Path/05
07/10/24

EO (VP)
8474
01/10/24

Government of Goa
"Kautilya" Lekha Bhavan
Directorate of Accounts
Penha De Franca, Alto Porvorim, Bardez-Goa - 403521

No. DA/Control/31-5(II)/2024-25/340 Date: 18 .09.2024

5(19)
29/10/2024

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

V.P. OFFICE
NAVELIM
SALCETE-GOA
Inward No. 1749
Date: 22/10/24

Sub:- **Audit Report on the account of the Village Panchayat "Navelim" of Salcete Block for the year 2023-24 conducted during the year 2024-25.**

Sir,

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

A copy of the said reports is also sent to the respective Block Development Officer, for the needful.

Despite recording the observations during the last inspection report, compliance to the previous audit observations has been neglected. Rigorous efforts should be made to comply with the audit observations and compliance report should be submitted to audit without further delay.

Yours faithfully,

(Dilip K. Humraskar)
Director of Accounts

Place for meeting Gramsabha
22/10/2024

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

noted & to be place for next Gramsabha
29/10/2024

Place for meeting
Cawalho
23/10/24

Audit Report of the accounts of Village Panchayat, Navelim of Salcete Block for the year 2023-24

PART -I

INTRODUCTORY: The Audit of the accounts of Village Panchayat Navelim of Salcete Block for the period from 01/04/2023 to 31/03/2024 was conducted by the Office of the Directorate of Accounts, South Branch, Margao, under the supervision of Shri. Leslie Moraes, Dy. Director of Accounts/Inspection, South Branch, Margao.

The Audit was conducted from 04/06/2024 and 06/06/2024 by the Audit party headed by Shri Agnelo Pereira, Asst. Accounts Officer with the assistance of Shri. Joaquim Colaco UDC, and Shri Nitant Zambaulikar, LDC.

The following person was holding/elected to the post of Sarpanch of Navelim Panchayat during the period of Audit.

Sr.no	Name of Sarpanch	Period from	To
1.	Shri. Paul Pereira	01-04-2023	14.06.2023
2.	Smt. Lucia Carvalho	15.06.2023	31-01-2024
3.	Smt. Velinda Alfonso	01-02-2023	11-03-2024
4.	Smt. Lucia Carvalho	12-03-2024	31.03.2024

The following officials were holding charge of the Village panchayat Secretary during the period covered under Audit.

Sr.no	Name of Secretary	Period from	To
1.	Shri Rajendra Naik	01-04-2023	17-01-2024
2.	Shri Kushalidas Gaunkar	17.01.2024	31.03.2024

Part II –

Introductory: The Village Panchayat **Navelim** of **Salcete** Block has been sanctioned the following administrative grants during the year.

Sr. No.	Grants	2023-24
1.	XVth Finance	4168119.00
2.	Member Salary	1000500.00
3.	GIPARD	10000.00
	TOTAL	**5178619.00**

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 2023-24	49768409.74
Receipts during the year 2023-24	+16037486.00
Expenditure during the year 2023-24	-10052895.70
Closing Balance as on 31st March 2024	**55753000.04**

Details of funds available:

Government Grants	28077857.00
EMD	63631.00
Labour Cess on construction	6493257.00
Security Deposit (Hall)	16000.00
Security Deposit (works)	72128.00
Labour Cess (works)	7982.00
Income tax	18360.00
Royalities	4211.00
SGST +CGST	13530.00
Panchayat fund as on 31st march	20986044.04
Closing Balance as on 31st march	**55753000.04**

1. Security Deposit -262749 which was shown on previous audit was not found rectified.

2. Registers for security deposit, EMD, Royalty, Income Tax, GST, Labour cess on works and Labour cess on construction license not maintained.

The liabilities of the Panchayat

Government Grants	28077857.00
EMD	63631.00
Security Deposit	72128.00
Labour cess on construction	6493257.00
Security Deposit (Hall)	16000.00
Labour Cess (works)	7982.00
Income tax	18360.00
Royalities	4211.00
SGST +CGST	13530.00
TOTAL	**34766956.00**

II – Grants:Huge Balance Remaining Unspent

The details of grants sanctioned, utilized and unspent as on 31.03.2024 are as follows:

Sr. No.	Types of grants	Opening balance	Grants Received	Grants Utilized	Balance as on 31/3/24
1.	Members Salary	59448	1000500	998300	61648
2.	XIVth Finance	9769447	0	0	9769447
3.	XVth Finance	8297925	4088837	0	12386762
4.	Golden Jubilee	5300000	0	0	5300000
5.	GIPARD	0	10000	0	10000
	Total	**23426820**	**5099337**	**998300**	**27527857**

