

(25)



Village Panchaya
BETALBATIM

Inward No. 1099

Dated : 05/12/18

OFFICE OF THE BLOCK DEVELOPMENT OFFICER

ROOM No. 223,2nd FLOOR, MATHANY SALDHANA COMPLEX

SALCETE, MARGAO - GOA.

(Ph. No. 2794263, Fax: 2794263) Email: bdosalcete@yahoo.co.in

No.3/EOVP/Audit Report/BDOS/2018-19/ 11674

Date: 26/11/2018

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MEMORANDUM

Sub: - Audit Report on the Accounts of Village Panchayats for the Year 2017-18 conducted during the year 2018-19

Copy of the Audit Report received from the Dy. Director of Accounts, South Branch Office, Matanhy Saldhana Administrative Complex, Margao -Goa is enclosed herewith.

Village Panchayat Secretary, Village Panchayat Betalbatim is hereby directed to place the same before the fortnightly meeting to take necessary action in terms of settlement of Audit Paras pertaining to the Village Panchayat and report compliance within a period of 30 days.

Shirvoikar
26/11/18

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

Encl: As above

To,
The V.P. Secretary
V.P. Betalbatim
Salcete Block

C.C.to:-

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

Rs No 4/21
14/8/2018

Audit Report of the accounts of Village Panchayat Betalbatim of Salcete block for the year 2017-18.

Part I:

- (a) Name of Sarpanch:** Smt. Maria Pereira - 01/04/2017 to 07/07/2017.
Shri Constancio Miranda - 10/07/2017 to 31/03/2018.
- (b) Name of Secretary:** 1) Elvis Figueiredo - 01/04/2017 to 26/05/2017
2) Paresh Rane - 26/05/2017 to 30/05/2017
3) Elvis Figueiredo - 05/06/2017 to 31/03/2018.

B) Name of Audit Party & their designation:

- 1) Mr. Walter D'Mello, Asstt. Accounts Officer.
2) Mr. Shridhar Sawant, Asstt. Accounts officer.
3) Mr. Rajan Kotharkar, Accounts Clerk.
4) Mr. Vishwas Gurav, Accounts Clerk.

C) Dates of Audit: 11.10.2018 & 12.10.2018.

D) Period covered by Audit: 01/04/2017 to 31/03/2018.

Part II - Introductory:

The audit of the accounts of Village Panchayat Betalbatim of Salcete Block for the year 2017-18 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 2017-18.

- (1) Matching grants - Rs. 2,12,500/-

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 2017-18 | - | Rs. 88,14,535.00 |
| 2. Receipts during the year 2017-18 | - | Rs. 43,89,695.00 |
| 3. Expenditure during the year 2017-18 | - | Rs. 30,28,068.00 |
| 4. Funds available with V.P. as on 31/03/2018. | - | Rs. 1,01,76,162.00 |

Details of funds available:

- | | | |
|--------------------------|---|--------------------------|
| 1. Govt. of grants | - | Rs. 25,66,471/- |
| 2. Earnest Money Deposit | - | Rs. 42,351/- |
| 3. Security Deposit | - | Rs. 38,414/- |
| 4. Income Tax | - | Rs. 9,499/- |
| 5. Royalty | - | Rs. 10,727/- |
| 6. VAT | - | Rs. 54,576/- |
| 7. Panchayat fund | - | Rs. 74,54,124/- |
| Total | | Rs. 1,01,76,162/- |

The Liabilities of Panchayat are as follows:

- | | | |
|--------------------------|---|------------------------|
| 1. Govt. of grants | - | Rs. 25,66,471/- |
| 2. Earnest Money Deposit | - | Rs. 42,351/- |
| 3. Security Deposit | - | Rs. 38,414/- |
| 4. Income Tax | - | Rs. 9,499/- |
| 5. Royalty | - | Rs. 10,727/- |
| 6. VAT | - | Rs. 54,576/- |
| Total | | Rs. 27,22,038/- |

