G/2023
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Eo(VP)
268/
18/3/24

**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/** 503 **Date:** 12.03.2024

**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 "Navelim" of Salcete Block for the year 2022-2023 conducted during the year 2023-2024.**

Sir,

A copy of the Audit Report on the account of the Village Panchayat "Navelim" of Salcete Block for the year 2022-2023 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, South Goa Zilla Panchayat, Old Collectorate Bldg., Opp. Municipal Garden, Margao Goa.....via email
2. The Block Development Officer, Salcete-Goa.....with a request to send a copy of the report to the concerned Village Panchayat, for due compliance.
3. DDA/Inspection (South Branch, Margao)
4. Office of the Accountant General, Audit Bhavan "Green Valley", Alto Porvorim-Goa.....via email
5. Office copy
6. Guard file

# Audit Report of the accounts of Village Panchayat, Navelim of Salcete Block for the year 2022-23

**Part – I:**
**2022-2023**

**A) Name of Sarpanch**: Smt. Bebinda Gonsalves 01.04.2022 to 18.06.2022
Shri. Paul Pereira 22.08.2022 to 31.03.2023

**Administrator** : Smt. Akshaya Faldessai 19.06.2022 to 21.08.2022

**Name of Secretary** : Shri. Joaquim Rodrigues 01.04.2022 to 10.05.2022
Shri. Rajendra Naik 11.05.2022 to 31.03.2023

**B) Name of audit party and their designation:**

1. Kenlee Ferrao : Assistant Accounts Officer
2. Shivram Jamuni : Accounts Clerk
3. Prajyot Dabholkar : LDC

**C) Date of audit**: 12/12/2023 to 13/12/2023

**D) Period of audit** : 01/04/2022 to 31/03/2023

**Part II – Introductory:**

The Audit of the accounts of Village Panchayat, Navelim of Salcete Block for the period from 01/4/2022 to 31/03/2023 was conducted by the Office of the Joint Director of Accounts, South Branch, Margao, under the supervision of Shri Leslie Moraes, Dy. Director of Accounts/Inspection, South Branch, Margao.

The Village Panchayat has been sanctioned the following administrative grants during the year

| | |
|---|---|
| Matching Grants | Rs.425000.00 |

**Part III-Comments on Accounts**:

The Village Panchayat is maintaining the accounts in Form 1 to 10 as per Rule 20,21(a) and 25 of the Goa Panchayat (Accounts, audit and custody of funds) Rules 1997 comprising of particulars of income and expenditure for all grants received (Administrative & Developmental Grants).

**I – Summary of Accounts:**

| | |
|---|---|
| Opening balance for the year 2022-23 | 41923142.84 |
| Receipts during the year 2022-23 | 14453384.00 |

| | |
|---|---|
| Expenditure during the year 2022-23 | 6608117.10 |
| Closing Balance as on 31st March 2023 | 49768409.74 |

**Details of funds available:**

| | |
|---|---|
| Government Grants | 23426820.00 |
| EMD | 60788.00 |
| Security Deposit | (-)262749.00 |
| Labour Cess on construction | 3819597.00 |
| Panchayat fund as on 31st march | 22723953.74 |
| **Closing Balance as on 31st march** | **49768409.74** |

**The liabilities of the Panchayat**

| | |
|---|---|
| Government Grants | 23426820.00 |
| EMD | 60788.00 |
| Security Deposit | (-)262749.00 |
| Labour cess on construction | 3819597.00 |
| **TOTAL** | **27044456.00** |

**II – Grants: Huge Balance Remaining Unspent**

The details of grants sanctioned, utilized and unspent as on 31.03.2023 are as follows:

| Sr. No. | Types of grants | Opening balance | Grants Received. | Grants Utilized | Balance as on 31/3/23 |
|---|---|---|---|---|---|
| 1 | Members Salary | 29748.00 | 341550.00 | 311850.00 | 59448.00 |
| 2. | XIVth Finance | 10088552.00 | 0.00 | 319105.00 | 9769447.00 |
| 3. | XVth Finance | 7012716.00 | 1285209.00 | 0.00 | 8297925.00 |
| 4. | Golden Jubilee | 5300000.00 | 0.00 | 0.00 | 5300000.00 |
| | **Total** | **22431016.00** | **1626759.00** | **630955.00** | **23426820.00** |

