

## CHAPTER-III

### AUDIT OF TRANSACTIONS

Audit of transactions of the Government Departments, their field formations as well as that of Local Bodies brought out instances of lapses in management of resources and failures in the observance of the norms of regularity, propriety and economy. These have been presented in the succeeding paragraphs.

#### **3.1     *Incorrect payment to contractor***

#### **PUBLIC HEALTH DEPARTMENT**

##### **3.1.1   Overpayment to a supplier**

<b>Failure of Goa Medical College to scrutinise the bills of a supplier correctly on account of supply of reagents and consumables led to an overpayment of ₹ 65.35 lakh.</b>
---

Due to non-availability of facilities for several pathological investigations in Goa Medical College (GMC), the Minister of Health instructed the Dean, GMC to explore the possibility of setting up a centralised pathological laboratory where all the tests for GMC, Hospicio and Asilo Hospitals could be carried out to provide quick and reliable reports.

Accordingly, the Dean of GMC proposed (July 2007) to start a Central pathology lab and use new technology available for blood tests for various investigations. As the equipments under the new technology were found to be expensive, it was decided (July 2007) to explore the possibility of obtaining these equipments on long term lease from the interested companies instead of outright purchase. Tenders for supply, installation and operation of a Fully Automated Integrated Biochemistry and Immunochemistry Random Access Analyser and Fully Automatic 5-part Hematology Counter at the cost of the provider and conducting the required tests with required reagents to be supplied by the party on payment, were called for (September 2007).

Though four tenders were received, they were rejected as two of them did not qualify and the other two had quoted only partly. Tenders were re-invited in December 2007 and five offers were received. Only the tender of M/s Abbott Health Care Private Limited, Mumbai was found to be technically acceptable. Therefore, the financial bid of M/s Abbott was accepted by the Government in April 2008 and the work entrusted to M/s Abbott in April 2008.

The work order stipulated that an agreement be executed between the Company and the Government before commencement of operations which

would be valid for five years. Though the laboratory was functional from June 2008, the Government did not conclude any formal agreement with M/s Abbott as of September 2012.

M/s Abbott supplied the reagents from April 2008 to November 2008 and thereafter, appointed M/s Tapascharya Enterprises, Goa as their distributor. Subsequent supplies of reagents and consumables were made by M/s Tapascharya. Accordingly, the GMC placed 58 supply orders on M/s Tapascharya for supply of reagents and other consumables valuing ₹ 7.64 crore during the period from December 2008 to April 2012.

Audit scrutiny of the payment bills submitted by M/s Tapascharya revealed that the rates charged by them were higher than the rates agreed by M/s Abbott in their tender. The Dean took up (January 2009) the matter with the Government and asked (February 2009) for a clarification from the supplier. M/s Tapascharya contended that their rates were less than the rates of M/s Abbott as the department would have to pay 12.50 *per cent* Central Sales Tax (CST) over and above the basic rate quoted by M/s Abbott if it was billed by M/s Abbott. It appeared that this contention of M/s Tapascharya was accepted by the GMC and the GMC continued to pass and pay the bills of M/s Tapascharya at their rates instead of rates agreed to in the tender of M/s Abbott.

Audit observed that the Central Government had reduced CST rates to two *per cent* with effect from June 2008 on all goods transferred to the dealers from manufacturers. The GMC furnished 107 invoices amounting to ₹ 4.02 crore for 130 number of reagents and consumables purchased in varied quantities between February 2009 and March 2012, for verification by audit. Verification of these invoices revealed that the amount payable after considering the two *per cent* CST (excluding VAT, as the amount paid as VAT was remitted to the Government) on the tender rate was ₹ 344.10 lakh. As against this, the amount actually paid to M/s Tapascharya was ₹ 378.51 lakh. Thus, there was an excess payment of ₹ 34.41 lakh. In respect of the remaining purchases valuing ₹ 3.62 crore, the invoices were not furnished by the GMC for verification, despite a written request submitted by Audit in July 2012. Considering the proportionate excess payment at the rate of 8.55 *per cent* made on ₹ 4.02 crore, the overpayment on the remaining purchase of ₹ 3.62 crore would work out to at least ₹ 30.94 lakh.

Thus, failure of GMC to scrutinise the bills of the supplier correctly led to an overpayment of ₹ 65.35 lakh.

The matter was referred to the Government in August 2012; their reply was awaited as of February 2013.

