

Indices of satisfactory organizational set up of a Gram Panchayat*

**Indices listed herein are illustrative*

This portion to be adapted to state specific scenario.

THEME AND KEY AREA: Devolution of powers and responsibilities

Inspection Focus	A Gram Panchayat(GP) that is clear about what it is trying to do	<i>A Gram Panchayat(GP) that is not clear about what it is trying to do</i>
Devolution of powers and responsibilities to Panchayats pertaining to 29 subjects listed in the 11 th schedule of the Constitution with a view to augmenting economic development and social justice, in accordance with the provisions contained in the 73 rd Amendment to the Constitution.	The GP discharged its responsibilities adequately in respect of the subjects for which Functions, Funds and Functionaries were devolved.	<i>The GP did not adequately discharge its responsibilities in respect of the subjects for which Functions, Funds and Functionaries were devolved.</i>



THEME AND KEY AREA: Function of GP as a unit of self-government with a view to achieving economic development and securing social justice for all.

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	<i>A Gram Panchayat that is not clear about what it is trying to do</i>
(i) Poverty alleviation programmes - implementation of Wage Employment Schemes such as Sampoorna Gramin Rozgar Yojana (SGRY).	(i) Programmes for works under SGRY were included in the Annual Action Plan, after due prioritization, by the GP. The implementation of SGRY could be verified from the following:	<i>(i) Programmes for works under SGRY were not always included in the Annual Action Plan and that priority for the works was not fixed by the GP.</i>
	a) Employment Register maintained by the GP showed proper reflection of the works undertaken, including the details of the no. of persons employed and the no. of man days generated for each work, under SGRY.	<i>a) The Employment Register maintained by the GP did not properly reflect the works undertaken, including the details of the no. of persons employed and the no. of man days generated for each work, under SGRY.</i>
	b) There was evidence that the Employment Register was open to the public for scrutiny.	<i>b) There was insufficient evidence to show that the Employment Register was opened to the public for scrutiny.</i>
	c) There was evidence that workers covered under SGRY were assured of the notified minimum wages.	<i>c) It was not clearly evident from the records that workers covered under SGRY were assured of the notified minimum wages.</i>
	d) There was evidence that the workers were paid at least 25% of the total wages in cash under the Scheme.	<i>d) There was evidence of the workers being paid less than 25% of the total wages in cash under the Scheme.</i>

	<p>e) Proper vouchers were kept for payment of wages in both cash and kind.</p> <p>f) There was evidence to show that the implementation of the Scheme increased food security and nutritional levels.</p>	<p><i>e) Proper vouchers were not kept for payment of wages in both cash and kind.</i></p> <p><i>f) There was evidence to show that the implementation of the Scheme did not result in significant improvement as regards food security and nutritional levels. There were also cases of non-implementation of the Scheme resulting in lapse of grant.</i></p>
<p>ii) Social Security and Welfare Programmes - implementation of schemes like Indira Awas Yojana(IAY), National Social Assistance Programme (NSAP) including National Old Age Pension Scheme(NOAPS), National Family Benefit Scheme(NFBS) and National Maternity Benefit Scheme(NMBS)</p>	<p>ii) Programmes for works under IAY were included in the Annual Action Plan. The implementation of IAY could be verified from the following:</p>	<p><i>ii) Programmes for works under IAY were not always included in the Annual Action Plan. The records showed that there were cases to indicate the following:</i></p>
	<p>a) The number of houses to be constructed by the GP within the financial year as approved by the DRDA/ZP was discussed in the meeting of the Gram Sabha. The actual beneficiaries, as per the order of priority, were selected from the list of eligible households in accordance with the target allocated, keeping in view the IAY guidelines.</p>	<p><i>a) The number of houses to be constructed by the GP within the financial year as approved by the DRDA/ZP was not always discussed in the meeting of the Gram Sabha and the actual beneficiaries according to the order of priority were not selected from the list of eligible households as per the target allocated, keeping in view the IAY guidelines.</i></p>
	<p>b) The actual beneficiaries were below the poverty line and belonged to the approved categories.</p>	<p><i>b) Some of the actual beneficiaries were not below the poverty line and not all of them belonged to the approved categories.</i></p>
	<p>c) The houses constructed under IAY fell within the village area.</p>	<p><i>c) All the houses were not within the village area.</i></p>

