in hand with librarian	Rs.	207=00
	closing balance as per Bank A/c as on 31/03/2016	Rs.	713=00

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

The Scrutiny of Library account during audit is only to confirm the closing balance figures only. The audit of the RDA account is carried out by the office of the Directorate of Art & Culture, Panaji-Goa.

3) TAXES

The following statement showing the arrears Current Demand, Collection and Balance for the period from 1/4/2016 to 31/3/2017.

Nature of Taxes	Arrears	Current Demand	Total Demand	Collection	Balance
House Tax	2,94,243=32	148,562=00	4,42,805=32	1,71,599=00	2,71,206=32

2	Light Tax	30,133=00	11,090=00	41,223=00	11,782=00	29,441=00
3	Prof. Tax	2,87,150=00	2,17,813=00	5,04,963=00	1,57,948=00	347,015=00
4	Board Tax	12,325=00	661=00	12,986=00	50=00	12,936=00
5	Dog Tax	474=00	20=00	494=00	--	494=00
6	Cycle Tax	9,185=00	120=00	9305=00	--	9305=00
7	T.T House Tax	--	56,354=00	56,354=00	56,354=00	--
8	T.T. Light Tax	--	710=00	710=00	710=00	--
	Total	6,33,510=32	4,35,330=00	10,68,840=32	3,98,443=00	6,70,397=32

The Panchayat has collected an amount of Rs. 3,98,443 =00 towards the various taxes during the year 2016-17. The tax collection is only 31% 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 overall arrears of taxes are mounting year by year. As specially House Tax & Professional Tax. Therefore, the VP is required to take remedial action for recovery of all outstanding taxes along with the prescribed penalty from the defaulters by following the recovery provisions as specified in the GPRA 1994 and Rules 2003.

4) RENT

The Panchayat has leased out its six premises on rental basis and no collection was done of rent during the year 2016-17. The details of rent are as follows.

Sr. No.	Name of the rent payee	Arrears Demand	Current Demand	Total Demand	Collection	Balance
1	Shri Chandan Bugde	9,040=00	1,200=00	10,240=00	-----	10,240=00
2	SHC	1,890=00	-----	1,890=00	-----	1,890=00
3	Shri Suryakant Halarnkar	2,400=00	1,200=00	3,600=00	-----	3,600=00
4	Smt. Rosa Vaz	56,700=00	8,400=00	65,100=00	-----	65,100=00
5	Elect Dep	5,642=00	-----	5,642=00	-----	5,642=00
6	Bandekar	935=00	-----	935=00	-----	935=00
	Total	76,607=00	10,800=00	87,407=00	-----	87,407=00

The position of the Panchayat in respect of collection of rent is Unsatisfactory. The sluggish nature of the Village Panchayat in recovering of rents has resulted in accumulation of these arrears. Therefore, the VP is required to take remedial action for recovery of all outstanding rent along with the prescribed penalty from the defaulters by following the recovery provisions as specified in the GPRA 1994 and Rules. Further, the agreements executed between the V.P. and parties who had taken the shops on rental basis are not made available for verification due to which audit could not ascertain validity of the agreements and whether same are renewed annually with revised rent as prescribed from time to time. The Balance amount may be recovered immediately and shown to the next audit.

The revaluation of Rent may be done since the last revaluation was done in the years before. A proposal may be processed to PWD for revaluation of rent without further delay. Also the agreement may be got executed and rent may be revised as per PWD valuation.

5) CONSTRUCTION ACTIVITIES/CONSTRUCTION LICENCES

V.P. Sarpanch had certified vide certificate VP/ASNR/715/2017 dated 30/08/2017, that he had issued 03 nos. of construction licenses during the year 2016-2017 and an amount of Rs. 71,990=00 was recovered as license fees. The fees are charged as per estimate certified by Civil Engineer. Relevant records are seen in audit.