### 3.2 Extra expenditure

#### WATER RESOURCES DEPARTMENT

##### 3.2.1 Extra expenditure on procurement of DI pipes

**The decision to procure DI pipes separately for two lift irrigation schemes to be implemented simultaneously by the same Works Division resulted in extra expenditure of ₹ 36.87 lakh.**

The Government accorded Administrative approval and Expenditure sanction (March 2008) for works of supply and laying of ductile iron (DI) pipelines for the two lift irrigation schemes at Vaddem and Valkini rehabilitation sites in Sanguem Taluka at a cost of ₹ 1.81 crore and ₹ 80.56 lakh respectively. Both the works were to be implemented by the Executive Engineer (EE), Works Division X, Water Resources Department (Department), Sanguem. As the procurement of pipes was expected to cost around 60 to 72 *per cent* of the total estimated cost of the works, the Chief Engineer decided (July 2009) to split the works for supply of DI pipes and their laying, in respect of both the works.

The EE, Division X invited two separate tenders for supply of DI pipes of various dimensions for the Vaddem and Valkini rehabilitation sites in October 2009 and November 2009 respectively. Three offers<sup>1</sup> were received in November 2009 for the Vaddem site and two<sup>2</sup> for Valkini in December 2009. The offer of M/s Jindal Saw Limited, (manufacturer of pipes) being the lowest at ₹ 144.47 lakh was accepted for the Vaddem site. In respect of Valkini site, M/s Dukle Associates (dealer of pipes) quoted ₹ 115.54 lakh and was lower than the rates offered by the only other tenderer *viz.*, Jindal Saw Limited, who quoted ₹ 117.46 lakh. Though the Department attempted to negotiate the prices with Dukle Associates, but the supplier refused to reduce the rates citing increase in price of steel, non-availability of excise duty exemption, *etc.* as the reasons. The offer of Dukle Associates was finally accepted in January 2010. An abstract of the rates finally accepted by the Department for supply of DI pipes for Vaddem and Valkini sites is indicated below.

<sup>1</sup> M/s Jindal Saw Ltd., Pune; M/s Prasad Sheth, Goa; and M/s Dukle Associates, Goa

<sup>2</sup> M/s Jindal Saw Ltd., Pune and M/s Dukle Associates, Goa

Diameter of pipe (in mm)	Accepted rates of Jindal Saw for Vaddem site			Accepted rates of Dukle Associates for Valkini site		
	Qty. in meter	Rate per meter (in ₹)	Total amount	Qty. in meter	Rate per meter (in ₹)	Total amount
500	1769.35	5509	9747349.15	-	-	-
450	449.90	4728	2127127.20	334.20	9950	3325290
400	-	-	-	240.00	9000	2160000
350	776.80	3293	2558002.40	484.60	7300	3537580
300	-	-	-	418.00	6000	2508000

As may be seen from the table above, the rates quoted by Jindal Saw Limited for 450 mm and 350 mm pipes at ₹ 4,728 per meter and ₹ 3,293 per meter respectively for the Vaddem site was substantially lower than the rates of ₹ 9,950 per meter and ₹ 7,300 per meter quoted by Dukle Associates for similar pipes for the Valkini site, resulting in an extra expenditure of ₹ 36.87 lakh<sup>3</sup> in procurement of 450 mm and 350 mm pipes for the Valkini site.

Thus, the decision of the Department to float separate tenders for procurement of DI pipes for two lift irrigation schemes in a space of one month to be implemented by the same Works Division resulted in extra expenditure of ₹ 36.87 lakh.

The matter was referred to the Government in August 2012; their reply was awaited as of February 2013.

### **3.3 Idle investment**

## **PUBLIC WORKS DEPARTMENT**

### **3.3.1 Unfruitful expenditure**

**The Public Works Department failed to ensure availability of land for construction of pump house, ground level reservoir and sump leading to delay of more than five years in commissioning of a Regional Water Supply Scheme at Canacona and an unfruitful expenditure of ₹ 3.27 crore.**

Under the Regional Water Supply Scheme at Canacona, the Public Works Department (Department), Division XX proposed (March 2005) to augment the existing capacity of the water treatment plant at Canacona from five million liters per day (MLD) to 10 MLD. The additional capacity of five

<sup>3</sup> (₹ 9,950 – ₹ 4,728) \* 334.20 m + (₹ 7,300 – ₹ 3,293) \* 484.60 m = ₹ 36.87 lakh

MLD of treated water was proposed to be extended to Poinguinim and Loliem Villages, where the supply was unsatisfactory and unhygienic.

