

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

**ON**

**PUBLIC SECTOR UNDERTAKINGS**

The Report has been laid on the table of the State Legislature Assembly on 04-08-2014

**FOR THE YEAR ENDED 31 MARCH 2013**

**GOVERNMENT OF ASSAM  
(REPORT NO. 6 OF 2013)**

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## *Preface*

1. This Report of the Comptroller and Auditor General of India has been prepared for submission to the Governor under Article 151 of the Constitution of India.
2. The Report contains significant results of the compliance and performance audit of the State Public Sector Undertakings (SPSUs) of the Departments of the Government of Assam.
3. The cases mentioned in this Report are among those which came to notice in the course of test audit (April 2012 to March 2013) of accounts for the period 2012-13 as well as those which had come to notice in earlier years but could not be reported in previous Audit Reports; matters relating to the period subsequent to 2012-13 have also been included wherever necessary.
4. Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

# Executive Summary

## Executive Summary

This Audit Report has been prepared in three chapters. Chapter I provides an overview of State Public Sector Undertakings (SPSUs) including figures on total investments in equity/long term loans of SPSUs, data on their financial performance, status of finalisation of their accounts, *etc.* Chapter-II includes one performance audit relating to one State Government company. Chapter-III of the Report includes seven audit paragraphs emerging from the Compliance Audit of SPSUs and one General paragraph on 'Follow-up Action on Audit Reports'.

According to existing arrangements, copies of the draft audit paragraphs and draft performance audit were sent to Secretary of the Department concerned by the Accountant General (Audit) with request to furnish replies within six weeks. Excepting one draft paragraph, no replies were received from the concerned departments for any of the draft paragraphs and draft performance audit.

### Chapter-I Overview of State Public Sector Undertakings

Audit of Government companies is governed by Section 619 of the Companies Act, 1956. The accounts of Government companies are audited by Statutory Auditors appointed by CAG. These accounts are also subject to supplementary audit conducted by CAG. Audit of Statutory corporations is governed by their respective legislations. As on 31 March 2013, the State of Assam had 40 working SPSUs (37 companies and 3 Statutory corporations) and 10 non-working SPSUs (nine companies and one Statutory corporation), which employed 37,650 employees. The working SPSUs registered a turnover of ₹ 3,509.96 crore for 2012-13 as per their latest finalised accounts as of September 2013. This turnover was equal to 2.44 *per cent* of State GDP indicating an important role played by SPSUs in the economy. At the same time, the working SPSUs also incurred an aggregate loss of ₹ 471.91 crore for 2012-13 as per their latest finalised accounts as on 30 September 2013.

#### *Investment in PSUs*

As on 31 March 2013, the investment (capital and long term loans) in 50 SPSUs was ₹ 3,505.97 crore. It increased by 12.11 *per cent* from ₹ 3,127.20 crore in 2008-09. Power Sector accounted for 54.11 *per cent* of total investment in 2012-13. The Government contributed ₹ 444.19 crore towards equity, loans and grants/subsidies to 16 SPSUs during 2012-13.

#### *Reconciliation with Finance Accounts*

During 2012-13, the differences in the figures of State Government's investments in equity and loans outstanding as per records of SPSUs and that appearing in the Finance Accounts of the State were at ₹ 460.65 crore and ₹ 1,698.62 crore respectively. These differences had increased by ₹ 24.94 crore (equity) and ₹ 264.77 crore (loans) in comparison of the differences existed during last year. The Government and the SPSUs should take concrete steps to reconcile the differences in a time bound manner.

### *Performance of SPSUs*

During the year 2012-13, out of 40 working SPSUs, 16 SPSUs earned profit of ₹ 90.93 crore and 21 SPSUs incurred loss of ₹ 562.84 crore as per their latest finalised accounts as on 30 September 2013. The major contributors to profit were Assam Gas Company Limited (₹ 60.45 crore) and DNP Limited (₹ 11.08 crore). Heavy losses were incurred by Assam Power Distribution Company Limited (₹ 407.58 crore), Assam Electricity Grid Corporation Limited (₹ 67.63 crore), Assam Power Generation Corporation Limited (₹ 49.64 crore) and Assam State Transport Corporation (₹ 24.34 crore).

