

CHAPTER-III PERFORMANCE REVIEWS

TOURISM DEPARTMENT

3.1 Performance Review on Tourism Department

The Tourism Department, Government of Goa is responsible for promotion of tourism in Goa by way of planning and development of basic infrastructure and marketing of Goa as Tourist Destination. Review of the Department revealed deficiencies in planning, inadequate efforts towards development of new tourism products, non-adherence to approved procedure and deficiencies in system of release of advertisements. Further, arrangements for safety of tourists on the beaches were not adequate leading to deaths of tourists due to drowning. A ship “River Princess” stranded at Sinquerim beach in June 2000 is yet to be removed, and continues to be an environmental hazard affecting the beach stretch from Sinquerim to Calangute.

Highlights

- Ø High-powered tourism body envisaged in TMP-2011 has not been constituted so far (November 2006).

(Paragraph 3.1.6.1)

- Ø Advertisement and publicity – one of the major activities of the Department, suffered from shortcomings like inadequate competition in tendering, non-adherence to procedures and deficiencies in system of awarding of contracts, etc.

(Paragraphs 3.1.7.1 – 3.1.7.5)

- Ø Arrangements for security of tourists on the beaches were inadequate and ineffective and 241 deaths of tourists from drowning were reported during 2001-05. As against actual requirement of 169 lifeguards for 90.5 KMs of beaches used by tourists, there were only 77 lifeguards.

(Paragraph 3.1.8.2)

- Ø Improper handling of removal of stranded ship “River Princess” resulted in change of ecology of beach and the ship has become an environmental hazard in addition to enormous increase in removal cost (Rs.5.5 crore).

(Paragraph 3.1.8.3)

- Ø While the total tourist arrival for the period 2001-2005 exceeded the projected numbers in the Tourism Master Plan-2011, the arrival of foreign tourists was significantly less than the projected figures.

(Paragraph 3.1.8.1)

3.1.1 Introduction

Goa, endowed with famous beaches and natural beauty, has emerged as an important tourist destination in the country. Tourism is one of the most important economic activities in the state and has contributed substantially to the economic development of the state. The Government of Goa has declared tourism as an industry in the state.

The Tourism Department of the Government of Goa is responsible for policy formulation, planning and development of basic infrastructure and promotion and marketing of Goa as tourist destination both within the country and abroad. The commercial aspects of tourism like providing accommodation, sightseeing tours, cruises etc. have been entrusted to Goa Tourism Development Corporation (GTDC), a wholly owned company of the Department.

The Secretary, Tourism, Government of Goa is the administrative head of the Department. The Directorate of Tourism with its headquarters at Panaji is headed by Director of Tourism (DOT). He is assisted by two Deputy Directors and other subordinate staff. The DOT exercises overall control and supervision of the Department.

3.1.2 Audit Objectives

Audit objectives were to assess whether;

- proper financial planning was done and expenditure was incurred as per rules and procedures.
- there was adequate and proper planning in line with objectives of tourism policy and tourism master plan.
- various tourism promotional measures undertaken were implemented economically, efficiently and in transparent manner.
- safety of tourists was ensured and targets for tourist arrival were achieved.

3.1.3 Scope of Audit and Methodology

Records maintained by the Director of Tourism and Regional Office, Mapusa out of two Regional Offices and two Tourist Information Centres⁹ out of five for the period from 2001-02 to 2005-06 were test checked in Audit during April to July 2006. The present appraisal does not cover the activities of the GTDC.

The audit objectives were discussed in the entry conference with the senior officers of the Department. The audit process included discussion with officials of the Department, collection of data through examination of records and their analysis. During the exit conference held on 13 October 2006, the Secretary (Tourism), Government of Goa, generally accepted the audit findings and recommendations.

⁹ Tourist Information Centres at Panaji and Mapusa.

3.1.4 Audit Findings

Goa made rapid strides in tourism and exceeded the overall projections of tourist arrival during the period of review. The Department showed drastic shift towards aggressive marketing of Goa as a tourist destination but also suffered, as brought out in detail in the succeeding paragraphs, from inadequacy in planning, meagre efforts in development and improvement of tourism products, inadequate monitoring and follow-up. There was no systematic evaluation of impact of its promotional efforts, as discussed in succeeding paragraphs.

3.1.5 Financial Management

3.1.5.1 Budget provision and actual expenditure

The Department incurred a total expenditure of Rs.122.92 crore[#] during the period 2001-06 as shown below.

Position of the budget estimates and actuals in respect of revenue and capital expenditure for the period 2001-06 are given below:

Budget provision and expenditure

(Rupees in lakh)

Year	Revenue				Capital			
	Budget estimates	Actual expenditure	Savings	Amount surrendered out of savings	Budget estimates	Actual expenditure	Savings	Amount surrendered out of savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2001-02	776.50	767.57	8.93	Nil	670.28	643.80	26.48	5.38
2002-03	1697.58	1620.11	77.47	75.39	1125.60	668.61	456.99	Nil
2003-04	2701.63	2423.03	278.60	237.74	1024.99	506.20	518.79	126.73
2004-05	2822.35	2346.28	476.07	419.13	634.40	465.17	169.23	Nil
2005-06	2912.27	2659.70	252.57	246.02	274.50	191.90	82.60	94.54
Total	10910.33	9816.69	1093.64	978.28	3729.77	2475.68	1254.09	226.65

Poor planning and faulty budgeting resulted in high savings

Out of total savings of Rs.10.94 crore under revenue during the period 2001-06, Rs.9.78 crore was surrendered. Savings occurred mainly under provision for participation in International Travel Market (Rs.4.32 crore), maintenance of historical buildings, monuments of tourist importance (Rs.1.88 crore), assistance under Goa Heritage House Tourism Scheme (Rs.1.06 crore), Promotion of Tourism through Information Technology (Rs.1.05 crore) and Tourist Information and Facilitation centre (Rs.1.09 crore).

Out of total savings of Rs.12.54 crore under capital during the period 2001-06, Rs.2.27 crore was surrendered. Savings occurred mainly due to non-payment of annuity installment to GSIDC (Rs.4.00 crore), non-construction of Tourist Centres/Infrastructure (Rs.6.13 crore), non-utilisation of funds for construction of roads in tourist circuits (Rs.0.95 crore).

[#] Excluding loan of Rs.1 crore given to GTDC in 2005-06.

Persistent high savings during the period indicated poor planning and budgeting by the Department.

3.1.5.2 Delays in implementation of Centrally Sponsored Schemes (CSS)

During the period under review (2001-06) total 15 projects, mainly of the nature of providing infrastructure facilities at the places of tourist interest, were sanctioned by Government of India at total cost of Rs.2.30 crore. Out of these projects, two^Φ projects were dropped on account of alternate proposals. While the amount of Rs.2.25 lakh released in case of one of the projects was adjusted towards another project, viz. Development of Miramar – Raj Bhavan Belt (alongwith adjustment of Rs.47.75 lakh released for 13 other projects sanctioned prior to review period), the amount of Rs.2.67 lakh released for other project was yet to be adjusted though this project has been dropped and the amount is lying with State Government. Out of remaining 13 projects sanctioned at a cost of Rs.2.13 crore, 12 are completed and balance one work is in progress (November 2006).