The Department accorded (November 2005) administrative approval and expenditure sanction for the work of “Providing, laying and jointing of DI rising and conveying main for water supply to Poinguinim and Loliem villages” at an estimated cost of ₹ 3.48 crore. The work was awarded (October 2006) to a contractor<sup>1</sup> at the tendered cost of ₹ 3.28 crore. The work also included installation of a pumping unit at Maxem by the contractor in a pump house which was to be made available by the Department. The stipulated date of completion of work was October 2007.

Audit scrutiny revealed (July 2011) that the contractor completed the work of laying of DI pipes belatedly in July 2009<sup>2</sup> for which a payment of ₹ 3.16 crore was made up to September 2009 (8<sup>th</sup> Running Account Bill). However, the contractor could not install the pumping unit, as the Department failed to acquire the land for construction of pump house. Consequently, the Regional Water Supply Scheme for supply of treated water to Poinguinim and Loliem villages could not be commissioned as of September 2012. The augmentation of the existing capacity of water treatment plant at Canacona was completed and commissioned in January 2010.

Audit observed that construction of a pump house, 800 cum Ground Level Reservoir (GLR) and 400 cum sump at Maxem was proposed under the same Scheme but in a separate estimate which was approved by the Department way back in December 2003. However, during execution of work of laying of pipelines, the department realised that installation of pumping unit at Maxem would not serve the purpose as the required level at Maxem was not sufficient to pump the water to Loliem village. The Department, therefore, decided to shift the location of the pump house, GLR and sump from Maxem to Partagal. Incidentally, the land/site identified by the Department at Partagal fell under private forest land and required ‘No Objection Certificate’ which was not forthcoming from the land owner. The work for construction of pump house, GLR and sump was not tendered as of September 2012, due to non-acquisition of land by the Department.

Meanwhile, the Department decided (October 2011) to commission the Scheme by installing booster pumps. The work for procurement and installation of booster pumps was awarded (April 2012) to another contractor<sup>3</sup> at a tendered cost of ₹ 16.67 lakh for completion by August 2012. However, the Department was not able to acquire land admeasuring 30 sqm from any of the land owners in the area for fixing of booster pumps. A

---

<sup>1</sup> M/s Sheth and Sura Engineers, Pune

<sup>2</sup> Extension of time was granted up to 30 September 2009

<sup>3</sup> M/s P.K. Sheth, Goa

payment of ₹ 10.50 lakh was made to the contractor only towards procurement and supply of booster pumps.

Thus, failure of the department to ensure *ab initio* availability of land for construction of pump house, GLR and sump led to delay of more than five years in commissioning of a Regional Water Supply Scheme at Canacona and an unfruitful expenditure of ₹ 3.27 crore. Besides, the delay also deprived the beneficiaries of the facility of treated water supply for prolonged period.

The matter was referred to the Government in June 2012; their reply was awaited as of February 2013.

### **3.4 Avoidable expenditure**

## **PUBLIC WORKS DEPARTMENT**

### **3.4.1 Avoidable extra expenditure**

**Failure of the Department to complete the acceptance procedure with a contractor within the validity period led to an avoidable extra expenditure of ₹ 1.29 crore on re-tendering.**

The Principal Chief Engineer, Public Works Department (Department), Government of Goa accorded Administrative approval and Expenditure sanction in March 2003 for the work of “Improvement of water supply to village Arambol and Morjim of Mandrem constituency” for ₹ 4.55 crore. Tenders were invited in December 2006 and the work<sup>4</sup> was awarded to M/s Welma Constructions, Porvorim, in March 2007 for ₹ 2.55 crore. The stipulated dates for commencement and completion of work were 13 April 2007 and 07 March 2008 respectively.

Due to the slow progress of the work and the contractor’s refusal to execute the work at the quoted rates, the contract was terminated by the Department in September 2010. The value of work done till then by the contractor was ₹ 1.23 crore.

Tenders for the balance work, estimated at ₹ 1.16 crore, were re-invited in March 2011. Out of the two offers received, the offer of M/s Wibro Construction Company was the lowest at ₹ 1.44 crore. The offer of the contractor was valid up to 05 October 2011. Audit observed that the Department failed to complete the acceptance procedure within the period of validity and the contractor thereafter, also refused to extend the validity. Consequently, fresh tenders had to be invited in November 2011.

