



BLOCK DEVELOPMENT OFFICE

Bardez, 2nd Floor, Govt. Office Complex,

Mapusa, Bardez-Goa

Phone: (0832) -2262206, Fax: 2262206, E-Mail: bdoabardez@gmail.com

No.3-EOVP-I /BDO-BAR/MEM-VP /2023-2024 / 6056
Most Urgent

Date: - 30/10/2023.

Sub: Audit report on the account of the Village Panchayat "Pilerne-Marra" of Bardez Block for the year 2018-2019¹ 2019-2020, conducted during the year 2022-2023.

Ref. Letter:- 1) No.17/265/DP-Accts/ Stat- Audit/2023-24/7333 dated 13/10/2023

2) No. DA/ Control/31-5(II) /2023-24/TR-115/113 dated 18/5/2023

V.P. PILERNE - MARRA
INWARD NO. 2384

FILE NO. 29

DATED 2-11-2023

SIGNATURE [Signature]

MEMORANDUM

Attention of Village Panchayat Secretary V.P. Pilerne-Marra, Bardez is hereby invited to the letter dated 18/5/2023 of Director of Accounts, Govt. of Goa, Fazenda Building, Panaji- Goa, inwarded in this office on 19/10/2023 **on the above cited subject**, which is self explanatory.(Copy enclosed).

In this connection, V.P. Secretary V.P. Pilerne-Marra, Bardez is hereby directed to go through the Audit Report on the accounts of Village Panchayat Pilerne-Marra for the year 2018-2019¹ 2019-2020, which are enclosed.

Despite recording the observation during the last inspection report, compliance to the previous audit observation has been neglected. Rigorous efforts should be made to comply with audit observation and compliance should be submitted within one month to the Audit without further delay, under intimation to this office.

Failing which matter will be reported to higher authority for initiating necessary action in the matter.

This is for strict compliance.

Place / Approved / Rejected
in the V. P. Meeting Dt 14/11/2023

Vide Resol. No 6(12)

[Signature]
(Monohar B. Parwar)
Block Development Officer- 12
Bardez Mapusa-Goa

To,
✓ **The V. P. Secretary,**
V.P. Pilerne-Marra, Bardez Goa.

Copy To:- 1) The Director of Accounts, Govt. of Goa, Fazenda Building, Panaji- Goa for information



GOA@60

BLOCK DEVELOPMENT OFFICE

Bardez, 2nd Floor, Govt. Office Complex,
Mapusa, Bardez-Goa

Phone: (0832) -2262206, Fax: 2262206, E-Mail: bdo-bardez@gmail.com

V.P. PILERNE MARRA
INWARD NO. 1017
FILE NO. 29
DATED 20/6/23
SIGNATURE

Most Urgent

No. 3-EOP-51 BDO-BARDEZ-MCM-VP/2023-24/2419 Date: 5/6/2023

Sub: Audit report on the accounts of the Village Panchayats Pilerne Marra of bardez Block for the year 2018-19 and 2019-2020, conducted during the year 2022-2023.

Ref. Letter No. DA/ Control/31-5(II) /2023-24/TR-120/113 dated 18/5/2023

MEMORANDUM


Attention of Village Panchayat Secretary V.P. Pilerne Marra, Bardez is hereby invited to the letter dated 18/5/2023 of Director of Accounts, Govt. of Goa, Fazenda Building, Panaji- Goa, inwarded in this office on 26/5/2023 regarding on the above cited subject alongwith the attached enclosures thereto, which is self explanatory.(Copy enclosed).

In this connection, V.P. Secretary V.P. Pilerne Marra, Bardez is hereby directed to go through the Audit Report on the accounts of Village Panchayat Guirim for the year 2018-2019 and 2019-2020, which are enclosed.

Despite recording the observation during the last inspection report, compliance to the previous audit observation has been neglected. Rigorous efforts should be made to comply with audit observation and compliance should be submitted within one month to the Audit without further delay, under intimation to this office.

Failing which matter will be reported to higher authority for initiating necessary action in the matter.

Place in the Meeting
R. Bandolka
SARPANCH
V. P. Pilerne - Marra


(Prathamesh A. Shankardas)
Block Development Officer- I & II
Bardez Mapusa-Goa

To,
The V. P. Secretary,
V.P. Pilerne Marra, Bardez Goa.

Copy To:- 1) The Director of Accounts, Govt. of Goa, Fazenda Building, Panaji- Goa for information

Place / Approved / Rejected
in the V. P. Meeting Dt 28/6/2023

Vide Resol/ No 8(1)



Government of Goa

Directorate of Accounts

Fazenda Building, Panaji, Goa - 403001

No. DA/Control/31-5(II)/2023-24/TR-115/113

Date: 18.05.2023

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

Sub:- Audit Report on the account of the Village Panchayat "Pilerne-Marra" of Bardez Block for the year 2018-2019 & 2019-2020 conducted during the year 2022-23.