3.1.5.3 Non-utilization of funds provided by Eleventh Finance Commission

State was deprived of EFC grant of Rs.3.89 crore out of Rs.6.50 crore provided for developmental works due to lack of co-ordination among Govt. Departments

The Eleventh Finance Commission (EFC) had sanctioned (2001-02) Rs.6.50 crore to the Goa State for upgradation of roads leading to tourist centres. The grant was to be utilized by March 2005, failing which it was to lapse. Total of 19 road works were undertaken for execution through PWD. The State received grant of Rs.2.61 crores only due to non-submission of completion certificate by stipulated date as required. Thus, non-fulfillment of requisite conditions by Department resulted in depriving the State of EFC grant of Rs.3.89 crore.

Out of these 19 works, as on 31.5.2006, 13 works were completed, three works were to be taken up by Goa State Infrastructure Development Corporation (GSIDC), two were not started and in balance one work, Phase I was completed while land acquisition for Phase II and III was in progress. The total expenditure in this regard stood at Rs.6.68 crore as of March 2006, while EFC grant of only Rs.2.61 crore was availed and balance funded through State budget.

3.1.6 Planning

3.1.6.1 Tourism Policy and Tourism Master Plan

The Government of Goa adopted Tourism Policy in 2001 with main thrust on raising the quality of infrastructure which would act as a foundation for the sustainable growth of tourism. The emphasis was laid on balanced tourism development, domestic and overseas marketing of Goa as a tourist destination, encouragement to private initiatives and preparation of tourism master plan.

^Φ (i) Construction of Sulabh Souchalaya at Mangueshi (sanctioned cost- Rs.8.91 lakh, amount released – Rs.2.67 lakh).
(ii) Public convenience at Patto (Sanctioned cost – Rs.7.56 lakh, amount released – Rs.2.25 lakh).

Recommendations made in Tourism Master Plan-2011 for Tourism Promotion not implemented

A Tourism Master Plan – Goa (TMP-2011) was prepared in February 2001, keeping in view a perspective of next 25 years. TMP – 2011 worked out the projected arrival of tourists based on linear regression and suggested measures which would help raise the arrival of tourists by 15 *per cent* above this projection. The project cost of TMP – 2011, to be implemented by 2021, was estimated at Rs.5,724 crore. Draft final TMP-2011 was approved (June 2001) in principle by the High Power Working Group on Tourism. The TMP is used as a broad reference by the Department to undertake tourism related developments/ activities.

In view of importance of tourism in Goa and co-ordination required with different agencies to implement the plan, TMP – 2011 recommended establishment of ‘Goa Tourism Development Commission/Board’ – a high level decision making body for planning, development and marketing of tourism. However, no such commission has been formed so far (Aug 2006).

In reply to audit observation, the Department agreed (July 2006) that formation of Goa Tourism Commission/Board as proposed in the TMP could have helped the Government to expand tourism industry for overall growth of state economy.

3.1.6.2 Inadequate planning and implementation in development of new tourism products

Action plan for development of new tourism areas envisaged in TMP-2011 not prepared

Tourism Master Plan (TMP-2011) as well as tourism policy envisaged development of new tourism products such as eco-tourism, hinterland development, cultural heritage tourism, business tourism, adventure tourism, medical tourism etc., besides retaining beach tourism as main attraction of Goa. It was thus necessary that Department prepare an action plan specifying time frame and cost structure for diversion of tourist traffic to new areas. No such plan was prepared by the Department. Besides, very little efforts were made towards the development of new areas.

Department replied (December 2006) that in the absence of a Technical cell and dependency on other Government departments, it was not in a position to implement the suggestions made in TMP. The Department further stated that action plan to implement the TMP could not be made in absence of proper in-house technical expertise.

3.1.7 Programme implementation

3.1.7.1 Absence of comprehensive tourism promotional plan

All inclusive promotional plan prepared only for one year

One of the major activities of the Department was promotion of Goa as Tourist destination through advertisement and publicity. Such activities mainly consisted of advertisements in print and electronic media, participation in international and domestic events relating to tourism, assistance in promotions of local Goan festivals, promotion of tourism through information technology etc. Total expenditure on advertisement and publicity during 2001-02 to 2005-06 was Rs.75.77 crore, which constituted 61.64 *per cent* of total expenditure of the Department during the period. Comprehensive promotional plan, including all modes of promotional activities viz.

Advertisement in Print and Electronic Media, participation in international and domestic events and local Goan festivals, promotion through information technology (Kiosks, website, etc.) was prepared for the year 2003-04 only. For the remaining period covered in the review no such all inclusive annual plan was however prepared.

In reply the Department stated (July 2006) that there were changes in Government set up during 2004-05 and 2005-06 leading to changes of Tourism Minister, Secretary Tourism and Director of Tourism and promotional activities could not be carried out in planned manner.

3.1.7.2 Deficiencies in system of empanelment of promotional agencies

Empanelment of only two agencies resulted in non-generation of competition

In August 2001, the committee headed by the Minister of Tourism, based on the presentations made by 12 participating agencies, empanelled three agencies for handling international campaigns and two agencies for domestic campaigns. As and when any promotional activity was required to be carried out, the empanelled agencies under the respective category were to submit the financial bids and selection was to be made accordingly. There should have been at least three agencies empanelled for each categories in order to generate competition. Audit scrutiny revealed that only two agencies were empanelled for domestic campaign. Duration of the panel and the procedure to add a new agency to the panel were not specified. This compromised on competitiveness required for obtaining best prices in awarding of contract. The Department stated (December 2006) that duration of panel was not specified to keep the option open for fresh empanelment at any point of time. Further, in 11 instances out of 26 cases test checked in audit, the work was awarded either to non-empanelled agency or to an agency not empanelled for respective category. These included important cases such as (i) Advertisement Campaigns released in national newspapers and magazines in May/June 2005 (Rs.90.65 lakh) and in July to September 2005 (Rs.100.36 lakh) through M/s. Advertising Associates, (ii) Advertisement released in Chitrlekha, Lokprabha in May/June 2005 (Rs.34.39 lakh) through M/s. Checkmate Advertising and Events, and (iii) Management of overseas event at Lisbon Travel Mart (January 2005) by Advertising Associates at a cost of Rs.14.50 lakh. Thus, the system of empanelment lost its significance as contracts were also awarded to agencies which were not even empanelled.

