



Government of Goa
"Kautilya" Lekha Bhavan
Directorate of Accounts

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

No. DA/Control/31-5(II)/2023-24/TR-649/581

Date: 31.03.2024

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 "Corlim" of Tiswadi Block for the year 2019-20 conducted during the year 2023-24.


Sir,

A copy of the Audit Report on the account of the Village Panchayat "Corlim" of Tiswadi Block for the year 2019-2020 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, Tiswadi-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 ACCOUNTS OF THE VILLAGE
PANCHAYAT "CORLIM" IN TISWADI BLOCK
FOR THE YEAR 2019-20**

PART-I

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

Sr.No	Name of the Sarpanch	From	To
1.	Shiva Naik	01-04-2019	31-03-2020

B. Name of the Secretary :-

Sr.No	Name of the Secretary	From	To
1.	Naresh Gaude	22-02-2019	31-03-2020

C. Names & Designation of audit parties

Sr.No	Names of the audit parties	Designation
1	Shri. Deepak K. Velip	Dy. D.A./Insp.
2	Shri. Tushar Y. Manjrekar	A.A.O.
3	Shri. Shekhar Tari Khorjuvekar	Accounts Clerk
4	Shri. Sadanand Surlekar	Accounts Clerk

D. Date of Audit:-

From :- 04/10/2023 to 06/10/2023

E. Period of Audit:-

From:- 01/04/2019 to 31/03/2020

PART - II - INTRODUCTORY

The audit of Accounts of the **Village Panchayat Corlim** in Tiswadi Block for the year 2019-20 was conducted from 04/10/2023 to 06/10/2023 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 Corlim** was sanctioned following types of grants by various agencies for specific purposes. The details of the grants sanctioned are given below:

Year 2019-20

Sr.No	Type of Grants	Amount in ₹
Administrative Grants		
1.	V.P. Member Salary	274550.00
2.	Matching Grants	212500.00
Development Grants		
3.	XIV th Fin Com.	1739467.00
4.	Tribal Welfare Grants	247000.00
Total		2473517.00

PART -III

The **Village Panchayat Corlim** is 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

Receipts and Expenditure of Village Panchayat

Year	Receipt Amount in ₹	Expenditure Amount in ₹
2019-20	6073385.86	5252748.80

II) Total Funds/deductions available with the Panchayat are as detailed below:

Year 2019-20

Sr. No.	Total Funds/deductions as on 31/03/2019	Amount in ₹
1.	Government Grants	5625295.00
2.	DRDA Grants	74116.90
3.	CGSY	99247.00
4.	Balwadi	65763.78
5.	E.M.D.	246267.00
6.	S.D. *	(-) 86090.50
7.	Income Tax *	(-) 50241.24
8.	Vat (Sales Tax)	95364.01
9.	Royalty	209160.80
10.	TCS on Royalty	6708.39
11.	Labour Cess	305277.67
12.	CGST	41430.60
13.	SGST	41430.60
14.	Panchayat Fund	6472797.16
Total		13282848.91

*Not to be considered while calculating Panchayat Fund

III) DETAILS OF UTILIZED / UNUTILIZED GRANTS

The statement showing details of grants are as follows:-

Year 2019-20

Amount in ₹

S N	Name of Grants	Opening Balance	Amt Sanctioned	Amt Utilized	Amt. Refunded	Closing Balance
1.	V.P. Member Salary	73,038.00	274550.00	231800.00	34771.00	81017.00
2.	Matching Grants	-	212500.00	212500.00	--	--
3.	XIV th Fin Com.	26,39,563.00	1739467.00	--	--	4379030.00

4.	XIII th Fin Com.	3,87,407.00	--	--	387407.00	--
5.	Sarva Shiksha	74285.00	--	--	--	74285.00
6.	Tribal Welfare	12,35,500.00	247000.00	1263086.00	--	219414.00
7.	GIA	1,25,999.00	--	--	--	125999.00
8.	GIA	5,08,893.00	--	--	--	508893.00
9.	GIA	2,30,977.00	--	--	--	230977.00
10.	Golden Jubilee Grants	5,680.00	--	--	--	5680.00
Total		52,81,342.00	2473517.00	1707386.00	422178.00	5625295.00
RDA						
1.	MGNREGA	71,307.90	-	-	-	74116.90
	Bank interest		2809.00	-	-	
Total		71,307.90	2809.00	-	-	774116.90
2.	Balwadi Grants	99,247.00	-	-	-	99,247.00
	Interest		-	-	-	
Total		99,247.00	-	-	-	99247.00
3.	GGSY	65,763.78	-	-	-	65763.78
	Interest		-	-	-	
Total		65,763.78	-	-	-	65763.78

