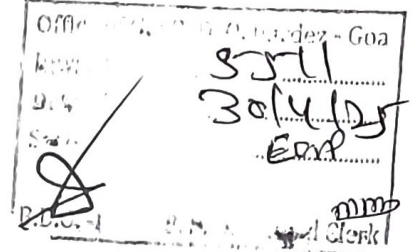


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08/05/25



Government of Goa
"Kautilya" Lekha Bhavan
Directorate of Accounts

Penha De Franca, Alto Porvorim, Bardez-Goa - 403521

No. DA/Control/31-5(II)/2025-26/TR-23/21

Date: 23.04.2025

To,
The Director,
Directorate of Panchayats,
5th Floor, Myles High Corporate Hub,
Patto, Panaji-Goa.

Sub:- Audit Report on the account of the Village Panchayat "Ucassaim Paliem Punola" of Bardez Block for the year 2023-24 conducted during the year 2024-25.

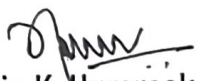
Sir,

A copy of the Audit Report on the account of the Village Panchayat "Ucassaim Paliem Punola" of Bardez Block for the year 2023-24 is enclosed herewith for information and necessary action at your end.

A copy of the said reports is also sent to the 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,


(Dilip K. Humraskar)
Director of Accounts

Copy to:-

1. The Chief Executive Officer, North Goa Zilla Panchayats, Panaji.....via email
- ✓ 2. The Block Development Officer, Bardez-Goa.....with a request to send a copy of the report to the concerned Village Panchayat, for due compliance.
3. DDA/Inspection (HQs)
4. Office of the Accountant General, Audit Bhavan "Green Valley", Alto Porvorim-Goa.....via email
5. Office copy
6. Guard file

AUDIT REPORT OF THE VILLAGE PANCHAYAT "UCASSAIM PALIEM PUNOLA" IN BARDEZ BLOCK FOR THE YEAR 2023-24

PART-I

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

Sr.No	Name of the Sarpanch	From	To
1.	Richa Salgaokar	01/04/2023	31/03/2024

B. Name of the Secretary :-

Sr.No	Name of the Secretary	From	To
1.	Chetan Shirodkar	01/04/2023	31/03/2024

C. Names & Designation of audit parties

Sr.No	Names of the audit parties	Designation
1	Shri. Rajendra Gaude	Ex J.D.A./Insp.
2	Shri. Tushar Y. Manjrekar	A.A.O.
3	Shri. Shekhar Tari Khorjuvekar	Accounts Clerk
4	Shri. Sadanand Surlikar	Accounts Clerk

D. Date of Audit:-

From :- 04/02/2025 to 06/02/2025

E. Period of Audit:-

From:- 01/04/2023 to 31/03/2024

PART – II - INTRODUCTORY

The audit of Accounts of the **Village Panchayat Ucassaim Paliem Punola** in Bardez Block for the year 2023-24 was conducted from 04/02/2025 to 06/02/2025 as per the Circular No. 30/7/75Fin(Bud) dated 21/08/1996 issued by Finance (Budget) Department, based on the records furnished by the Panchayat.

The **Village Panchayat Ucassaim Paliem Punola** was sanctioned following types of grants by various agencies for specific purposes. The details of the grants sanctioned for the year 2023-24 are given below:

Sr.No.	Type of Grants	Amount in ₹
Administrative Grants		
1	V.P. Member Salary	6,52,500.00

2	Staff Salary	11,00,000.00
3	Matching Grants	4,25,000.00
Development Grants		
4	XVth Finance Grants	7,63,962.00
5	GIPARD	10,000.00
Total		29,51,462.00

PART -III

The **Village Panchayat Ucassaim Paliem Punola** has maintained 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

Receipts and Expenditure of Village Panchayat

Year	Receipt Amount in ₹	Expenditure Amount in ₹
2023-24	1,24,40,381.80	1,03,84,669.55

II) **Funds/deductions available with the Panchayat for the year 2023-24 are as detailed below:**