	<p>d) GP maintained subsidiary cash book and separate bank account for IAY.</p> <p>e) Utilization certificate was duly furnished to the appropriate authority.</p>	<p>d) <i>GP did not maintain subsidiary cash book and/or separate bank account for IAY.</i></p> <p>e) <i>Utilization certificate was not duly furnished to the appropriate authority in every case.</i></p>
	<p>f) In respect of the schemes under NSAP (viz. NOAPS, NFBS and NMBS), the GP disseminated adequate and timely information regarding the schemes and the procedures for obtaining benefits under them. The implementation of schemes under NSAP could be verified from the following:</p> <p>g) The identification of beneficiaries in respect of schemes under NSAP was made properly.</p> <p>h) The Central assistance under NSAP was disbursed in public meetings such as that of the Gram Sabha.</p> <p>i) Utilization certificates of the Central assistance were furnished properly.</p>	<p><i>(f) In respect of the schemes under NSAP (viz. NOAPS, NFBS and NMBS) the GP did not disseminate adequate and timely information regarding the schemes and the procedures for obtaining benefits under them.</i></p> <p><i>g) The records showed that the identification of beneficiaries in respect of schemes under NSAP was not made properly in all cases.</i></p> <p><i>h) The Central assistance under NSAP was not disbursed in public meetings, such as Gram Sabha meetings.</i></p> <p><i>i) Utilization certificates of the Central assistance were not furnished properly.</i></p>
iii) The imposition, assessment and collection of fees, rates and tolls by GP.	<p>iii) The system of imposition, assessment and collection of fees, rates and tolls by the GP was satisfactory ; measures were taken to augment own source revenues of the GP; and there was an increase in own source revenues of the GP compared to the previous financial year.</p>	<p><i>iii) The system of imposition, assessment and collection of fees, rates and tolls by the GP was not satisfactory; inadequate measures were taken to augment the own source revenues of the GP and there was a trend of stagnation/ no improvement in own source revenues of the GP compared to the previous financial year.</i></p>

<p>iv) Adoption of measures on health and hygiene</p> <p>a) Sanitation, conservancy & drainage</p> <p>b) Curative & preventive measures in respect of malaria, small pox, cholera or any other epidemic</p> <p>c) Supply of drinking water</p>	<p>iv) a), b) & c)</p> <p>There were records to indicate that the GP focused on community health and sanitation issues as a priority among Panchayat activities. There were frequent discussions in the meetings of the Gram Sabha; generation of awareness campaigns as regards the rural sanitation programme, provision of scientifically correct information on safe drinking water; mobilization of people to ensure increased coverage as regards the curing and preventing of diseases; and an increase in the percentage of population using improved water resources and adequate sanitation facilities in the GP.</p>	<p>iv) a), b) & c)</p> <p><i>There was inadequate focus on community health and sanitation issues as a priority among Panchayat activities. Regular discussion was not always held in the Gram Sabha regarding adoption of measures for health and sanitation. The GP did not have an effective communication strategy for generating awareness about various programmes with regard to health, sanitation and safe drinking water. There was stagnation/ no improvement in the percentage of population using improved water resources and adequate sanitation facilities in the GP.</i></p>
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<p>d) Facilitating rural dispensaries, health centres and maternity and child welfare centres</p>	<p>d) The GP facilitated the setting up/development of dispensaries and health/ maternity/ child welfare centres and service provision thereof. This was indicated, <i>inter alia</i>, by the lower incidence of malaria, small pox, cholera or any other epidemic compared to the previous year; decline of the infant mortality rate (IMR); evidence of continuity of services as regards ante-natal care; lower incidence of certain diseases such as neo-natal tetanus and diphtheria on account of improved effectiveness of preventive health delivery system and increase in percentage of children covered under the Intensified Pulse Polio Immunisation Programme.</p>	<p><i>d) The GP did not effectively facilitate setting up/development of dispensaries and health/ maternity/ child welfare centres and service provision thereof. This was indicated, inter alia, by the higher incidence of malaria, small pox, cholera or any other epidemic compared to the previous year; stagnation/no improvement in the infant mortality rate (IMR); gradual fallout among women receiving ante natal care; higher incidence of certain diseases such as neo-natal tetanus and diphtheria on account of reduced effectiveness of preventive health delivery system and decrease in percentage of children covered under the Intensified Pulse Polio Immunisation Programme.</i></p>
<p>v) Maintenance, repair and construction of public streets and protection thereof.</p>	<p>v) There were records to indicate that there was an increase in expenditure on maintenance, repair and construction of public streets and various programmes in this regard were implemented by the GP.</p>	<p><i>v) There was stagnation/ no significant increase in the expenditure on maintenance, repair and construction of public streets. The records did not provide adequate information/details regarding the public streets maintained, repaired and constructed by the GP.</i></p>
<p>vi) The removal of encroachments of public streets or public places</p>	<p>vi) There were records to indicate that action for the removal of encroachments of public streets or public places had been initiated and implemented by the GP.</p>	<p><i>vi) The records did not provide adequate information/details regarding the measures taken/progress made for removal of encroachments of public streets or public places by the GP.</i></p>