An amount of Rs.189800.00 vide Vr. No. has been included in the expenditure of XIVth finance for financial year 2021-2022 which was not shown in the

audit. hence the opening balance may be considered as 10088552.00 instead of Rs.10278352.00. Under 60 years liberation the Panchayat has proposed to beautify develop and to construct walking track and other related works infront of Rosary High School estimated to Rs. 41,29,461.11

**III – Budget: Huge variations in the budget estimate and actual income and expenditure**

The Budget estimate and the actual income and expenditure for the year 2022-2023 are as follows:

**Income**

| YEAR | Budget estimate | Actual | Variations |
|---|---|---|---|
| 2022-2023 | 54876150.54 | 14453384.00 | 40422766.54 |

**Expenditure**

| YEAR | Budget estimate | Actual | Variations |
|---|---|---|---|
| 2022-2023 | 28168500.00 | 6608117.10 | 21560382.90 |

There are huge variations in the budget estimate and actual income and expenditure. Care may be taken in future to prepare realistic budget.

**Part IV – Current Audit: Outstanding paras not complied**

Section A(a) – Introductory:

Section A(a) : Introductory – Nil

(b) Outstanding paras of previous audit

| Sr. No | Year | Opening balance | Paras dropped | Balance as on 31/3/2017 |
|---|---|---|---|---|
| 1. | 1997-98 | 1 | ---- | 1(para 3(iv) to(x) & (xii) |
| 2 | 1998-99 | 1 | ---- | 1(para 4(5) |
| 3. | 2009-10 | 1 | ---- | 1(para 12, |
| 4. | 2010-11 | 1 | 0 | 1(Para 11Sr.No.1,1to7,Sr.2, |
| 5. | 2011-12 | 2 | 0 | 2Para 10(1 to 11)13, |
| 6. | 2012-13 | 15 | 14 | 1(Para 15(a) |
| 7 | 2014-15 | 14 | 12 | 2(Para 9,12) |
| 8 | 2015-16 | 14 | 13 | 1(Para 10(a) |
| 9. | 2016-17 | 14 | 13 | 1(Para 10 (a)) |
| 10. | 2017-18 | 14 | 13 | 1 (Para 10(a)) |

**Audit Report 2018-19 to 2021-22:**

**Para 1 – Financial position:** - Maintained

**Para 2 – Cash Book –** Maintained

**Para 3 – Demand, collectio & arrears of taxes:**- Dropped and commented

**Para 4 – Market Auction:** Maintained

**Para 5 - Rental** – Maintained.

**Para 6 – a) Construction license :** Dropped and commented

**b) Illegal construction:** Maintained

**Para 7 – Annual Action Plan** – Dropped

**Para 8 – Formation of Committee:** Dropped and commented in current audit.

**Para 9 – Furnishing of Surety bond by VP Secretary**- Dropped

**Para 10 – Works:** Dropped & commented in current audit.

**Para 11 – Vouchers –** Maintained

**Para 12- Maintenance of Registers :**

(a) Pay bill register : Dropped and commented.
(b) Property register : -- do ---
(c) Court Case register : Maintained
(d) Security deposit/EMD : Dropped and commented.

**Para 13 – (a) Service Book :** Dropped and commented

(b) Salary Reserve Fund : Dropped and commented

(c) Provident Fund : Dropped and commented.

(d) Reserve for Pensionery Benefits : --- do ---

**Para 14 – a)Departmental inspection :** Maintained

**b)GramSabha** :Dropped

**c)Administrative Report** : Dropped

## Current Audit 2022-23

**Para 1 – Financial Position:** The Financial position of the V.P. is quite sound. The closing balance of Panchayat as per Cash Book is Rs. **49768409.74** as on 31.03.2023.Out of which Rs. 22723953.74 are Panchayat fund.

**2. Cash Book**

The closing balance of Panchayat as per Cash Book is **Rs. 49768409.74** as on 31.03.2023.