3.1.7.3 Absence of consolidated details of advertisements released in Print & Electronic Media

Expenditure on Advertisements in Print & Electronic Media at Rs.42.69 crore, as per the information furnished by Information Section, constituted 34.73 *per cent* of Department's total expenditure for the period 2001-02 to 2005-06. The register containing the details of advertisements released in print and electronic media was not maintained for the year 2001-03. In the register kept for subsequent years all the entries were not made. Complete and accurate details about all the advertisements released during the review period were not available with the Department. In reply, the Department stated (December 2006) that action was initiated to maintain a register as desired for future compliance.

3.1.7.4 Deficiencies in release of advertisements in Print Media

Advertisements published in English language in non-English magazines

Audit scrutiny of nine cases involving total cost of Rs.5.30 crore revealed that advertisements, involving huge amounts ranging from Rs.1.88 lakh to Rs.104 lakh were placed in newspapers and magazines as per the proposals received from the agencies, which were both empanelled and not even empanelled. Besides, certain direct proposals from publishers of newspapers and magazines^z were also entertained. Thus, essential planning based on need and expected impact on the target group, for advertisements in print media was not made. The Department noted (December 2005) the observation for future compliance. Further, advertisements given in the newspapers/magazines published in the language other than English were in English only in most of the cases. (E.g. Advertisement in (i) India Today (Hindi issue), (ii) Dainik Jagaran (Hindi issue), (iii) Chitralekha (Gujarati issue) (iv) Lokprabha (Marathi issue), (v) Sakal (Marathi newspaper), etc. Thus, the maximum impact on the targeted group was not achieved.

The Department stated (December 2006) that care would be taken in future to see that advertisements published in the regional Dailies would be as far as possible in the respective language for maximum impact.

3.1.7.5 Deficiencies in system of release of advertisements in Electronic Media

Transparency and monitoring was lacking in the process of advertisements in Electronic media

Scrutiny of the records relating to placement of advertisements in the electronic media viz. Star Plus channel and BBC through a firm 'A' at total cost of Rs.9.85 crore in October 2005, revealed the following shortcomings.

In the bills raised by the agency and paid by the Department, though the number of spots aired on both the channels were shown separately, the rate per spot for each of these channels was neither negotiated nor available with the Department to regulate the payments. Thus, it was not possible for the Department to know the channel wise payment made by it as also the expenditure that was incurred on advertisements released through a particular channel.

The Department stated (August 2006) in reply that, payment to channels could be controlled by it if media was bought by it directly. As the same was bought by the agency and no separate mention of the agency commission was made, knowing the amount paid to channels was not possible. It was important to know the total payment going to individual channels (inclusive of agency commission), to verify whether it was within the limit of package cost for the same and also to evaluate the impact of advertising through a channel *vis-à-vis* cost incurred.

Scrutiny of the records relating to placement of advertisement in seven television channels (viz. Star Plus, Star News, Star Gold, Zee News, Zee Cinema, Set Max and Sahara) through a firm 'A' at total cost of Rs. 4.97 crore in August/September 2003, revealed that spot wise cost was not available with the Department to regulate the payment. This information would have been also useful in assessing the impact of advertisement during different

^z E.g. Sakal group of papers in July 2005 (Rs.11.45 lakh), and full page advertisement in various editions of Sunday Express (September 2005).

programmes as well as different parts of the day. Payments were made without verifying the actual airing of the spots either by the Department or through an independent agency.

3.1.7.6 Participation in international and domestic tourist events

Impact of participation in domestic and international events not assessed

This is another important mode of promotion undertaken by the Department. Total expenditure on participation in international and domestic events for the period (2001-06) was Rs.7.84 crore and Rs.3.06 crore respectively. Total number of international and domestic events covered by the Department were 26 and 79 respectively. Of these, records relating to 14 events were test checked in audit.

Audit scrutiny revealed that for participation in international and domestic event, practice of preparing year-wise calendar of events was started only from August 2003 onwards for domestic events and from October 2003 for international events. Further, though recommended in TMP-2011, no efforts were made to penetrate market in Japan, South Korea, Sri Lanka and the U.S.A. The Department replied (December 2006) that efforts would be made to attract/target high end tourists as recommended in TMP.

Further, no efforts were made by the Department to assess the impact of participation in various domestic and international events by way of collecting and analyzing relevant data such as number of visitors to the stall, participation in presentations, business generated by participating hoteliers, travel agents, voluntary information from the visiting tourist etc. The Department has been participating in the Arab Travel Mart (ATM), Dubai since 1995, i.e. for 11 years (incurring total expenditure of Rs.1.44 crore for the years 2001 to 2005), but impact on inflow of tourist from Gulf countries could not be assessed as tourist flow from such countries was not mentioned in the nationality-wise break up of foreign tourists.

The Department while accepting (December 2006) that flow of tourists from Gulf countries was not encouraging, stated that in overseas events flow of visiting tourists was too high to keep the records of the same.

3.1.7.7 Non-opening of Boca de Vaca spring for public viewing

A spring developed as a tourist spot at the cost of Rs.87.35 lakh not opened for public viewing

An existing water spring in Panaji popularly known in Goa as *Boca de Vaca*[∅] was developed in the year 2002 by Tourism Department as a tourist spot, at a cost of Rs.87.35 lakh. As the spring was situated in the land belonging to Panaji Municipal Council (now Corporation of the City of Panaji), it was handed over to the Corporation on 6 January 2003 for upkeep and maintenance.

The Corporation vide its letter dated 21.1.2003 asked the Tourism Department to complete certain items of work, mainly relating to repairing of damages, cleaning of tunnels, etc. so that spring could be opened for public viewing. The Architect who had conceived this project also had urged (February 2003) the Department for taking up these works so that the spring could be opened for public viewing. The Department did not agree to take up these works on

[∅] "Boca de Vaca" means "Cow's mouth".

the ground that further maintenance and upkeep of the spring was Corporation's responsibility as the same was handed over to it. The corporation on the other hand, in reply to an audit query, stated that spring was not handed over to it. As a result of dispute between the Department and the Corporation, the spring developed at the cost of Rs.87.35 lakh, was not opened for complete public viewing till date^π (November 2006) and expenditure incurred on the same was rendered unfruitful.

In reply, the Department maintained (December 2006) that the site was handed over to the Corporation and agreed to take up the matter with the Corporation for opening the site for public.

3.1.7.8 Delay in completion of additional cottages at Selaulim

Five additional cottages completed at a cost of Rs.84.29 lakh in April 2006 were not put to use

The work of providing additional five cottages for purpose of stay of tourists at Selaulim was taken up in November 2000 with stipulated date of completion as October 2001. The work was actually completed in April 2006 at total cost of Rs.84.29 lakh. As per the Public Works Department, main reason for delay was non-inclusion, through oversight, of certain items of work. As the Department was expected to monitor the implementation of work by PWD it was also responsible for the delay besides PWD.

Further, though the Government had decided (November 2003) to hand over additional cottages to GTDC upon completion, same were yet to be handed over (November 2006), as GTDC noticed certain deficiencies in construction. Thus, though the work of additional cottages was commenced in November 2000, the purpose of their construction has not been achieved despite passage of more than six years from commencement.