vii) The protection and repair of buildings or other property vested in the GP	vii) There were records to indicate that there was an increase in expenditure for the protection and repair of buildings or other property and that programmes in this regard were implemented by the GP.	<i>vii) There was stagnation/ no significant increase in expenditure for the protection and repair of buildings or other property. The records did not provide adequate information/details regarding the measures taken/progress made for the protection and repair of buildings or other property by the GP.</i>
viii) The management and care of public tanks, common grazing grounds, burning ghats and public graveyards	viii) There was an increase in expenditure for the management and care of public tanks, common grazing grounds, burning ghats and public graveyards and programmes initiated in this regard were implemented by the GP.	<i>viii) There was stagnation, no significant increase in expenditure for the management and care of public tanks, common grazing grounds, burning ghats and public graveyards and measures taken in this regard by the GP were inadequate.</i>
ix) Facilitating education and literacy	xi) There were records to indicate that action plans for facilitating education under schemes such as Sarba Siksha Abhijan, were discussed in the Gram Sabha/Sansad and implemented. This was indicated by an increase in the number of children having access to alternative schooling and a higher literacy rate	<i>ix) The records did not provide adequate information/details regarding discussion in the Gram Sabha/Sansad of action plans for facilitating education under schemes such as Sarba Siksha Abhijan. There was stagnation in the number of children having access to alternative schooling and no significant improvement in the literacy rate.</i>

THEME AND KEY AREA: Constitution of Gram Panchayat & Meetings of Gram Sansad

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
The alteration in the area of a 'Gram'.	The alteration was in accordance with notification in the Gazette.	<i>No Gazette notification in respect of alteration in the area of a 'Gram' was forthcoming.</i>
Election of members of GP.	The number of elected members was between five and fifteen.	<i>The number was either less than five or more than thirty.</i>
Holding annual/half-yearly meetings of Gram Sansad in May/November.	The meetings were held in the scheduled months year after year.	<i>The meetings were not held in the scheduled months every year.</i>
-do-	The meetings were held after giving 7 days' public notice.	<i>Such notices were not forthcoming in respect of every meeting.</i>
The presence of one-tenth of the total number of members is an essential requirement to form a quorum for holding first valid meeting.	There was proper quorum.	<i>Not all the first meetings did have the required quorum.</i>