The details of closing balance is as follows:

| Sr. No. | Name of Bank with A/c No. | Balance as per | | Differences |
|---|---|---|---|---|
| | | Cash Book | Pass Book | |
| 1 | Bank of Baroda A/c 2585 | 420147.00 | 431821.00 | 11674.00 |
| 2 | Bank of Baroda A/c 6495 | 301293.00 | 318268.00 | 16975.00 |
| 3 | Union Bank A/c 5027 | 7883634.13 | 8263116.33 | 379482.00 |
| 4 | State Bank of India A/c 3863 | 775171.00 | 790931.00 | 15760.00 |
| 5 | Bank of Baroda FDR 3188 | 545289.00 | 642967.00 | 97678.00 |
| 6 | Bank of Baroda FDR 3189 | 560136.00 | 657787.00 | 97651.00 |
| 7 | Bank of India FDR 1778 | 1998138.85 | 2354495.85 | 356357.00 |
| 8 | HDFC Bank FDR 7248 | 2206695.00 | 2323881.00 | 117186.00 |
| 9 | Cash in HDFC 38 | 1203675.00 | 1230987.00 | 27312.00 |
| 10 | Cash in ICICI 193 | 1113990.00 | 1123718.00 | 9728.00 |
| 11 | ICICI FD 0724 | 1259176.00 | 1327857.00 | 68681.00 |
| 12 | ICICI 0369 | 656528.00 | 656657.65 | 129.65 |
| 13 | ICICI 0289 | 8297925.00 | 10961783.00 | 2663858.00 |
| 14 | Cash in IDBI 5371 | 20535573.38 | 20698972.10 | 163398.72 |
| 15 | IDBI FD 2721 | 601420.00 | 633086.00 | 31666.00 |
| 16 | IDBI FD 2721 | 601755.00 | 633438.00 | 31683.00 |
| 17 | IDBI FD 2590 | 806345.00 | 804778.02 | 1566.98 |
| | Cash in Hand | 1518.48 | | |
| | **Closing Balance** | **49768409.74** | | |

**IV – Reconciliation:**

**A) Bank of Baroda: A/c No.2585**

**Balance as per Cash Book** **Rs 420147.00**

**Add:** Interest credited but not accounted in Cash book Rs. 11674.00

**Balance as per Pass Book** **Rs. 431821.00**

**B) Bank of Baroda: A/c No.6495**

| | | |
|---|---|---|
| **Balance as per Cash Book** | **Rs** | **301293.00** |
| **Add:** Interest credited but not accounted in Cash book | Rs. | 16975.00 |
| **Balance as per Pass Book** | **Rs.** | **318268.00** |

**C) Union Bank: A/c No.0355**

| | | |
|---|---|---|
| **Balance as per Cash Book** | **Rs** | **7883634.03** |
| **Add:** Unreconciled figure 2022-23 | Rs. | 379482.30 |
| **Balance as per Pass Book** | **Rs.** | **8263116.33** |

**D) State Bank of India A/c No.3863**

| | | |
|---|---|---|
| **Balance as per Cash Book** | **Rs.** | **775171.00** |
| **Add:** Interest credited but not accounted in Cash book | Rs. | 15760.00 |
| **Balance as per Pass Book** | **Rs.** | **790931.00** |

**E) Bank of Baroda: A/c No.3188**

| | | |
|---|---|---|
| **Balance as per Cash Book** | **Rs** | **545289.00** |
| **Add:** Interest credited but not accounted in Cash book | Rs. | 97678.00 |
| **Balance as per Pass Book** | **Rs.** | **642967.00** |

**F) Bank of Baroda: A/c No.3189**

| | | |
|---|---|---|
| **Balance as per Cash Book** | **Rs** | **560136.00** |
| **Add:** Interest credited but not accounted in Cash book | Rs. | 97651.00 |
| **Balance as per Pass Book** | **Rs.** | **657787.00** |

**G) Bank of India: A/c No.1778**

| | | |
|---|---|---|
| **Balance as per Cash Book** | **Rs** | **1998138.85** |
| **Add:** Interest credited but not accounted in Cash book | Rs. | 356357.00 |
| **Balance as per Pass Book** | **Rs.** | **2354495.85** |

**H) HDFC: A/c No.3765**

| | | |
|---|---|---|
| **Balance as per Cash Book** | **Rs.** | **2206695.00** |
| **Add:** Interest credited but not accounted in Cash book | Rs. | 117186.00 |
| **Balance as per Pass Book** | **Rs.** | **2323881.00** |

