

No.3/ Audit Report/ All V.P./BDOS/2017-18 /4521
Office of the Block Development Officer,
"Shri. Mathany Saldhana Administrative Complex"
'C' Block, 2nd Floor,
Room No.223, Margao, Salcete- Goa.

Date: 24/11/2017

Village Panchaya
BETALBATIM

Inward No. 1856

Dated : 16/01/17

MEMORANDUM

Sub:-Audit Report on the accounts of the Village Panchayat for the year 2016-17 conducted during the year 2017-18.

Find enclosed herewith Audit Report for year 2016-17 of V.P. Betalbatim received from the Dy. Director of Accounts/Insp., Directorate of Accounts, South Branch, Margao Goa.

In view of above, the Village Panchayat Secretaries of concerned Village Panchayat is directed to comply with all the para's raised by audit team within 30 days and submit the compliance.

Failure to comply with the paras will be viewed seriously.

(Signature)

(Amitesh A. Shirvoikar)
Block Development Officer-I,
Salcete, Margao-Goa.

To,
The Secretary
V.P. Betalbatim
Salcete Block

Encl: As above

C.C.to:-

1. The Dy. Director of Panchayats, South, Margao-Goa...for information
2. The Dy. Director of Accounts/Insp., Directorate of Accounts, South Branch, Margao Goa.
3. The Sarpanch, Village Panchayat _____ for information.

Res 4(8) dt 29/01/2018

4. VAT	Rs. 30,828.00
5. Govt.Grants-	Rs. 24,63,378.00
Total	Rs.25,46,206.00

Report of the accounts of Village Panchayat Betalbatim of Salcete block for the year 2016-17.

Part I:

(a) Name of Sarpanch: Smt. Maria Pereira -	01/04/2016 to 31/03/2017.
(b) Name of Secretary: 1) Elvis Figueiredo -	01/04/2016 to 21/05/2017
	03/06/2016 to 19/11/2016
	01/12/2016 to 31/03/2017
2) Sandya Shirodkar	22/05/2016 to 02/06/2016
3) Sainath M. Padwal	20/11/2016 to 30/11/2016

B) Name of Audit Party & their designation:

- 1) Mr. Umesh Goankar, Asstt. Accounts Officer.
- 2) Mr. Shivram Jamuni, Accounts Clerk.
- 3) Mr. Vishwas Gurav, LDC

C) Dates of Audit: 11.10.2017 & 12.10.2017.

D) Period covered by Audit: 01/04/2016 to 31/03/2017.

Part II – Introductory:

The audit of the accounts of Village Panchayat Betalbatim of Salcete Block for the year 2016-2017 was carried out by the office of the Joint Director of Accounts, South Branch, Margao, under the supervision of Shri Madhukar Kunkolienkar, Dy. Director of Accounts/Inspection, South Branch, Margao.

The Village Panchayat was sanctioned the following Administrative grants during the year 2016-17.

(1) Matching grants	-	Rs. 4,25,000/-
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Part III – Comments on Accounts:

The Village Panchayat is maintaining the accounts in form I to X as per Rule 20,21(a) and 25 of Goa Panchayat (accounts, audit and Custody of funds) Rule 1997 comprising of particulars of income and expenditure for all grants received (Administrative & Developmental Grants).

I – Summary of Accounts:

1. Opening Balance for the year 2016-17	-	Rs. 75,66,118.00
2. Receipts during the year 2016-17	-	Rs. 39,67,332.00
3. Expenditure during the year 2016-17	-	Rs. 27,18,915.00
4. Funds available with V.P. as on 31/03/2017.	-	Rs. 88,14,535.00

Details of funds available:

1. Govt. of grants	-	Rs. 24,68,956/-
2. Earnest Money Deposit	-	Rs. 37,051/-
3. Security Deposit	-	Rs. Nil
4. Income Tax	-	Rs. Nil
5. Royalty	-	Rs. 9,371/-
6. VAT	-	Rs. 30,828/-
7. Panchayat fund	-	Rs. 62,68,329/-
Total		Rs. 88,14,535/-

