

Overview

OVERVIEW

This Report comprises three chapters containing 11 paragraphs and one Follow-up Audit. Chapter I contain the audit findings pertaining to Social, General and Economic Sectors (Non-Public Sector Undertakings-Non-PSUs). Chapter II contain audit findings pertaining to Revenue Sector. Chapter III contain the audit findings pertaining to State Public Sector Undertakings and Government Commercial and Trading Activities and a Follow-up Audit of 'Performance Audit of Estate Management of Goa Industrial Development Corporation'.

The total expenditure of the State increased by 29 *per cent* from ₹ 10,976 crore in 2016-17 to ₹ 14,156 crore in 2018-19. The revenue expenditure of the State increased by 25 *per cent* from ₹ 8,866 crore in 2016-17 to ₹ 11,083 crore in 2018-19. The share of revenue expenditure to total expenditure was 81 *per cent* during 2016-17. However, it was reduced to 78 *per cent* during 2017-19. There was corresponding increase in capital expenditure to 22 *per cent* during 2017-19, when compared to 19 *per cent* during 2016-17.

FOLLOW-UP AUDIT

PUBLIC SECTOR UNDERTAKINGS AND GOVERNMENT COMMERCIAL AND TRADING ACTIVITIES

Follow-up Audit of 'Performance Audit of Estate Management of Goa Industrial Development Corporation'

The Follow-up Audit undertaken to assess the progress in implementation of recommendations of Performance Audit of Estate Management of Goa Industrial Development Corporation revealed failure in implementation of recommendations and lack of remedial action to address the underlying issues. A comprehensive database on type of industrial units operating at industrial estates, their functional status and employment generation did not exist. Allotment of plots at industrial estates was done arbitrarily and there was no transparency and fairness in evaluation of applications. While lack of adequate infrastructure delayed industrialisation and employment creation at some industrial estates, considerable revenue was lost due to unrealistic fixation of plot rate and non-recovery of applicable transfer fee and water charges from industrial units. Many allottees held plots without utilising it since allotment and indulged in land trading for private gains. The ineptness of the Corporation in acting against defaulters was evident from the fact that about 23 *per cent* of the land allotted to industrial units remained unutilised or vacant for three years to three decades. Management control over estate operations was ineffective due to inadequate MIS and internal audit and poor participation of State Government nominees in decision-making process.

(Paragraph 3.2)

COMPLIANCE AUDIT

SOCIAL, GENERAL AND ECONOMIC SECTORS (Non-PSUs)

PUBLIC WORKS DEPARTMENT

Lack of monitoring and failure to follow the prescribed control procedures by Public Works Department led to misappropriation of Government receipts of ₹ 15.16 lakh by a Cashier.

(Paragraph 1.5)

PUBLIC HEALTH DEPARTMENT

Non-deduction of Excise duty component from prices of purchased medicines after implementation of GST as per procedure prescribed by Government resulted in excess payment to the supply contractor.

(Paragraph 1.6)

Delay in finalisation of tenders by Goa Medical College and Hospital for the year 2016-17 resulted in avoidable extra expenditure of ₹ 10.75 crore on procurement of medicines through local purchase.

(Paragraph 1.7)

Weak internal controls in Goa Medical College and Hospital led to misappropriation of hospital receipts of ₹ 6.68 lakh by the hospital staff.

(Paragraph 1.8)

REVENUE SECTOR

COMMERCIAL TAXES DEPARTMENT

Assessing Authority did not levy or short levied interest of ₹ 2.14 crore in respect of 14 dealers for delayed payment of taxes.

(Paragraph 2.2)

Exemption of luxury tax of ₹ 1.45 crore was granted to seven hoteliers in two Luxury Tax Offices in violation of prescribed conditions.

(Paragraph 2.3)

Irregular allowance of Input Tax Credit against Entry Tax paid after the tax period resulted in excess refund by ₹ 1.10 crore.

(Paragraph 2.4)

Commercial Tax Offices of Margao and Panaji allowed NPV exemption of ₹ 3.78 crore to two dealers during the period not covered under NPV Scheme.

(Paragraph 2.5)

REVENUE DEPARTMENT

Non-raising of demand against short paid conversion fee and fine as per provisions of the Government policy resulted in loss of revenue ₹ 31.09 crore.

(Paragraph 2.6)

REGISTRATION DEPARTMENT

The Government of Goa did not fix minimum rates for built up area. The Department registered Deeds of Sale on a property without ascertaining the true market value of the property. Based on the sales registered in the same village during the period the minimum revenue forgone was estimated at ₹ 8.95 crore.

(Paragraph 2.7)

PUBLIC SECTOR UNDERTAKINGS AND GOVERNMENT COMMERCIAL AND TRADING ACTIVITIES

ELECTRICITY DEPARTMENT

Liability of extra avoidable expenditure of ₹ 1.86 crore on State Government due to non-payment of Employees' Provident Fund contribution and depriving workers of benefits under EPF by two divisions of Electricity Department.

(Paragraph 3.3)