THEME AND KEY AREA: Report on the work of GP

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
Half-yearly & annual reports on the work of the GP are to be prepared. The annual report should be displayed in the office for information of the people. The report should be discussed in the meetings of the Gram Sabha & Gram Sansad and the copy of the final report including modifications, if any, is to be sent to Panchayat Samiti (PS) by the middle of January every year.	The audit evidence to indicated that due procedure was followed every year:	<i>The audit evidence indicated that due procedure was not satisfactorily followed:</i>
	a) The reports were sent as per schedule;	<i>a) Reports were not sent as per schedule every year/half year;</i>
	b) The annual report was displayed for information of people;	<i>b) They were not displayed for information of people;</i>
	c) The annual report was discussed in the meetings of Gram Sabha & Gram Sansad and necessary modifications were adopted;	<i>c) Not all the annual reports were discussed in the meetings of Gram Sabha & Gram Sansad;</i>
d) Copies of the annual report along with modifications were sent to PS by the middle of February.	<i>d) Copies were not sent to PS as per schedule.</i>	



THEME AND KEY AREA: Five year / annual development plan

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
With a view to achieving economic development and securing social justice GP has to draw:		
i) A five-year development plan and update it from time to time.	i) The five year development plan was made out and updated from time to time.	<i>i) There was no audit evidence of preparation of any five year plan, or if there was one, it was not updated from time to time.</i>
ii) An annual plan by October for development of human resources, infrastructure and civic amenities.	ii) The annual plan was made out by October as per norms.	<i>ii) The annual plan was not made out as per schedule, there was no cohesion between the five year and the annual plans.</i>
Implement schemes accordingly	The schemes were being implemented accordingly Budgetary provisions were made keeping in view the objectives focused upon in the five year/annual plans; there was proper documentation for assessment of the anticipated receipts for the next year/half year.	<i>The schemes were not strictly taken up for implementation as decided in the five year/annual plans. Some of the schemes initiated as per plans were abandoned midway without adequate recorded reasons. Budgetary provisions were not in conformity with the development plans.</i>
		<i>There was inadequate evidence documentation to indicate that the benevolent social works taken in hand (like sanitation, eradication of illiteracy/poverty, preventive measures on malaria, small pox etc.) were able to fulfill the objectives of the plans. No clear documentation was forthcoming on the authenticity of assessment of the anticipated receipts of the next year/half year.</i>

THEME AND KEY AREA: Imposition, assessment and collection of taxes, rates or fees

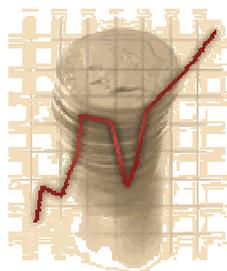
Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
i) Imposition, assessment and collection should be made only in accordance with the decisions of the meetings of the GP	i) There was clear evidence to indicate that imposition, assessment and collection was generally in accordance with the decisions of the meetings of the GP	<i>i) No such clear evidence was forthcoming in every case. All the minutes of the meetings of the GP could not be produced to audit. All cases of levy did not have the required authority.</i>
ii) Collection could be made only by the person authorized by the GP	ii) Collection was made by the authorized person.	<i>ii) There were cases to indicate that collection was made by a person other than the authorized person.</i>
iii) Collections could only be made through prescribed Receipt forms as per norms fixed by the GP and entered in the Cash Book and relevant ledgers simultaneously	iii) Collections were made through prescribed cash receipt form and simultaneously recorded in the different books of accounts.	<i>iii) There were cases to indicate that collections were not always made through prescribed receipt forms or simultaneously recorded in the different books of accounts.</i>
iv) No gifts or donations from any individuals could be received except without prior recorded decisions of the GP	iv) The authenticity of collection of gifts from individuals could be verified from the minutes of the meetings of the Gram Panchayat.	<i>iv) All cases of collection of gifts did not have prior recorded approval of the Gram Panchayat.</i>
v) In case of arrears in collection of	v) Reasons for arrears in collection were duly recorded.	<i>v) Reasons for arrears in collection were not recorded in all cases.</i>