6) ILLEGAL CONSTRUCTION:

V.P Sarpanch certified vide certificate No. VP/ASNR/716/2017 dated 30/08/2017 that he had detected that no illegal construction cases during the year 2016-2017. The details of illegal construction cases are as follows

1) Nos. of Illegal Construction cases on 01/04/2016	21
2) Illegal Construction cases detected during the year 2016-17	-
3) Nos of illegal construction cases settle/ disposed during the year 16-17	-
Total cases pending for settlement upto 31/03/2017	21

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 21 cases of illegal constructions in the Village Panchayat as on 31/03/2017. Non regularization of above illegal constructions resulted in loss of revenue of the Panchayat. The Village Panchayat should take corrective action in the matter immediately. Action taken and result thereof may be intimated to audit.

7) REFUND OF E.M.D AND S.D.

It has seen that the V.P. Assonora has a balance of Rs.1.07 Lakhs as E.M.D and Rs.3.15 Lakhs S.D. as on 31/03/2017. As per the section 19 of C.P.W.D. Manual 2007, the E.M.D given by the contractors except the successful contractor should be refunded immediately after completion of opening of tender process or within a week time from the date of opening the tender. It may please be stated whether any action has been initiated to refund/ forfeit the EMD's /SD's which is lying with the Panchayat for more than three years.

8) NON MAINTAINANCE OF REGISTERS OF DEDUCTIONS

The V.P. has been effecting payments for works executed through the contractors by deducting the recoveries towards Income Tax, Sales Tax (Vat), Royalty, Labour Cess, Security Deposits and E.M.D.'s from the contractors bills. Thereafter S.D. and EMD either refunded or forfeited to the Panchayat fund. Similarly the recoveries on accounts of Income Tax, Sales Tax, Royalty, Labour Cess etc are to be credited in the Government Treasury under appropriate head of accounts. In this connection, it is seen that the Panchayat has maintained the registers but same are not updated in respect of details Such as previous balance, received during the year, refunded/remitted during the year and balance thereof. In the absence of such details, correctness of the balances could not be verified with that of the Income Tax, Sales Tax, Royalty, Labour Cess, EMD, Security Deposit register. Also the check cannot be carried out to confirm that all the statutory deductions are credited to the Government Treasury in time or not. Maintenance of such registers is very much important from the point of view of internal control. Action may be taken immediately to update the above mentioned registers and shown to next audit.

9) AUCTION

Collection of Market Fee (Sopo)

While going through the auction file pertains to year 2016-17, it is seen that the annual public auction was conducted by VP Assnora on 04/04/2016 at 11.30am in the Panchayat office to award the contract of Sopo collection i.e. Market fees within its jurisdiction. The initial bid amount was fixed to Rs. 1,15,000/- In response total two contractors participated in the auction. The highest bid amount quoted by Shri Uday Shirodkar amounting Rs 1,15,100/- was accepted by the Panchayat. The contractor has paid Rs. 57,550/- on the spot vide receipt no. 435/69 dated 04/04/2016 and remaining balance of Rs, 57,550/- vide receipt no. 451/11 dated 30/03/2017.

Necessary agreement has not executed by the VP. This may be noted in future agreement should be executed between Sarpanch & Contractor.

10) TIME BOND CLAIM

It was noticed that time bound claims such as Electricity, Telephone, Water are cleared within the prescribed date in the year 2016-17 and same should be maintained in future .

11) RESERVE FUND FOR STAFF RETIRMENT BENEFITS:

The Goa Panchayat Raj (Application of Panchayat or Zilla Panchayat 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 noticed 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 against the above referred order and subsequent Amendments/ Notifications/Circulars/Orders (if any) issued in this regards by the Government from time to time & result may be intimated to audit.

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

The Panchayat is recovering TDS (Tax Deduction at Source) from the contractor bills and remitting to the Government Treasury under appropriate head of account. However, it is observed that quarterly TDS Returns for recovery of Income Tax is not being filed online which has been made mandatory by Income Tax Department. Further, every employer (DDO) should deduct Income Tax at source in monthly installment on salaries disbursed by him to his employees, and accordingly quarterly TDS returns for the recovery of Income Tax has to be filed online on quarterly basis, The final adjustment of Income Tax, should made 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) SURETY BOND OF V.P. SECRETARY

The V.P. secretary is handling cash transactions of the village Panchayat , however, the mandatory security/Surety bond has not been furnished by the secretary. In this connection it is noticed that the Goa Panchayat (Accounts, Audit and Custody of Funds) Rules, 1997 provides under rules 4(3) the Secretary shall furnished a security in such form and for such amount as may be specified by Director. As per Rule 4(4) , the Director of Panchayats may also demand a security from such persons as are actually in charge of cash transaction of a Panchayat.