---

<sup>4</sup> Construction of 650 cum GLR, conveying and distribution main, providing chain link fencing for GLR



Of the two offers received on re-tendering (November 2011), the offer of M/s Lecon Engineers and Contractors Private Limited was the lowest at ₹ 2.78 crore. M/s Lecon was awarded the balance work in April 2012 at a negotiated cost of ₹ 2.73 crore, with scheduled date for completion of work as 17 April 2013.

Thus, delay on the part of the department to complete the acceptance procedure with M/s Wibro Construction Company within the validity period led to an avoidable extra expenditure of ₹ 1.29 crore on re-tendering. Also, the work of “Improvement of water supply to village Arambol and Morjim of Mandrem constituency” scheduled for completion in March 2008 will now be completed by April 2013 at a cost of ₹ 3.96 crore (partial work done for ₹ 1.23 crore plus committed liability of ₹ 2.73 crore for balance work).

The matter was referred to the Government in June 2012; their reply was awaited as of February 2013.

### 3.5 Loss of revenue

#### GOA HOUSING BOARD

##### 3.5.1 Loss of revenue

**The Goa Housing Board lost ₹ 68.79 lakh in revenue on allotment of 35 Row Houses due to belated decision to revise the rates of land downwards from ₹ 3,500 per square meter to ₹ 2,000 per square meter.**

The Goa Housing Board (GHB) invited applications through an advertisement in March 2007 for construction of 16 Row Houses (RHs) at Ambaji, Fatorda. The advertisement indicated the proposed cost<sup>5</sup> of A, B and C type of RHs as ₹ 15.53 lakh, ₹ 15.12 lakh and ₹ 16.67 lakh respectively. For units more than the minimum plot area, additional payment at the rate of ₹ 2,000 per square meter was to be made. As against 16 units initially offered for sale, 43 applications were received. In view of the good response, the GHB in its 395<sup>th</sup> meeting held on 17 December 2007 decided to construct 20 more RHs and increase the cost of minimum plot area from ₹ 1,600 to ₹ 3,500 per square meter. The Board also resolved to send letters to all the intending purchasers informing them about the increase in price of houses (due to this increase in cost of land) and obtain their willingness.

The work of construction of the RHs was awarded in November 2008 and completed in April 2011. Out of the 43 applicants, 36 were requested on first-come-first serve basis in March 2008 to select the RHs of their choice.

<sup>5</sup> The Row Houses had a minimum plot area of 95.15 sqm @ ₹ 1,600 per sqm

Allotment orders were issued in April 2008, indicating the house number allotted and a provisional statement of cost along with terms of payment. The provisional cost of each RH was calculated at ₹ 3,500 per square meter as fixed in December 2007.

Audit observed that the allottees raised objections to the differential rates being charged over the notified/advertised rates. The issue was considered by the Housing Minister, who observed (July 2011) that, the GHB officials had failed to convey and obtain acceptance of the intending purchasers for the revised rates as decided by the GHB in December 2007. Hence, the revised rates of ₹ 3,500 per square meter were not maintainable. With the approval of the Chief Minister, it was decided to reduce the rate of land to ₹ 2,000 per square meter. Accordingly, the revised costs of the units were calculated and excess amount deposited refunded to the allottees in December 2011.

Thus, the failure of the GHB to convey its decision to revise the rate of land upwards from ₹ 1,600 per square meter to ₹ 3,500 per square meter without intimating the allottees and thereafter, restoring it to ₹ 2,000 per square meter upon Government intervention, resulted in a loss of ₹ 68.79 lakh in allotment of 35 RHs on 4,586.32 square meter of land (one house was kept by GHB for staff allotment). Further, fixation of a lower rate of ₹ 2,000 per square meter by the Government after a time lag of four years (December 2007 to November 2011) did not appear to be based on any market assessment, as audit observed that GHB auctioned (March 2008) two plots of land in Ambaji-Fatorda at ₹ 8,400 and ₹ 8,500 per square meter against the minimum reserve price of ₹ 3,500 per square meter.

The matter was referred to the Government in June 2012; their reply was awaited as of February 2013.