Sr. No.	Total Funds/deductions as on 31/03/2024	Amount in ₹
1.	Government Grants	83,58,631.79
2.	Library Grants	641.00
3.	E.M.D.	1,65,980.00
4.	S.D.	5,00,999.77
5.	Income Tax	5,944.00
6.	Vat (Sales Tax)	6,166.00
7.	Royalty	58,924.00
8.	TCS on Royalty	516.00
9.	Labour Cess	41,90,248.00
10.	CGST	5,068.00
11.	SGST	5,068.00
12.	Reserve Fund	10,00,000.00
13.	Panchayat Fund	79,33,239.04
Total		2,22,31,425.60

III) DETAILS OF UTILIZED / UNUTILIZED GRANTS

The statement showing details of grants are as follows:-
Year 2023-24

Amount in ₹

S N	Name of Grants	Opening Balance	Amt Sanctioned	Amt Utilized	Amt. Refunded	Closing Balance
1.	V.P. Member Salary	66,552.00	6,52,500.00	6,18,750.00	--	1,00,302.00
2.	Staff Salary	2,85,399.00	11,00,000.00	10,69,072.00	--	3,16,327.00
3.	Matching Grants	--	4,25,000.00	4,25,000.00	--	--
4.	XV th Fin Com.	44,16,372.00	7,63,962.00	20,52,068.00	--	33,74,871.00
	Bank Int/Com		2,46,605.00	--		
5.	GIA Dev. Grants	1,48,326.00	--	--	--	1,48,326.00
6.	Golden Jubilee	0.39	--	--	--	0.39
7.	Sci. & Tech. Grants	4,83,287.00	--	--	--	4,83,287.00
8.	Bio diversity Grants	25,238.40	--	--	--	25,238.40
9.	Entertainment	6,000.00	--	6,000.00	--	--
10.	GIPARD	--	10,000.00	--	--	10,000.00
11.	Celebration Grants	3,00,000.00	--	--	--	3,00,000.00
12.	Covid-19 Grants	50,000.00	--	--	--	50,000.00
13.	Spcl.Grants for 60 yrs Lib.	50,00,000.00	--	14,49,720.00	--	35,50,280.00
Total		1,07,81,174.79	31,98,067.00	56,20,610.00	--	83,58,631.79
RDA						
1.	Library	625.00	--	--	--	--
	Bank interest		16.00	--	--	641.00
Total		625.00	16.00	-	-	641.00

IV) VARIATION BETWEEN BUDGET ESTIMATE AND ACTUAL

A) INCOME

Amount in ₹

Year	Original budget Estimate	Revised Budget Estimate	Actual Income	Short/Excess
2023-24	1,49,60,000.00	--	1,24,40,381.80	25,19,618.20 (S)

				Para-22- General: Inspections by B.D.O./E.O.V.P.
2022-23	19	18	01	Para-18- Inspections by B.D.O./E.O.V.P. Remaining 18 paras are dropped and commented in the current audit wherever are required.
Total	41	18	23	

The Village Panchayat has not submitted appropriate replies to 01 para for the year 2022-23. The remaining 18 paras are dropped and commented in current audit wherever required.

The pendency of 23 audit paras requires due attention and necessary action. It is therefore brought to the notice of Directorate of Panchayat that despite of comments in the previous audits, not a single outstanding para has been got dropped by the Village Panchayat, in fact, no efforts were even made to comply the outstanding paras. This issue required to be viewed seriously and every possible effort should be made to get long pending paras settled on priority. Action taken in this regard will be verified in next audit.

PART-V CURRENT -AUDIT

SECTION - A

1. CASH BOOK

The details of the closing balance as per the Cash Book as on 31/03/2024.

