



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

Office of the B.O.O. Inward  
INWARD NO. 3554  
DATE 18/8/16  
COV.P  
#

No. DA/Control/31-5(II)/2016-17/150

Dated:- 6-08-2016.

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

Sub:- Audit Report on the accounts of the Village Panchayat of  
"St. Lawrence" Agassaim in Tiswadi-Block for the year 2014-2015.

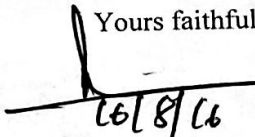
Sir,

A copy of the Audit Report on the accounts of the above Village Panchayat for the year 2014-2015 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, Tiswadi-Block ....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).

ANNUAL AUDIT REPORT ON ACCOUNTS OF THE VILLAGE PANCHAYAT 'AGASSAIM' IN  
TISWADI BLOCK FOR THE YEAR 2014-2015

**PART - I**

- A) Sarpanch :-
- 1) Shri/Smt – Jaime Antonio Afonso  
Fr. 01/04/2014 to 31/03/2015
  - 2) Shri/Smt – Sameer Naique  
Fr. / / to / /
  - 3) Shri/Smt – Ash D. Madkaikar  
Fr. / / to / /
- B) Secretary :-
- 1) Shri/Smt – Rohidas A. Pereira  
Fr. 01/04/2014 to 16/01/2015
  - 2) Shri/Smt – Basilo Pives  
Fr. 17/01/2015 to 31/03/2015
  - 3) Shri/Smt - \_\_\_\_\_  
Fr. / / to / /
- C) Name and Designation of Audit Party
- |                              |        |
|------------------------------|--------|
| 1) Shri. Kisan Gaude         | D.D.A. |
| 2) Shri. Milind M. Sadvelkar | A.A.O. |
| 3) Shri. Subhash Talkatkar   | H/C    |
| 4) Shri. Dasharath Tuenkar   | A/C    |
- D) Date of Audit: 04/02/2016 to 08/02/2016
- E) Period covered during Audit : 01/04/2014 to 31/03/2015

**PART - II - INTRODUCTORY**

The audit on account of village Panchayat 'St. Lawrence, Agassaim in TISWADI Block for the year 2014-15 was conducted from 04/02/2016 to 08/02/2016 as per the circular No.30/7/75Fin(Bud) dt.21/08/1996 from Finance (Budget) Department, based on the record furnish by the Panchayat.

The Village Panchayat was sanctioned the following types of Grants During the year 2014-2015 are as under.

|                                       |                               |
|---------------------------------------|-------------------------------|
| 1) V.P. Member Salary                 | Rs. <u>4,14,000=00</u>        |
| 2) V.P Staff Salary                   | Rs. _____                     |
| 3) Matching Grants                    | Rs. _____                     |
| 4) XII <sup>th</sup> Finance          | Rs. _____                     |
| 5) XIII <sup>th</sup> Finance         | Rs. <u>61,209=00</u>          |
| 6) Octroi                             | Rs. _____                     |
| 7) G.I.A                              | Rs. _____                     |
| 8) Garbage Grants                     |                               |
| Plastic Garbage menonce scheme , 2007 | Rs. <u>1,00,000=00</u>        |
| 9)                                    | Rs. _____                     |
| 10)                                   | Rs. _____                     |
| <b>TOTAL</b>                          | <b>Rs. <u>5,75,209=00</u></b> |

### PART-III

The village Panchayat maintaining its accounts in the form 1 to 11 as per the Rule 20,21(a) 5 of the Goa Panchayat (Accounts Audit and Custody of Funds) Rule 1997, comprising particular of Income and Expenditure for all the grants received i.e. Administrative and Development grants.

i) Summary of Accounts

Total receipt for the year Rs. 16,85,052=62

Total Expenditure for the year Rs. 32,28,189=00

Total funds available with Panchayat as on 31/03/2015 is

|                     |                    |
|---------------------|--------------------|
| 1) Govt. Grants     | Rs. 12,67,163=00   |
| 2) DRDA Grants      | Rs. 1,105=00       |
| 3) Library Grants   | Rs. _____          |
| 4) E.M.D. Grants    | Rs. 1,87,092=00    |
| 5) Security Deposit | Rs. 1,00,525=00    |
| 6) Income Tax       | Rs. 64,104=00      |
| 7) Sales Tax        | Rs. 47,685=00      |
| 8) Royalty          | Rs. 17,163=00      |
| 9) Teson royalty    | Rs. 43=00          |
| 10)                 | Rs. _____          |
| 11) Panchayat funds | Rs.(-) 5,85,242=70 |

Closing balance as on 31/03/2015

Rs. 10,99,638=28

ii) Details of Utilized/Unutilized grants.

