

## P R E F A C E

1. Subsequent to the 73<sup>rd</sup> and 74<sup>th</sup> amendments to the Constitution and increasing devolution of functions and funds to local bodies, the Eleventh Finance Commission envisaged entrustment of responsibility of exercising control and supervision over the accounts and audit of Local Bodies to the Comptroller and Auditor General of India (CAG).
2. The audit of Urban Local Bodies (ULBs) and Village Panchayats (VPs) is carried out by the CAG under Section 14 of CAG's (Duties, Powers and Conditions of Service) Act, 1971. The Government of Goa has entrusted Technical Guidance and Supervision over accounts and audit of Local Bodies to the CAG in November 2006. The CAG is the sole auditor for Zilla Panchayats (ZPs). The audit is conducted under Section 20 (1) of the CAG's (Duties, Powers and Conditions of Service) Act, 1971.
3. This is the Annual Technical Inspection Report (ATIR) for the year ended March 2012, prepared by the Office of Accountant General, Goa. While Chapters I and II of this Report contain an overview and audit observations relating to Urban Local Bodies, Chapters III and IV deal with Panchayati Raj Institutions.
4. The cases mentioned in the Report are those which came to notice in the course of test audit of accounts during the year 2012-13.