Sir,

A copy of the Audit Report on the account of the Village Panchayat "Pilerne-Marra" of ^{Bardez} Pernem Block for the year 2018-2019 and 2019-2020 is enclosed herewith for information and necessary action at your end.

A copy of the said reports 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,


(Dilip K. Humraskar)
Director of Accounts

Copy to:-

1. The Chief Executive Officer, North Goa Zilla Panchayat, Panaji-Goa.
- ✓ 2. The Block Development Officer, Bardez-Goa. 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.
1. DDA/Inspection (HQs)
Office of the Accountant General, Audit Bhavan "Green Valley", Alto Porvorim-

AUDIT REPORT OF ACCOUNTS OF THE VILLAGE PANCHAYAT "PILERNE MARRA" IN BARDEZ FOR THE BLOCK YEAR 2018-19 AND 2019-20

PART-I

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

Sr.No	Name of the Sarpanch	From	To
1.	Shri. Amarnath Govenkar	01-04-2018	27-09-2019
2.	Smt. Sonal Malvankar	28-09-2019	10-10-2019
3.	Shri. Santosh Bandodkar	11-10-2019	31-03-2020

B. Name of the Secretary :-

Sr.No	Name of the Secretary	From	To
1.	Mr. Peter Martins	01-04-2018	22-08-2019
2.	Keshav Phadte	23-08-2019	14-02-2020
3.	Mr.Clifton Azavedo	15-02-2020	22-03-2020
4.	Keshav Phadte	23-03-2020	31-03-2020

C. Names & Designation of audit parties

Sr.No	Names of the audit parties	Designation
1	Shri. Deepak Velip	Dy. D.A./Insp.
2	Shri.Sanjiv U. Apule	A.A.O.
3	Shri. Rajan Zalmi	Head Clerk
4	Shri. Shivam Virdikar	Accounts Clerk

D. Date of Audit:-

From :- 17/11/2022 to 24/11/2022

E. Period of Audit:-

From:- 01/04/2018 to 31/03/2020

PART - II - INTRODUCTORY

The audit of Accounts of the **Village Panchayat Pilerne Marra** in Bardez Block for the year 2018-19 and 2019-20 was conducted from 17/11/2022 to 24/11/2022 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 Pilerne Marra** was sanctioned following types of grants by various agencies for specific purposes. The year-wise details of the grants sanctioned are given below:

Place / Approved / Rejected
in the V. P. Meeting Dt. 9/7/2023

Vide Resol. No. 4.

Place / Approved / Rejected
in the V. P. Meeting Dt. 18/6/2023

Vide Resol. No. 8(1)

		Year 2018-19
Sr.No	Type of Grants	Amount in ₹
Administrative Grants		
1.	V.P. Member Salary	3,42,000.00
2.	Matching Grants	4,25,000.00
Development Grants		
3.	XIV th Fin Com.	8,61,179.00
4.	Garbage Grants	1,20,000.00
5.	Swatch Bharat Abhiyan	50,000.00
Total		17,98,179.00

		Year 2019-20
Sr.No	Type of Grants	Amount in ₹
Administrative Grants		
1.	V.P. Member Salary	2,74,550.00
2.	Matching Grants	4,25,000.00
Development Grants		
3.	XIV th Fin Com.	10,77,609.00
4.	Bio-diversity Grants	30,000.00
Total		18,07,159.00

PART -III

The **Village Panchayat Pilerne Marra** 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

Year-wise Receipts and Expenditure of Village Panchayat

Year	Receipt Amount in ₹	Expenditure Amount in ₹
2018-19	2,89,56,266.60	2,78,31,188.30
2019-20	2,59,17,392.00	2,41,36,195.66

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

		Year 2018-19
Sr. No.	Total Funds/deductions as on 31/03/2019	Amount in ₹
1.	Government Grants	29,59,441.00
2.	E.M.D.	13,36,697.68
3.	S.D.	28,22,565.00
4.	Royalty	-2.00

5.	Labour Cess	798.00
6.	CGST	66,347.00
7.	SGST	66,347.00
8.	Panchayat Fund	2,73,48,578.45
Total		3,46,00,772.13

Year 2019-20		
Sr. No.	Total Funds/deductions as on 31/03/2020	Amount in ₹
1.	Government Grants	40,67,050.00
2.	E.M.D.	12,29,942.68
3.	S.D.	29,85,283.00
4.	Royalty	-2.00
5.	TCS on Royalty	13,276.00
6.	CGST	74,168.00
7.	SGST	74,168.00
8.	Panchayat Fund	2,79,38,082.79
Total		3,63,81,968.47