The Liabilities of Panchayat are as follows:

1. EMD	-	Rs. 37,051.00
2. Tax	-	Rs. Nil
3. Royalty	-	Rs. 9,371.00
4. VAT	-	Rs. 30,828.00
5. Govt. Grants-		Rs. 24,68,956.00
Total		Rs. 25,46,206.00

The grants received, utilized and balance as on 31.03.2017 are as follows:

Sr. No.	Type of grants	Opening Balance	Grants Received	Grants Utilized	Bal. as on 31.03.17
1	Government salary	4,000.00	2,70,000.00	2,70,000.00	2,000.00
2	Work Revenue	1,74,742.00	4,79,679.00	---	6,54,421.00
3	Work Revenue	1,87,407.00	---	---	1,87,407.00
4	Work Revenue	1,82,219.00	---	---	1,82,219.00
5	Government Grants	30,00,000.00	---	---	30,00,000.00
6	Carriage grants	10,000.00	1,00,000.00	1,04,040.00	1,400.00
	Total	19,34,170.00	9,09,679.00	4,54,040.00	24,88,956.00

The grants amounting to Rs.24,88,956/- remaining unspent has to be surrendered to sanctioning authority. To use unspent grants are to be utilized, permission be obtained from sanctioning authority and utilize the unspent grants within the stipulated time period.

The Panchayat has proposed to construct a first floor on the existing Panchayat premises with toilet slabbed floor. The first floor premises will be used for office and Hall. The estimated cost of the construction work is Rs.22,42,977/- called on 30/08/2016. The Panchayat received two tender forms from eligible contractors. The contractors have quoted 20% above the estimated cost hence the tenders were rejected. Now the panchayat has moved the file to BCC for the process of re-tendering.

III - Budget

The Budget estimate and the actual income and expenditure for the year 2016-17 are as follows:

Budget Estimate Rs. 1,24,01,979/-	Income: Actual Rs. 29,87,332/-	Variance Rs. 94,14,647/-
Budget Estimate Rs. 1,26,01,000/-	Expenditure: Actual Rs. 27,18,915/-	Variance Rs. 98,82,085/-

The budget is approved vide Resolution No. 02, dated 08.03.2016 and submitted to BCC on 12.04.2016.

There are huge variations between the budget estimate and actual income and expenditure. The budget prepared by Panchayat is fictitious and unrealistic. Care may be taken to prepare the realistic budget considering the actual figures of previous year and probable figures of ensuing year.

IV - Reconciliation: Nil

Part IV - Current Audit:
Section A(a) Introductory:

(a) Outstanding paras of previous Audit: upto 2016-17:

The position of outstanding paras of previous audit are as follows.

Sr. No.	Year	Opening Balance	Paras Dropped	Paras outstanding as on 31/03/2017
1	1975-76	1	---	1 (para 6)
2	1977-78	1	---	1 (para 10)
3	1985-86	1	---	1 (para 15)
4	1994-95	1	---	1 (para 7(b))
5	1995-96	1	---	1 (para 6(2, 3, 4))
6	2009-10	6	---	6 (para 4, 10, 11(4), 12(4), 14, 15(a)(b)(c))
7	2010-11	2	---	2 (para 5, 11, 12(3)(14))

1	100000	100000	100000
2	100000	100000	100000
3	100000	100000	100000
4	100000	100000	100000

The above statement is correct. It has been taken up in relation to the previous statement.

- Part 1: Assets**
- 1. Cash
 - 2. Bank
 - 3. Debtors
 - 4. Prepaid expenses
 - 5. Investments
 - 6. Fixed assets
 - 7. Intangible assets
 - 8. Other assets
- Part 2: Liabilities**
- 1. Creditors
 - 2. Bank overdrafts
 - 3. Loans
 - 4. Provisions
 - 5. Other liabilities
 - 6. Reserves
 - 7. Capital

Part 3: Financial position: The financial position of the company is shown by the balance sheet. It shows the assets and liabilities of the company as at a particular date. The total assets should be equal to the total liabilities.