taxes etc the reasons thereof should be recorded		
vi) Moneys received by the GP should be transmitted to the Bank forthwith	vi) There was no delay in transmission of money to the Bank.	vi) <i>There were cases of unusual delay in transmission and there were no recorded reasons for the same.</i>
vii) Taxes, rates, fees etc should be acknowledged in Form no. 4 and Form no. 5 should be used for other miscellaneous receipts	vii) Acknowledgements were given in proper forms.	vii) <i>There were cases to indicate that acknowledgments were not always given in proper forms.</i>
viii) Pradhan / Upa-Pradhan/ Member/Secretary can never collect taxes	viii) Pradhan / Upa-Pradhan supervised, but did not actually collect taxes etc. Member and secretary also did not collect taxes.	viii) <i>There were cases where taxes etc were collected by Pradhan / Upa-pradhan/Member/Secretary, personally.</i>
ix) On the first working day and on the day on which the amount in hand exceeds Rs. 50/- the receipt book should be signed by the Custodian		ix) <i>Custodian's signature was not always there on all the first working days/on the day on which the amount exceeded Rs.50/-.</i>
x) No page should be torn or extracted from the receipt book	Procedure properly followed	x) <i>Some pages were found torn/extracted.</i>
xi) In case of cancellation of any receipt, both the original and duplicate should be cancelled		xi) <i>Original copy was not found in place.</i>

THEME AND KEY AREA: Gram Panchayat Fund

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
i) All receipts of the GP should be credited to the Gram Panchayat Fund under distinct heads as per prescribed norms	i) Receipts were credited as per norms.	<i>i) (a) There were cases of delay in crediting receipts (b) Correct classification was not made in every case.</i>
ii) Money credited to the Gram Panchayat Fund should be kept in the authorized bank in a Savings A/Cs.	ii) Credits of the Fund were kept in the Bank under a Savings Bank A/C as per norms.	<i>ii) Credits were kept in a bank other than the authorized bank or there were cases of delay in transmission of credits to the Bank.</i>
iii) Pradhan (Upa Pradhan in his absence) shall be custodian of the Gram Panchayat Fund, but no money in excess of Rs. 500/ should be kept under his personal custody under normal circumstances.	iii) The Fund was properly maintained by the custodian.	<i>iii) There were cases in which money in excess of Rs. 500 was kept under the personal custody of the custodian without assigning any recorded reasons.</i>
iv) Bank Pass Book should be kept up to date at regular intervals.	iv) The Pass Book was regularly updated.	<i>iv) The Pass Book was not regularly updated.</i>
v) The closing balance as per Cash Book should be reconciled with cash in hand and cash at bank.	v) The reconciliation was regularly made and there was no discrepancy.	<i>v) There were cases of discrepancy and the same were not adequately explained.</i>

vi) Moneys received as fines / penalties should be accounted for under proper heads.	vi) Fines/penalties received were in accordance with decisions of the GP and were accounted for under a proper head	<i>vi) Levy of fines/penalties could not be verified from the minutes of the meetings of the GP in all the cases and no separate head was maintained for receipt of the same</i>
vii) All cheques for withdrawal of money from the bank should be signed by the Pradhan (Upa-Pradhan in the absence of Pradhan) and the Executive Assistant and the latter should be responsible for writing the checks.	vii) Cheques were duly written and signed by the appropriate authorities	<i>vii) Some of the cheques were not written and signed by the appropriate authorities</i>
viii) All cheques should be supported by issue of proper payment orders signed by Pradhan/Upa-Pradhan and Secretary.	viii) Cheques were supported by proper payment orders	<i>viii) Proper payment orders were not forthcoming in all cases of issue of cheques</i>



THEME AND KEY AREA: Accounts and registers

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
Accounts and Registers should be kept in vernacular in bound books pages being serially numbered and with a certificate in the prescribed form on the first page	The books and registers were maintained as per rules	(a) All the books and registers were not bound and serially numbered (b) The certificate in the prescribed form was missing in some of the books and registers