III) DETAILS OF UTILIZED / UNUTILIZED GRANTS

The year-wise statement showing details of grants are as follows:-

Year 2018-19						Amount in ₹
S N	Name of Grants	Opening Balance	Amt Sanctioned	Amt Utilized	Amt. Refunded	Closing Balance
1.	V.P. Mem Salary	-	3,42,000.00	3,42,000.00	-	-
2.	Matching Grants	-	4,25,000.00	4,25,000.00	-	-
3.	XIV th Fin Com.	20,98,262.00	8,61,179.00	-	-	29,59,441.00
4.	Garbage Grants	-	1,20,000.00	1,20,000.00	-	-
5.	Swatch Bharat Abhiyan	-	50,000.00	50,000.00	-	-
Total		20,98,262.00	17,98,179.00	9,37,000.00	-	29,59,441.00

Year 2019-20						Amount in ₹
S N	Name of Grants	Opening Balance	Amt Sanctioned	Amt Utilized	Amt. Refunded	Closing Balance
1.	V.P. Mem Salary	-	2,74,550.00	2,74,550.00	-	-
2.	Matching	-	4,25,000.00	4,25,000.00	-	-

	Grants					
3.	XIV th Fin Com.	29,59,441.00	10,77,609.00	-	-	40,37,050.00
4.	Bio-diversity Grants	-	30,000.00	-	-	30,000.00
Total		29,59,441.00	18,07,159.00	6,99,550.00	-	40,67,050.00

III) VARIATION BETWEEN BUDGET ESTIMATE AND ACTUAL

A) INCOME

Amount in ₹

Year	Original budget Estimate	Revised Budget Estimate	Actual Income	Short/Excess
2018-19	4,12,86,500.00	-	2,89,56,266.60	1,23,30,233.40(S)
2019-20	2,81,50,545.00	-	2,59,17,392.00	22,33,153.00(S)

B) EXPENDITURE

Amount in ₹

Year	Original Budget Estimate	Revised Budget Estimate	Actual Expenditure	Short/Excess
2018-19	7,81,05,000.00	-	2,78,31,188.30	5,02,73,811.70(S)
2019-20	2,90,10,236.00	-	2,41,36,195.66	48,74,040.34(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
1983-84	01	----	01	Para-5-Works
1985-86	01	----	01	Para-6-Works
1986-87	01	----	01	Para-6-Works
1987-89	01	----	01	Para-1-Works
1990-91	01	----	01	Para-8-Works
1993-94	01	----	01	Para-8-Works
1994-95	01	----	01	Para-10-RTS Required
1995-96	01	----	01	Para-9- works
1996-97	01	----	01	Para-6-Works
1997-98	01	----	01	Para-6-Works
1998-99	01	----	01	Para-8- Works
2003-04	01	----	01	Para-9-Financial power excess exp.

2006-07	01			on Works
2009-10	01	---	01	Para-5-Works
2011-12	01	---	01	Para-8-Works Para-9-Financial power
2012-13	02	---	02	Para's not incorporated in audit report 2011-12
2013-14	01	---	01	Para 11 - Works (excess amount paid to contractor) Para - 8- Excess Exp. Contractor
2015-16	01	---	01	Para - 8- Works. Para maintained for recovery of sale tax
2016-17	03	---	03	Para -6- Excess Expenditure over prescribed limit.
2017-18	21	18	03	Para-6-Purchase of Electrical Material Para-14- Excess expenditure over prescribed limit Para-15- Works
				Para-14-Excess Expenditure over prescribed limit Para-15- Works 2) approval for purchase of Cast Iron F.R.P. benches Para-19- General: Inspections by B.D.O./E.O.V.P.
Total	43	18	25	

The Village Panchayat has not submitted appropriate replies to 3 paras of year 2017-18 and remaining 18 paras are dropped and commented in current audit wherever required.

The pendency of 25 outstanding audit paras are relating to a very old period ranged from 4 to 40 years, which 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 **31/03/2019**.