1	Closing balance as per Union Bank A/c. No. 531	₹ 1,12,14,050.65	
	Closing balance as per the Cash book		₹ 1,12,14,050.65
2	Closing balance as per Union Bank A/c. No. 687	₹ 17,14,794.41	
	Closing balance as per the Cash book		₹ 17,14,794.41
3	Closing balance as per Union Bank A/c. No. 200	₹ 4,13,335.12	
	Closing balance as per the Cash book		₹ 4,13,335.12
4	Closing balance as per Union Bank A/c. No. 383	₹ 0	
	Closing balance as per the Cash book		₹ 0
5	Closing balance as per Union Bank A/c. No. 086	₹ 24,648.40	
	Closing balance as per the Cash book		₹ 24,648.40
6	Closing balance as per Union Bank A/c. No. 199	₹ 641.00	

Closing balance as per the Cash book		₹ 641.00
7	Closing balance as per SBI A/c. No.466 ₹ 81,066.00	
Closing balance as per the Cash book		₹ 81,066.00
8	Closing balance as per IndusInd Bank A/c. No.799 ₹ 4,693.02	
Closing balance as per the Cash book		₹ 4,693.02
9	Closing balance as per Indus Ind Bank A/c. No.842 ₹ 33,74,871.00	
Closing balance as per the Cash book		₹ 33,74,871.00
10	Closing balance as per Indus Ind Bank A/c. No.719 ₹ 43,70,912.00	
Closing balance as per the Cash book		₹ 43,70,912.00
11	FDR's ₹ 10,00,000.00	
Closing balance as per the Cash book		₹ 10,00,000.00
12	Cash in hand (Old Notes) ₹ 32,000.00	₹ 32,000.00
13	Cash in hand ₹ 414.00	₹ 414.00
Closing balance as per the Cash book as on 31/03/2024		₹ 2,22,31,425.60

After verification, the above bank closing balances as per the Cash Book tallies with the closing balances as per the Bank Pass Book as on **31/03/2024**. However, the following irregularities were found during the course of audit:-

- 1) An amount of ₹ 2,81,138/- has been paid towards EPF penalty vide V.No. 290.
- 2) Bank reconciliation statement is not prepared and recorded in the cash book.
- 3) The entries as well as Correction/Cancellation /Overwriting in the Cash Book are also not attested.
- 4) Vouchers are not certified and are not cancelled by endorsement " Paid and cancelled".
- 5) Pass for payment order is not recorded and signed by Sarpanch and Secretary.
- 6) Thumb impression on vouchers is not authenticated.
- 7) Assets and property register i.e. Form 6 is not found in order.

2. UN-UTILIZATION/ REFUND OF GRANTS

The grants like XVth Finance commission, GIA grants and V.P. member salary had remained un-utilized for long period. The details of Grants remained un-utilized with the Panchayat as on 31/03/2024 are as under:

Amount in ₹

S No.	Name of Grants	Un-utilized grants
1.	V.P. Member Salary	3,16,327.00
2.	Staff Salary	1,00,302.00
3.	XV th Fin Com.	33,74,871.00
4.	GIA Dev. Grants	1,48,326.00
5.	Sci. & Tech. Grants	4,83,287.00
6.	Bio-diversity Grants	25,238.40
8.	60 yrs Lib Cel. Grants	3,00,000.00
9.	Covid-19 Grants	50,000.00
10.	60 yrs Lib. Dev. Grants	35,50,280.00
11.	Golden Jubilee	0.39
12.	GIPARD	10,000.00
13.	Library	641.00
Total		83,59,272.79

The Grants amounting ₹ **83,59,272.79** have remained un-utilized with Panchayat as on 31/03/2024.

It may be noted that, after utilizing the grants sanctioned amount, a Utilization Certificates (UCs) 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 for extension of time limits has to be obtained from the grants sanctioning authority. Village Panchayat has failed to do so. Un-utilization of Government funds for long period has adversely affected the development of the Panchayat.

As Panchayat Funds are jointly administered by the Secretary and the Sarpanch, it is, therefore, their sole responsibility to ensure that there is maximum utilization of Panchayat grants.

3. UNREALISTIC BUDGET ESTIMATES

The Budget estimates of Village Panchayat indicate that the actual income received was short by ₹ 25,19,618.20 during the year to the Budget Estimate.

The expenditure incurred for was also short by ₹ 1,39,42,331.50 during the year 2023-24 to the Budget Estimate.