3.1.7.9 Failure of Goa Heritage House Tourism Scheme

Budget provisions of Rs.1.32 crore during 2003-06 were surrendered as the scheme was a non-starter

A new scheme viz, "Goa Heritage House Tourism Scheme-2003" (GHHTS), was introduced by the Government to provide for conservation of houses of heritage value with a view to promote cultural tourism. The scheme envisaged assistance in the form of loans upto Rs.10 lakh at interest rate of 7.5 per cent per annum and grant in aid up to Rs.1.5 lakh.

The Government's decision to start the scheme was taken in 2001, but the scheme was notified only in July 2003. A Heritage Tourism Committee (HTC) was also constituted to administer the functions under the scheme. The Committee in its first meeting itself (July 2004) expressed the need for revision of the scheme on the grounds that the prescribed amount was not sufficient for the repairs, the rate of interest was high and the views of the owners of the heritage houses needed to be invited.

The scheme has not yet been revised so far (August 2006). Only three applications for assistance were received under the scheme, but were not processed, as the format for making the application was yet to be prescribed. Budget provisions of Rs.18 lakh, Rs.14 lakh and Rs.100 lakh for the years 2003-04, 2004-05 and 2005-06 respectively were surrendered as unutilised. Thus the scheme remained a non-starter.

^π Except for some days in 2003-04.

The Department stated (November 2006) that the scheme was proposed to be revised.

3.1.7.10 Non creation of tourist Helpline and Lifeline

Development of tourist helpline equipped with telecommunication equipment, internet etc. and having latest information of tourist importance, was recommended in February 2001 in TMP-2011. Besides, 24 hour emergency lifeline to assist tourists in case of any emergency was also proposed. No such helpline or lifeline has been established so far (November 2006) though recommended in February 2001. The Department replied (December 2006) that it is in the process of setting up the tourist helpline.

3.1.7.11 Deficiencies in administration of Goa Registration of Tourist Trade Act, 1982

There was no system to ensure registration of all Tourism related business activities

Under the provisions of this Act, the Department is required to ensure registration of each and every person or firm engaged in business related to tourism such as accommodation, tour and travel operations, tourist transport, guide services etc. Any person carrying out tourism related activity without registration under the Act or violating any provision of the same or rules made thereunder was punishable with fine extending upto rupees two thousand. Enquiries in Audit revealed that the Department was registering those operators who were approaching it for the same.

A comprehensive system for enforcement of this Act has not been evolved, as a result of which neither registration of all operators nor procedure for detection and levy of penalty from operators who are not registered has been ensured.

3.1.8 Tourist arrival and arrangement for safety

3.1.8.1 Less arrival of foreign tourists

Comparative position of projected tourist arrival as per TMP – 2011 and actual arrival during the period from 2001 to 2005 is shown below:

(Numbers in lakh)

Year	Domestic Tourists		Foreign Tourists		Total Tourists	
	Projected	Actual	Projected	Actual	Projected	Actual
2001	9.97	11.20	3.40	2.60	13.37	13.80
2002	10.23	13.25	3.65	2.72	13.88	15.97
2003	10.49	17.25	3.91	3.14	14.40	20.39
2004	10.74	20.86	4.16	3.63	14.90	24.49
2005	11.00	19.65	4.43	3.37	15.43	23.02
Total	52.43	82.21	19.55	15.46	71.98	97.67

The growth of foreign tourist arrivals fell short by 20.92 per cent over the projected figures

Note: Increase in year 2004 is partly due to decennial exposition of sacred relics of St. Francis Xavier.

The above projections were made without taking into account the ‘intervention’ measures suggested by TMP – 2011 to raise the arrival by 15 per cent over the projected figures. Though these ‘intervention’ measures

were not introduced fully, the domestic tourists arrival was higher by 56.80 *per cent* over the projected figure for the period. The foreign tourist arrival fell short by 20.92 *per cent* over the projected figure during the period. Though the foreign tourist arrivals to India went up substantially during the five year period ending 2005, the growth of arrivals for Goa was just 15.4 *per cent* as against an All India growth of 47.9 *per cent*.

Goa has traditionally been commanding a high share of foreign tourist arrivals to India. TMP – 2011 estimated the requirement of 11,310 beds in Star Hotels by 2006. The actual bed capacity in Star Hotels in 2005 stood at 11,441. In spite of adequate bed capacity and promotional efforts of the Department, the growth rate of foreign tourist arrivals fell short of the TMP – 2011 estimate as well as All India average.

The Department stated (December 2006) that it was aggressively promoting Goa in domestic and overseas market to maintain and increase tourist arrival.

3.1.8.2 Inadequate measures for ensuring safety of tourists

Inadequate measures to prevent deaths due to drowning at the beaches

The major tourism activity in Goa is centered around various beaches of the State. As such maintaining law and order and safety of the tourists on the beaches is highly important for the sustenance of tourism growth in the State. It was however, observed that deaths of 241 tourists occurred in the State during 2001-05 due to drowning in the sea. An analysis of the reasons for such high incidence of drowning at the State's beaches revealed that for a total length of 90.5 KMs of beaches used by tourists, the Department had assessed 169 lifeguards as the actual requirement, against which there were only 77 lifeguards as of July 2006, of which only nine lifeguards were regular and 68 were on contract basis without sufficient training. Further, frequent absenting of lifeguards, a lack of adequate system of supervision and inadequate life saving equipment such as life jackets, rescue tubes, ropes, first aid kits etc. were responsible for low performance of lifeguards. Further, the Department was not ensuring that all the necessary life saving equipments were always available with the lifeguards. There was no system for regular assessment of the requirements and maintaining sufficient stock of equipment. It was also noticed that the procurement and supplies were not always routed through the stock register, as the same was not updated after October 2003. The procurements were mostly done on piecemeal basis as per the demands made by the lifeguards. However, scrutiny of records with reference to a consolidated demand for equipment made by the Officer in charge of lifeguards of South Goa beaches in November 2005 revealed that there was shortage of 11 First Aid Boxes, 19 Rescue Tubes, 18 Nylon Ropes, 11 Binoculars and 24 Swimming Goggles.

The services of all the lifeguards on contract basis have been terminated with effect from 10 August 2006 as they have resorted to mass strike of work demanding regularisation and other facilities such as life insurance, medical facilities etc. Since then some staff members of the Department were deployed on the beaches to advise the tourists on safety aspects. The Department stated (December 2006) that the GTDC was entrusted in September 2006 with the responsibility of beach safety management.

3.1.8.3 Delay in removal of stranded ship “River Princess”

Non-obtaining of bank guarantees and termination of contract for removal of stranded ship resulted in undue delay and avoidable loss of Rs.5.5 crore

An ore carrier ship viz. “River Princess” chartered by M/s. Salgaocar Mining Industries Ltd., Goa got stranded at Sinquerim beach in June 2000. The stranded vessel was considered an environmental hazard affecting the beach stretch from Sinquerim to Calangute (approx 6 KMs). The State Government enacted the Goa Tourist Places (Protection and Maintenance) Act, 2001 on 5.9.2001 and appointed the Director of Tourism as Competent Authority under the Act to take action to remove the above stranded vessel by forfeiting it to the Government as a public nuisance.