Part 4: Cash Book: The Cash Book is a record of all cash receipts and payments. It is divided into two parts: Cash Receipts and Cash Payments. The details of cash balance are as follows:

Sl. No.	Name of Bank with A/c No.	Balance as at		Difference
		Cash Book	Pass Book	
1	Bank of Baroda A/c 1234	100000.00	100000.00	
2	Bank of Baroda A/c 5678	75000.00	75000.00	
3	Bank of Baroda A/c 9012 (2000)	100000.00	100000.00	
4	Bank of Baroda A/c 3456 (2000)	100000.00	100000.00	
5	State Bank of India 2100	100000.00	100000.00	
6	Bank of Baroda A/c 7890 (10000)	100000.00	100000.00	
	Cash in hand	100000.00	100000.00	
	Total	600000.00	600000.00	

<u>At</u>	
<u>of Baroda A/c no. 4177</u>	
Balance as per Cash book	Rs. 39,90,112.55
cheques issued but not presented in bank	
chq no 000840 dt 29/03/2017	Rs. 15,344.00
chq no 000842 dt 29/03/2017	Rs. 10,000.00
chq no 000848 dt 31/03/2017	Rs. 3,000.00
chq no 000849 dt 31/03/2017	Rs. 3,000.00
chq no 000850 dt 31/03/2017	Rs. 3,000.00
chq no 000846 dt 31/03/2017	Rs. 4,000.00
chq no 000847 dt 31/03/2017	Rs. 3,500.00
chq no 000847 dt 31/03/2017	Rs. 3,000.00
chq no 000847 dt 31/03/2017	Rs. 3,000.00
Balance as per Pass book	<u>Rs. 40,37,956.55</u>

Observation raised for compliance.

1. Receipt books start from 228/01 to 246/90 total used books 19 nos. and unused books 17 nos. from 246 to 262.

Para 3 : Demand, Collection and Arrears of Taxes:

The position of various taxes collected, arrears outstanding as on 31/03/2017 are as follows:

Sr. No.	Types of Taxes	Opening Balance	Current demand	Collection	Bal. as on 31/03/2016.
1	House Tax	12,19,571/-	10,41,419/-	8,33,763/-	14,27,227/-
2	Light Tax	37,884/-	18,380/-	16,743/-	39,521/-
3	Trade Tax	3,05,350/-	8,29,850/-	7,04,450/-	4,30,750/-
4	Cycle Tax	26,364/-	---	---	26,364/-
5	Advt. Tax	17,580/-	2480/-	980/-	19,080/-
6	Dog Tax	6,206/-	---	---	6,206/-
	Total	16,12,955/-	18,92,129/-	15,55,936/-	19,49,148/-

The total taxes collected by Panchayat is only 44.39% of the opening balance and demand billed during the year. 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;

The Village Panchayat has conducted the public auction on 20th March, 2016 at 10.30 a.m. at office of V.P. Betalbatim as per public notice No.VP/BET/2015-16/1124 dt.11/03/2016 for collection of fees on sale of goods in market, fairs & festivals and slaughter of pigs in the jurisdiction of V.P. Betalbatim for the financial year 2016-17. The initial bid is fixed at Rs. 132000/-. In response to auction notice 4 persons participated in auction proceedings. The highest bid offered by Shri Terry Fernandes was for Rs.1,33,000/- which was accepted by the Panchayat. The total value of bid amount was paid by bidder vide Rt.nos.228/83 dated 02/04/2016 for Rs 66,500/- and Rt No 240/10 dated 30.09.2016 for Rs.46,500/-. However the balance amount of Rs 20,000/- has been adjusted towards advance Receipt vide No 228/13 dated 20.03.2016 Rs 20,000/- An agreement between the highest bidder and Dy. Sarpanch is executed on 1st April, 2016.