The above variations indicate that village Panchayat has failed to prepare realistic budget estimates for the year 2023-24 nor any efforts have been made to revise the Budget during the year.

4. TAXES

The statement showing the arrears, Current Demand, Collection and Balance for the **year 2023-24** is given hereunder.

Name of the Tax	Amount in ₹				
	Arrears	Current Demand	Total	Collection	Balance
a) House Tax	415667.00	454761.00	870428.00	500691.00	369,737.00
b) Light Tax	15356.00	10040.00	25396.00	11278.00	14118.00
c) Professional Tax	148085.00	117050.00	265135.00	110850.00	154285.00
d) Cycle Tax	716.00	90.00	806.00	110.00	696.00
e) Sign Board Tax	850.00	560.00	1410.00	—	1410.00
f) Garbage Tax	128700.00	523600.00	652300.00	380600.00	271700.00
g) Token House Tax	26690.00	18940.00	45630.00	14790.00	30840.00
h) Token Light Tax	690.00	430.00	1120.00	320.00	800.00
i) EHN HT	21950.00	53191.00	75141.00	46365.00	28776.00
j) EHN LT	170.00	680.00	850.00	530.00	320.00
Total	7,58,874.00	11,79,342.00	19,38,216.00	10,65,534.00	8,72,682.00

The Panchayat has collected an amount of ₹10,65,534/- during the year 2023-24 towards the various taxes, which is 81.90% of total demand for the year.

Above percentages of collection of taxes indicate that the Panchayat has taken efforts in collection of taxes during 2023-24. However taxes amounting to ₹8,72,682/- are still outstanding as on 31/03/2024.

As per Sub-Section (3) of Section 154 of the Goa Panchayat Raj Act, 1994, Village Panchayat is empowered to issue notices to defaulter of taxes and revenue arrears and levy 10% penalty on outstanding arrears recoverable under Sub- Section (4). Thus, it was observed that provisions of Panchayat Raj act have been violated as regards to recovery of the arrears. Further, as per section 153 of the Goa Panchayat Raj Act, 1994 the Village Panchayat has to revise the rates and Taxes once in three years by minimum increase of 10%. It was however noticed that House Tax was revised in the year 2018-16 and thereafter no action has been taken to assess the house tax as prescribed in Goa Panchayat Raj Act 1994. It was also informed that professional tax has been revised after every five years. Therefore, the Village Panchayat is required to take remedial action for revision/assessment and recovery of all outstanding taxes along with the prescribed penalty from the defaulters.

5. RENT

The Panchayat has leased out 01 of its premises on rental basis. The details of the rent collection are as follows:

Amount in ₹					
Year	Name of Premises	Arrears	Current Demand	Total	Collection Balances
2023-24	Tel. Exch. Ucassaim	2,380.00	13,090.00	15,470.00	15,470.00 --
	Total	2,380.00	13,090.00	15,470.00	15,470.00 --

The Village Panchayat has fully recovered the accumulated arrears of rent as on 31/03/2024

The agreement executed between the Village Panchayat and the parties who had taken the premises of the Village Panchayat has not been renewed since 2019.

6. CONSTRUCTION ACTIVITIES

i) CONSTRUCTION LICENCES

V.P Sarpanch vide Certificate No. VP/UPP/2024-25/925 dated 31/12/2024 has certified that the Panchayat has issued 24 Construction licenses within its jurisdiction during the year 2023-24 and has collected ₹ 20,83,165/-.

ii) ILLEGAL CONSTRUCTION

V.P Sarpanch vide Certificate No.VP/UPP/2024-25/926 dated 31/12/2024 has certified that the Panchayat had detected 02 illegal construction cases within its jurisdiction during the year 2023-24. The details of illegal construction cases pending are as follow:

1) Nos. of Illegal Construction cases on 01/04/2023	43
2) Illegal Construction cases detected during the year 2023-24	02
3) Nos of illegal construction cases settle/ disposed during the year 2023-24	01
Total cases pending for settlement up to 31/03/2024	44

There are 44 cases of illegal constructions in the Village Panchayat as on 31/03/2024. The village Panchayat has disposed off/settled only one illegal construction case during the year 2023-24. The Panchayat has not produced any documentary evidence in this regard as such the audit could not ascertain the authenticity of the settled cases.