After several unsuccessful attempts, Government appointed (November 2004) a consultant to study and advise the Government on the removal of the vessel and disposal by sale. The consultant had submitted their study report in December 2004. On the basis of study report, tenders were called by the Director of Tourism in December 2004 for refloating and towing away of the vessel. Of the two tenders received, the offer of M/s. Crosschem International Ltd. offering Rs.85.41 lakh to the Government was accepted. The work order was issued on 24 January 2005 and the work was to be completed within 110 days (21 May 2005). A formal agreement was to be signed within fifteen days of commencement of the work as stipulated in the work order, which was signed on 25.2.2005, and a bank guarantee for Rs.1 crore towards security deposit was to be furnished within 21 days of signing of the agreement.

In spite of follow-up by the Department, the contractor did not furnish the bank guarantee. Therefore, though 80 to 85 *per cent* of the work was completed within the stipulated date, the contractor was asked to stop the work from May 2005 and the contract was terminated in September 2005 on the ground of non-furnishing of the security deposit and non-completion of the work within the stipulated period. This decision was taken turning down the request of the contractor for extension for 72 days excluding monsoon period. Once the decision to terminate the contract was taken in May 2005, the Government sought expert advice in May 2005 of National Ship Design and Research Centre, Visakhapatnam (NSDRC) on various aspects of the grounded vessel. Based on their advice received in December 2005, fresh Notice Inviting Tender (NIT) was issued in February 2006 for obtaining competitive technical and financial bids. The lowest offer of Rs.5.5 crore payable to the tenderer in addition to ownership right of the vessel was accepted and work order was issued in October 2006.

Audit scrutiny revealed that:

- Non-obtaining of bank guarantee of Rs.1 crore as security deposit before the commencement of the work, due to faulty clauses^Ψ in the work order and the agreement, led to termination of contract which, in turn, resulted in subsequent award of contract in October 2006 for removal of ship.

^Ψ Fifteen days for signing of agreement from date of commencement of work, and 21 days for furnishing of bank guarantee from the date of signing of agreement.

- At the time of termination of the contract of M/s. Crosschem International Ltd. in September 2005, the Department had not received the expert advice of NSDRC. The Department, thus, did not have a definite parallel plan on hand to remove the ship. Further, the termination of contract was bound to delay the removal of ship which was an environmental hazard and there was no guarantee that the department would fetch any money by inviting fresh tenders. The expert report of NSDRC, received in December 2005, in fact indicated huge cost (6 to 6.5 million US dollars) for removal of the ship. The Department also did not accept the request of M/s. Crosschem International Ltd. for extension of 72 days excluding monsoon period, especially when 80 to 85 *per cent* work was already completed. Thus, failure in timely obtaining the bank guarantee coupled with termination of contract without contingency plan and adequate assessment of possible options including consideration of extension to M/s. Crosschem International Ltd. as sought by them, resulted in subsequent award of contract for removal of the ship at a cost of Rs.5.5 crore which could have been saved.

3.1.9 Conclusion

Large number of tourism promotional and tourism infrastructure creation schemes were not implemented despite there being sufficient budgetary provisions resulting in huge savings. Financial management was weak as there were delays in implementation of centrally sponsored schemes and funds specifically provided by Eleventh Finance Commission were also not fully availed. Despite approval of a Tourism Master Plan (TMP-2011) its recommendations have not been implemented though more than five years have passed since the formulation of this master plan. Resultantly, development of new tourism products as envisaged in TMP-2011 had suffered. A comprehensive tourism promotional plan had not been prepared and there were deficiencies in system of empanelment of promotional agencies which were meant to carryout work pertaining to promotion of tourism through advertisements released in electronic and print media and participation in overseas events. Benefits that accrued from release of advertisements through spots in various channels were not evaluated. Huge amounts were expended in participation in overseas events, particularly in Gulf, although inflow of tourists from these countries continued to be low. Despite incurring of expenditure, tourism promotional infrastructure such as cottages were not completed and despite development of a water spring it could not be opened to tourists. Despite budgetary provisions Goa Heritage House Tourism scheme meant for conservation of houses of heritage value failed to take off. Target of arrival of foreign tourists could not be achieved during any of the years under review and inadequate number of lifeguards were deployed on the beaches though there had been large number of incidence of deaths of tourists due to drowning.

3.1.10 Recommendations

- ✓ A Tourism Commission as envisaged in TMP-2011 should be constituted expeditiously so that integrated structure for taking decisions pertaining to planning, development, and marketing of tourism is put in place.
- ✓ A complete review of procedure for empanelment of promotional agencies and release of advertisements to them should be carried out with set procedure for evaluation of impact achieved vis-a-vis cost incurred.
- ✓ Enforcement and monitoring mechanism pertaining to administration of Goa Registration of Tourist Trade Act, 1982 should be evolved so as to ensure early registration of all operators.
- ✓ Adequate number of lifeguards should be deployed on the beaches and sufficient number of life saving equipments should be made available with a regular system of assessment of manpower and equipments that are required for ensuring security and safety of the tourists specifically at the beaches.

HIGHER EDUCATION DEPARTMENT

3.2 Review on Functioning of Goa University

The Goa University was established in 1985 as a teaching and affiliating University with the main objective to disseminate and advance knowledge by imparting instructions in various branches of learning and conduct examinations and confer degrees and other academic distinctions. Review of the functioning of the University revealed that it had accumulated deficit of Rs.7.73 crore and salary for certain faculties continued to be paid out of plan grants. There was low enrolment of students in most of the post graduate programmes and low student faculty ratio. The infrastructure created at a cost of Rs.2.15 crore for distance education, remained largely unutilised. The University did not take action to get the land (163.02 hectares) taken over from Public Works Department, transferred and mutated in its name leading to uncertainty of its ownership.

Highlights

- Ø The accumulated deficit of the University amounted to Rs.7.73 crore and the University had not adopted the accrual system of accounting.

(Paragraphs 3.2.4.1 and 3.2.4.2)

- Ø The enrolment of students for many of the Post Graduate programmes was low resulting in low Student/Faculty ratio.

(Paragraph 3.2.5.1)

- Ø The infrastructure for Distance Education created at a cost of Rs.2.15 crore remained largely unutilized.

(Paragraph 3.2.5.2)

- Ø Thirty one *per cent* of the academic posts were vacant. The recommendations of the Korgaonkar Committee to reduce the staff were yet to be adopted.

(Paragraph 3.2.5.3)

- Ø Unjustified continuance of full fledged Works Division with increasing expenditure on pay and allowances even after completion of major works.