The statement showing details of grants as on 31/03/2015 are as follows:-

| Sr. No.                          | Name of the Grants         | Previous Balance | Grants Sanctioned 2014-15 | Amount Utilized during the year | Balance as on 31/03/2015 |
|----------------------------------|----------------------------|------------------|---------------------------|---------------------------------|--------------------------|
| I - Administrative /Govt. Grants |                            |                  |                           |                                 |                          |
| 1                                | V.P. Member Salary         | 2,92,502=00      | 4,14,000=00               | 4,09,500=00                     | 2,97,002=00              |
| 2                                | V.P. Staff Salary          | ----             | ----                      | ----                            | ----                     |
| 3                                | Matching Grants            | ----             | ----                      | ----                            | ----                     |
| 4                                | XII <sup>th</sup> Finance  | ----             | ----                      | ----                            | ----                     |
| 5                                | XIII <sup>th</sup> Finance | 1,70,283=00      | 6,1209=00                 | 1,25,662=00                     | 1,05,830=00              |
| 6                                | Octroi                     | ----             | ----                      | ----                            | ----                     |
| 7                                | G.I.A                      | 1,78,840=00      | ----                      | ----                            | 1,78,840=00              |
| 8                                | Golden Jubilee Grants      | 10,00,000=00     | ----                      | 3,98,734=00                     | 6,01,266=00              |

|                             |                         |              |                  |              |              |
|-----------------------------|-------------------------|--------------|------------------|--------------|--------------|
|                             | Worker Panchayat Grants | 52,305=00    | ----             | ----         | 52,305=00    |
|                             | Excess Grants           | 7,120=00     | ----             | ----         | 7,120=00     |
| 11                          | Garbage Grants          | ----         | 1,00,000=00      | 75,200=00    | 24,800=00    |
| 12                          | ----                    | ----         | ----             | ----         | ----         |
|                             | Total I                 | 17,01,050=00 | 5,75,209=00      | 10,09,096=00 | 12,67,163=00 |
| <b>II - DRDA/RDA</b>        |                         |              |                  |              |              |
| 1                           | NREG                    | 1,128=00     | +Int<br>45=00=00 | ----         | 1,173=00     |
| 2                           |                         | ----         | ----             | ----         | ----         |
| 3                           |                         | ----         | ----             | ----         | ----         |
|                             | Total II                | 1,128=00     | 45=00            |              | 1,173=00     |
| <b>III - Library Grants</b> |                         |              |                  |              |              |
| 1                           |                         |              |                  |              |              |
| 2                           |                         |              |                  |              |              |
| 3                           |                         |              |                  |              |              |
|                             | Total III               |              |                  |              |              |
|                             | Grand Total I, II, III  |              |                  |              |              |

### UTILISATION CERTIFICATE

After utilizing the Grants sanctioned amount, a Utilization Certificate should be furnished to the Grants Sanctioning Authority as required under G.F.R.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.

#### iii) Variation between Budget Estimates and Actual

##### a) INCOME SIDE

| Original Budget | Revised Budget | Actual Income   | Short/ Excess w.r. to original Budget |
|-----------------|----------------|-----------------|---------------------------------------|
| Rs.60,81,962=00 | ----           | Rs.16,85,052=62 | Rs.43,96,909=38                       |

##### b) EXPENDITURE SIDE

| Original Budget | Revised Budget | Actual Expenditure | Short/ Excess w.r. to original Budget |
|-----------------|----------------|--------------------|---------------------------------------|
| Rs.59,27,300=00 | ----           | Rs.32,28,189=00    | Rs.26,99,111=00                       |

Comparison Original Budget with Actual Income and Expenditure, it is seen that there was a shortfall on Income and expenditure. Panchayat also failed to revise the budget. The same may be revised and Budget may be prepared in realistic manner.

**PART – IV – COMMENTS ON TRANSACTION**

Section A:- Outstanding audit Para's from previous audit Report in brief.

| Year      | Paras<br>B/F | Paras<br>settled | Paras<br>outstanding | Subject in brief   |
|-----------|--------------|------------------|----------------------|--|
| 1988-89   | 01           | -                | 01                   | Para on Auction recovery of market fee<br>Rs.3662=50/-   |
| 1992-1993 | 02           | -                | 02                   | Para 4 (ii) Auction recovery of Rs.4105/- and mela<br>fees of Rs. 4500/-<br><br>Para 10- purchase of RCC bricks for Rs.2500/- and<br>water tanks for Rs. 3850/- without Quotation  |
| 1993-94   | 01           | -                | 01                   | Para-6 (ii) different amount of Rs1015/- to be<br>recovered  |
| 1997-98   | 01           | -                | 01                   | Para on retirement gratuity to peon  |
| 1998-99   | 01           | -                | 01                   | Para 10- Land for building for Market complex Rs.<br>1,40,000/- with Dy. Collector   |
| 2002-03   | 03           | -                | 03                   | para-3 purchase of stationery from 1998 to 2003<br>para on department work<br><br>Para 12 Purchase of electrical materials i.e. Ex-<br>post. Fact approval for excess exp from 1992-93 to<br>2009-10<br><br>Para 13 Department works. Regularization of<br>expenditure from 2006-07 to 2009-10   |
| 2010-11   | 03           | -                | 03                   | Para-08 Excess expenditure over budget.<br><br>Para-09 Excess of expenditure over permissible<br>limit.<br><br>Regurgitation from the competent authority.<br><br>Para 16- Production of administrative report 2010-<br>11.  |
| 2011-12   | 06           | -                | 06                   | Para-04 Recovery of rent from Elect. Dept. For<br>8years<br><br>Para-05-recovery of License fees from Antomia F.<br>Gonsalves Rs.2094/- (2008-09)<br><br>Para-06 Recovery of excess amount for supply of<br>electrical goods from universal electrical mapusa<br>amounting to Rs.5450/-<br><br>Para-07 excess of expenditure for purchase<br>electrical goods.<br><br>Para -08 irregular expenditure. Purchases without<br>Quotation |