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 permission of Village Panchayat. Non- regularization of the above illegal constructions resulted in loss of revenue of the Panchayat. The Village Panchayat should take curative action in the matter immediately.

Action taken and result thereof may be intimated to audit.

7. LOSS OF REVENUE DUE TO UNDER VALUATION OF CONSTRUCTION ESTIMATES.

In terms of Office Memorandum No.85/1/97/SSW-PWD/VOL.I/2019-20/907 dated 23/01/2020, the Principal Chief Engineer PWD has revised the Plinth area rates along with the specifications. The revised plinth area rates shall be adopted for preliminary estimates with effect from 23/01/2020.

The rates were further revised with effect from 26/07/2023 vide Office Memorandum No. 85/1/97/SSW-PWD/VOL.I/2023-24/15 dated 26/07/2023.

During the scrutiny of construction files, it was observed that the Panchayat has issued construction Licenses without proper verification of estimates. In most of the cases the estimate furnished by the applicant are undervalued, thus resulting in loss of revenue towards construction licence fees and labour cess.

The details of short recovery as traced by the Panchayat during the audit are as follows:

Sr. No	Details of the Applicant	Short Recovery of Construction Licence fee	Short Recovery of Construction Labour cess	Total loss of Revenue
1	M/s Red carpet Villas LLP	13,795.28	27,490.56	41,285.84
2	Ashwani Bindal and Atul Bindal	8,558.08	37,287.65	45,845.73
3	Mr. Saroj alias Saroja Gajanan Pednekar	20,191.10	40,282.20	60,473.30
4	Mr. Narayan Pujar and Shekappa Pujar	16,937.88	17,011.59	33,949.47
5	Anand Upadhyay and Taarini Upadhyay	18,587.96	37,075.92	55,663.88
	TOTAL	78,070.30	1,59,147.92	2,37,218.22

In view of the above the V.P Secretary should:-

- 1) Re verify the estimates of the above mentioned construction licensees, considering the aforesaid office memorandums and effect recovery immediately.
- 2) Ensure that the aforesaid memorandums are strictly followed in future before issuing construction licenses.

8. REFUND OF E.M.D AND SECURITY DEPOSITS

As per Section 19.5 of C.P.W.D. Manual 2014, the E.M.D furnished 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.

As per Section 22.6 of C.P.W.D. Manual 2014, Divisional Accountant should put up to the Divisional officer every month a list of all the cases where the security deposit becomes due for refund so that the requisite certificate is immediately

obtained by the Divisional Officer from the sub-divisional officer concerned and the security deposit is refunded without waiting for any application from the contractor.

It was observed during audit that the Village Panchayat had a balance of ₹1,65,980/- as E.M.D and ₹ 5,00,999.77 as security deposit as on 31/03/2024, which includes EMD's and Security Deposits unclaimed for more than 3 years. Despite of audit observation no action has been initiated to refund the EMD's /Security Deposits which are lying with the Panchayat. Unclaimed EMD's and Security Deposits lying with Panchayat for more than three years **if any**, shall be treated as lapsed deposits and accordingly remitted to the Panchayat account as revenue of Village Panchayat.

Secondly, in order to avoid delay in refund of security deposit to the contractor on completion of the maintenance period the Panchayat may follow the procedure as per CPWD for refund of security deposit without waiting for any application from the contractor.

9. 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 although observation on the same has been raised in previous audits. It may be noted that as per rules 4(3) of the Goa Panchayat (Accounts, Audit and Custody of Funds) Rules, 1997, the Secretary shall furnish a security in such form and for such amount as may be specified by Director. Further, as per Rule 4(4), the Director of Panchayats may also demand a security from such persons as are actually in charge of cash transactions of a Panchayat.

The Panchayat Secretary should take immediate action for furnishing security. Action taken by Panchayat Secretary in this regard will be verified during next audit.