(Paragraph 3.2.6.1)

3.2.1 Introduction

Goa University was established in June 1985, as a teaching and affiliating University, under the Goa University Act, 1984 enacted by the State Legislature. The objectives of the University were to impart instructions in various branches of learning, undertake research, disseminate knowledge, conduct examination and grant and confer degrees, diplomas, certificates and other academic distinctions. The University has 11 Faculties with 23 Post Graduate teaching departments (Appendix 3.1), two University Grants

Commission (UGC) Centres, an Academic Staff College for in-service training of teachers and 44 Affiliated colleges/institutions imparting professional and non-professional education situated within the State.

The Vice Chancellor is the Principal Executive and Academic Officer of the University who exercises general supervision and control over the affairs of the University. The governance of the University is carried out by various authorities such as the University Court, Executive Council, Academic Council, Planning Board and the Finance Committee. While the Court reviews the broad policies and programmes of the University and suggests measures for implementation and development of the University, the Executive Council is responsible for the management and administration of the revenues and properties of the University. The Academic Council exercises general supervision of the academic activities of the University and the Planning Board prepares the long and short term plans and programmes for development. The Finance Committee advises on preparation of budget and annual accounts and on other financial matters. In discharging his duties, the Vice Chancellor is assisted by the Registrar and the Finance Officer.

3.2.2 Audit objectives

The review was conducted with a view to assess whether:

- § the financial management was effective and carried out as per rules and regulations;
- § the academic activities were carried out effectively; and
- § the infrastructure created was optimally utilised.

3.2.3 Scope of Audit and Methodology

The review was conducted during June to August 2006, by test check of records maintained by the University and also the Secretary (Higher Education), Government of Goa for the period 2001-02 to 2005-06. An entry conference was held with the Registrar alongwith other officials of the University to explain the audit objectives. Records relating to budget, annual accounts, Executive Council decisions, registers and other documents maintained by various departments/units of the University were examined and data collected and analysed with reference to audit objectives and criteria. Discussions/interactions were also held with senior officers of the University during the course of review. Their views have been suitably taken into account while finalizing the review.

AUDIT FINDINGS

3.2.4 Financial Management

3.2.4.1 The Goa University was mainly financed through (i) Grants-in-aid by the State Government (ii) Grants-in-aid from UGC and Government of India bodies (iii) fees and fines levied under the Goa University Act 1984 and statutes and ordinances made thereunder.

The position of receipts and payments of the University during the period under review as reflected in the accounts of the University are given below:-

(Rupees in lakh)

Year	Receipts					Payments		
	State Government grants	Grants from UGC	Grants from other bodies	University receipts	Total receipts	Revenue expenditure	Capital expenditure	Total expenditure
2001-02	500.00	82.27	148.62	409.24	1140.13	1003.89	329.94	1333.83
2002-03	553.68	155.11	108.34	449.32	1266.45	1017.05	182.29	1199.34
2003-04	881.52	160.13	182.65	459.77	1684.07	1291.78	301.33	1593.11
2004-05	780.84	158.70	164.61	562.70	1666.85	1209.67	239.12	1448.79
2005-06	1142.02	168.87	109.11	439.41	1859.41	1316.59	423.43	1740.02

Figures for 2005-06 are provisional

The total receipts of the University were more than the expenditure incurred during the period 2002-03 to 2005-06.

Grants received from UGC/Other Government of India organizations for specific purposes, were to be utilized within the specified period ranging from one to five years. The University had an unspent grant of Rs.2.84 crore as of March 2005, out of which Rs.25.94 lakh were received prior to 2001-02. Consolidated records for watching utilisation of grants have not been maintained.

The Income and Expenditure Account of the University during 2001-02 to 2003-04 was as given below:-

(Rupees in lakh)

Year	Income	Expenditure	Surplus (+)/ Deficit (-)	Accumulated deficit
2001-02	915.63	1055.25	(-) 139.62	562.86
2002-03	986.43	1129.39	(-) 142.96	705.82
2003-04	1254.48	1321.31	(-) 66.83	772.65
2004-05	1300.08	1232.62	(+) 67.46	772.65

Note: The above figures do not include UGC grants which are capitalized. Figures for 2005-06 are not available as the accounts are yet to be finalised (November 2006).

The accumulated deficit as of March 2005 amounted to Rs.7.73 crore. Though the University provided Rs.7.79 crore as depreciation during the period 2001-02 to 2004-05, no amount was transferred to the Depreciation Reserve Fund. The surplus of Rs.67.46 lakh during 2004-05 was not adjusted against the accumulated deficit but was capitalized as grants from the State Government.

The accumulated deficit of the University amounted to Rs.7.73 crore

Audit scrutiny revealed that the deficit during 2001-02 and 2002-03 was mainly on account of less receipt of grants from State Government during this period, than anticipated and provided in the University budget, details of which are given below:-

(Rupees in lakh)

Year	Provision as per University budget		Budget provision as per State Government budget		Actual amount released to the University	
	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan
2001-02	337.08	345.00	250.00	255.10	250.00	250.00
2002-03	357.30	450.00	357.00	251.50	324.55	229.13
2003-04	378.42	250.00	378.00	250.51	378.00	250.00
2004-05	400.68	250.00	401.00	259.50	401.00	296.08
2005-06	424.70	320.00	425.00	397.59	422.94	719.08

Source - Financial estimates of the University and Budget of State Government

Further on account of receipt of inadequate grants, the University withdrew from the Depreciation Reserve Fund amounting to Rs.83.59 lakh during 2001-02 for meeting day to day expenditure. The University did not set aside any amount for revival of this fund during the period 2001-02 to 2004-05. As a result of nil balance in Depreciation Reserve Fund, the University will have to mainly depend on grants from the Government for replacing its assets.

3.2.4.2 Maintenance of accounts on accrual basis and non-appointment of internal auditors

The University has since its inception been maintaining its accounts on cash basis. Though the requirement to maintain accounts on accrual basis in the format prescribed (March 2002) by the Ministry of Finance, Government of India was pointed out by audit (August 2004), the University continued to maintain their accounts on cash basis.

Though the State Government approved (August 2003) a proposal of the University for appointment of internal auditors and the statute in respect of such appointment was framed by the University in January 2005, the internal auditors were yet to be appointed.

The University stated (November 2006) that they have initiated action to maintain accounts on accrual basis from the financial year 2006-07 and that the process of appointing internal auditors was in final stage.

3.2.4.3 Continued payment of salary from Plan grants

The Government had released grants of Rs.27.16 crore during 2001-05 to the University both under Plan (Rs.13.33 crore) and Non Plan (Rs.13.83 crore) for meeting expenditure of the University. No specific criteria was laid down for booking expenditure under Plan and Non Plan. The University utilized the Non Plan funds for meeting recurring expenditure such as pay and allowances, maintenance and other day to day expenses. The Plan funds were utilized for capital expenditure and also for pay and allowances of some posts, which were initially created under plan side of the budget. Audit scrutiny revealed that the Departments of Botany, Zoology and Biotechnology were created under plan side and 37 posts in these departments continued under plan side for the last 15 years and salary continued to be paid from plan funds. These posts should

University continued to maintain its accounts on cash basis instead of on accrual basis

have been transferred to non-plan side at the end of the five year plan in which they were created.