### **3.6 Regularity issues**

#### **URBAN DEVELOPMENT DEPARTMENT**

##### **3.6.1 Short assessment of construction license fee leading to loss of revenue**

<b>Three Municipal councils failed to adopt the revised plinth area rates for assessing the construction license fee, leading to loss of revenue of ₹ 51.59 lakh during the period May 2009 to April 2012.</b>
--

In order to regulate the construction activities, Government of Goa notified (January 1988) the Municipal Council Building Bye-laws and Regulations, 1987 and the Goa Land Development and Building Construction Regulations, 2010. The Municipal Councils (MCs) are required to follow the provisions of the bye-laws and the regulations while issuing the construction licenses.



The Municipal Councils levy fee while issuing construction licenses at certain percentage on the estimated cost of the building. As the estimated cost of the buildings vary, the MCs arrive at the estimated cost based on the plinth area rates published by the Public Works Department, Government of Goa.

The plinth area rates published by the PWD in August 1997 were revised in May 2009, to be effective from 05 May 2009. Audit scrutiny revealed that three MCs<sup>6</sup> did not implement the revised plinth area rates effective from 05 May 2009.

A test check of 135 out of 288 new licenses issued during the period May 2009 to April 2012 revealed short assessment of ₹ 51.59 lakh due to non-adoption of the revised plinth area rates as detailed below:

*(₹ in lakh)*

Sl. No.	Name of the Municipality	Period	Total licenses issued	Licenses test checked	Short assessment
1.	Curchorem-Cacora	May 2009 to April 2012	175	99	43.22
2.	Sanguem	August 2009 to October 2011	57	27	2.70
3.	Ponda	May 2009 to July 2009	56	9	5.67
<b>Total</b>			<b>288</b>	<b>135</b>	<b>51.59</b>

On being pointed out in audit, the MCs Ponda, Curchorem-Cacora and Sanguem stated (September 2012) that the revised plinth area rates for assessing the construction license fee were adopted from 19 August 2009, 21 May 2012 and 16 March 2012 respectively. The MCs Curchorem-Cacora and Sanguem further stated that recoveries of short-collection of license fee were made when the licensees came for renewals. MC Ponda added that efforts would be made to recover the arrears.

The matter was referred to the Government in July 2012; their reply was awaited as of February 2013.

<sup>6</sup> Curchorem-Cacora, Sanguem and Ponda

### **3.6.2 Idling of Government funds**

**Grants-in-aid sanctioned to Goa State Urban Development Agency and 14 Municipal Councils for development purposes were parked in bank accounts. The interest on such deposits was treated as revenue of the grantees. Out of the total accrued interest of ₹ 11.44 crore during 2006-11, ₹ 8.12 crore was adjusted and the balance interest of ₹ 3.32 crore remained unadjusted as of August 2012.**

The Government of Goa releases grants-in-aid annually to the Municipal Councils (MCs) and the Goa State Urban Development Agency (GSUDA<sup>7</sup>) for implementing the developmental/infrastructure works in the urban areas.

The Goa Delegation of Financial Powers Rules, 2008 provided that grants are to be released either on monthly basis or quarterly basis restricting to 1/12<sup>th</sup> or 1/4<sup>th</sup> of the budget provision.

Audit scrutiny revealed that the Directorate of Municipal Administration (DMA), released ₹ 84.99 crore as grants to GSUDA and ₹ 156.76 crore to the 14 MCs from April 2006 to March 2011. Despite the provision to release the grants in installments, the DMA released full amounts for every work in lump sum to the MCs and GSUDA resulting in idling of funds with them. These funds parked in banks by the grantees earned interest income which instead of being refunded to the Government was taken as revenue in the Municipal accounts and utilised for general purposes.

Audit observed that the DMA sanctioned ₹ 20.71 crore to GSUDA during 2011-12. Out of this, only ₹ 12.65 crore was released after adjusting ₹ 8.06 crore from ₹ 8.82 crore earned as interest on grants sanctioned during 2006-11. Further, out of ₹ 2.62 crore earned as interest from grants by 14 MCs/CCP<sup>8</sup> during 2006-11, only ₹ 5.58 lakh was adjusted from the grants sanctioned to one MC<sup>9</sup> during 2011-12. The balance interest of ₹ 2.56 crore was not adjusted as of August 2012.