10. IRREGULARITIES IN EXECUTION OF WORKS

The Panchayat has undertaken and paid for works executed under Panchayat Fund, GIA Grants and from the Grants sanctioned by the various agencies during the period from 01.04.2023 to 31.03.2024 as per the statement of works submitted to audit. The relevant work files were checked during the course of audit and the following irregularities were observed:-

1. Envelopes containing the tender papers are not numbered serially. It may be ensured in future that all envelopes are numbered serially in red ink pen and same number should be recorded on the tender documents after opening. Corrections/Cancellations/Over writings, if any, should be recorded in the schedule. Signatures of the Authorities involved in opening of the tender and the person witnessing the opening of tender may be obtained on the same.

2. The Performance Guarantee @ 5% of the tendered value has not been obtained from the contractors before commencement of work, thus allowing him undue financial benefits.
3. Excess /Saving statement must be enclosed in all cases. The same is necessary to ascertain whether revised Technical sanction is required or not and whether the items executed are not deviated beyond the permissible limit
4. The work orders are issued in a simple letter form. The same should be issued in from 10 or 11 as the case may be, as per CPWD Manual. The work order should contain the percentage quoted, estimated Cost, the tendered amount and period allowed to complete the works. Also stipulated date of commencement and completion must be worked out and entered at bottom left hand side of the work order. This will facilitate to find out the delays in starting and completing the work and working of fines on delay period etc.
5. CPWD Form-7/Form-8 had been kept in the file without entering the details of Contract and without signatures of Sarpanch and Contractor on each page of Form. The Secretary should ensure that the CPWD Form-7/Form-8 be duly completed in all respects and signed by Sarpanch and Contractor on each page of Form.
6. Extension of time limit with/without levy of compensation has to be strictly granted based on the hindrance register kept on the site as per CPWD. However in many cases the Panchayat has failed to place extension of time limit in the concerned work files. Revised Technical Sanctions, Administrative Approvals and Expenditure Sanctions are also not found placed in the files in many cases.

Action taken in this regard will be verified in next audit.

11. NON-REMITTANCE OF STATUTORY DEDUCTIONS IN GOVERNMENT TREASURY

The statutory deduction like income tax, Royalty, GST and Labour cess deducted from the contractor's bill for execution various Village Panchayat works have not been remitted in the Government Treasury under appropriate Head of Accounts within the prescribed time limit. The un-remitted statutory deductions are as under:

Amount in ₹

Statutory Deductions	2023-24
Income Tax	5,944.00
Vat (Sales Tax)	6,166.00
Royalty	58,924.00
TCS on Royalty	516.00
Labour Cess	41,90,248.00
CGST	5,068.00
SGST	5,068.00

Above statement reflects the irresponsible trend in timely remittance of the statutory deductions. The Panchayat Secretary should take immediate action in this regard to avoid fines/penalties from the concerned Departments.

12. FINANCIAL POSITION OF THE PANCHAYAT DURING THE YEAR 2023-24

The Panchayat had an amount of ₹ 79,33,239.04 as on 31/03/2024, in their Panchayat Fund Account. This shows that the financial position of the Panchayat was satisfactory during the year 2023-24. However, the Panchayat should make sincere efforts to recover the amount of arrears of Taxes / Rents along with prescribed penalty from the defaulters to avail the benefits of matching Grants sanctioned by the Directorate of Panchayat and to further strengthen the financial position of the Panchayat.

13. MAINTENANCE OF BOOKS OF ACCOUNTS

On the last working day of the month the Panchayat Secretary should record a certificate in the cash book to the effect that cash on hand has been physically verified and closing balance agrees both with cash in hand and cash in bank as verified from the Pass Book/Certificate. However, during the course of audit, it is observed that such certificate is pasted to the cash book. The same is not permitted. The Panchayat Secretary should ensure that such practice should not be continued in future.

No white ink shall be used for correction in any account books. Corrections shall be made, if required, in red ink by drawing a line through the wrong entry and writing the correct figure in a nearby space. All such corrections shall be properly attested by the Secretary and the Sarpanch.