THEME AND KEY AREA: Loss of money, stores etc

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
i) The matter should be reported to the PS	The prescribed procedure was adhered to	i) There were cases of delay in reporting loss of money/stores to PS
ii) The Executive Officer/PS should promptly report the issue to the SDO		ii) Proper records to that effect were not forthcoming
iii) SDO should send a full report to the Executive Officer of the ZP with a copy to the State Govt.		iii) ---do---
iv) GP does not have any original power to write off, it can only recommend: sanction of higher authority viz. Dist. Panchayat Officer, DM, Director of Panchayat and State Govt according to financial powers		iv) There were cases of write-off by the GP without referring the matter to the higher authority

THEME AND KEY AREA: Accounts of GP

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
i) All monetary transactions should be recorded in the Cash Book(CB) in the prescribed form	The procedures were adhered to as per prescribed norms	<i>i) & ii) All the transactions were not always recorded on the day of their occurrence</i>
ii) The transactions should be recorded on the day of their occurrence		
iii) All receipt/payment vouchers should be chronologically numbered and the same be noted in the CB		<i>iii) All the chronological numbers of the receipt/payment vouchers were not always noted in the CB</i>
iv) CB should be closed and balance struck date wise		<i>iv) The daily closing and balancing of CB was not done regularly</i>
v) A note shall be kept in the CB in respect of undisbursed cash drawn by self cheques at the end of the day		<i>v) The record in respect of undisbursed cash drawn by self cheques was not regularly kept</i>
vi) CB should be maintained by the Secretary and the entries authenticated by the Pradhan daily		<i>vi) There were cases of postings not made by the Pradhan and there were some entries which were not authenticated by the Pradhan</i>
vii) In the absence of Secretary, the person by whom CB should be maintained is to be decided by the GP in a meeting	The procedures were adhered to as per prescribed norms	<i>vii) In the absence of Secretary, the CB was maintained by Pradhan or a Member, but it was not ratified by the GP</i>
viii) In case of re-issue/cancellation of cheques, proper reasons should be recorded		<i>viii) Satisfactory reasons were not always forthcoming in respect of cancellation/re-issue of cheques.</i>
ix) Entries in the stock register for cheques and other receipt books should be authenticated by Secretary and Pradhan.		<i>ix) All the entries were not authenticated by Secretary and Pradhan</i>

THEME AND KEY AREA: Procedure for payment

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
i) Every payment from GPF should be made only against valid bill/claim	The procedures were adhered to as per prescribed norms	<i>i) to vi) The procedures were not always followed; not all the bills were countersigned by Pradhan(Custodian); proper vouchers were not always forthcoming; the payments were not entered in the CB; paid bills were not serially numbered; and in case of payment on account of stores/materials, required certificate was not forthcoming on the back of all the vouchers.</i>
ii) The bill/claim should be verified by Secretary and pay order should be examined and countersigned by Custodian		
iii) Particulars of payment should be noted in the CB and cheque issued		
iv) Proper acknowledgment of the payee should be obtained before delivering the cheque		
v) All paid bills should be serially numbered		
vi) In case of payment for purchase of stores/materials, necessary certificate should be entered on the back of the bill/voucher		
vii) No payment for bill in excess of Rs. 500/- should be made in cash		<i>vii) There were cases where payment in excess of Rs. 500/- was made in cash</i>
viii) in case of payment to an illiterate person, payment should be attested by a person known to the recipient and the Custodian		<i>viii) Proper attestation was not made in case of payment to an illiterate person.</i>

THEME AND KEY AREA: Procedure for purchases

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
i) Purchases should be made by a committee comprising of the Pradhan, Upa-Pradhan, Secretary and a nominated member of the GP	The procedures were adhered to as per prescribed norms	<i>i) Minutes of the meeting of the GP nominating the member for the committee could not be produced in every case</i>
ii) In case of an individual article valuing not exceeding Rs.100/-, Pradhan can make the purchase subject to ratification by the committee		<i>ii) Purchase by Pradhan was not ratified by the committee in every case</i>
iii) In case of purchases above Rs.100/-, three quotations from three reliable firms and three sealed tenders should be invited		<i>iii) A minimum of three tenders were not invited in all the cases of purchase above Rs. 100/-</i>
iv) In case of non-acceptance of lowest tenders, proper reasons should be recorded		<i>iv) Proper reasons were not always recorded in case of non-acceptance of lowest tenders</i>
v) All the purchased articles should be entered in the General Stock Book in the prescribed form and columns duly filled in		<i>v) All the purchased articles were not entered in the register and/or the columns were not duly filled in.</i>
vi) Separate page should be kept for each article		<i>vi) There were instances where one page contained particulars of more than one article.</i>