|       |    |    |  |
|-------|----|----|--|
|       |    |    | Para-09 Garbage collection and disposal.   |
| 01    |    | 01 | Para-11 (7) Vat 2% recovery from chat  |
| 17    | 16 | 01 | Par-8 works Vat recovery of Rs.2,670/- is activated from contractor<br>Remaining 16 paras are commented in the current audit wherever required |
| Total | 36 | 16 | 20   |

It is observed that the Panchayat has not taken any efforts to settle the above outstanding Para's pending for year together. Immediate action may be initiated to comply long pending paras and compliance should be reported to audit.

### **B -CURRENT AUDIT**

i) **CASH BOOK** :- The cash book is checked during the course of audit. The closing balance on 31/03/2015 is shown as Rs. 10,97,248=28. The actual closing balance as per the cash book work out to Rs. 10,99,638=28. This is due to the following discrepancies.

|       |  |             |
|-------|--|-------------|
| i)    | Spending balance on 041/4/2014 is short accounted by | Rs 750/-    |
| ii)   | Receipt No. 260/45 is short accounted by             | Rs. 1000/-  |
| iii)  | Receipt no. 261/31 is short account by               | Rs. 100/-   |
| iv)   | Receipt No. 262/59 is excess accounted by            | Rs 10/-     |
| v)    | Receipt no 263/56 is short accounted by              | Rs. 20/-    |
| vi)   | Receipt no 263/86 is short accounted by              | Rs. 50/-    |
| vii)  | Receipt no 278/15 is short accounted By              | Rs. 40/-    |
| viii) | Receipt no 279/28 is short accounted by              | Rs 400/-    |
| ix)   | Receipt no 279/36 is short accounted By              | Rs 40/-     |
|       | Total short accounted amount                         | Rs. 2390=00 |

The above short accounted amount is added to panchayat fund in 2014-2015 account.

### **Reconciliation**

|   |                 |
|---|-----------------|
| Closing balance as per the syndicate Bank A/C no 72082200006296     | Rs. 9,53,513=51 |
| Add cheque issued but not accounted in the C/B (03/07/2014)         | Rs. 3000=00     |
| Add Bank com.   | Rs. 170=00      |
| Add cheque issue but not accounted in the cash book 29/9/2014       | Rs. 7500=00     |
| Add cheque issued bvut not accounted in the cash book 31/3/2015     | Rs. 87872=00    |
| Less amount deposited but not accounted in the cash book            | Rs. 4700=00     |
| Less interest short accounted                                       | Rs. 0=88        |
| Less Interest accounted accrued not accounted                       | Rs. 29453=84    |
| Closing balance as per the cash book                                | Rs. 1017900=79  |
| ii) Closing balance as per the syndicate bank A/C no 72082200048137 | Rs. 43,943=11   |

|     |   |                 |
|-----|---|-----------------|
|     | Interest accrued not accounted                                    | Rs. 16,696=86   |
|     | Closing balance as per the cash book                              | Rs. 27246=25    |
|     | Closing balances as per the syndicate bank A/C no 72082200059522  | Rs. 1173=50     |
|     | Less interest account not accounted                               | Rs. 67=52       |
|     | Closing balance as per the cash book                              | Rs. 1105=98     |
| iv) | closing balance as per the State Bank of India A/C no.30646462107 | Rs. 5000=10     |
|     | Less Interest accrued not accounted                               | Rs. 286=00      |
|     | Closing balance as per the cash book                              | Rs. 4714=10     |
| v)  | closing balance as per the Dena bank A/C no 021610001783          | Rs. 156=00      |
|     | Add Amt transferred not accounted in the cash book                | Rs. 40,961=89   |
|     | Add Bank Commission not accorded                                  | Rs. 112=80      |
|     | Less Interest accrued not accounted                               | Rs. 1859=80     |
|     | Closing balance as per the cash book                              | Rs. 39370=89    |
| vi) | Cash in hand  | Rs. 9300=27     |
|     | Total closing balance as per the cash book as on 31/3/2015        | Rs.10,99,638=28 |

(Rupees Ten Lakhs Nine thousand six hundred thirty eight and paise twenty eight only)

After reconciliation the bank balance as per the cash book is found to be tallied with closing balance as per the bank pass book / certification etc. as on 31/3/2015.