**I) HDFC: A/c No.0038**

| | | |
|---|---|---|
| **Balance as per Cash Book** | **Rs.** | **1203675.00** |
| **Add:** Interest credited but not accounted in Cash book | Rs. | 27312.00 |

**Balance as per Pass Book** **Rs. 1230987.00**

**J) ICICI: A/c No.0193**

**Balance as per Cash Book** **Rs. 1113990.00**

**Add:** Interest credited but not accounted in Cash book Rs. 9728.00

**Balance as per Pass Book** **Rs. 1123718.00**

**K) ICICI: FD A/c No.0724**

**Balance as per Cash Book** **Rs. 1259176.00**

**Add:** Interest credited but not accounted in Cash book Rs. 68681.00

**Balance as per Pass Book** **Rs. 1327857.00**

**L) ICICI: A/c No.0369**

**Balance as per Cash Book** **Rs. 656528.00**

**Add:** Unreconciled figure 2022-23 Rs. 129.65

**Balance as per Pass Book** **Rs. 656657.65**

**M) ICICI: A/c No.0289**

**Balance as per Cash Book** **Rs. 8297925.00**

**Add:** 1) Grants received but not Account on Cash book Rs. 2584576.00

2) Interest credited but not Accounted on Cash Book Rs 79282.00

**Balance as per Pass Book** **Rs. 10961783.00**

**N) IDBI: A/c No.5371**

**Balance as per Cash Book** **Rs. 20535573.00**

**Add:** Unreconciled Figure 2022-23 Rs. 163398.72

**Balance as per Pass Book** **Rs. 20698972.10**

**O) IDBI**

**Balance as per Cash Book** **Rs. 601420.00**

**Add:** Interest credited but not accounted in Cash book Rs. 31666.00

**Balance as per Pass Book** **Rs. 633086.00**

**P) IDBI**

**Balance as per Cash Book** **Rs. 601755.00**

**Add:** Interest credited but not accounted in Cash book Rs. 31683.00

**Balance as per Pass Book** **Rs. 633438.00**

**Q) IDFC Bank:**

**Balance as per Cash Book** **Rs. 806345.00**

**Less:** Unreconciled figure 2022-23 Rs. 1566.98

**Balance as per Pass Book** **Rs. 804778.02**

**Observations of Cash book**

1. The Village Panchayat has used 67 receipt books i.e. from 179/56 to 246/10 balance 04 unused receipt book from 247/100 to 250/100 as on 31.03.2023.

**Para 3 – Demand, collection and arrears of taxes: Notices are not issued for**

**The position of various taxes, collected, demand and balance outstanding. It is observed that the revenue collected registers i.e. Form 7 and Form 8 is incomplete and not maintained properly by the Village Panchayat. As per Form 10 the House tax collected Rs.2897210.00, Light tax Rs.52555.00, Trade tax Rs.62443.00, Advertisement tax Rs.6350.00. The Village Panchayat has to put more efforts to recover the outstanding taxes by invoking the provisions of Goa Panchayat Raj Act issuing demand notices to defaulters.**

**Para 4 – Market Auction: Agreement between Sarpanch and highest Bidder is executed**

**2022-23**

The auction for collection of fees on sale of goods in market melas, fairs and festivals and slaughter fees on pigs and cattles in the jurisdiction of the village Panchayat of Navelim for the financial year 2022-23 was carried out on 25/03/2022 vide Public auction Notice is not found in the file. The initial bid was fixed at Rs.2,47,500/-. Accordingly 9 bidders have participated in auction and Shri Harish Tulaskar who quoted Rs.721000/- was the highest bidder and his bid was accepted by the Panchayat.

The agreement was executed on 31/03/2022 between the highest bidder and the Panchayat. The bidder paid the amount in 2 installments vide Rt.No.1728/28 dt 28/03/2022 Rs.360500/- and Rt.No.2014/28 dt 27/09/2022 Rs 360500/-.

**Para 5- Rentals: Demand notices to defaulters are not issued**

V.P. Navelim had leased out only one premises on rental basis for tower to M/s INDUS TOWERS LTD. @ Rs.3,96,900/- for the year 2022-23 subjected to TDS.