15) WORKS

The Panchayat has undertaken and paid for 10 works during the year 2016-17 as per the statement of works submitted to audit. Few relevant work files, were randomly checked during the course of audit the following are observed in general for guidance and compliance.

- 1) 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 be recorded on the tender documents after opening. Corrections/Cancellations/Overwriting's if any should be recorded in the schedule and initialed by the person witnessing the opening of tender.
- 2) Agreement in Form No 7/8 has not been executed in some cases and the payment is released without agreement which is irregular and not acceptable.
- 3) The date of completion of work is not recorded on the Completion Certificate in First and Final Bill. As such audit is unable to verify the date of completion of work.
- 4) Pass and Payment order not recorded on the bill.
- 5) Excess /Saving statement is not enclosed to final bill.
- 6) Performance Guarantee @ 5% of the tendered value has not been obtained from the contractors before commencement of work. Thus allowing him undue financial benefits. This requirement may be noted for future guidance.
- 7) Page 3 of the agreement have not been filled and signed by the Sarpanch in any of the agreement produced to audit.

16) LABOUR CESS

As per the rules, all the Government Departments, local bodies PSU's and other Govt. agencies carrying out the building and other construction works under the act shall get themselves register under section 7 of the Act with the registering authority of the labour Department. Such institutions are required to mandatorily deduct 1% of the total cost from the bills at the time of making payment to the contractors. The VP before remitting the amount of cess to the Goa Building & Other Construction Workers Welfare Board can deduct 1% of the total Cess amount collected for their administrative expenses.

17) FINANCIAL POSITION OF THE PANCHAYAT DURING THE YEAR 2016-17

The Panchayat is showing an amount of Rs. - 6,39,147=95 in their Panchayat Fund Account as on 31/03/2017. The Panchayat fund is showing negative balance it is due to negligence of Administration. The utilization of Govt. funds used for development works is not proper. The financial position of the Panchayat is unsatisfactory 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 further strengthen the financial position of the Panchayat.

18) 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.

19) 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.

20) 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) <u>Inspections</u>	<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.

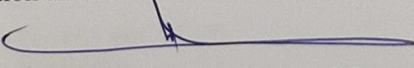
b) The B.D.O. should also ensure to take appropriate action on the following points:
As per Rule 4 (3) of the Goa Panchayat (Accounts, Audit and Custody of Funds) Rule 1997, the Secretary shall furnished the security bond in such a form and for such an amount as may be prescribed by the Director of Panchayat.

- 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.

Despite recording the observation during the last inspection report compliance to the previous audit, observations are still awaited. Rigorous efforts should be made to comply with the audit observations without further delay.

DISCLAIMER

The inspection report has been prepared on the basis of information furnished and made available by the Village Panchayat **Assonora**. The office of the Directorate of Accounts disclaims responsibility for any misappropriation and/or non information on the part of auditee.

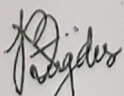

Dy. Director of Accounts/IC
Directorate of Accounts
Panaji-

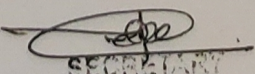
(See Rule 21(a) and 25 of THE GOA PANCHAYAT (ACCOUNT, AUDIT AND CUSTODY OF FUND) RULES 1997

ANNUAL ACCOUNT OF INCOME AND EXPENDITURE
OF *A.S.SONORA Village* PANCHAYAT FOR THE YEAR 2017-2018.....