### **B. MAJOR IRREGULARITIES**

- i) Bank reconciliation statement is not prepared and recorded in the cash book at the end of each month.
- ii) Vouchers are not certified by the Sarpanch.
- iii) Thumb impressions on vouchers are not authenticated by the Sarpanch
- iv) Vouchers are not cancelled by enclosing "paid & cancelled"
- v) Property and assets register in Form no 6 is not found in order.
- vi) Correction/ cancellation/ overwriting an not attested.
- vii) Forms no.6, Assets and property register is mentioned but not found in Order.
- viii) Short accounted amount during the year is Rs. 2390/-

- ix) The panchayat has issued cheques but the same are not accounted in the cash book. The details are as follows.

| <u>Date</u> | <u>Amount</u> |
|-------------|---------------|
| 3/7/2014    | Rs. 3000=00   |
| 29/9/2014   | Rs. 7500=00   |
| 30/3/2015   | Rs. 87872=00  |

- x) The amount deposited in Bank on 5/9/2014 amounting to Rs. 4700/- but the same is not accounted in the cash book.
- xi) Refund of EMD/SD, but voucher is not enclosed to the bill.
- xii) Closing balance is not certified by the Sarpanch at the end of the month.

## RDA ACCOUNT

RDA/ GRES ( Syndicate bank A/C no 720822005922)

During the year 2014- 2015. The Panchayat has not received any grants nor incurred any expenditure under this scheme. The closing balance as on 31/3/2015 is Rs. 1105=98

The audit of RDA account is being carried out by the after of district Rural development, Agency Panjim Goa.

### 3. Assets and Property Register (Form No.6)

Assets and Property register is maintain but not the same is not found in order. All immovable assets should be shown first them movable assets should be shown in the register. All items should be shown category wise items like, glass, table, lock, clocks, measuring tapes, flash etc should be shown separately in the consumable register. At the end of the year all items should be physically verified and accordingly physical verification certificate should be recorded in the register. This certificate should be signed by V.P. Sarpanch. The register is required to be received and shown to the next audit.

### 4. Taxes:

The detailed summary of various taxes i.e. current demand collection of taxes arrears of taxes and the balance of taxes in register "FORM-8" is not produced by village Panchayat to the audit party during the course of audit. Only the statement showing the arrears, demand , collection and the balance of taxes for the period 01-04-2014 to 31-03-2015 is shown to audit. The detailed position of various taxes is as under.

| Sr.no. | Nature of the taxes | Arrears demand | Current Demand | Total Demand | Collection  | Balance      |
|--------|---------------------|----------------|----------------|--------------|-------------|--------------|
| 1      | House tax           | 7,41,072.50    | 4,21,513.00    | 11,62,585.50 | 3,78,135.00 | 7,84,450.50  |
| 2      | light tax           | 40,155.00      | 15,708.00      | 55,863.00    | 16,662.00   | 39,201.00    |
| 3      | Professional tax    | 2,49,095.00    | 1,30,704.00    | 3,79,799.00  | 51,225.00   | 3,28,574.00  |
| 4      | Dog Tax             | 582.00         | ---            | 582.00       | ---         | 582.00       |
| 5      | Hoarding Tax        | 1,16,890.00    | 36,904.00      | 1,53,794.00  | 16,902.00   | 1,36,892.00  |
| 6      | Cart tax            | 547.00         | ---            | 547.00       | ---         | 547.00       |
| 7      | Cycle tax           | 40,565.00      | ---            | 40,565.00    | ---         | 40,565.00    |
| 8      | Entertainment tax   | 925.00         | ---            | 925.00       | ---         | 925.00       |
| Total  |                     | 11,89,831.50   | 6,04,829.00    | 17,94,660.50 | 4,62,924.00 | 13,31,736.50 |

The Village Panchayat "St. Lawrence, Agassaim" has collected an amount of Rs. 4,62,924.00 (Rupees four lakhs sixty-two thousand nine hundred twenty-four only) towards the various taxes during the year 2014 – 2015. The tax collection is only 25.79% out of the total demand. The position of village Panchayat in respect of collection of taxes is very poor. It shows that village Panchayat has not taking any action against recovery of taxes. An amount of Rs. 13,31,736.50 (Rupees thirteen lakhs thirty-one thousand seven hundred thirty-six and fifty paise only) has in



On 31.03.2016, the Villages Panchayat may initiate recovery procedure to collect the arrears along with interest / Penalty as per the provision of G.P.R.A.

Action taken to recover the huge outstanding arrears of various taxes may be stated to audit.

The following two registers which account for the taxes assessment demand and collection are not shown to audit party for its security.

1. Form-7( Assessment Register.)
2. Form-8 ( Demand & Collection Register.)

#### 5. RENTS

The Village Panchayat "St. Lawrence, Agassiam " has leased out one of its premises on rental basis to electricity Department at the rate of Rs. 188/- per month, but the Panchayat has failed to collect rent from October- 2004 upto 31.03.2016. the statement showing detailed position of the rent its as follows.

| Sr.no. | Name of the premises   | Arrears   | Current  | Total     | Collection | Balance   |
|--------|------------------------|-----------|----------|-----------|------------|-----------|
| 1      | Electricity Department | 21,432.00 | 2,256.00 | 23,688.00 | ---        | 23,688.00 |
|        | Total                  | 21,432.00 | 2,256.00 | 23,688.00 | ---        | 23,688.00 |

The Village Panchayat "St. Lawrence, Agassiam" should take immediate action to recover the arrears of rent by sending demand notice to the defaulter to recover the outstanding arrears of rent along with the penalty with a intimation to audit.

