



सत्यमेव जयते

**REPORT OF THE
COMPTROLLER AND AUDITOR
GENERAL OF INDIA**

The Report has been laid on the table of the State Legislature Assembly on 23-07-2014

FOR THE YEAR ENDED 31 MARCH 2013

GOVERNMENT OF GOA

TABLE OF CONTENTS		
	Reference to	
	Paragraph	Page
Preface		v
CHAPTER – I INTRODUCTION		
About this Report	1.1	1
Audited entity profile	1.2	1
Authority for Audit	1.3	2
Organisational structure of the Office of the Accountant General, Goa	1.4	3
Planning and conduct of Audit	1.5	3
Significant audit observations	1.6	3
Performance audits of programmes/activities/Departments	1.6.1	4
Compliance audit of transactions	1.6.2	5
Audit of Revenue Receipts	1.6.3	6
Audit of commercial and trading activities of the Government	1.6.4	7
Lack of responsiveness of Government to Audit	1.7	8
Inspection reports outstanding	1.7.1	8
Response of Departments to the draft paragraphs	1.7.2	8
Follow-up on Audit Reports	1.7.3	8
Paragraphs to be discussed by the Public Accounts Committee	1.7.4	8
CHAPTER – II PERFORMANCE AUDIT		
PUBLIC WORKS DEPARTMENT Performance Audit on Water supply schemes in the State	2.1	9
CHAPTER – III AUDIT OF TRANSACTIONS		
<i>Audit against propriety/Expenditure without justification</i>	3.1	33
PUBLIC WORKS DEPARTMENT Avoidable expenditure of ₹ 0.63 crore	3.1.1	33
Undue benefit of ₹ 11.40 crore to contractors	3.1.2	34
Avoidable extra cost of ₹ 1.06 crore due to re-alignment of pipeline	3.1.3	36
PUBLIC HEALTH DEPARTMENT Irregularities in contract for supply of medical gases to the Goa Medical College	3.1.4	37
WOMEN AND CHILD DEVELOPMENT DEPARTMENT Avoidable expenditure of ₹ 1.34 crore due to non-lifting of foodgrains under Wheat Based Nutrition Programme	3.1.5	38

<i>Non-compliance with rules</i>	3.2	40
FINANCE DEPARTMENT Non-receipt of performance grants due to non-compliance of conditions specified by the Thirteenth Finance Commission	3.2.1	40
TOURISM DEPARTMENT Loss of interest of ₹ 87.88 lakh due to retention of idle funds in current account in Bank	3.2.2	42
CHAPTER – IV REVENUE RECEIPTS		
Trend of revenue receipts	4.1	45
REGISTRATION DEPARTMENT Performance audit on levy and collection of stamp duty and registration fee	4.2	55
FINANCE DEPARTMENT Irregular allowance of exemption	4.3	68
Non collection of renewal fees	4.4	68
Loss of revenue	4.5	69
Short levy of Licence fees	4.6	70
Non-levy of Tax and penalty from unregistered dealers	4.7	71
CHAPTER – V GOVERNMENT COMMERCIAL AND TRADING ACTIVITIES		
Overview of State Public Sector Undertakings	5.1	73
Performance Audit on Loan recovery performance of EDC Limited	5.2	86
Avoidable payment of Income Tax	5.3	104
Loss of ₹ 40.81 lakh due to short recovery of surrender charges	5.4	105
Reimbursement of differential Sales Tax based on false document	5.5	106
Non-recovery of charges for short supply of energy by Goa Energy Pvt. Ltd. (GEPL) ₹ 5.61 crore for year 2011-12	5.6	107
Irregular refund of EMD	5.7	108

Appendix No.	APPENDICES	Page
1.1	Statement showing year-wise position of inspection reports and paragraphs pending settlement	111
1.2	Statement showing number of paragraphs/reviews in respect of which Government explanatory memoranda had not been received	113
1.3	Statement showing Paragraphs (excluding General and Statistical) yet to be discussed by PAC as of September 2013	114
2.1	Organisational set up of PHE wing of PWD	115
2.2	Water consumed by various categories of consumers in cubic meter	116
2.3	Details of execution of works under various packages of water supply sector under JICA project	117
2.4	Details of works divided into phases and awarded to same agencies	119
2.5	Power factor penalty paid on eight electrical installations	120
2.6	Number of consumers under various categories	121
2.7	Water tariffs during the period 2008-09 to 2012-13	122
2.8	Calculation of potential revenue on unaccounted water	124
3.1	Details of agreements entered into with contractors for supply of pipes despite having pipes in store	125
3.2	Details of payments made to contractors for supply of pipes over and above the market rates	127
3.3	Calculation of excess amounts paid to contractor	128
3.4	Calculation of excess amounts paid to contractor	129
3.5	Calculation of excess amounts paid to Marketing Federation	130
4.1	Rates of stamp duty and registration fees during the period 2008-2013	131
4.2	Cases of Re-transfer of properties acquired by agreement	132
4.3	Short Collection of renewal fees from five star hotels	133
4.4	Short levy of licence fee from hoteliers	134
5.1	Statement showing particulars of up to date paid-up capital, loans outstanding and Manpower as on 31 March 2013 in respect of Government Companies and Statutory Corporations	135
5.2	Summarised financial results of Government Companies and Statutory Corporations for the latest year for which accounts were finalised	138
5.3	Statement showing Equity, Loans, Grants and Subsidy received/receivable, guarantees received, waiver of dues, loans written off and loans converted into equity during the year and guarantee commitment at the end of March 2013	141
5.4	Statement showing investments made by State Government in PSUs whose accounts were in arrears as on 30 September 2013	145
5.5	Statement showing financial position of Statutory Corporations (Goa Industrial Development Corporation)	147

Audit Report for the year ended 31 March 2013

5.6	Statement showing working results of Statutory Corporations (Goa Industrial Development Corporation)	148
5.7	Summarised financial results of Departmentally managed commercial undertakings as per their latest proforma accounts	149
5.8	Organisational chart of EDC Limited	150
5.9	Loan recovery position during the last five years	151
5.10	Details of delayed recovery of loans <i>etc.</i>	152
5.11	Details of loans sanctioned and disbursed without sufficient tangible security	155
5.12	Details of cases where the value of security had deteriorated consequent to which EDC could not recover the full amount due	156
5.13	Details of shortfall in power supply as compared to the guaranteed quantity	157