Particulars of Income	Amount	Particulars of Expenditure	Amount
Income		Expenditure	
		Budget Head	
1) Closing of the last year	5361588.92	1) Administration	1233169.00
Budget Head		2) Sanitation Public Health and Family Welfare.	98487.00
2) Grants from Government	1287589.00	3) Public Works	4211339.00
i) Special		4) Planning and Development	-
ii) General		5) Social Welfare	10000.00
3) Other Grants		6) Education and Culture	18797.00
i) Local Authorities		7) Rural Housing	-
RDA Grants	52000.00	8) Drinking water	-
ii) Private		9) Poverty alleviation Programs	-
4) Proceeds of taxes fees etc under Sec. 153 of the Act.	398443.00	10) Libraries	334500.00
fees		11) Rural Sanitation	-
5) Proceed of other loans etc.	246070.00	12) Construction and maintenance of slaughter house and cattle pounds	-
6) Sales Proceeds.	21600.00	13) Miscellaneous	268534.00
Libraries		Expenditure Total	6174826.00
7) Extraordinary	270600.00	Closing Balance	2336089.92
	873025.00	Grand Total	8510915.92
Total Receipts	3149327.00		
Grand Total	8510915.92		

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


Sarpanch
 VILLAGE PANCHAYAT ASSONORA
 BARDEZ - GOA


Secretary
 VILLAGE PANCHAYAT ASSONORA
 BARDEZ - GOA (P. T. O.)

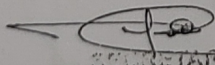
DETAIL OF THE BALANCE

1. Cash in canara Bank 1583	Rs.	2220093=54
2. do 12484	Rs.	5669=00
3. do 14608	Rs.	9130=00
4. do 16031	Rs.	37371=00
5. cash in state Bank of India 90915	Rs.	62021=00
6. cash in canara Bank 14541	Rs.	713=00
7) cash in hand	Rs.	1092=38
Total		Rs. 2336089=92

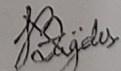
DETAILS OF FUNDS

1. Govt. Grnats	Rs.	1923882=80
2. R.D.A. Grants	Rs.	46501=00
Library Grants	Rs.	920=00
3. E.M.D.	Rs.	107174=00
4. Security	Rs.	315854=94
Labour ces	Rs.	59739=79
5. Sales Tax/VAT	Rs.	412414=99
6. Royalty	Rs.	37735=59
TCS on Royalty	Rs.	387=00
7. Income tax	Rs.	69229=86
8. Sec. & higher ces	Rs.	465=00
Edu ces on I.T.	Rs.	932=00
Panchayat fund	Rs.	(-639147=05)
Total		Rs. 2336089=92

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.


The difference between the Cash Book is due to the reason that:-




PANCHAYAT OFFICER
VILLAGE PANCHAYAT ASSEMBLY
Bardez - Goa

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 by the books of the Panchayats.

Deputy Director of Accounts/Insp.
Government of Goa.

Monthly / Annual Account of Income and

Particulars of Income	Amount	Particulars of Income	Amount
Income		B/F	1984102 00
1) Closing of the last Month/Year	5361588 / 92	5) Proceeds of other Loans etc.	
2) Grants from Government.	1287589 / 00	6) Sale Proceeds Tenders form fee 21600=00/	21600 / 00
i) Special		7) Libraries 270600=00/	270600 / 00
V.P. members Salary 342000=00/		8) Extraordinary Receipt	873025 / 00
XIVth Fin.Com. 845589=00/		Fine 12413=00/	
Garbage Grants 100000=00/		Income Tax 50861=00/	
-----		E. M. D. 98323=00/	
1287589=00/		Security Deposit 289959=00/	
ii) General		Royalty 18820=00/	
3) Other Grants		Sale tax 193307=00/	
i) Local Authorities		Labour cess 38660=00/	
R. D. A. Grants 52000=00/	52000 / 00	Certified copies fee 525=00/	
ii) Private -----		Edu ces ON I.T. 932=00/	
4) Proceeds of taxes fees etc. under Sec. 153 of the Act.	398443 / 00	Yes on Royalty 387=00/	
House Tax 227953=00/		Bank Interest 167873=00/	
Light Tax 12492=00/		Cess & Higher cess 465=00/	
Prof. Tax 157948=00/		Chair rent 500=00/	
Board Tax 50=00/		-----	
-----		873025=00/	
398443=00/			
Fees			
Certificate fee 35050=00/			
Const. Licence fee 71990=00/			
R.B.D. fee 4630=00/			
House Transfer fee 13000=00/			
Market Auction Fee 115100=00/			
NOC fee 6300=00/			