V.P. Navelim had leased out two premises on rental basis to Electricity Department, SE-I , Margao Goa. The demand has not been sent to the Electricity department nor the rent amount has been collected for the financial year 2022-2023. The rent register has not been maintained by the Panchayat.

**Para 6 (a) – Construction Licenses:** V.P. Navelim has issued 57 Construction Licenses and collected an amount of Rs.1333541/- towards license fees during the year 2022-23 including fine of Rs.21090/-.

**(b)Illegal Construction: The cases of illegal construction not settled**

There are altogether 52 illegal constructions pending with the Panchayat as on 31/03/2023.

**Para 7 – Annual Action Plan:** V. P. Navelim has prepared the annual action plan for the year 2022-23 and submitted the same to Zilla Panchayat as required under Section 238 of the Goa Panchayat Raj Act 1994.

**Para 8 – Formation of Committees:**

The V. P. Navelim have constituted the following committees.

1) Supervisory Committee, Sec.6(2)

2) Standing Committee, Sec.6(4)

3) Development Committee, Sec.6(8)

4) Village Development Committee

5) Bio-Diversity Committee

6) Garbage committee.

**Para 9 – Furnishing surety Bond by V.P. Secretary:**

As required under Section 4(3) of the Goa Panchayat Raj Act., the Village Panchayat Secretary has not produced the surety bond. Same may be done and compliance shown to the next audit.

**Para 10 – Works:**

V.P. Navelim has not executed any works during the year 2022-23

**Para 11 – Vouchers: Quotation files not presented to the audit**

1. Voucher No. 539 Dated 28/10/22 for Rs 22,200/- paid to Best Services towards replacement of NPG drum unit Xerox machine. Quotation file not presented for verification

**Para 12 - Maintenance of Register:**

a) **Pay Bill Register:** The V. P. has maintained the pay bill register in the prescribed format i.e. TR-22 A and records are found to be in order.

b) **Property register:**
The property register is maintained in prescribed format

c) **Court Cases Register: Cases of illegal construction not settled**
As per register of court cases produced to audit there are 52 cases pending with the Panchayat as on 31/3/2023. Advocate fees paid to Rs. 69080/-.

d) **Security Deposit/EMD Register:**

The Village Panchayat has maintained the security deposit/EMD register but incomplete. The outstanding balance of security deposit is Rs.(-) 262749/- and EMD is Rs.60788/- as on 31/03/2023. **It has been noticed that an amount of Rs (-) 262749/- contra entry has not taken on cash book which may be verified and shown to the next audit.**

**Para 13 (a) Service Book and leave Accounts:**

The Village Panchayat has maintained the service book and leave account of staff of V.P & found to be correct.

**(b)Salary Reserve fund:**

The Village Panchayat has created salary reserve fund equivalent to 3 months salary of staff. The balance of amount created as salary reserve fund is Rs.6,42,386/- as on 31.03.2023.

**(c)Provident Fund:**

All the regular employees of this Panchayat were contributing towards EPF every month.

**(d)Reserve for pensionery benefits:**

Every Panchayat shall reserve not less than two and half percent(2.5%) of their income as reserve fund for contributing provident fund and pension benefits etc This provision has made by village panchayat to the working staff of Panchayat.

**Para 14(a)-Departmental Inspection: As per the Goa Panchayat Raj Act 1994 empowers ( section 173 ) inspection by BDO and EOVP are not carried out as required**

The BDO and E.O.(VP) has not conducted any inspections of Village Panchayat as prescribed 3 & 5 respectively during the year 2022-23. Reasons for non-conducting the inspections may be justified. Director of Panchayat may take necessary action for intentional violation of codal procedure

**b) Gramsabhas:**
V.P. have conducted 02 ordinary, 01 extra ordinary and 4 special gram sabhas during the year 2022-23.

**c) Administrative Report:** V.P. have prepared the Administrative Report for the year 2022-23 and submitted the same to BDO and copy endorsed to audit.

**NOTE:** The Inspection report is prepared on the basis of information furnished and made available by the Secretary of V.P. Navelim. The office of Jt. Director of Accounts, South Branch, Margao disclaims any responsibility and non-information on the part of auditee.

( Leslie Moraes )

Date : 19/01/2024

**Dy. Director of Accounts/Inspection.**