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 2023-2024 are as follows:

Income

YEAR	Budget estimate	Actual	Variations	%
2023-2024	8314000.00	16037486.00	7723486.00	51.84%

Expenditure

YEAR	Budget estimate	Actual	Variations	%
2023-2024	64269000.00	10052895.70	54216104.30	15.64%

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) : Introductory – Nil

(b) Outstanding paras of previous audit

Sr. No	Year	Opening balance	Paras dropped	Paras maintained Balance
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))
11.	2018-22	14	06	8(Para 1,2,4,5,6b,11,12c 14a)
12.	2022-23	14	05	9(Para3,4,5,6b,9,11,12c,12d,14a,)

Current Audit 2023-24

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.55753000.04** as on 31.03.2024 out of which **Rs.20986044.04** are Panchayat fund.

Para 2 - Cash Book: The closing balance of Panchayat as per Cash Book is **Rs. 55753000.04** as on 31.03.2024. 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	431821.00	445785.00	-13964.00
2	Bank of Baroda A/c 6495	301293.00	328559.00	-27266.00
3	Union Bank A/c 5027	8504162.33	8266031.08	238131.25
4	State Bank of India A/c 3863	790931.00	812549.00	-21618.00
5	Bank of Baroda FDR 3188	545289.00	545289.00	0.00
6	Bank of Baroda FDR 3189	560136.00	560136.00	0.00
7	Bank of India FDR 1778	1998138.85	1998138.85	0.00
8	HDFC Bank FDR 7248	2206695.00	2206695.00	0.00
9	HDFC SB A/c 38	1230987.00	1268412.00	-37425.00
10	Cash in ICICI 193	966277.00	996679.00	-30402.00
11	ICICI FD 0724	1259176.00	1259176.00	0.00
12	ICICI 0369	1489394.00	1489394.00	0.00
13	ICICI 0289	12466044.00	12905494.00	-439450.00
14	Cash in IDBI 5371	20980713.38	20980713.38	0.00
15	IDBI FD 2721	601420.00	677038.00	-75618.00
16	IDBI FD 2714	601755.00	677415.00	-75660.00
17	IDBI FD 2590	806345.00	806345.00	0.00
18	Cash in Hand	12422.48	12422.48	0.00
	Closing Balance	**55753000.04**	**56236271.79**	**-483271.75**

IV – Reconciliation:

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

Balance as per Cash Book **Rs 431821.00**

Add: Interest credited but not accounted in Cash book Rs. 13964.00

Balance as per Pass Book **Rs. 445785.00**

- **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. 27266.00
Balance as per Pass Book	**Rs. 328559.00**

- **Union Bank of India: A/c No.5027**

Balance as per Cash Book	**Rs.8504162.33**
Add: Neft receipt of tender forms not accounted in cash book	Rs. 27000.00
Add: Interest not taken on cash book	Rs. 100.00
Less: Bank charges not recorded on CB	Rs. -3.25
payment not taken on cash book	Rs. -168740.00
payment not taken on cash book	Rs. - 96488.00
Balance as per Pass Book	**Rs.8266031.08**

- **State Bank of India A/c No.3863**

Balance as per Cash Book	**Rs. 790931.00**
Add: Interest credited but not accounted in Cash book	Rs. 21618.00
Balance as per Pass Book	**Rs. 812549.00**

- **HDFC SB A/c 38**

Balance as per Cash Book	**Rs. 1230987.00**
Add: Interest credited but not accounted in Cash book	Rs. 37425.00
Balance as per Pass Book	**Rs. 1268412.00**

- **ICICI SB A/c No.193**

Balance as per Cash Book	**Rs 966277.00**
Add: Interest credited but not accounted in Cash book	Rs. 30402.00
Balance as per Pass Book	**Rs. 996679.00**

- **ICICI: SB A/c No.289 (15th Fin)**

Balance as per Cash Book	**Rs 12466044.00**
Add: Interest credited but not accounted in Cash book	Rs. 439450.00
Balance as per Pass Book	**Rs. 12905494.00**

- **IDBI FD 4190**

Balance as per Cash Book	**Rs. 601420.00**
Add: Interest credited but not accounted in Cash book	Rs. 75618.00
Balance as per Pass Book	**Rs. 677038.00**

- **IDBI FD 4206**

Balance as per Cash Book	**Rs. 601755.00**
Add: Interest credited but not accounted in Cash book	Rs. 75660.00
Balance as per Pass Book	**Rs. 677415.00**

Observations of Cash book

The Village Panchayat has used 65 receipt books i.e. from 246/11 to 250/100 and from 1/01 to 60/09 balance 90 unused receipt book from 61 to 150 as on 31.03.2024.