THEME AND KEY AREA: Procedure for Sale

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
i) All sales of movable properties should be made by a committee comprising of Pradhan, Upa-Pradhan, Secretary and a member nominated by the GP, through auction	The proper procedure was followed	<i>i) Sales were not made through auction in all the cases</i>
ii) A minimum price should be fixed in the meeting of the GP		<i>ii) Minutes of the meeting of the GP could not be produced in some cases</i>
iii) In case of sale of articles above Rs.500/- public auction should be held giving a notice of not less than 7 days		<i>iii) A notice of 7 days was not given in all the cases of sales above Rs.500/-</i>
iv) Date, place, time and terms of auction should be indicated in the notice for auction		<i>iv) The notice for action did not always clearly indicate date, place, time and terms of auction</i>
v) The article should be sold to the highest bidder		<i>v) The article was not sold to the highest bidder in every case</i>
vi) No auction should be held in the event of the highest bid falling short of the minimum price and a second auction should be held		<i>(vi) & (vii) There were cases of sale of articles falling short of the minimum price without holding a second auction/without referring the matter to the SDO.</i>
vii) If the minimum price is not reached in the second auction, the matter should be referred to SDO for a decision.		

THEME AND KEY AREA: Procedure for Works

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
i) Sealed tenders should be invited through a tender notice of not less than 7 days for supply of materials or carriage of materials to the work site by the contractor	The Proper procedure was followed	<i>(i)& (ii) There were no/ inadequate records to indicate that earnest money at the prescribed rate was deposited and the same was taken into account in the books of the GP</i>
ii) Earnest money at the rate of 2% should be deposited in cash along with the tender		<i>(iii) & (iv) There was inadequate evidence to show that tenders were opened in the presence of tenderers and Pradhan was assisted by Secretary & Job Assistant in the scrutiny of tenders</i>
iii) Tenders have to be opened by the Pradhan in the presence of the tenderers at the appointed date and time		<i>v) Records to indicate selection of the person for day to day supervision were not forthcoming in respect of every work/scheme</i>
iv) Pradhan will be assisted by Secretary and Job assistant in the scrutiny of tenders		<i>vi) There were instances to indicate that a member of the GP was selected for day to day supervision</i>
v) The GP should select a person preferably from the locality for day to day supervision of the work/scheme undertaken by it		
vi) No member of the GP should be selected for this supervision	<i>viii) There were cases where advance payment in excess of 25% of the total wage was made</i>	
vii) The person selected for day to day supervision should execute an indemnity bond in the prescribed form		
viii) An advance payment not exceeding 25% of the total wage may be made to the above person at a time		