The University stated (November 2006) that they have taken up the matter with the Government for permission to transfer the teaching posts under Plan to Non-Plan.

3.2.4.4 Crediting of Government of India funds to University General fund

The University operates two separate funds, University/General Fund and University Grants Commission/Government of India (UGC/GOI) fund. The University General fund deals with receipt and expenditure connected with the normal functioning of the University including general services, as also activities under plan schemes from State Government grants. UGC/GOI fund deals with receipts and expenditure against funds earmarked for specific purpose.

During 2002-03 and 2003-04, UGC/GOI funds alongwith interest amounting to Rs.89.98 lakh and Rs.11.47 lakh respectively were credited to University General fund instead of crediting to the UGC/GOI funds as a result of mixing up of funds.

3.2.4.5 Non deduction of tax at source from payment to contractors

While releasing the payment to the contractors, the University authorities were required to deduct Income Tax at source at prescribed rates, and credit it to the Central Government Account, under the provision of Income Tax Act. Though the University has been deducting tax at source while making payments to contractors, it was noticed that while making (March 2004) payments of arbitration award amount of Rs.2.87 crore to two contractors, the University authorities did not deduct Income Tax of Rs.20.92 lakh. The failure of the University, in deducting tax at source and crediting it to Central Government account, resulted in violation of Income Tax Act provisions.

3.2.4.6 Physical verification of assets not conducted

The Goa University had assets valued at Rs.59.83 crore (Buildings - Rs.34.81 crore, Equipment/furniture - Rs.18.06 crore, Books and Periodicals - Rs.6.76 crore and vehicles - Rs.0.20 crore) as of March 2005.

Though the Executive Council had fixed (January 2002), the periodicity of 100 per cent physical verification of assets once in three years, and sample verification once in a year, the University did not conduct any physical verification during the last five years. As a result, the value of obsolete, irreparable and condemned assets was not assessed and the value of such assets continued to reflect in the accounts.

Income Tax of Rs.20.92 lakh was not deducted while making payment to contractors

Physical verification of assets was not carried out during last five years

3.2.5 Academic activities

The main objectives of the Goa University were to impart instructions in various branches of learning, undertake research, disseminate knowledge, conduct examination and grant and confer degrees, diplomas, certificates and other academic distinctions.

3.2.5.1 Low enrolment of students against intake capacity

Low enrolment of students for post graduate programmes and low student faculty ratio

The teaching workload in the University departments is mainly on account of Post graduate degree programmes and a certain minimum enrolment in each programme is found to be necessary to impart semblance of viability for the programme. The University has fixed the minimum enrolment requirement of five students for every department. The department-wise intake capacity per year, number of students during the year (First and Second year), faculty strength and the student faculty ratio in the departments (Faculty wise) is given in Appendix 3.2.

The number of students during 2001-02 to 2005-06 in four departments of French, Philosophy, Portuguese and Centre for Latin American Studies (CLAS) was less than five. The total expenditure on these four departments was Rs.1.66 crore during the period 2001-06.

The University stated (November 2006) that students are seeking admissions in professional courses thereby decreasing the number of students at graduate and postgraduate level. As there is less demand for these courses, resulting in low student faculty ratio, there is a need to review continuance of these departments in future.

3.2.5.2 Non utilization of infrastructure

The infrastructure for distance education created at a cost of Rs.2.15 crore remained largely unutilized

The University established (2001) a centre of Distance Education and Training Infrastructure (DEITI) having a well equipped studio with digital technology, involving audio/video recording and editing facilities and a satellite transmitter, for supplementing education, through interactive audio and video communication using satellite facilities. Under this programme 24 Direct Reception Stations (DRS) with basic infrastructure such as a digital receiver, Dish antenna and colour TV set were also established at selected colleges/higher secondary schools in all the 11 talukas of the State. The University received (November 2000-April 2001) a grant of Rs.2.20 crore (Rupees two crore from the Distance Education Council, Indira Gandhi National Open University and Rs.20 lakh from the Department of Space, Government of India) for this project and spent Rs.2.15 crore as of March 2006.

Though the setting of the studio with necessary infrastructure was completed (July 2001), the actual activity of conducting distance education programme through DEITI was not commenced until July 2004 due to non-availability of required technical and administrative staff. Thereafter the infrastructure was mainly used to telecast recorded educational programmes, including lectures in various disciplines and 108 such programmes were telecast upto August 2006. Though the DEITI infrastructure had the capacity to reach and provide distance education to over 5000 students, the University has not commenced any course under distance education mode so far (August 2006). Thus, this infrastructure created at a cost of Rs.2.15 crore remained largely unutilized for the main purpose of supplementing education in the state through distance education programme utilizing interactive audio and video communication facilities.

The University stated (August 2006) that the distance education through DEITI infrastructure could not be started due to lack of demand for such type of education in Goa, as the admissions of students for existing regular courses fall short of intake capacity. Reply is not acceptable as the University should have conducted a feasibility study before taking up such a costly project.

3.2.5.3 Manpower Management

The administrative activities in the University are organized into various departments/sections, namely Vice Chancellor's office, Registrar's Office, Finance Department, Examination Department, Administrative sections, Engineering Works Division etc. The academic activities of the University are broadly organized into various faculties of Languages and Literature, Social Sciences, Life Sciences and Environment, Natural Sciences and Management Studies and Commerce. These faculties have 23 academic departments carrying out post graduate degree programmes including Masters and Ph.D degree programmes, research, some work connected with affiliated colleges and academic administration. Bulk of the teaching work in the departments is related to the Post Graduate degree programmes. According to UGC norms, each Post Graduate teaching department should have minimum six academic staff comprising one professor, two readers and three lecturers. As regards non-academic staff, the position of the staff is based on department being considered as the academic administrative unit. A comprehensive work study of staffing in the University was carried out by a committee headed by Prof. M G Korgaonkar and the Committee had submitted their recommendations to the University in July 2003.

The sanctioned strength and men-in-position in the University as on March 2006 was as below:-

	Sanctioned strength	Men-in-position	Percentage with reference to total sanctioned strength	Staff position as recommended by the Korgaonkar Committee	Surplus sanctioned strength compared to recommended strength (1-4)	Surplus (+) / Deficit(-) w.r.t men-in-position (2-4)
	(1)	(2)	(3)	(4)	(5)	(6)
Academic	194	134	69	156	38	(-) 22
Non Academic	109	72	66	77	32	(-) 5
Administration	336	265	79	171	165	(+)94
TOTAL	639	471	74	404	235	(+) 67

The Executive Council accepted the report submitted by Korgaonkar Committee and resolved (August 2003) to have a committee to work out the modalities for implementation of the report. The recommendations of the committee to reduce manpower have not yet been adopted even after a lapse of over three years.