1	Closing balance as per Co-op. Bank A/c. No.287	₹ 16,07,212.00	
	Closing balance as per the Cash book		₹ 16,07,212.00
2	Closing balance as per Co-op. Bank A/c. No.3336	₹ 2,58,309.00	
	Closing balance as per the Cash book		₹ 2,58,309.00
3	Closing balance as per Goa State Co-op. Bank A/c. No.006	₹ 38,727.47	
	Closing balance as per the Cash book		₹ 38,727.47
4	Closing balance as per SBI A/c. No.5336	₹ 3,27,454.54	
	Closing balance as per the Cash book		₹ 3,27,454.54
5	Closing balance as per Co-op. Bank A/c. No.394	₹ 504.00	
	Closing balance as per the Cash book		₹ 504.00
6	Closing balance as per Co-op. Bank A/c. No.375	₹ 2,79,366.00	
	Closing balance as per the Cash book		₹ 2,79,366.00
7	FDR's:- A/c.No.988	₹ 25,28,141.00	
	Less: Int. accrued but not acct.	₹ 3,792.00	
	A/c.No.964	₹ 52,06,276.00	
	Add: Excess amt. acct. in CB	₹ 67,541.00	
	A/c.No.715	₹ 26,49,352.00	
	Less: Int. accrued but not acct.	₹ 311.00	
	Less: Int. not acct. (2017-18)	₹ 4,158.00	
	A/c.No.258	₹ 26,49,350.00	
	Less: Int. accrued but not acct.	₹ 310.00	
	Less: Int. not acct. (2017-18)	₹ 4,158.00	
	A/c.No.388	₹ 26,49,353.00	
	Less: Int. accrued but not acct.	₹ 293.00	
	Less: Int. not acct. (2017-18)	₹ 4,158.00	
	A/c.No.867	₹ 52,06,275.00	
	Add: Excess amt. acct. in CB	₹ 41,224.00	
	A/c.No.937	₹ 26,49,350.00	
	Less: Int. accrued but not acct.	₹ 311.00	
	Less: Int. not acct. (2017-18)	₹ 4,158.00	
	A/c.No.186	₹ 26,49,353.00	
	Less: Int. accrued but not acct.	₹ 312.00	
	Less: Int. not acct. (2017-18)	₹ 4,158.00	
	A/c.No.339	₹ 26,49,352.00	
	Less: Int. accrued but not acct.	₹ 311.00	

	Less: Int. not acct. (2017-18)	₹ 4,158.00	
	A/c.No.544	₹ 21,19,481.00	
	Less: Int. accrued but not acct.	₹ 250.00	
	Less: Int. not acct. (2017-18)	₹ 3,326.00	
	A/c.No.780	₹ 10,59,741.00	
	Less: Int. accrued but not acct.	₹ 125.00	
	Less: Int. not acct. (2017-18)	₹ 1,663.00	
	Closing balance as per the Cash book		₹ 3,20,88,837.00
8	Cash in hand	₹ 362.12	₹ 362.12
	Closing balance as per the Cash book as on 31/03/2019		₹ 3,46,00,772.13

The details of the closing balance as per the Cash Book as on **31/03/2020**.

1	Closing balance as per Co-op. Bank A/c. No.287	₹ 40,93,418.34	
	Less: Cheque iss. But not realised	₹ 65,277.00	
	Less: Cheque iss. But not realised	₹ 33,653.00	
	Add: Cheque iss. But not acct.	₹ 5,045.00	
	Closing balance as per the Cash book		₹ 39,99,533.34
2	Closing balance as per Co-op. Bank A/c. No.3336	₹ 1,74,208.00	
	Add: Excess int. acct.(2018-19)	₹ 9,000.00	
	Closing balance as per the Cash book		₹ 1,83,208.00
3	Closing balance as per Goa State Co-op. Bank A/c. No.006	₹ 40,299.47	
	Closing balance as per the Cash book		₹ 40,299.47
4	Closing balance as per SBI A/c. No.5336	₹ 50,52,985.54	
	Less: Int. accrued but not acct.	₹ 25,732.00	
	Less: Grants rece. But not acct.	₹ 9,90,203.00	
	Closing balance as per the Cash book		₹ 40,37,050.54
5	Closing balance as per Co-op. Bank A/c. No.394	₹ 31,141.00	
	Closing balance as per the Cash book		₹ 31,141.00
6	Closing balance as per Co-op. Bank A/c. No.375	₹ 13,72,274.00	
	Closing balance as per the Cash book		₹ 13,72,274.00
7	Closing balance as per Co-op. Bank A/c. No.320	₹ 502.00	
	Closing balance as per the Cash book		₹ 502.00
8	FDR's:- A/c.No.988	₹ 26,98,865.00	