ix) Before making any subsequent payment the Custodian should realise all vouchers of the previous payment and satisfy himself of the actual progress of the work	<i>ix) Before making subsequent payment the Custodian did not ensure realisation of all vouchers of the previous advance or satisfy himself of the actual progress of the work</i>
x) If the recipient fails to submit all the necessary vouchers within three months he should be liable to be prosecuted under Indian Penal Code	<i>x) Prosecution was not initiated in all cases in spite of the recipient's failure to submit all the necessary vouchers within three months</i>
xi) All payment of advance should be recorded in a register in Form no.16	<i>xi) The Advance Register was not maintained properly</i>
xii) Separate page should be made for each recipient	<i>xii) Separate page was not always kept for each recipient</i>
xiii) At the time of payment the recipient should grant a receipt in plain paper to be countersigned by the Pradhan which should be treated as a voucher	<i>xiii) Vouchers could not be produced in respect of every such payment</i>
xiv) The amount of advance should be posted in the payment side of the Cash book (CB) on the date of the payment	<i>xiv) All payments were not posted in the CB or not always posted on the same date</i>
xv) No work bill should be accepted unless proper adjustment of the advance has been made and the same is technically checked and certified by the Job Assistant of the GP	<i>xv) Certification by the Job Assistant was not forthcoming in every case</i>
xvi) Recovery of advance should be noted in the advance register	<i>xvi) Recovery of advance was not noted in every case</i>
xvii) The amount of payment passed for the work bill should be indicated in the bill along with a note in respect of the purpose for which the payment is made	<i>xvii) The purpose of payment passed for the work bill was not always indicated</i>
xviii) Similar posting should also be made in the respective ledger of the work/scheme to prevent subsequent payment on the same work bill	<i>xviii) The procedure to prevent subsequent payment on the same work bill was not always followed.</i>

THEME AND KEY AREA: Registers to be maintained in connection with works

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
i) Allotment Register records all transactions for the allotment of fund in cash or kind in Form no. 17 for the execution of works or scheme and a separate page should be kept for each scheme/programme	The registers were maintained as per prescribed procedure	<i>i) to iv) The registers were not maintained as per procedure</i>
ii) Project Register is maintained in Form no 18 for all projects under each programme		
iii) Works Register records particulars of all development works undertaken by the GP through its own resources		
iv) Measurement Book records actual measurement of all works undertaken by the GP		
v) Muster Roll records all kinds of payment either in cash or kind at the site of work in Form no 20		
vi) Appropriation Register records all grants & loans received from Central or State Government in Form no. 8.		

THEME AND KEY AREA: Gram Panchayat Budget

Inspection Focus	A Gram Panchayat that is clear about what it is trying to do	A Gram Panchayat that is not clear about what it is trying to do
i) Secretary to prepare the outline budget under the direction of the Pradhan by the 1 st October each year for the following year; prior to that Pradhan has to ascertain the estimated receipts of the GP of its own resources and grants or contribution against programme, project/schemes	The procedures were adhered to as per prescribed norms	i) to iii) Scheduled dates could not be adhered to in different stages of preparation of the budget There were insufficient records to ascertain that the Pradhan gave directions to the Secretary for preparation of the outline budget or ascertained the estimated receipts of GP/grants or contribution against programme, project/scheme
ii) The same is to be discussed in the meeting of the GP by 15th October and modified by the Secretary accordingly by 20th October		iv) There were no records to show that copies of the draft budget were displayed in at least two prominent places besides the notice board of the GP
iii) This will be reconsidered in the meeting of the GP as draft budget by 1 st November		
iv) Copies of the draft budget are to be displayed publicly with a notice in the prescribed form for general information of the members of the Gram Sabha by 5 th November for filing objections within 10 days		
v) A copy is also to be forwarded to the PS		v) to vi) There were cases where the Pradhan failed to

vi) The PS is to send its views to the GP by 30 th November		finalise budget within the financial year, but there was no record to indicate that the Sthayee Samiti appointed any person to finalise the budget
vii) The draft budget shall be discussed in meeting of the Gram Sabha/Gram Sansad by November and objections / suggestions are to be recorded by Pradhan		vii) There were no records to indicate that the views of the Gram Sansad or Gram Sabha were noted in the draft budget before it was discussed by the GP for final approval
viii) The draft budget along with objections/suggestions and the views of the PS is to be discussed by the Gram Sabha by 31 st December and the objections/suggestions are to be recorded in writing		viii) & ix) There were cases where the Pradhan failed to finalise budget within the financial year, but there was no record to indicate that the Sthayee Samiti appointed any person to finalise the budget
ix) This is then discussed by the GP by 31 st January and the approved budget is sent to the PS by 15 th February		In case of revised time schedule for finalization of the budget, the Pradhan failed to inform the PS accordingly.