#### 6. CONSTRUCTION ACTIVITIES.

##### (a) Constriction license.

The Sarpanch of Village Pancjayat " St. Lawrence, Agassaim" has certified vide letter No. VP/SLA/2015-2016/1109, dated 30-01-2016 that the Panchayat has issued 15 (fifteen) number of construction Licenses repair / renewals and collected an amount of Rs. 21,891.00 (Rupees twenty one thousand eight hundred ninety one only) as alicence fees during the year 2014 -2015. The fees are charged as per the estimate certified by Civil Engineer . Relevant records are seen in audit & found in order.

As per the previous audit report short recovery of Rs. 2094.00 in respect of Smt. Amonia F. Gonsalves is still outstanding. This observation is also pointed out in previous audit report, but the Panchayat has not taken remedial action to comply the same.

Action proposed may be stated.

##### (B) ILLEGAL CONSTRUCTION CASES.

The Sarpanch of Village Pancjayat "St. Lawrence, Agassaim " has certified vide letter No. VP/SLA/2015-2016/1108, dated 30-01-2016 that he had not detected 05 (Five) number of

Illegal construction with in the Panchayat jurisdiction during the year 2014 – 2015. The detailed position of illegal construction cases are as follows.

- (i) Number of illegal construction cases pending  
As on 01.04.2014 .....37 NOS.
- (ii) Number of illegal construction cases detected  
During the year 2014 – 2015 .....05 NOS.
- (iii) Number of illegal construction cases settled/ disposed  
During the year 2014 – 2015 .....15 NOS.
- (iv) Total number of illegal construction cases  
Outstanding up to 31.03.2015.....27 NOS.

Efforts are required to be made for expeditious disposal of above illegal constructions, and the revenue realized on concluding of cases should be intimated to audit. Necessary action should be intimated to dispose off the illegal construction cases so as to create deterrent on such issues, whereby the cases of illegal construction would be stalled.

## 7. AUCTION

### MARKET FEES

The Village Panchayat Aggassaim had invited sealed quotation for collection of Market Fees/ SOPO from Melas / Fairs and Festival for the periods from 01/06/2014 to 31/03/2015. In response to above amount of Rs. 40,000/- quoted by Shri. Thomas Dias was found to be highest which was accepted by Panchayat and the entire amount was recovered in two equal installment of Rs. 20,000/- vide receipt book no. 35/260 dated 29/05/2014 and 89/277 dated 2/2/205.

Further the V.P. has collected market fees amounting to Rs. 18,430/- for the period from 7/4/2014 to 29/5/2014 by engaging their own staff and accounted in the year 2014 – 15.

Similarly V.P. also invited sealed quotation for collection of market Sopo for the period from 1/4/2015 to 31/3/2016. In response to persons participated in auction and highest amount of Rs. 53,500/- quoted by Shri. Thomas Dias was accepted and full amount was recovered vide receipt book No. 55/279 dated 31/03/2015.

Despite the requirement was pointed out in the past audit reports the Panchayat failed to execute an agreement between contracting parties. This necessary requirement may be done in future to safe guard the interest of the Panchayat.

## 8. SERVICE BOOK / LEAVE ACCOUNT

The service books of the official were randomly checked during the audit and following point are made for compliance.

1. The various entries and noting including leave particulars of the officials have not been authenticated by the competent authority in the service books.
2. Annual service verification of the officials should be done recording necessary certificate in the appropriate column of the service book.

The pay fixation statement / promotion order should be posted in the service book for record.

4. The proper maintenance of some book is required to avoid possible delays in getting the retirement benefits etc.

**Reserve fund for staff retirement benefit:**

The Goa Panchayat Raj (Application of Panchayat or Zilla Panchayat funds coordination & Limitation) Rules 2006 which came into force vide Notification No.34/DP/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 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.

**10. 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 employees shall be entitled for the benefits of employees Provident Fund. The amendment of the said order was published in the official Gazette 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.19/31/DP/PAN/STAFF/PAN/05/3947 dated. 18/11/2005 and No.19/31/DP/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 provisions 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 Fund regulations.

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

**11. Non filling of E-TDS Returns with Income Tax Department & assessing of staff:**

The Panchayat has been recovering TDS (Tax Deduction at Source) and remitting to the Income Tax Department, However, it observed that quarterly TDS Returns for recovery of Income Tax is not being filed online which has been made mandatory by the Income Tax Department.

It is also observed that the salaries paid to the staff have not been assessed to Income Tax & no TDS has been deducted, if salary exceeds prescribed taxable limits.

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

**12. EXCESS EXPENDITURE OVER PRESCRIBED LIMIT.**

The panchayat has incurred excess expenditure on following heads of Account during the year 2014 -2015.

|   | Head of account              | Prescribe Limit | Actual expenditure | Excess/ short |
|---|------------------------------|-----------------|--------------------|---------------|
| 1 | Stationary                   | 25,000/-        | 32,382/-           | 7,382/-       |
| 2 | Purchase of electrical Goods | 2,00,000/-      | 3,87,646/-         | 1,87,646/-    |

The above excess expenditure may be got regularized from the competent authority under intimate to audit.