14. MONTHLY AND ANNUAL ACCOUNTS

As per rule 21 of the Goa Panchayat (Accounts, Audit and Custody of Funds) Rules, 1997,

- (a) 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.
- (b) 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.
- (c) The details of the balance in the cash book and in the Bank shall be separately shown 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; and are 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 B.D.O. should issue necessary instructions in this regard to all the Panchayat Secretaries under his jurisdiction.

15. NON IMPLEMENTATION OF COMPUTERISED ACCOUNTING

The Accounts maintained by the Village Panchayat and statements furnished by the Village Panchayat for audit were erroneous due to error of omission, error of commission, error of compensation etc.

In the view of above, it is suggested to implement computerized accounting in consultation with the Directorate of Panchayat, in order to bring transparency and accountability in the maintenance of accounts.

16. MAINTENANCE OF PROPERTIES AND ASSET REGISTER

In terms of rule 20(V) of the Goa Panchayat Raj Act 1994, the Panchayat shall maintain register of properties and assets. All properties vested in the Panchayat shall be entered in a register of properties and assets in Form Number 6. In addition to all items of furniture and other equipments, this register shall contain a list of building, land and the like which is vested in the Panchayat. Whenever any property is acquired or disposed, it shall be entered in the register of properties and assets.

During the course of Audit, it was noticed that the Panchayat has not maintained the said register as per the rule. It has been also noticed that the Panchayat does not enter the details of assets created through execution of works.

The Form 06 may be maintained/recast head wise/Item wise in order to have proper track of similar items purchased earlier.

17. SERVICE BOOKS

The service books of the regular staff of the Panchayat were not produced for verification, the same may be produced for verification during the next audit after recording the relevant entries under attestation by the competent authority. Further, it is also observed that the outstanding audit para No. 08 for the year 2014-15 regarding Service Book and Leave Account is still not compiled. The compliance for the same may be furnished during the next audit.

18. 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 Panchayat.

However, it was observed that no such funds had been created nor any efforts had been made to implement the above scheme. Failure to create Reserve Fund is against the provision of the Panchayat Raj Act. Despite of recording similar observation in the past, no action has been taken by the Village Panchayat in the matter.

The Panchayat should take immediate action to create reserve fund for contributory provident fund, pensionary benefits etc. to the staff working in village Panchayat. Action taken in this regard will be verified in the next audit.

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 keeping proper watch on developmental 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.

However, it has been observed that the monthly and quarterly Gram Sabha meetings were taken regularly but as informed by the Secretary neither Supervisory Committee nor Vigilance Committee found functioning during the period.

20. FAILURE TO CONDUCT INSPECTION BY B.D.O./E.O.V.P

As per the order No. 19/DP/4(5)/Staff/17-18/2840 dated 30/04/2018, the Block Development Officer (BDO) should conduct at least 2 inspections and Extension officer VP (EOVP) should conduct at least 3 inspections of the Village Panchayat.

Inspections conducted by BDO and E.O.(VP) are as under:

Year	No. of Inspections			
	B.D.O.		E.O.(VP)	
	Required	Carried	Required	Carried
2023-24	02	--	03	--

Above statement reveals that the B.D.O. /E.O.V.P. have failed to conduct required number of inspection during the year 2023-24. Further, B.D.O. Bardez has failed to furnish proper justification for non compliance of above requirements.

Non-compliance of above requirement may be justified and in future B.D.O. /E.O. (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.

21. GENERAL

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 furnish the security bond in such a form and for such an amount as may be prescribed by the Director of Panchayat.

- a) As per Section 113 (1) of the act, the salary and allowances of the Secretary shall be drawn from the Panchayat funds.
- b) 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.
- c) As per Section 5 of the Act, there shall be minimum 4 (four) ordinary and special Gram Sabha meetings of the Panchayat every year. Action in this regard 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. Meticulous 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 Ucassaim Paliem Punola**. The office of the Directorate of Accounts disclaims responsibility for any misrepresentation and non information on the part of auditee.


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