The losses are attributable to various deficiencies observed in the functioning of SPSUs. A review of three years' Audit Reports of CAG shows that the SPSUs' losses of ₹ 876.41 crore and infructuous investments of ₹ 3.58 crore were controllable with better management.

Thus, with better management, losses can be minimised/profits can be enhanced substantially. The SPSUs can discharge their role efficiently only if they are financially self-reliant. There is a need for improving professionalism and accountability in the functioning of SPSUs.

### *Quality of accounts*

The quality of accounts of SPSUs needs to be improved on. Out of 46 accounts finalised by 24 working SPSUs (including 2 accounts of 2 Statutory corporations) during October 2012 to September 2013, 45 accounts (including one account of one corporation) received qualified certificate from Statutory Auditors and one account (Statutory corporation) received disclaimer. There were 117 instances of non-compliance with Accounting Standards in 15 accounts. Reports of Statutory Auditors on internal control of the companies revealed several weak areas.

### *Arrears in accounts and winding up*

Thirty seven working SPSUs had arrears of 316 accounts as of September 2013. The arrears ranged between 1 and 25 years. Government should monitor and ensure timely finalisation of accounts in conformity with the provisions of the Companies Act, 1956. As no purpose is served by keeping 10 non-working SPSUs in existence, they need to be wound up quickly.

## **Chapter-II Performance Audit relating to Government company**

### **Performance Audit relating to Assam Electronics Development Corporation Limited**

Assam Electronics Development Corporation Limited (Company) undertook 18 projects/schemes during 2008-13 and only 11 projects/schemes had fixed time schedule. Of these 11 projects/schemes the Company could complete only 5 schemes within the targeted period. Out of the remaining 6 projects/schemes, 2 were completed with delays of 8 months while other 4 were still pending for completion even after expiry of 7 to 56

months from the scheduled dates. These delays were attributable to various deficiencies in planning, delays in identification/handing over of project site, delays in finalisation of tendering documents, non-fixation of event-wise deliverables for the consultant and post sanction changes in specification and scope of works *etc.* Instances of irregular amendments to the contract terms to the benefit of the contractors were also noticed which was against the principles of propriety.

The management of other activities by the Company was also not satisfactory. In absence of formal agreements with the franchisees/agents, the control of the Company over its activities relating to the Broad Band Internet Services was not effective. Management Information System on the activities of District Computer Centres (DCCs) was not satisfactory as the franchisees running these DCCs were not regular in submitting the monthly Status/Progress Reports. In execution of printing jobs for the Transport Department, the Company failed to devise an appropriate system for tracking and accounting of the smart cards used, rejected or spoiled thereby leaving scope for misuse of the said cards.

The Company had shown positive working results during five years from 2007-08 to 2011-12. The Company was retaining the scheme funds relating to completed projects and interest income earned there against without the knowledge of the scheme funding agencies. Ignoring the interest income earned against the scheme funds, the Company would have incurred operational losses during the said five years. Financial management system of the Company was also deficient in view of the poor realisation of debts and failure to collect and deposit service tax to tax authorities, causing avoidable payment of penalties.

Lack of proper monitoring by monitoring committees resulted in unsatisfactory progress of the projects/schemes works. The monitoring of the Company at the top management level was also weak due to deficiency in holding minimum number of meetings by its Board of Directors as per the requirements of the Companies Act, 1956.

### Chapter-III Compliance Audit Observations

**Compliance Audit observations included in the Report highlights deficiencies in the management of SPSUs, which resulted in serious financial implications. The irregularities pointed out are broadly of the following nature:**

*Undue benefit to the contractors to the extent of ₹0.67 crore in two cases.*

*(Paragraphs 3.1 and 3.7)*

*Loss of revenue of ₹ 1.12 crore in three cases due to non-compliance with rules, directives, procedures and terms and conditions of supply of electricity.*

**(Paragraphs 3.3, 3.4 and 3.5)**

*Unfruitful expenditure of ₹ 0.97 crore in two cases due to lapses in awarding of works resulting in non achievement of the intended benefits.*