II - Grants:

The grants received, utilized and balances as on 31.03.2018 are as follows:

Sr. No.	Types of grants	Opening balance	Grants Received.	Grants Utilized	Bal. as on 31.03.18
1	Members Salary	2,000.00	2,70,000.00	2,15,500.00	56,500.00
2	XIVth Finance	8,90,870.00	4,51,411.00	---	13,42,281.00
3	XIIIth Finance	3,87,407.00	---	2,19,717.00	1,67,690.00
4	XIIth Finance	1,82,219.00	---	1,82,219.00	---
5	Golden Jubilee(Dev)	10,00,000.00	---	---	10,00,000.00
6	Garbage grants	6,460.00	1,00,000.00	1,06,460.00	---
	Total	24,68,956.00	8,21,411.00	7,23,896.00	25,66,471.00

The grants amounting to Rs 25,44,871/- remaining unspent has to be surrendered to contributing authority. In case unspent grants are to be utilized, permission be obtained from contributing authority and utilize the unspent grants within the stipulated time period.

The Panchayat has proposed to convert a few fees on the existing Panchayat premises with Golden Jubilee funds. The fee free Promotions will be fully used for office use and hall. The approval for the same has been issued and also extension for the utilization of the Golden Jubilee funds is received. The foundation stone for the extension of the premises is laid by the Sarpanch.

III - Budget:

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

Budget Estimate Rs 1,49,74,542/-	Income:	Variation Rs 26,46,502/-
	Actual Rs 1,76,21,044/-	
Budget Estimate Rs 1,35,73,542/-	Expenditure:	Variation Rs 26,46,502/-
	Actual Rs 1,62,20,044/-	

The budget is approved vide Resolution No. 5, dated 09.03.2017 and submitted to DDO on 26.04.2017.

There are large variations between the budget estimate and actual income and expenditure. The budget proposed by Panchayat is fictitious and unrealistic. Care may be taken in future to prepare realistic budget estimates.

Part IV - Current Audit:

Section A(a) Introductory:

(a) Outstanding parae of previous audit upto 2015-17:

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

Sr. No.	Year	Opening Balance	Parae Dropped	Parae outstanding as on 31/03/2017
1	1972-74	1	---	1(para 6)
2	1977-78	1	---	1(para 10)
3	1988-89	1	---	1 (para 16)
4	1996-95	1	---	1 (para 7(b))
5	2008-09	1	---	1(para 6(2,3,4))
6	2009-10	6	---	6(para 4,10,11(a),12(a),14,15(a)(b)(c))
7	2010-11	4	---	4(para 9,11,12(3)14)
8	2011-12	5	---	5(para 2(3,4,5,7,8,9)10(3,4,5)11(4,5,7,9,11,12,15,16,17,19)13(a)14(1 to 7))
9	2012-13	15	11	4(Para 6, Para 10, Para 12, Para 15(1& 2))
10	2013-14	15	13	2(Para 6, 7)
11	2014-15	15	13	2(Para 6,11(a))
12	2015-16	15	13	2(Para 6,11(a))

The Village Panchayat/Secretary has not taken any initiative to settle the previous outstanding audit parae.

Audit Report 2015-17:

Para 1 - Financial Position.	Dropped and commented in current audit.
Para 2 - Cash Book.	-do-
Para 3 - Demand, Collection & Arrears of taxes;	-do-
Para 4 - Market auction	-do-
Para 5 - Rental	-do-
Para 6 - Annual Action Plan	Maintained.
Para 7 - Formation of Committees;	Dropped.
Para 8 - Furnishing of Surety bond by VP Secretary;	Dropped & commented in current audit.
Para 9 - Works;	-do-
Para 10 a. Construction License	Dropped/Commented
b. Illegal Constructions;	-do-
Para 11 - General	