	Less: Int. not acct. (2017-18)	₹ 3,792.00	
	Less: Int. accrued but not acct.	₹ 1,70,724.00	
	A/c.No.715	₹ 28,28,263.00	
	Less: Int. accrued but not acct.	₹ 1,78,911.00	
	Less: Int. tranf. to A/c.No.2287	₹ 32,414.00	
	Less: Int. not acct. (2017-18)	₹ 4,469.00	
	A/c.No.258	₹ 28,28,261.00	
	Less: Int. accrued but not acct.	₹ 1,78,911.00	
	Less: Int. tranf. to A/c.No.2287	₹ 32,414.00	
	Less: Int. not acct. (2017-18)	₹ 4,468.00	
	A/c.No.388	₹ 28,28,264.00	
	Less: Int. accrued but not acct.	₹ 1,78,911.00	
	Less: Int. tranf. to A/c.No.2287	₹ 32,414.00	
	Less: Int. not acct. (2017-18)	₹ 4,451.00	
	A/c.No.867	₹ 55,57,257.00	
	Less: Int. accrued but not acct.	₹ 3,50,982.00	
	Add: Excess amt. acct. in CB	₹ 41,224.00	
	A/c.No.937	₹ 28,28,261.00	
	Less: Int. accrued but not acct.	₹ 1,78,911.00	
	Less: Int. not acct. (2017-18)	₹ 4,469.00	
	A/c.No.186	₹ 28,28,264.00	
	Less: Int. accrued but not acct.	₹ 1,78,911.00	
	Less: Int. not acct. (2017-18)	₹ 4,470.00	
	A/c.No.339	₹ 28,28,263.00	
	Less: Int. accrued but not acct.	₹ 1,78,911.00	
	Less: Int. not acct. (2017-18)	₹ 4,469.00	
	A/c.No.544	₹ 22,62,609.00	
	Less: Int. accrued but not acct.	₹ 1,43,128.00	
	Less: Int. not acct. (2017-18)	₹ 3,576.00	
	A/c.No.780	₹ 11,31,304.00	
	Less: Int. accrued but not acct.	₹ 71,563.00	
	Less: Int. not acct. (2017-18)	₹ 1,788.00	
	Closing balance as per the Cash book		₹ 2,67,17,778.00
9	Cash in hand	₹ 182.12	₹ 182.12
	Closing balance as per the Cash book as on 31/03/2020		₹ 3,63,81,968.47

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 **31/03/2019 and 31/03/2020** respectively. However, following irregularities were found during the course of audit:-

Year	R.No./V.r.	Actual Amount ₹	Cash book ₹	Difference ₹
2018-19	655/14	1,495.00	1,445.00	50.00(S)
	656/15	760.00	565.00	195.00(S)
	664/94	785.00	710.00	75.00(S)
	670/88	885.00	785.00	100.00(S)
	676/53	2,565.00	1,565.00	1,000.00(S)
2019-20	681/24	4,570.00	4,240.00	330.00(S)
	681/55	849.00	839.00	10.00(S)
	685/65	255.00	250.00	5.00(S)
	689/95	1,950.00	950.00	1,000.00(S)
Total Short Amount				2,765.00

- 1) Vouchers are not certified and are not cancelled by endorsement " Paid and cancelled".
- 2) Pass for payment order is not recorded and signed by Sarpanch and Secretary.
- 3) Thumb impression on vouchers is not authenticated.
- 4) Revenue stamp is not affixed where the payment is 5000 and more.
- 5) Each entry cash book is not attested and Correction/Cancellation /Overwriting are also not attested in the cash book.
- 6) Overwriting in vouchers and Overwriting in receipt book is not attested.
- 7) Cancelled receipts are not attested by the Sarpanch.
- 8) Bank reconciliation statement is not prepared and recorded in the cash book.

2. UN-UTILIZATION OF GRANTS

The grants like XIVth Finance commission 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.	XIV Finance Commission.	40,37,050.00
2.	Bio-diversity Grants	30,000.00
Total		40,67,050.00

The Grants amounting ₹ 40,67,050/- were remained un-utilized with Panchayat as on 31/03/2020.

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 adversely affected 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 ₹ 1,23,30,233.40, in year 2018-19, ₹ 22,33,153.00 in year 2019-20 to the revised Budget Estimates of respective years.

The expenditure incurred for was also short by ₹ 5,02,73,811.70 in year 2018-19, ₹ 48,74,040.34 in year 2019-20 to the revised Budget Estimates of respective years.

The above variations indicates that village Panchayat has failed to prepare realistic budget estimates for the year 2018-19 and 2019-20

4. EXCESS EXPENDITURE OVER PRESCRIBED LIMIT

The Goa Panchayat Raj (Application of Panchayat and Zilla Panchayat Funds) (Conditions and Limitations) (First Amendment) Rules, 2015, prescribed the Limit for Expenditure to be incurred from Panchayat Fund. However, the panchayat has incurred excess expenditure over prescribed limit for which no approval of competent authority has been found obtained to regularize the same. The details of excess expenditure over prescribed limit are as under:

Amount in ₹				
S.No.	Major Head of Account	Prescribed limit	Expenditure incurred	Excess expenditure
2018-19	Advocate Fees	30,000.00	51,000.00	21,000.00
	Awarding prizes to education competition, sports competition, etc	40,000.00	87,095.00	47,095.00
	Expenditure in connection with celebration of national festivals	30,000.00	42,041.00	12,041.00
2019-20	Expenditure in connection with celebration of national festivals	30,000.00	58,871.00	28,871.00,
	Awarding prizes to education competition, sports competition, etc	40,000.00	57,000.00	17,000.00

The necessary ex-post facto approval may be obtained from the competent authority to regularize the above excess expenditure.