The University stated (November 2006) that a sub-committee of Executive Council has been constituted to look into the findings and recommendations of the Korgaonkar Committee.

3.2.6 Infrastructure management

A full fledged Works Division continued even after completion of major works

3.2.6.1 Unjustified continuance of full fledged Works Division

The University continued to have a full fledged works Division headed by an Executive Engineer assisted by three Assistant Engineers, four Junior Engineers, three site supervisors and 51* support staff, and was engaged in estate management work even after completion of major works. The expenditure incurred on works and pay and allowances of the staff during 2001-06 was Rs.1.44 crore and Rs.2.07 crore respectively.

The expenditure on pay and allowances of the staff was as high as 143 *per cent* compared with expenditure on works during the period 2001-06. Thus the continuance of the full fledged works division with increasing expenditure on pay and allowances even after completion of major works was not justified.

The University replied (November 2006) that in order to reduce the staff strength the University had requested the State Government in 2003-04 to transfer the Junior Engineers to Government service/Public Works Department however, the request was not accepted by the Government.

3.2.6.2 Non-demarkation of the University land

Though the University had taken possession of 163.02 hectares of land from PWD in May 1992, demarcation of the boundary of the land was yet (August 2006) to be carried out. Fencing/compound wall was also not constructed to protect the land from encroachment. Audit scrutiny further revealed that only in July 2005, the University approached the Deputy Collector, Panaji, for ground demarcation of the boundary of the entire land in possession of the University and the process of demarcation was still pending (August 2006).

As the University land was not protected, encroachment activities in the boundary areas, close to 'A' and 'B' type residential quarters, unauthorized construction of bus shelters in the University area, leveling and filling of land by a private party, on the side of the main road leading to Bambolim were noticed (between March 1999 – March 2005) by the University authorities. The University did not take any concrete action to stop the encroachment of University land except sending notice/registering complaints against the parties. Thus, failure to construct a boundary wall left scope for encroachment.

The University stated (November 2006) that the demarcation work is now in progress and expected to be completed by December 2006, and thereafter the construction of compound wall would be taken up.

3.2.6.3 Transfer of land for Convention Centre and IT Park

Though the University had taken possession of land (163.02 hectares) in May 1992, the University did not take any concrete action to get the land transferred from the State Government to the University's name and to mutate the same in their favour. The University had also not prepared a land use plan

* Pump operators-3, Gardeners/Mali-9, Labourers-4, Helpers-5, Others i.e sweepers, LDCs,UDCs, plumber, electrician, carpenters-30

for the land available with the University. Audit noticed that on the directions of the Government, the Executive Council of the University decided (October 2005) to transfer 50 acres (20.2 hectares) of land in its possession, to the Government, for setting up of a Convention Centre and IT Park and the Government had already approved (June 2006) in principle, allotment of 20.2 hectares land for Convention Centre and IT Special Economic Zone. The Government further issued (September 2006) order allotting 8.40 hectares land for this purpose to Finance Department and Info Tech Corporation Limited.

The University stated (November 2006) that the consent of the Executive Council to transfer 50 acres of land to Government was due to the belief that this would be beneficial to the University. However, considering the public opinion against the transfer, the Executive Council has revoked (November 2006) the earlier decision. In absence of mutation in favour of University and a comprehensive land use plan, the land assigned to University for education purpose would not be available due to Government decision to transfer the same for Convention Centre and IT Park.

3.2.6.4 Deficiencies in leasing of University land

A mention was made in Paragraph 7.5 of Audit Report 2000-01, that out of 163.02 hectares of land handed over to the University by PWD, the University had leased 10,000 square metres land (between February 1999 and April 2000) - 4000 square metres to Tata Energy Research Institute (TERI), a registered Society, for constructing Research Centre; 2500 square metres to Department of Telecommunication, for construction of Telephone Exchange and staff quarters and 3500 square metres to Electronic Testing and Development Centre (ETDC), Government of India for construction of laboratory, office building and quarters, at a nominal lease rent of one rupee per annum for a period of 99 years, without obtaining the required approval of the State Government. The lease deed with these organizations did not indicate the extent and manner in which they would interact with the University. Further, the mutation of land records had not been carried out at the time of leasing the land. Thus, the University was not the owner of the land during the period it entered into lease agreements.

Audit scrutiny revealed that TERI was yet (August 2006) to establish the Regional Research Centre in the land leased (February 1999) to them even after a period of seven years, depriving the University of the benefit of the Research Centre. Similarly the University did not derive any specific benefit in Academic and research activities, particularly in Physics and Electronics Department from ETDC, though the organization had set up their establishment in the land provided to them.

3.2.6.5 Under-utilisation of University Guest House

The University Guest House constructed in 1992 had 47^α rooms and was manned by 17^β staff. During the period 2001-06, the utilization of the Guest House was very low and the occupancy ranged from 11 to 43 *per cent*. While the expenditure on the Guest House during the period 2001-05 amounted to

^α 3 AC suites, 8 duplex VIP room, 2 VIP AC rooms and 34 standard rooms

^β 1 Manager, 2 LDC, 9 Roomboys and 5 sweepers

Rs.51.41 lakh, the receipts were Rs. 32.80 lakh only. The Guest House expenditure exceeded the receipts by Rs.18.60 lakh. Though the University proposed (February 2004) to lease the Guest House to Goa Tourism Development Corporation (GTDC), the proposal did not materialize, and the infrastructure continued to remain under-utilised.

3.2.7 Conclusion

The financial management of the University was deficient as grants received from UGC and other GOI organizations for specific purposes were not utilized and consolidated records for watching utilization of grants were also not maintained. The University had huge accumulated deficit and amounts were also withdrawn from Depreciation Reserve Fund for meeting day to day expenditure. Accounts were not maintained on accrual basis and salaries for certain faculties continued to be paid from plan grants. Cases of non-deduction of tax at source from payments made to contractors were noticed and physical verification of assets were not carried out as was specified. Academic functions suffered from deficiencies as there was low enrolment of students against intake capacity in some of the departments and distance education and training infrastructure created was not put to optimal use. Manpower management was not effective. There were large vacancies and recommendations of the committee set up for the purpose for carrying out a comprehensive work study of staffing in the University were not implemented. A Works Division was functioning in the University despite inadequate work. Non demarcation of university land had led to encroachments and there were deficiencies in system of leasing out of University land.

3.2.8 Recommendations

- The University should undertake the rationalisation of manpower in the light of recommendations of the Prof. Korgaonkar Committee and review the need for continuance of the departments having low student enrolment.
- Devise a plan so that the Distance Education and Training infrastructure created is put to effective use.
- Take immediate steps to remove encroachment, demarcate land and evolve and implement procedures for leasing out of land that had been assigned to the University.