Para 5 – Rentals:

The Village Panchayat has leased out its land on rental basis to BSNL for installation of mobile tower with a monthly rent of Rs.2910/- per month. The details of rent received, demand and balances as on 31.3.2017 are as follows:

of / Opening	Current	Collection	Amends as on
ee	demand		31/03/2017
Balance			
920/-			920/-

As the contract is lapsed. Necessary action may be taken to recover the amends of Rs. 920/- of GOML.

6: Annual Action Plan:

As required under section 238 of Goa Panchayat Act 1994, every Panchayat has to prepare annual action plan every year and submit the same to Zilla Panchayat within the stipulated time limit. The village Panchayat has failed to prepare the annual action plan in spite of previous audit observations. The lapse is brought to the notice of Director of Panchayat for necessary action.

Para 7 – Formation of Committees:

The village panchayat has constituted the following Committees:

1. Standing Committee
2. Development Committee
3. Supervisory Committee

The Vigilance Committee has not been constituted by the panchayat.

Para 8: Furnishing Surety bond by Village Panchayat Secretary:

As required under Section 4(3) of Goa Panchayat Rules 1997, the Village Panchayat Secretary has not furnished the surety bond. In spite of the fact that lapse has been pointed out in audit every year. No action has been taken by V.P. to obtain the required surety bond from Secretary. The violation of codal procedure is brought to the notice of Director of Panchayat for necessary action.

Para 9 – Works:

The Village Panchayat has not executed any works during the year 2016-17.

Para 10(a) – Construction licences:

The Village Panchayat has issued 27 construction licences and collected an amount of Rs. 1,21,320/- as licence fee during the year 2016-17. All the files are verified and fees charged are found to be in order. Further half margin issued asking details regarding private projects / were for completed / ongoing works. Same is not replied by the panchayat.

Illegal constructions: There are no illegal constructions detected during the year 2016-17 as verified from register produced to audit.

Para 11 – General:

(a) **Departmental Inspection:** The BDO & EO (VP) has not carried out any inspection of Village Panchayat against the prescribed 3 & 5 respectively. The reason for not conducting the inspection is justified. The lapse is brought to the notice of Director of Panchayat for necessary action.

(b) **Gram Sabhas:** The Village Panchayat has conducted 1 ordinary and 4 special gram sabhas during the year 2016-17.

(c) **Administrative report:** The Village Panchayat has prepared the administrative report and submitted the same to BDO and copy endorsed to audit.

Para 12 – Maintenance of registers:

(a) **Pay Bill register:** The Village Panchayat has maintained the pay bill register in prescribed format i.e. TR-22-A.

(b) **Court Cases register:**

As stated there are 13 court cases pending with V.P. as on 31.03.2017. The Village Panchayat has paid an amount of Rs. 59,260/- to advocate as legal fees during the year 2016-17.

prescribed annual limit. Approval of competent authority is obtained for
A/C of prescribed limit and compliance reported to audit.

(20) Cash register

A security deposit of Rs. 1000/- is made on 10/01/2017.

(Taxi Receipts)

Outstanding balance as on 31/03/2017 towards receipt is Rs. 1000/- & as on 31/03/2017
None. These outstanding amount should be verified in Govt. Treasury under specific
get head of account immediately.

(19) Staff Service Book & Leave Account:

The Village Panchayat has maintained the Service Book and leave accounts. The service book of
Shri. Jyoti N. Karmakar VP Post is incomplete. Also leave account is incomplete and service
certification is not done. This to be done and compliance reported to audit.

(21) Salary Reserve Fund: The Village Panchayat has created the salary reserve fund and balance
as on 31/03/2017 is Rs. 100,000/-.