- A. Departmental inspection: Maintained
 B. Gram Sabhas: Dropped
 C. Administrative report. Dropped
Para 12-Maintenance of registers
 a. Paybill register: Dropped
 b. Court case register: Dropped & Commented
 c. SD/EMD register: -do-
 d. Income tax/Royalty/Vat: -do-
Para 13a. Service book and leave account: Dropped & Commented
 b. Salary Reserve Fund: -do-
 c. Reserve fund for pensioner benefit -do-
Para 14 - Vouchers: -do-
Para 15-Miscellaneous -do-

Para 1 - Financial position: The financial position of the panchayat is good.
 The closing balances as per cash book as on 31/03/2018 is Rs.1,01,76,162/-, out of which Rs.74,54,124/-are panchayat fund.

Para 2 -Cash Book :

The closing balance of Cash Book is Rs.1,01,76,162/- as on 31.3.2018. 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 4177	53,87,364.55	53,99,164.55	11,800.00
2	Bank of Baroda A/c 2411	5,74,086.50	5,74,086.50	-----
3	Bank of Baroda FDR 6473	17,29,801.00	17,29,801.00	-----
4	Bank of Baroda FDR 6474	7,21,018.00	7,21,018.00	-----
5	State Bank of India 9109	15,74,009.00	15,74,009.00	-----
6	Bank of Baroda FDR 2834	1,89,710.00	1,89,710.00	-----
	Cash in Hand	172.95		
	Total	1,01,76,162.00		

IV - Reconciliation:

1) **Bank of Baroda A/c no.4177**

Balance as per Cash book	Rs. 53,87,364.55
Add: 1. Cheque no.01064 issued but not realised as on 31/03/2018	Rs. 3,500.00
2. Cheque no.01027 issued but not realised as on 31/03/2018	Rs. 8,300.00
Balance as per Pass book	Rs. 53,99,164.55

Observations on cash book.

1. Receipt books start from 246/91 to 265/37 total used books 20 nos. and unused receipt books 17 nos. from 266/100 to 282/100.
2. Cash book: Each entries receipt and payment side are not attested by Secretary.

Para 3 ; Demand, Collection and Arrears of Taxes:

The position of various taxes collected, arrears outstanding as on 31/03/2018 are as follows:

Sr. No.	Types of Taxes	Opening Balance	Current demand	Collection	Bal. as on 31/03/2018
1	House Tax	14,27,227/-	10,96,189/-	11,93,507/-	13,29,909/-
2	Trade Tax	39,521/-	18,780/-	19,410/-	38,891/-
3	Light Tax	4,30,750/-	8,40,850/-	8,36,350/-	4,35,250/-
4	Cycle Tax	26,364/-	----	----	26,364/-
5	Advt. Tax	19,080/-	2480/-	980/-	20,580/-
6	Dog Tax	6,206/-	----	----	6,206/-
	Total	19,49,148/-	19,58,299/-	20,50,247/-	18,57,200/-

The total taxes collected by Panchayat is only 52.47% of the opening balance and demand billed during the year 2017-18. The revenue collected towards taxes has increased as compared to last year collection. The village Panchayat still 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 19th March, 2017 at 10.30 a.m. at V.P. Betalbatim Office as per public notice No.VP/BET/2016-17/1125dt.09/03/2017 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 2017-18. The initial bid is fixed at Rs.1,47,700/-. In response to auction notice 3 persons participated in auction proceedings. The highest bid offered by Shri Terry Fernandes for Rs.2,52,000/- was accepted by the Panchayat. The total value of bid amount was paid by biddervide Rt.nos.246/92 dated 0/04/2017 for Rs.1,26,000/- and Rt No 258/10 dated 29.09.2017 for Rs.1,06,000/-. However the balance amount of Rs 20,000/- has been adjusted towards advance Receipt vide No 264/96 dated 25.03.2018Rs 20,000/- An agreement between the highest bidder and Dy. Sarpanch is executed on 1st April, 2017.