### 13. WORKS

The Village Panchayat Agassaim has executed and paid for total five (5) works during the year 2014 – 15 as per work statement furnished to audit. The relevant work files were randomly checked during the audit and following observations are made compliance..

1. The V.P. had recovered the sales Tax(Vat) @ 2% instead of prevailing rate 5% from the contractor final R.A. bills during the year 2014 – 15 .the difference amount may be recovered from the following contractors and remitted to government treasury under appropriate head of account immediately after confirm the fact and figures.

| Sr. No.      | Name of Contract      | Actual Cost of Work | Actual Vat ded @ 2% | Vat to be ded. @ 5% | Short           |
|--------------|-----------------------|---------------------|---------------------|---------------------|-----------------|
| 1            | Shri M. Silva         | 2,780,063/-         | 556/-               | 13903/-             | 8,342/-         |
| 2            | Shri. P.Y. Raut       | 1,25,662/-          | 2,513/-             | 6283/-              | 3,770/-         |
| 3            | Shri. B.B. Shindu     | 88,918/-            | 1778/-              | 4446/-              | 2668/-          |
| 4            | Shri. Ashok Kandolkar | 72,540/-            | 1,451/-             | 3627/-              | 2176/-          |
| <b>Total</b> |                       |                     |                     |                     | <b>16,956/-</b> |

2. Excess / Saving statement has not been placed in the concern work file.
3. Despite the requirement was pointed out in the past audit reports the Panchayat failed to execute an agreement between contracting parties. The necessary agreements in form 708 as the case may be executed and placed in respective work file. This requirement may be noted for further to safe guard the interest of the Panchayat.
4. NIT approval not found placed in the work files.
5. The work order should be issued in prescribed form i.e. 10 or 11 as the case may be incorporating there in the estimate cost, tendered amount, percentage quoted below / above and period allowed to complete the work. Also stipulated date of commencement and completion should be worked out and entered bottom left hand side of the work order. This will help to find out the delays in starting and completing the work and working of fine etc.
6. Almost in all the work file document related to works are found placed in Xerox instead of original such as resolution copy estimates, measurement sheets / abstract tender notices etc.
7. M.B.S. are not made available for verification.

### Financial Position of the Panchayat during the year 2014-15:

The Panchayat is having an minus amount of Rs.(-)5,85,310=22 in their Panchayat Fund account as on 31/03/2015. This shows that the financial position of the Panchayat is not satisfactory / not satisfactory during the year. However Panchayat should make sincere efforts to recover the huge amount of arrears of Taxes /Rents along with prescribed penalty from the defaulters, in order to further strengthen the financial position of the Panchayat.

#### 15. Annual Action Plan:

As per the section 238 of the Act each Panchayat shall prepare every year a Development Plan and submit to the Zilla Panchayat before such date and time a prescribed for inclusion of the same in District and Planning Committee under section 239 of the Act.

#### 16. Functions of Gram Sabha:

- i) 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 also place the copy of the report in the Gram Sabha Meeting for an appropriate decision.
- ii) As per the 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.
- iii) As per the section 6(3) of the Act ibid, the Govt. should constitute vigilance committee to oversee the different works/ schemes and other activities of the Panchayat.

#### 17. General

##### Inspections

As per the system in vogue, the Block Development Officer (B.D.O.) should conduct 3 (Three) inspections and the extension officer village Panchayat (E.O.V.P.) 5 (Five) inspection of the village Panchayat every year. However, it is reported by the Village Panchayat that no single inspection was carried out by the B.D.O.'s & E.O.V.P.'s during the year 2014-15. It is strange to note that the mandatory inspections were avoided by the respective B.D.O.'s & E.O.V.P.'s. Non compliance of the above requirement may be clarified and make sure that the prescribed number of inspections are carried out at regular intervals in order to have control over the Panchayat Administration as well as to stop the major irregularities which was observed during the current audit.

**The B.D.O. should also ensure to take appropriate action on following points.**

- i. Salary of the V.P. Secretary should be debited to the Panchayat fund accounts as per the provisions of the Goa Panchayat Act.
- ii. The V. P. Secretary should be directed to maintain the personal cash register as per the Circular No.ACB/Vigilance/404/1066 dat.22/03/2010 from the Vigilance Department.
- iii. As per the Section 5(i) and (ii) of the Panchayat Act, there shall be minimum 4 (Four) each ordinary and special Gram Sabha Meetings of the Panchayat during every year.
- iv. That the V.P. Secretary should furnish the security/surety bond as he handles the cash of Panchayat.
- v. That the cash in hand should not be over and above the permissible ceiling. It is seen that the huge amount is kept as cash in hand in various occasions which can lead to be misused. The present practice of utilizing money from cash in hand is highly objectionable.

Findings

The audit report is prepared based on the information furnished and made available to it by the office of the Directorate of Accounts & Finance, Government of Karnataka. It is not intended to be a substitute for the submission of any other information / records to which the auditor has access.