5. TAXES

The year-wise statement showing the arrears Current Demand, Collection and Balance is as under:

					Amount in ₹
Year 2018-19					
Name of the Tax	Arrears	Current Demand	Total	Collection	Balance
a) House Tax	33,81,910.00	28,65,661.00	62,47,571.00	25,03,690.00	37,43,881.00
b) Light Tax	34,437.25	-	34,437.25	19,100.00	15,337.25
c) Cycle Tax	44,396.00	-	44,396.00	-	44,396.00
d) Professional Tax	3,77,898.00	57,185.00	4,35,083.00	12,650.00	4,22,433.00
e) Advt. Tax	3,08,648.00	1,09,621.00	4,18,269.00	1,00,280.00	3,17,989.00
f) Cart Tax	-	45.00	45.00	45.00	-
g) Dog Tax	-27.00	-	-27.00	-	-27.00
h) Garbage Tax	-	16,36,105.00	16,36,105.00	12,32,535.00	4,03,570.00
Total	41,47,262.25	46,68,617.00	88,15,879.25	38,68,300.00	49,47,579.25

					Amount in ₹
Year 2019-20					
Name of the Tax	Arrears	Current Demand	Total	Collection	Balance
a) House Tax	37,43,881.00	29,67,645.00	67,11,526.00	25,68,436.00	41,43,090.00
b) Light Tax	15,337.25	-	15,337.25	7,945.00	7,392.25
c) Cycle Tax	44,396.00	-	44,396.00	-	44,396.00
d) Professional Tax	4,22,433.00	57,185.00	4,79,618.00	9,085.00	4,70,533.00
e) Advt. Tax	3,17,989.00	1,09,621.00	4,27,610.00	1,21,969.00	3,05,641.00
f) Cart Tax	-	45.00	45.00	45.00	-
g) Dog Tax	-27.00	-	-27.00	-	-27.00
h) Garbage Tax	4,03,570.00	16,52,255.00	20,55,825.00	13,59,080.00	6,96,745.00
Total	49,47,579.25	47,86,751.00	97,34,330.25	40,66,560.00	56,67,770.25

The Panchayat has collected an amount of ₹ 38,68,300/- in 2018-19, ₹ 40,66,560/- in 2019-20 towards the various taxes, which is 43.88% and 41.78% respectively, of total demand for the respective year.

Above percentages of collection of taxes indicate that the action of the Panchayat in respect of collection of taxes is very casual. Despite of observations raised in previous audits, the Panchayat failed to give due attention in collecting of revenue as well as accumulated arrears. The efforts of Village Panchayat has failed to recover the taxes as the taxes amounting to ₹ 56,67,770.25 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 2018-19. It is also noticed that the assessment of House Tax has not done for years together. No further action has been taken to assess the house tax as prescribed in Goa Panchayat Raj Act 1994. 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. RENT

The Panchayat has leased out 05 of its premises on rental basis. The year-wise details of the rent collection are as follows:

Amount in ₹						
Year	Name of Premises	Arrears	Current Demand	Total	Collection	Balance
2018-19	Liban Almeida S.N.1	-	726.00	726.00	726.00	-
	Krishna Gaonkar S.N.2	-	378.00	378.00	378.00	-
	Shripad Malik S.N.3	-	384.00	384.00	384.00	-
	Shripad Bhobe S.N.4	-	486.00	486.00	486.00	-
	Ashok Siolcar S.N.5	-153.00	918.00	765.00	918.00	-153.00
Total		-153.00	2,892.00	2,739.00	2,892.00	-153.00
2019-20	Liban Almeida S.N.1	-	726.00	726.00	726.00	-
	Krishna Gaonkar S.N.2	-	378.00	378.00	378.00	-
	Shripad Malik S.N.3	-	384.00	384.00	384.00	-
	Shripad Bhobe S.N.4	-	486.00	486.00	486.00	-
	Ashok Siolcar S.N.5	-153.00	918.00	765.00	918.00	-153.00
Total		-153.00	2,892.00	2,739.00	2,892.00	-153.00

It was observed that the panchayat has let out its premises at very low rent which will encourage the rent payers to sublet the premises at higher rent and earn more income. The secretary along with Sarpanch should ensure that no premise is sublet to the party other than the party who has executed agreement with the panchayat. The Secretary and the Sarpanch should conduct regular inspection all the premises to verify such cases.