Thus, of the total interest of ₹ 11.44 crore that accrued to grantees during 2006-11, an interest amounting to only ₹ 8.12 crore was adjusted and the balance interest of ₹ 3.32 crore<sup>10</sup> remained unadjusted as of August 2012. Release of grants-in-aid in lump sum contrary to the Goa Delegation of Financial Rules, 2008 also resulted in idling of Government funds in banks thereby depriving the development works.

The matter was referred to the Government in July 2012; their reply was awaited as of February 2013.

---

<sup>7</sup> A Society registered under the Societies Registration Act, 1860

<sup>8</sup> City Corporation of Panaji

<sup>9</sup> Mapusa MC

<sup>10</sup> ₹ 0.76 crore (GSUDA) + ₹ 2.56 crore (14 MCs)

**RURAL DEVELOPMENT DEPARTMENT**

**3.6.3 Irregular utilisation of funds allotted for Sampoorna Grameen Rozgar Yojana**

**Sampoorna Grameen Rozgar Yojana funds amounting to ₹ 94.74 lakh (out of ₹ 95.18 lakh available) were expended in the month of March 2008 by payment to individuals instead of as wages to labourers. No evidence of utilisation of ₹ 27.04 lakh drawn through self cheques for distribution of wages was available.**

The Government of India (GoI) launched the Sampoorna Grameen Rozgar Yojana (SGRY) Scheme in September 2001. The Primary objective of the Scheme was to provide additional and supplementary wage employment and thereby provide food security and improve nutritional levels in all rural areas. The works to be taken up under the Scheme was to be labour intensive. The secondary objective was the creation of durable community, social and economic assets and infrastructural development in rural areas. The SGRY Scheme was later replaced by the National Rural Employment Guarantee Act, 2005. However, the scheme continued in Goa till 31 March 2008.

The District Rural Development Agency (DRDA) South, the implementing agency for the Yojana/Act in South Goa, placed funds received from the GoI with the South Goa Zilla Panchayat (SGZP) for implementing the scheme in South Goa. The amounts so received were deposited by the SGZP in a separate account (A/c.No.1800) in the Corporation bank, Arlem branch, opened in October 2002. As per the pass book furnished to audit, the opening balance as on 01 April 2007 was ₹ 92,07,393. After accounting for bank interest amounting to ₹ 3,10,667, the total availability of funds at the beginning of March 2008 was ₹ 95,18,060.

Audit scrutiny revealed that while there were no transactions between December 2004 and February 2008, the SGZP issued 70 cheques valuing ₹ 94,74,393 in March 2008 for various payments. Out of this, 29 cheques for ₹ 26,11,365 were drawn to transfer funds to a new account (Account No. 3451) opened in the same bank on 31 March 2008. Further, the SGRY guidelines provided that wages shall be paid in cash on a fixed day in a week in the presence of the Village Pradhan or Sarpanch. However, in contravention of the guidelines, 35 cheques valuing ₹ 65,62,783 were issued to individuals as payments for materials supplied, labour charges, etc. The remaining six cheques for ₹ 3,00,245 were drawn for cash disbursements.

Audit scrutiny of the bank scroll for Account No. 3451 further revealed that during April 2008 to October 2008, ₹ 27,03,578 (including interest) was

withdrawn through 24 self cheques. However, no entries for such withdrawals were available in the cash book. As the counterfoil of these cheques and vouchers were stated to be not traceable, Photostat copies of 22 cheques were obtained from the bank. It was seen that the Chief Accounts Officer had signed on the back of 17 cheques, a peon on four cheques and one Junior Engineer on one, acknowledging receipt of cash on encashment. Though these withdrawals were stated to be for distribution as wages to labourers, the SGZP was unable to produce any evidence of distribution of the amount as wages and expressed inability to identify the person who distributed the amount to the workers. The questionable transfer of funds to a new account on the last day of the financial year through 29 cheques, withdrawal of the whole amount within seven months from the new account through self cheques and absence of records to prove proper utilisation of the amounts withdrawn indicated misappropriation of funds.

On being pointed out in audit (June 2011), the SGZP conducted an inquiry into the discrepancies. The Chief Executive Officer of the SGZP furnished (June 2012) a copy of the inquiry report to the Directorate of Panchayats and to Audit in July 2012. It was seen that the inquiry was merely a record of statements made by various officials and no conclusive findings had emerged.

The matter was referred to the Government in July 2012; their reply was awaited as of February 2013.