Para 3 – Demand, collection and arrears of taxes:

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. The summary of taxes as provided by the Panchayat. House tax 2487257.00 EHN House tax collection 26536.00 light tax 47123.00 trade tax 54985.00 and Rental tax Rs. 2000.00

The Panchayat is directed to maintain and submit to Audit Form 8. Showing the amount of Arrears pending, Demand raised, Taxes collected and balance to outstanding.

Sr. No.	Types of Taxes	Opening Balance	Current demand	Collection	Bal as on 31/03/2024
1.	House Tax	3806015	2850161	2487257	4168919
2.	EHN House tax	0	37299	26536	10763
3.	Light Tax	68033	54503	47123	75413
4.	EHN Light tax	0	670	490	180
5.	Trade Tax	509939	142000	54985	596954
6.	Vehicle Tax	1026	60	0	1086
7.	Rental tax	311200	90500	2000	399700
	Total	**4696213**	**3175193**	**2618391**	**5253015**

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 2023-24 was carried out on 23/03/2023 vide Public auction Notice no No. VP /N/2269/22-23/132 dt. 10-03-2023. The initial bid was fixed at Rs.2, 85,000/-. Accordingly 6 bidders have participated in auction and Shri Harish Tulaskar who quoted Rs.293000/- was the highest bidder and his bid was accepted by the Panchayat.

The agreement was executed on 31/03/2023 between the highest bidder and the Panchayat. The bidder paid the amount of Rs.293000.00 in 2 instalments vide Rt.No.245/76 dt 30/03/2023 Rs.146500/- and Rt.No.26/86 dtd 1/09/2023 Rs 146500/-.

Para5- Rentals:Demand notices to defaulters are not issued

V.P. Navelim had leased out one premise on rental basis for tower to M/s INDUS TOWERS LTD. @ Rs.4, 20,000/- for the year 2023-24 subjected to TDS.

Sr. No	Name of the party	Opening Balance	Current demand	Collection	Balance as on 31/03/2024
1.	M/s Indus Towers limited	0.00	420000.00	105000.00 IT. 12600.00 92400.00	315000.00
2.	Electricity Dept.	333350.00	148752.00	35846.00 IT 3584.00 32262.00	446256.00
	Total	**333350.00**	**568752.00**	**140846.00**	**761256.00**

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, the rent of only 35846/- has been collected for the financial year 2023-2024. The rent register has not been maintained by the Panchayat.

Para 6 (a) – Construction Licenses: V.P. Navelim has issued 37 Construction Licenses and collected an amount of Rs.907851/- towards license fees plus Renewal licence fees of Rs, 973553.00 during the year 2023-24.The same were verified and found correct. The Panchayat also collected 1% the Building and construction Workers cess and the total of Rs. 6493257.00 was not found remitted. The Panchayat was directed to remitted the amount to Building and construction Workers cess.

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

There are altogether 57 illegal constructions pending plus 70 nos EHN numbers with the Panchayat as on 31/03/2024.

Para 7 – Annual Action Plan: V. P. Navelim has prepared the annual action plan for the year 2023-24 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 executed two works during the year 2023-24, out of that 1 work is as below:

1) Repair & Construction & Desilting of drain near Navelim church cemetery to Perpetual Succorro Convent at Dongorim in V.P Navelim Salcette Goa.

Work order was issued for Rs. 274367.30 which was 6.65% above the estimated cost of 257259.54 and 4.97% above the Reasonable Amount put to tender. However it was found that the reasonable amount statement was not signed by EO (RE) and the Assistant Engineer, the same was also not signed at the time of opening the bid by the person opening the bid.

Para 11 – Vouchers:

1.Voucher no.314 dtd.24.07.2023 for Rs.1030234/- paid to Antonio Fernandes towards arrears of pension, no approval from higher authorities is found.

2.Voucher no.470 dtd.15.09.2023 for Rs.134748/- paid to Antonio Fernandes towards interest on pension due, no approval from higher authorities is found.

3.Travelling allowance workout in respect of Cliff Dcosta is incorrect, may be verified and paid from July 2018 onwards.