III) VARIATION BETWEEN BUDGET ESTIMATE AND ACTUAL

A) INCOME

Amount in ₹

Year	Original budget Estimate	Revised Budget Estimate	Actual Income	Short/Excess
2019-20	26839500.00	--	6073385.86	20766114.1 (S)

B) EXPENDITURE

Amount in ₹

Year	Original Budget Estimate	Revised Budget Estimate	Actual Expenditure	Short/Excess
2019-20	27641804.00	-	5252748.00	22389056(S)

PART – IV – COMMENTS ON TRANSACTIONS

Outstanding audit paras from previous Audit Report in brief:

Year	Paras outstanding	Paras Settled	Balance	Brief Description of para's
1978-79	01	---	01	Para-3- R.T.S. awaited
1981-82	01	---	01	Para-2- R.T.S. in r/o work at Sr. no. 4&8 is awaited
1982-83	01	---	01	Para-2- works approval for extra items & R.T.S. awaited

1987-88	01	---	01	Para-1- Works
1988-89	01	---	01	Para-1- Works
--	01	---	01	Para-1- Works
1996-97	01	---	01	Para-10-Purchases without quotations.
2009-10	04	---	04	Para-10- Departmental works approval for ₹ 2,92,284.31 for year 1977 to 2011 awaited. Para-11-Financial power purchase of stationery and electrical material approval is awaited. Para-12- Irregular expenditure donation for 2000 to 2009 amounts to ₹ 3,91,000/- approval is awaited. Para-12- Works
2011-12	04	---	04	Para-6-Works Para-8- Excess expenditure over Budget Excess of ₹ 13,14,947/- approval awaited Para-9- Financial limit Excess expenditure of ₹ 1,91,352/- Ex-post facto approval is awaited. Para-10- Irregular exp approval for the works from competent authority is awaited.
2012-13	03	---	03	Para-9- Excess expenditure over prescribed budget Para-10- Irregular expenditure Para-11- Works point no. 2
2013-14	01	---	01	Para-11-Works(4) Vat deducted 2% instead of 5%
2014-15	02	---	02	Para-5- Irregular expenditure Removal of holes Para-7-Excess expenditure over prescribed limit.
2015-16	02	---	02	Para-11-Purchase of electrical material/register Para-18- Works (7) EMD ₹ 3,764/-deposit in bank
2016-17	03	---	03	Para -10- non- collection of taxes/fees on mobile tower. Para-11-Purchase of electrical material/register Para-12-Loss of revenue due to non levy of garbage tax
2017-18	03	-	03	Section B-II Major irregularities: 4) Donation of ₹15,000/- to Sarvajani Ganeshostav Mandal, Corlim Expenditure beyond prescribed limit. 5) Donation of ₹32,000/- to Sateri Ravalnath Sports Club, Corlim Expenditure beyond prescribed limit Para-4- Construction activities

				i) Construction licenses Non-recovery of construction licenses fee of ₹ 25,992/- and 9,507/- Para-16- General: Inspections by the B.D.O./E.O.V.P
2018-19	20	17	03	Para-4- Excess Expenditure over prescribed limit. Para-15- Incomplete service book Para-19- Failure to conduct Inspections by the B.D.O./E.O.V.P
Total	49	17	32	

The Village Panchayat has not submitted appropriate replies to 3 paras of year 2018-19 and remaining 17 paras are dropped and commented in current audit wherever required.

The pendency of 32 outstanding 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, even no efforts were 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 **31/03/2020**.