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.3910/- per month. The details of rent received, demand and balances as on 31.3.2018 are as follows:

Sr. No.	Name of Lessee	Opening balance	Current demand	Collection	Arrears as on 31/03/2017
1	BSNL	920/-	46,920/-	86,020/-	----

The actual rent to be paid by BSNL works out to Rs.47,840/- for the year 2017-18, however BSNL has paid Rs.86,020/- through NEFT. There is no contract signed between BSNL and the village panchayat. The reason for paying excess amount of Rs. 38,180/- be justified.

Para 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 during 2017-18 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 6(4)
2. Development Committee 6(8)
3. Supervisory Committee 6(2)
4. Village Development Committee
5. Bio-Diversity Committee
6. Garbage committee

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 fact that lapse has been pointed out to V.P. 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 executed only one works during the year 2017-18.

- a. Work of repair and construction of drainage at various places within the jurisdiction of VP Betalbatim was awarded to D.L. Colaco for an amount of Rs.476746/- vide ..W.O.No. VP/Bet/2016-17/699 dated 30/09/2016. Payment towards the above work was done vide Vr.No.334 dated 23/01/2018 after deducting the following:
 - i. Royalty.....Rs. 1356/-
 - ii. S.D.....Rs.38414/-
 - iii. Vat.....Rs.23748/-
 - iv. Income tax.....Rs. 9499/-

But it is seen that an amount collected towards Royalty, Vat and Income tax has not been credited with the concerned authorities.

Para 10(a) - Construction licenses:

The Village Panchayat has issued 27 construction licenses and collected an amount of Rs.2,55,559/- as license fee during the year 2017-18. All the files are verified and fees charged are found to be in order.

(b)Illegal constructions: There are no illegal constructions detected during the year 2017-18 as verified from register produced to audit.

Para 11 - 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 11 court cases pending with V.P. as on 31.03.2018. Two cases were disposed during 2017-18. The Village Panchayat has paid an amount of Rs.17,000/- to advocate as legal fees during the year 2017-18.

(c) Security Deposit/EMD register:

The balance outstanding security deposit and EMD is Rs.38,414/- and Rs.42,351/- respectively as on 31.03.2018. The lapsed deposits may be transferred to Panchayat Funds after following the procedure.

(d) Income Tax/Royalty/Vat:

The Income tax, Royalty and vat are outstanding as on 31.3.2018 are Rs.9,499/-, Rs.10,727/- & Rs.54,576/- respectively. These outstanding amount should be remitted in Govt. Treasury under specific budget head of Account immediately.

Para 12(a)-Service Book & Leave Account:

The Village Panchayat has maintained the Service Book and leave accounts. The service book of Shri Tulsidas N. Harmalkar, VP Peon is incomplete since 2014. Also leave account is incomplete and service verification is not done. **This observation was raised in the previous audit also. Higher Authorities may take action on this issue.**

(b) Salary Reserve Fund: The Village Panchayat has created the salary reserve fund amounting to Rs.1,89,710/- which is equivalent to 3 months salary of the VP Staff.

(c) Provident fund: The Village Panchayat has extended the benefits of Employees Provident fund scheme for the staff of village panchayat. A register may be maintained to keep the update record of EPF.

(d) 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.

Para 13 - Vouchers:

All the vouchers are verified and found in order.

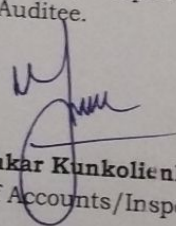
Para 14 - General:

(a) Departmental Inspection: The BDO has not carried out any inspection of Village Panchayat whereas EO(VP) has carried out 2 inspections as against the prescribed 3 & 5 respectively. The reason for not conducting the inspection be justified. The lapse is brought to the notice of Director of Panchayat for necessary action.

(b) Gram Sabhas: The Village Panchayat has conducted 4 ordinary and 4 special gram sabhas during the year 2017-18.

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

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


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