Further, the agreement executed between the village panchayat and the parties who had taken the premises of the Village panchayat has not been produced to audit for verification.

The revaluation of rent has also not done for years together by the village panchayat resulting to huge revenue loss. The Secretary should ensure that revaluation of rent is done without further delay by sending proposal to PWD and also the agreements may be executed/ renewed. Despite of observation in previous year's audit para, no corrective action has been taken by the Village Panchayat.

7. CONSTRUCTION ACTIVITIES

i) CONSTRUCTION LICENCES

V.P Sarpanch certified:

That Panchayat has issued fifty four Constructions and nineteen renewal licenses within its jurisdiction vide Certificate No. VP/PM/F.Audit/2022-23/1606 dated 18-10-2022 during the year 2018-19 and collected ₹ 26,81,560/-

That Panchayat has issued twenty six Constructions and seven renewal licenses within its jurisdiction vide Certificate No. VP/PM/F.Audit/2022-23/1616 dated 18-10-2022 during the year 2019-20 and collected ₹ 11,18,607/-

ii) ILLEGAL CONSTRUCTION

V.P Sarpanch certified vide Certificate No. VP/PM/F.Audit/2022-23/1606 dated 18-10-2022 vide Certificate No. VP/PM/F.Audit/2022-23/1607 dated 18-10-2022 that panchayat had detected illegal construction cases within its jurisdiction during the year 2018-19 and 2019-20 respectively. The year-wise details of illegal construction cases pending are as follows:

1) Nos. of Illegal Construction cases on 01/04/2018	27
2) Illegal Construction cases detected during the period 2018-20	28
3) Nos of illegal construction cases settle/ disposed during the period 2018-20	4
Total cases pending for settlement up to 31/03/2020	51

There were 51 cases of illegal constructions in the Village Panchayat as on 31/03/2020. The village Panchayat has managed to dispose off/settle 4 of the illegal construction cases during the period 2018-20.

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.

8. REFUND OF E.M.D AND S.D.

It was observed during audit that the Village Panchayat had a balance of ₹ 12,29,942.68 as E.M.D and ₹ 39,85,283.00 as Security Deposits as on 31/03/2020, which includes EMD's and Security Deposits unclaimed for more than 3 years.

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.

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 under rules 4(3) of the Goa Panchayat (Accounts, Audit and Custody of Funds) Rules, 1997, the Secretary shall furnished 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.

10. 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 01.04.2018 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 record on the tender documents after opening. Corrections/Cancellations/Over writings, if any, should be recorded in the schedule and initialed by the person witnessing the opening of tender.
2. On verification of Measurement book, it has been observed that Pass and Pay order" has not been recorded below the Memorandum of Payment. Further,

voucher Number, cheque number, amount and date of payment have not been recorded in the measurement book.

3. The Performance Guarantee @ 5% of the tendered value has not been obtained from the contractors before commencement of work, thus allowing the contractor undue financial benefits.
4. Excess /Saving statement is not enclosed to final bill wherever required.
5. Though the erection of poles, shifting of lines, extension of street lines etc is function of Electricity Department, the works of "Extension of street lines, Shifting of LT lines, Erection of new poles etc " have executed by panchayat from own funds in year 2018-19 and 2019-20. The panchayat has paid ₹ 5,78,831/- in year 2018-19 and ₹ 3,90,329/- in year 2019-20. However, no files and Measurement books of work executed has been produced to audit for verification. Therefore, audit could not ascertain the authenticity of work executed by village panchayat.
6. The work orders were 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 completing the work and working of fines on delay period etc.
7. The panchayat has not executed agreements in CPWD Form-7/Form-8 in some of the works executed and some cases it has 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.
8. In year 2018-19, work of "Beautification of open space at green valley saulem" was executed by village panchayat. The final cost of work executed was ₹ 10,45,877/-. The contractor was penalized for non-rolling with power roller @ rate of ₹ 12.00 against the GSR 2015 rate of 15.00. The short deduction of the same has not been justified by the panchayat.
9. The First and final bills/ RA bills had been signed by the B.D.O./E.O.R.E. keeping blank the details of Memorandum of payment. The B.D.O./E.O.R.E. should ensure that the details of the Memorandum of Payment of First and final bills/ RA bills be completely filled in before payment to the contractor.