By Director of Accounts & Finance, Govt.  
Directorate of Accounts,  
Bangalore - 560

**Form No. 10**

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

**ANNUAL ACCOUNT OF INCOME AND EXPENDITURE**  
**OF ST. LAWRENCE, AGASSAIM PANCHAYAT FOR THE YEAR 2014-2015.....**

| Particulars of Income                                    | Amount     | Particulars of Expenditure  | Amount     |
|--|------------|---|------------|
| Income   |            | Expenditure   |            |
|  |            | Budget Head   |            |
| 1) Closing of the last year                              | 2642774=66 | 1) Administration   | 1598984=00 |
| Budget Head  |            | 2) Sanitation Public Health and Family Welfare.                       | 180318=00  |
| 2) Grants from Government                                |            | 3) Public Works   | 1323629=00 |
| i) Special   |            | 4) Planning and Development   | —          |
| a) Member Salary Grants                                  | 414000=00  | 5) Social Welfare   | 14900=00   |
| b) Carriage Grants                                       | 100000=00  | 6) Education and Culture  | 2230=00    |
| ii) General  |            | 7) Rural Housing  | —          |
| a) Panchayat Commission                                  | 61209=00   | 8) Drinking water   | —          |
| 3) Other Grants  | —          | 9) Poverty alleviation Programs                                       | —          |
| i) Local Authorities                                     | —          | 10) Libraries   | —          |
| ii) Private  | —          | 11) Rural Sanitation  | —          |
| 4) Proceeds of taxes fees etc under Sec. 153 of the Act. | 671015=00  | 12) Construction and maintenance of slaughter house and cattle pounds | —          |
| a) Taxes → 462924=00                                     |            | 13) Miscellaneous   | 108128=00  |
| b) Fees → 208091=00                                      |            | Expenditure Total   | 3228189=00 |
| 5) Proceeds of other loans etc.                          | —          | Closing Balance   | 1099638=28 |
| 6) Sales Proceeds.                                       | 3600200    | Grand Total   | 4327827=28 |
| 7) Extraordinary   | 435228=62  |   |            |
| Total Receipts   | 1685052=62 |   |            |
| Grand Total  | 4327827=28 |   |            |

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

  
**Sarpanch**  
**Agassaim - Goa**



  
**Secretary**  
**P. ST. LAWRENCE (P.T.O.)**  
**AGASSAIM**

**DETAIL OF THE BALANCE**

|  |           |
|--|-----------|
| 1. Syndicate Bank A/c No. 72082200006296   | RS. 10179 |
| 2. Syndicate Bank A/c No. 72082200048137   | RS. 2724  |
| 3. Syndicate Bank A/c No. 72082200059522   | RS. 1105  |
| 4. State Bank of India A/c No. 30646462107 | RS. 4714  |
| 5. Dena Bank A/c No. 021610001783          | RS. 39370 |
| 6. Cash in Hand                            | RS. 9300  |

Total RS. 1099638 = 28

**DETAILS OF FUNDS**

|                          |                  |
|--------------------------|------------------|
| 1. Govt. Grants          | RS. 1267143 = 00 |
| 2. R.D.A. Grants         | RS. 1105 = 88    |
| 3. E.M.D.                | RS. 187092 = 00  |
| 4. Security              | RS. 100525 = 00  |
| 5. Income Tax            | RS. 64104 = 00   |
| 6. Royalty               | RS. 17163 = 00   |
| 7. Any other / Sales Tax | RS. 47685 = 00   |
| 8. TCS on Royalty        | RS. 43 = 00      |
| 9. Panchayat Fund        | RS. 585242 = 70  |

Total 1099638 = 28 ✓

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.

*M. Anso*

**Sarpanch**  
Agreement - Gov

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

Difference if any

**SECRETARY**  
**P. ST. LAWRENCE**  
**AGASSAIM**

Between the Pass book and Cash



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.



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| Expenditure                        | Amount           | Particulars of Expenditure                | Amount            |
|------------------------------------|------------------|---|-------------------|
| <b>2) Sanitation Public Health</b> |                  | <b>3) Public Works</b>                    |                   |
| 1) Family Welfare                  |                  | On/Off street light                       | 18350=00          |
| Disposal of Garbage                | 75200.00         | Electrical Goods                          | 387646=00         |
| Disposal of Deed Stray Animal      | 50=00            | Repairs to existing culvert               | 72540=00          |
| Cleaning of Village Area/School    | 11350=00         | Supply & Fixing of R.C.c. Slabs           | 42634=00          |
| Cleaning of Nallah                 | 3000=00          | Desalting of drains                       | 125662=00         |
| Cutting of bushes                  | 88918=00         | Construction of drain                     | 278063=00         |
| Road Side Bushes                   | 1800=00          | Repair & Renovate to Existing crematorium | 398734=00         |
|                                    | <b>180318=00</b> |   | <b>1323629=00</b> |
|                                    |                  | <b>4) Planning and Development</b>        |                   |
|                                    |                  | <b>5) Social Welfare</b>                  |                   |
|                                    |                  | 1) V.P. Dole                              | 3600=00           |
|                                    |                  | 2) Balwadi Rent                           | 11300=00          |
|                                    |                  | <b>5) Education &amp; culture</b>         |                   |
|                                    |                  | Newspaper Bill                            | 14900=00          |
|                                    |                  | <b>6) Miscellaneous</b>                   |                   |
|                                    |                  | Transportation Charges                    | 2230=00           |
|                                    |                  | Travelling Allowances                     | 1900=00           |
|                                    |                  | others (MISC)                             | 13650=00          |
|                                    |                  | Refund E.M.D                              | 6405=00           |
|                                    |                  | Refund Security                           | 23744=00          |
|                                    |                  | Bank Commission                           | 40045=00          |
|                                    |                  | Advertisement                             | 17=00             |
|                                    |                  | Refund of Excess payment of House Tax     | 22211=00          |
|                                    |                  |   | 156=00            |
|                                    |                  | <b>Total expenditure</b>                  | <b>108128=00</b>  |
|                                    |                  | <b>Closing Balance</b>                    |                   |
|                                    |                  | <b>Grand Total</b>                        | <b>32287</b>      |