(2) Reserve fund for pensionary benefits:

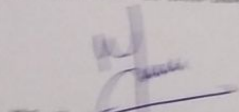
Village Panchayat has to reserve not less than two and half percent (2.5%) of their income as
reserve fund for contributing provident fund and pensionary benefits, etc. to the staff working
in the Panchayat. Immediate action may be initiated to make the provisions of reserve fund for
pensionary benefits and compliance reported to audit.

Para 14 - Vouchers:

All the vouchers are verified and found in order.

Para 15 - The receipts, bills and accounts are not signed by the Secretary of Panchayat. Same
may be got signed and noted for future.

Note: Inspection Report is prepared on the basis of information furnished and made available by
the Secretary of Village Panchayat. The Office of the Dy. Director of Accounts, South
Branch, Margga disclaims any responsibility for any misinformation and/or non-information on
the part of Auditee.


(Madhukar Kulkarni)
Dy. Director of Accounts/Inspection.

FORM NO 10

(See Rule 2) (a))
Monthly / Annual / Account



of
ACCOUNT OF INCOME AND EXPENDITURE

of
Village Panchayat BETALBATIM

for
YEAR
Throughout of

2016 - 2017

No. VPB/2017-18/51
Office of the Village Panchayat

BETALBATIM

Date 20/04/2017

To,
The Block Development Officer

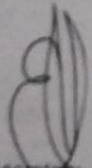
Salcete, Mangro-Coa.

Sub: Submission of Monthly / Annual

Account for year 2016-17

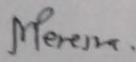
Sir,

The Monthly / Annual account for the period shown above are sent herewith under Rule of the Village Panchayat Account and Audit and Custody Funds Rule 1997 for perusal.


Secretary
Village Panchayat

BETALBATIM

Yours faithfully,


Sarpanch
Village Panchayat

BETALBATIM

Details of the Balance

A/c No. 4771	1) Balance in the Bank	Rs.	39,90,112.5
A/c No. 2411	2) " " Sal A/c	Rs.	7,61,891.25
A/c No. 6174	3) " " Fixed deposit	Rs.	23,05,286.00
A/c No. 6090	4) " " SBI Colva	Rs.	15,67,521.00
A/c No. 2189	5) " " Sal. Res. fund	Rs.	1,89,710.00
A/c No. 10908	6) Cash in hand	Rs.	13.79
TOTAL			88,14,535.00

Sum in hand
12/10/2017
Atto/Insp.

1) Date
 2) 21/10/17
 3) 20
 4) 21/10/17

Certified that the closing balance as shown in the account has been compared with that shown in the Book, Bank Book and found to be correct.

1) Govt grants	Rs. 24,68,956.00
2) E.M.D	Rs. 37,051.00
3) Security	Rs. NIL
4) Income tax	Rs. NIL
5) Royalty	Rs. 9,371.00
6) VAT	Rs. 30,828.00
7) Panchayat fund	Rs. 62,68,329.00
Rs. 88,14,535.00	

Meren.
 Sarpanch

Difference if any

The difference of Rs. 47,844/- between the Pass Book and Cash Book is the reason that:

1) Cheque No. 000840 dtd 29/3/17 for Rs.	15,344/-	not realised by Bank
2) Cheque No. 000842 dtd 29/3/17 for Rs.	10,000/-	do
3) Cheque No. 000848 dtd 31/3/17 for Rs.	3,000/-	do
4) Cheque No. 000849 dtd 31/3/17 for Rs.	3,000/-	do
5) Cheque No. 000850 dtd 31/3/17 for Rs.	3,000/-	do
6) Cheque No. 000846 dtd 31/3/17 for Rs.	4,000/-	do
7) Cheque No. 000847 dtd 31/3/17 for Rs.	3,500/-	do
8) Cheque No. 000896 dtd 31/3/17 for Rs.	3,000/-	do
9) Cheque No. 000897 dtd 31/3/17 for Rs.	3,000/-	do
Rs. 47,844/-		<i>Meren.</i> Sarpanch