4.Total Rs.301000/- paid to Caetanho Gomes from month of April 2023 to July 2023 vide following vouchers towards garbage collection, quotation is not found.

Voucher no.389 dtd.17.08.2023 Rs.75600/-

Voucher no.484 dtd.30.09.2023 Rs.25200/-

Voucher no.562 dtd.01.11.2023 Rs.37800/-

Voucher no.718 dtd.16.12.2023 Rs.25200/-

Voucher no.719 dtd.16.12.2023 Rs.19600/-

Voucher no.838 dtd.19.02.2024 Rs.78400/-

Voucher no.892 dtd.02.03.2024 Rs.39200/-

5.Total Rs.324000/- paid to Raymond Dsilva vide following vouchers towards purchase of bio-degradable garbage bags, quotation is not found.

Voucher no.68 dtd.29.04.2023 Rs.54000/-

Voucher no.221 dtd.14.06.2023 Rs.54000/-

Voucher no.396 dtd.18.08.2023 Rs.54000/-

Voucher no.607 dtd.09.11.2023 Rs.54000/-

Voucher no.806 dtd.07.02.2024 Rs.54000/-

Voucher no.891 dtd.02.03.2024 Rs.54000/-

6.Total Rs.84282/- paid to Viegas Newsdesk consultancy vide following vouchers towards newspaper advtt. For tender notice, gram sabha notice, payment is done without deduction of income tax, also approval from information and publicity is missing.

Voucher no.485 dtd.30.09.2023 Rs.21744/-

Voucher no.717 dtd.16.12.2023 Rs.9366/-

Voucher no.888 dtd.02.03.2024 Rs.21168/-

Voucher no.889 dtd.02.03.2024 Rs.5544/-

Voucher no.890 dtd.02.03.2024 Rs.26460/-

7.Advocate Shri. Socorro Fernandes paid Rs.72200/- as legal charges vide voucher no.857 dtd.20.02.2024, but payment is done without deduction of income tax.

8.Payment done but bills are not attached vide following vouchers.

Voucher no.88 dt. 05.05.2023 paid to Cheryl Nadar

Voucher no.90 dt. 05.05.2023 paid for tarnsportation charges

Voucher no.105 dt. 10.05.2023 paid to Ram Yadav

Voucher no.100 dt.09.05.2023 paid Rs.300 to Mehboob Hosmani

Voucher no.159 dt.27.05.2023 paid Rs.600 to Mehboob Hosmani

Voucher no.203 dt.05.06.2023 paid Rs.1137 to Mehboob Hosmani

9.Panchayat has disbursed total payment of Rs.166760/- to labourers engaged via respective members bank a/c which is incorrect vide following vouchers

Voucher no.168 dtd. 30.05.2023 for Rs.15160/-

Voucher no.169 dtd. 30.05.2023 for Rs.15160/-

Voucher no.170 dtd. 30.05.2023 for Rs.15160/-

Voucher no.171 dtd. 30.05.2023 for Rs.15160/-

Voucher no.172 dtd. 30.05.2023 for Rs.15160/-

Voucher no.173 dtd. 30.05.2023 for Rs.15160/-

Voucher no.174 dtd. 30.05.2023 for Rs.15160/-

Voucher no.175 dtd. 30.05.2023 for Rs.15160/-

Voucher no.176 dtd. 30.05.2023 for Rs.15160/-

Voucher no.177 dtd. 30.05.2023 for Rs.15160/-

Voucher no.178 dtd. 30.05.2023 for Rs.15160/-

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 cases pending with the Panchayat as on 31/3/2024. Advocate fees paid to Rs. 72200/-.

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 31/03/2024. **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 31.03.2024.

(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 2023-24. Reasons for non-conducting the inspections may be justified. Director of Panchayat may take necessary action for intentional violation of codal procedure

(b)Gram Sabhas: V.P. has conducted 02 ordinary, 01 extra ordinary and 4 special gram sabhas during the year 2023-24.

(c)Administrative Report: V.P. have prepared the Administrative Report for the year 2023-24 and submitted the same to BDO and copy endorsed to audit.

Disclaimer: The inspection /Audit report is prepared on the basis of information/documents/records furnished to audit by the Secretary of **Village Panchayat Navelim** of **Salcete** Block. The office of the Directorate of Accounts, South Branch, Margao disclaims the responsibility for non-information and/or misinformation on the part of auditee.

(Leslie Moraes)

Dy. Director of Accounts/Inspection.