246070=00/	246070 / 00-		
		Total Receipt	3149327 00/
		Grand Total	8510915 92/
	1984102 00		

Total Receipt

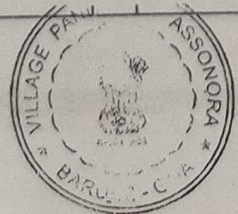
Grand Total

Annual 2016-2017

Panchayat for the year

Expenditure of		Amount		Amount Particulars of Expenditure		Amount	
Amount Particulars of Expenditure		Amount		Amount Particulars of Expenditure		Amount	
Expenditure							
1) Closing of the Current Month/Year				4) Social Welfare		10000	00
Budget Head				Aganwadi Rent	6000=00		
1) Administration				Financial Assistance	4000=00		
Clerk Salary	366322=00	1233169	00		10000=00		
Peon Salary	261046=00			5) Education & Culture		18797	00
Sweeping	10000=00			Donation	3000=00		
V.P. M. Salary	370500=00			Paper bill	11497=00		
Xerox bill	4939=00			Purchase of gifts	4300=00		
Refreshment	16214=00				18797=00		
T.A.	950=00			6) Rural Housing			
Advertisement	91190=00						
Repair of Computer	13780=00			7) Drinking water			
Telephone bill	2458=00						
Postage	267=00			8) Poverty alleviation Programme			
Festival Advance	10000=00						
Transport Charges of Beat of Dram G. Sabha	3300=00			9) Libraries		334500	00
Stationary bill	22460=00			Librarian Salary	191500=00		
Purchase of Biometric Mach.	6090=00			L. Attendance Salary	143000=00		
Bonus to Staff	13816=00				334500=00		
Purchase of office Chairs	14837=00			10) Rural Sanitation			
Paid to Consultant	25000=00						
	1233169=00	98487	00	11) Construction and maintenance of slaughter houses and cattle pounds			
2) Sanitation & Public Health							
collection of Garbage	34800=00			12) Miscellaneous		268534	00
Cleaning of gutter	18600=00			Painting of signal board			
Preparation & filling of Garbage cages & cleaning area of Garbage cage	21937=00			And purchase of paint	250=00		
Disposal of Stray Cattle	16850=00			Purchase of hand gloves, Rangoli	916=00		
Cleaning of nalla	200=00			Purchase of mineral drinking water	1600=00		
Transport charges to disposed garbage	6100=00			Purchase of flowers	1010=00		
	98487=00			Purchase of P. glass	220=00		
3) Public works				Refund of EMD	73254=00		
Building Rent	50000=00	4211339	00	Refund of Security Dpot.	81817=00		
Major const. work	3941728=00			Bank Commission	838=00		
Disilting & cleaning				Repair of watch	300=00		
Pub. Wells	12500=00			Paid Income tax	107329=00		
Cutting of Bushes	7600=00			Other Misc	1000=00		
Purchase of St. Light Materials	31750=00				268534=00		
Painting of Smarak	8250=00			Expenditure Total		6174826	00
Paid wages to MGNREGS workers	15338=00			Closing Balance		2336089	92
Const. & repair of footpath	2000=00			Grand Total		8510915	92
Paid to Electricity Dept.	73423=00						
Repair of potholes	18000=00						
Labour charges to make road and remove of mud	5400=00						
Labour charges to Cleaning pond	4950=00						
Labour charges for shifting of slab stones & fixing on Gutter	5400=00						
Paid to Bhingwadi const. towards supply of RCC slab, cleaning and leveling near Cross & Mud leveling near culver	29700=00						
Transport & loading & unloading labour charges of mud and removing fan tree on the road	4100=00						
Removing Banners	200=00						
other public work	1000=00						
	4211339=00						
		5542995	00				

Sarpanch
VILLAGE PANCHAYAT ASSONORA
BARDEZ - GOA.



Secretary
SECRETARY
VILLAGE PANCHAYAT ASSONORA
BARDEZ - GOA.