11. NON-REMITTANCE OF STATUTORY DEDUCTIONS IN GOVERNMENT TREASURY

The statutory deduction like 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 year-wise un-remitted statutory deductions are as under:

Statutory Deductions	Amount in ₹	
	2018-19	2019-20
Royalty	-2.00	-2.00
TCS on Royalty	-	13,276.00
Labour cess	798.00	-
CGST	66,347.00	74,168.00
SGST	66,347.00	74,168.00

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 PERIOD 2018-20

The Panchayat had an amount of ₹ 2,73,48,578.13 as on 31/03/2019 and ₹ 2,79,38,029.79 as on 31/03/2020, in their Panchayat Fund Account. This shows that the financial position of the Panchayat was strong during the period 2018-20. 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. FAILURE TO FURNISH RECORDS FOR YEAR 2020-21 AND 2021-22 FOR AUDIT

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

The half margin was issued to B.D.O. vide H.M. No. DA/Insp. Cell/ BAR/2022-23/06 dated 21/12/2022 to take note of the same and issue necessary instructions to the Secretary of village Panchayat Pilerne Marra 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 Pilerne Marra for the period 2020-21 and 2021-22.

14. 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.

15. 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.

16. APPLICABILITY OF PANCHAYATI RAJ ACCOUNTING SOFTWARE (PRIASOFT)

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 for implementation of computerized accounting and therefore, applicability of **Panchayati Raj Accounting Software (Priasoft)** may be ascertained in order to bring transparency and accountability in the maintenance of accounts.

17. 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.

18. 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 year wise 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
2018-19	2	---	3	---
2019-20	2	---	3	---

Above statement reveals that the B.D.O. /E.O.V.P. failed to conduct any inspection during the period 2018-22. Further, B.D.O. Bardez has failed to furnish proper justification for non compliance of above requirements, instead signed on incomplete Forms Regarding Inspection of Village Panchayat issued by Directorate of Accounts to produce the same to Audit team at the time of Audit of the Panchayat.

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.

19. 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.


- As per Section 113 (1) of the act, the salary and allowances of the Secretary shall be drawn from the Panchayat funds.
- 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.
- 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 Pilerne Marra**. 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

FORM
(See Rule)

Monthly / Annual / Account of Income and

Particulars of Income	Amount	Particulars of Receipt	Amount
INCOME		B F	
1) Closing of the last Month/Year	Rs 33475693.85	5) Proceeds of other loans etc	—
Budget Head			
2) Grants from Govt.			
i) Special			
1) XIV F.W.	Rs 861179=		
2) GANDAGE GRANT	Rs 120000=		
3) V.V. M. M. L. L. L. L.	Rs 342000=		
ii) General	Rs 425000=	6) Sale Proceeds	Rs 186400=
3) Other Grants			
i) Local Authorities			
GOVERNMENT GRANT	Rs 50000=		
ii) Private			
		7) Extraordinary Receipt	Rs 16819330=60
4) Proceeds of taxes fees etc under Sec. 153 of the Act.	Rs 10152357=		
Total Receipts		Total Receipts	Rs 28956266+60
Grand Total		Grand Total	Rs 62431960-45

VP SARPANCH
PILERNE - MARRA
BARDEZ - GOA

V.P. SECRETARY
PILERNE - MARRA
BARDEZ - GOA

DETAIL OF THE BALANCE

1. Co-Operation Bank Pilane A/c 338	Rs 1607212:00
2. Co-Operation Bank Pilane A/c 6047	Rs 258309:00
3. Co-Operation Bank Verna	Rs 38727:47
4. Post m. J.B.T. Verna A/c No	Rs 327454:54
5. Cash in hand	Rs 362:12
6. Co-Operation Bank Pilane A/c 70124	Rs 279366:00
7. Co-Operation Bank	Rs 504:00
8. F.D. in Co-Operation Bank	Rs 2524349:00
9. F.D. in Co-Operation Bank	Rs 13208484:00
10. F.D. in Co-Operation Bank	Rs 16356004:00
Total	Rs 34600772:13

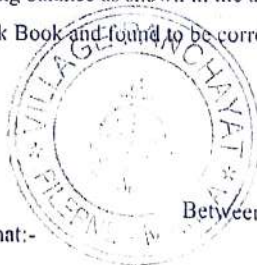
DETAILS OF FUNDS

1. Govt. Grants	Rs 2959441:00
2. R.D.A. Grants	NIL
3. E.M.D.	Rs 1336697:68
4. Security	Rs 2822565:00
5. Income Tax	NIL
6. Royalty	(-2)
7. GST/Excise	Rs 132694:00
8. Any other	Rs 798:00
9. Panchayat Fund	Rs 27348578:45

Total Rs 34600772:13

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.

[Signature]



[Signature]

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

Difference if any Between the Pass book and Cash

V.P. SECRETARY
PILERNE - MARRA
BARDEZ - GOA

CERTIFICATE

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

[Signature]

Deputy Director of Accounts/Insp.
Government of Goa.