1	Closing balance as per Canara Bank A/c. No.422	₹ 6094.32	
	Closing balance as per the Cash book		₹ 6094.32
2	Closing balance as per I.O.B. A/c. No.373	₹ 99,247.00	
	Closing balance as per the Cash book		₹ 99,247.00
3	Closing balance as per I.O.B. A/c. No.345	₹ 65,763.78	
	Closing balance as per the Cash book		₹ 65,763.78
4	Closing balance as per I.O.B. A/c. No.139	₹ 3013153.54	
	Add:Un-reconcilled amt.(2016-17)	₹ 3,932.00	
	Add:Cheq. dep. but not realised	₹ 7800.00	
	Add:Cheq. dep. but not realised	₹ 3180.00	
	Add:Cheq. dep. but not realised	₹ 15390.00	
	Less:Cheq. iss. but not realised	₹ 4,000.00	
	Less:Cheq. iss. but not realised	₹ 1,000.00	
	Less:Cheq. iss. but not realised	₹ 9912.00	
	Less:Cheq. iss. but not realised	₹ 1000.00	

	Less: Cheq. iss. but not realised	₹ 1000.00	
	Less: Cheq. iss. but not realised	₹ 44500.00	
	Closing balance as per the Cash book		₹ 2982043.54
5	Closing balance as per I.O.B. A/c. No.554	₹ 74116.90	
	Closing balance as per the Cash book		₹ 74116.90
6	Closing balance as per SBI A/c. No.683	₹ 4393242.00	
	Closing balance as per the Cash book		₹ 4393242.00
7	Closing balance as per hdfc Bank A/c. No.360	₹ 647100.27	
	Closing balance as per the Cash book		₹ 647100.27
8	Closing balance as per I.O.B. (FDR's)		
	188084	₹ 2,00,000.00	
	188085	₹ 2,00,000.00	
	188086	₹ 2,00,000.00	
	188087	₹ 2,00,000.00	
	188088	₹ 2,00,000.00	
	188089	₹ 2,00,000.00	
	188090	₹ 2,00,000.00	
	188091	₹ 2,00,000.00	
	188092	₹ 2,00,000.00	
	188093	₹ 2,00,000.00	
	188094	₹ 5,00,000.00	
	188095	₹ 5,00,000.00	
	188096	₹ 5,00,000.00	
	188097	₹ 5,00,000.00	
	188098	₹ 5,00,000.00	
	188099	₹ 5,00,000.00	
	Closing balance as per the Cash book		₹ 50,00,000.00
9	Cash in hand	₹ 15241.10	₹ 15241.10
	Closing balance as per the Cash book as on 31/03/2020		₹ 13282848.91

After verification the above bank closing balances as per the Cash Book are found to be tallied with the closing balances as per the Bank Pass Book as on 31/03/2020. However, following irregularities were found during the course of audit:-

- 1) Un-reconciled amount of ₹ 3,932/- of the year 2016-17 is yet to be reconciled. The same may be reconciled and shown in the next audit.
- 2) Vouchers are not certified and are not cancelled by endorsement " Paid and cancelled".
- 3) Pass for payment order is not recorded and signed by Sarpanch and Secretary.
- 4) Thumb impression on vouchers is not authenticated.

- 5) Each entry cash book is not attested and Correction/Cancellation /Overwriting are also not attested in the cash book.
- 6) Bank reconciliation statement is not prepared and recorded in the cash book.
- 7) Fixed Deposit Register is not maintained for fixed deposits investments of panchayat.

2. UN-UTILIZATION/ REFUND OF GRANTS

The grants like XIVth Finance commission, Tribal welfare grants and GIA grants had remained un-utilized for long period. The details of Grants remained un-utilized with the Panchayat as on 31/03/2020 were as under:

S No.	Name of Grants	Un-utilized grants
1.	V.P. Member Salary	81017.00
2.	XIV th Fin Com.	4379030.00
3.	XIII th Fin Com.	refund
4.	Tribal Welfare	219414.00
5.	GIA	125999.00
6.	GIA	508893.00
7.	GIA	230977.00
8.	Golden Jubilee Grants	5680.00
9.	Sarva Siksha Abhiyan	74285.00
10.	MGNREGA	74116.90
11.	Balwadi Grants	99247.00
12.	GGSY	65763.78
Total		5864422.68

The Grants amounting ₹ 5864422.68 remained un-utilized with Panchayat as on 31/03/2020. Further, V.P. member salary Grants of ₹ 34771/- and XIII th Fin Com Grants of ₹ 387407/- has been refunded by the Village Panchayat.

It may be noted that, after utilizing the grants sanctioned amount, a Utilization Certificates (UCs) should have to 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. Village Panchayat has failed to do so. Blocking of Government funds for long period has adverse effect on the development and public works of 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 indicates that the actual income received was short by ₹ 20766114.1 in year 2019-20, to the Budget Estimates.

The expenditure incurred for was also short by ₹ 22389056.00 in year 2019-20, to the Budget Estimates.