M. Aniso  
Sarpanch  
Agassim - Goa



**Annual Account of Income and**

| Particulars of Income  |                    | Amount      | Particulars of Income                |             | Amount              |
|--|--------------------|-------------|--------------------------------------|-------------|---------------------|
| <u>Closing of the Last year</u>                                  | 2642774=66         | 2642774=66  | <u>5) Proceed of other Loan etc.</u> |             | 0.00-               |
| <u>Budget Head</u>   |                    |             |                                      |             |                     |
| <u>1) Grants from Government</u>                                 |                    |             |                                      |             |                     |
| <u>Special Grants</u>  |                    | 514000=00   | <u>7) Extraordinary Receipts</u>     |             |                     |
| Member salary grants   | 414000=00          |             | Tender Form                          | 3600=00 ✓   | 3600=00 ✓           |
| Garbage Grants   | 100000=00 ✓        |             | Bank Interest                        | 20752=00 ✓  | 435228=62 ✓         |
|  | 514000=00 ✓        |             | Fine                                 | 21206=00 ✓  |                     |
|  |                    |             | Income Tax                           | 70500=00 ✓  |                     |
|  |                    |             | Rent on Prof. Tax                    | 32700=00 ✓  |                     |
|  |                    |             | E.M.D.                               | 72295=00 ✓  |                     |
| ii) <u>General Grants</u>  |                    | 61209=00    | Security                             | 31240=00 ✓  |                     |
| XIIth Finance Commission grants                                  | 61209=00 ✓         |             | VAT                                  | 1400=00 ✓   |                     |
|  |                    |             | Royalty                              |             |                     |
| <u>3) Other Grants</u>   |                    | 0.00        | popular contribution                 | 84000=00 ✓  |                     |
| i) Local Authorities   | 0.00               |             | TCS on Royalty                       | 43=00 ✓     |                     |
| ii) Private  | 0.00               |             |                                      | 435228=62 ✓ |                     |
| <u>4) Proceeds of taxes fees etc. under Sec. 153 of the Act.</u> |                    | 671015=00 ✓ |                                      |             |                     |
| House Tax  | 378135=00 ✓        |             |                                      |             |                     |
| Light Tax  | 16662=00 ✓         |             |                                      |             |                     |
| Prof. Tax  | 51225=00 ✓         |             |                                      |             |                     |
| Hoarding Tax   | 16902=00 ✓         |             |                                      |             |                     |
| <b>Total taxes</b>   | <b>462924=00 ✓</b> |             |                                      |             |                     |
| Const. Lic. Fees / Repairs                                       | 21891=00 ✓         |             |                                      |             |                     |
| Renewal fee  | 150=00 ✓           |             |                                      |             |                     |
| R.B.D.   | 5025=00 ✓          |             |                                      |             |                     |
| Market Fee   | 93500=00 ✓         |             |                                      |             |                     |
| Certificate Fees   | 27971=00 ✓         |             |                                      |             |                     |
| NOC  | 14875=00 ✓         |             |                                      |             |                     |
| Processing Fees (RTI Act)  | 1865=00 ✓          |             |                                      |             |                     |
| Transfer fee   | 18900=00 ✓         |             |                                      |             |                     |
| Certify copies Fees (RTI)  | 2474=00 ✓          |             |                                      |             |                     |
| Correction fee   | 1650=00 ✓          |             |                                      |             |                     |
| RTI  | 106.00 ✓           |             |                                      |             |                     |
| No Availability Fee  | 386=00 ✓           |             |                                      |             |                     |
| Search Fee   | 468=00 ✓           |             |                                      |             |                     |
| Mark copy  | 18430=00 ✓         |             |                                      |             |                     |
| Trade licence Fee  | 400=00 ✓           |             |                                      |             |                     |
|  | <b>208091=00 ✓</b> |             |                                      |             |                     |
|  |                    |             | <b>TOTAL RECEIPT</b>                 |             | <b>1685052=62 ✓</b> |
|  |                    |             | <b>OPENING BALANCE</b>               |             | <b>2642774=66 ✓</b> |
|  |                    |             | <b>GRAND TOTAL</b>                   |             | <b>4327827=28 ✓</b> |

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**SECRETARY**

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