The above variations indicate that village Panchayat has failed to prepare realistic budget estimates for the year 2019-20.

4. RDA ACCOUNTS

i) MGNREGA: The following are the details position of MGNREGA

Year 2019-20

i)	Opening balance as on 01/04/2019	₹ 71307.90
ii)	Grants rec. during the year 2019-20	-
iii)	Add:-Int. Accrued during the year 2019-20	₹ 2809.00
iv)	Less: Expenditure incurred during the year 2019-20	-
Closing balance as on 31/03/2020		₹ 74116.90

-ii) Balwadi Grants: The following are the details position of Balwadi Grants

Year 2019-20

i)	Opening balance as on 01/04/2019	₹ 99247.00
ii)	Grants rec. during the year 2019-20	-
iii)	Add: Int. Accrued during the year 2019-20	-
iv)	Less: Expenditure incurred during the year 2019-20	-
Closing balance as on 31/03/2020		₹ 99247.00

iii) GGSY: The following are the details position of GGSY.

Year 2019-20

i)	Opening balance as on 01/04/2019	₹ 65763.78
ii)	Grants rec. during the year 2019-20	-
iii)	Add: Int. Accrued during the year 2019-20	-
iv)	Less: Expenditure incurred during the year 2019-20	-
Closing balance as on 31/03/2020		₹ 65763.78

The above closing balances is found to be tallied with the closing balance as per the cash book as on 31/03/2020.

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.

5. TAXES

It was observed that the panchayat has not maintained Form 7 i.e. Assessment Register and Form 8 i.e. Demand and collection and the figures are taken as per the statement furnished by the panchayat. Due to this audit could not ascertain the authenticity of figures of taxes furnished by the Panchayat. The statement showing the arrears Current Demand, Collection and Balance is as under:

Year 2019-20**Amount in ₹**

Name of the Tax	Arrears	Current Demand	Total	Collection	Balance
a) House Tax	65,83,101.57	4532948.00	11116049.57	1593990.00	9522059.57
b) Profit Tax	6,88,407.00	132221.00	820628.00	42350.00	778278.00
c) Cart Tax	767.00	—	767.00	—	767.00
d) Vehicle Tax	19,218.00	—	19218.00	—	19218.00
e) Dog Tax	6,384.00	—	6384.00	—	6384.00
Total	72,97,877.57	4665169.00	11963046.57	1636340.00	10326706.57

The Panchayat has collected an amount of ₹1636340/- in 2019-20 towards the various taxes, which is 13.68% of total demand for the year 2019-20.

Above percentages of collection of taxes indicate that the action of the Panchayat in respect of collection of taxes was very poor during 2019-20. Despite of observations raised in previous audits, the Panchayat failed to give due attention in collecting of revenue as well as accumulated arrears. Taxes amounting to ₹ 10326706.57 were outstanding as on 31/03/2020.

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 to outstanding arrears recoverable under Sub-Section (4). Thus, it was observed that provisions of Panchayat Raj act have been violated in failure to recover the arrears. 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 has not been revised since from year 2010-11. It was stated that professional tax has been revised after once in a year. 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.

6. CONSTRUCTION ACTIVITIES**i) CONSTRUCTION LICENCES**

V.P Secretary vide Certificate No. VP/COR/2023-24/Cfiles/782 dated 03/10/2023 certified that the Panchayat has issued 24 Construction, 2 renewal and repair licenses within its jurisdiction during the year 2019-20 and collected ₹859706/-.

ii) ILLEGAL CONSTRUCTION

V.P Secretary vide Certificate No. VP/COR/2023-24/Cfiles/788 dated 19-04-2023 certified that the panchayat have not detected any illegal construction cases within its jurisdiction during the year 2019-20. The details of illegal construction cases pending are as follows:

1) Nos. of Illegal Construction cases on 01/04/2019	7
2) Illegal Construction cases detected during the period 2019-20	0
3) Nos of illegal construction cases settle/ disposed during the period 2019-20	0
Total cases pending for settlement up to 31/03/2020	7

There were 7 cases of illegal constructions in the Village Panchayat as on 31/03/2020. The village Panchayat has failed to dispose off/settle any of the illegal construction cases during the period 2019-20. It was observed that no register of illegal constructions has been found maintained by the panchayat and due to this audit could not ascertain the authenticity of figures furnished as detected cases/settled illegal construction cases by the panchayat.

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 Village Panchayat's permission. Non-regularization of 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. REFUND OF E.M.D AND S.D.

It was observed during audit that the Village Panchayat had a balance of ₹ 246267/- as E.M.D. **It was also observed that the security deposit was paid in excess to the contractors during previous years, thus resulting in negative balance of ₹ 86090/- as Security Deposits as on 31/03/2020.** The Panchayat secretary and clerk were advised to trace out entries and recover the excess amount paid to contractors.

The section 19 of C.P.W.D. Manual 2007, states that 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 /Security Deposits which is lying with the Panchayat for more than three years. If not, then the unclaimed EMD's and Security Deposits lying with Panchayat more than three years may be treated as lapsed deposits and accordingly forfeited to the Panchayat account as revenue of Village Panchayat.

8. 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 under 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 transaction 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.

9. IRREGULARITIES IN EXECUTION OF WORKS

The Panchayat has undertaken and paid for works executed under Panchayat Fund, GIA Grants and Grants sanctioned by the various agencies during the period from 01.04.201 to 31.03.2020 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 should be 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 required 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 order is 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 be contained the percentage quoted, estimated Cost, the tendered amount and period allowed to complete the must be part of the works orders. 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 competing 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 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.

10. 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	2019-20
Income Tax	(-)50,241.00
Royalty	209160.80
TCS on Royalty	6708.39
VAT	95364.00
CGST	41430.60

SGST	41430.60
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Above statement reflects the irresponsible trend in timely remittance of the statutory deductions. The TDS has been remitted in excess than actually deducted from assesses. The same was commented in previous audit however; even though there was specific instruction to the secretary in previous year audit report, no action has been initiated to recover the excess remitted TDS. The Panchayat has remitted an amount of ₹ 50,241.00 in excess as on 31/03/2020. The Panchayat Secretary should take immediate action in this regard to avoid fines/penalties from the concerned Departments.

11. FINANCIAL POSITION OF THE PANCHAYAT DURING THE YEAR 2019-20

The financial position of the Panchayat was satisfactory during the period 2019-20. The Panchayat fund had amount of ₹ 6472787.16 as on 31/03/2020, in their Panchayat Fund Account. However, the Secretary should make sincere efforts to recover the amount of arrears of Taxes along with prescribed penalty from the defaulters to avail the benefits of matching Grants sanctioned by the Directorate of Panchayat and should take stringent action on unwarranted expenditure for further strengthening of financial position of the panchayat.

12. FAILURE TO FURNISH RECORDS FOR THE PERIOD 2020-23 FOR AUDIT

As per the audit programme for the year 2022-23, the audit on account of Village Panchayats of Tiswadi Block for the year 2018-23 were taken for audit on schedule date. However, the village Panchayat Corlim has failed to produce the records for the year 2020-21, 2021-22 and 2022-23 within schedule period of time and therefore the audit team could not conduct the audit of Village Panchayat Corlim for the period 2020-23.

The half margin was issued to B.D.O. vide H.M. No. DA/Insp. Cell-I/Tiswadi/2023-24/09 dated 29/11/2023 to take note of the same and issue necessary instructions to the Secretary of village Panchayat Corlim to keep the all the relevant documents/accounts/reports duly completed in all respect and intimate through proper channel to the Directorate of Accounts, Panaji-Goa to undertake the special audit of Village Panchayat Corlim for the period 2019-22

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 there is no such practice 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, 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. However, it is observed that statements are pasted to the Register which is not acceptable. The Panchayat Secretary should ensure that there is no such practice in future and 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. 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.

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.

17. FAILURE TO CONDUCT ANY 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.

The 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
2019-20	2	---	3	---

Above statement reveals that the B.D.O. /E.O.V.P. failed to conduct any inspection during the period 2019-20. Further, B.D.O. Tiswadi has failed to give proper justification for non compliance of above requirements.

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.

18. GENERAL

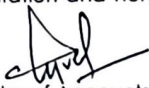
The B.D.O. should also ensure to take appropriate action on the following points:
As per Rule 4 (3) of the Goa Panchayat (Accounts, Audit and Custody of Funds) Rule 1997, the Secretary shall furnish the security bond in such a form and for such an amount as may be prescribed by the Director of Panchayat.

- 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(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. 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 Corlim**. The office of the Directorate of Accounts disclaims responsibility for any misrepresentation and non information on the part of auditee.


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