**(Paragraphs 3.2 and 3.6)**

**Gist of some of the important audit observations is given below:**

*Adhoc adjustment by **DNP Limited** in the contract value against exclusion of certain works resulted in undue benefit of ₹ 0.37 crore to the consultant.*

**(Paragraph 3.1)**

***Assam Power Distribution Company Limited** suffered a loss of ₹ 45.52 lakh due to irregular allowance of rebate and not preferring the claim for recovery of said rebate for more than two years.*

**(Paragraph 3.3)**

*Despite incurring an expenditure of ₹ 60 lakh on outsourcing the upkeep and maintenance work of ISBT premises, **Assam State Transport Corporation** could not get the intended benefit of a clean and hygienic environment.*

**(Paragraph 3.6)**

# Overview of State Public Sector Undertakings

# Chapter-I

## Overview of State Public Sector Undertakings

### Introduction

**1.1** The State Public Sector Undertakings (SPSUs) consist of State Government companies and Statutory corporations. The SPSUs are established to carry out activities of commercial nature while keeping in view the welfare of people. In Assam, the SPSUs occupy an important place in its economy. The working SPSUs registered a turnover of ₹ 3,509.96 crore for 2012-13 as per their latest finalised accounts as of September 2013. This turnover was equal to 2.44 *per cent* of State Gross Domestic Product (GDP) of ₹ 1,43,567 crore for 2012-13. Major activities of SPSUs are concentrated in Power sector. The working SPSUs incurred an overall loss of ₹ 471.91 crore in aggregate for 2012-13 as per their latest finalised accounts as on 30 September 2013. The SPSUs had employed 37,650<sup>1</sup> employees as on 31 March 2013.

**1.2** As on 31 March 2013, there were 50 SPSUs as per the details given below. Of these, one Company<sup>2</sup> was listed on the stock exchange.

Table 1.1

| Type of SPSUs          | Working SPSUs | Non-working SPSUs <sup>3</sup> | Total           |
|------------------------|---------------|--------------------------------|-----------------|
| Government companies   | 37            | 09                             | 46 <sup>4</sup> |
| Statutory corporations | 03            | 01 <sup>5</sup>                | 04              |
| <b>Total</b>           | <b>40</b>     | <b>10</b>                      | <b>50</b>       |

### Audit Mandate

**1.3** Audit of Government companies is governed by Section 619 of the Companies Act, 1956. According to Section 617, a Government company is one in which not less than 51 *per cent* of the paid up capital is held by Government(s).

<sup>1</sup> As per the details provided by 38 SPSUs, remaining 12 SPSUs did not furnish the details and hence the manpower position for the previous year was taken wherever applicable.

<sup>2</sup> Assam Petrochemicals Limited

<sup>3</sup> Non-working SPSUs are those which have ceased to carry on their operations.

<sup>4</sup> Excluding one company (Amtron Sen Electronics Limited), which ceased to exist (14 January 2011) in terms of the order issued by the Registrar of Companies, Shillong.

<sup>5</sup> Assam State Electricity Board is the only non-working Statutory corporation, which became defunct (2009-10) after transfer of its activities relating to generation, transmission and distribution of electricity to companies at serial no. A-30, A-31 and A-32 of *Annexure 2* respectively.



A Government company includes a subsidiary of a Government company. Further, a company in which 51 *per cent* of the paid up capital is held in any combination by Government(s), Government companies and corporations controlled by Government(s) is treated as if it were a Government company (deemed Government company) as per Section 619-B<sup>6</sup> of the Companies Act.

**1.4** The accounts of the State Government companies (as defined in Section 617 of the Companies Act, 1956) are audited by Statutory Auditors, who are appointed by the Comptroller and Auditor General of India (CAG) as per the provisions of Section 619(2) of the Companies Act, 1956. These accounts are also subject to supplementary audit conducted by CAG as per the provisions of Section 619 of the Companies Act, 1956.

**1.5** Audit of Statutory corporations is governed by their respective legislations. Out of four Statutory corporations in Assam, CAG is the sole auditor for Assam State Electricity Board<sup>7</sup> and Assam State Transport Corporation. In respect of Assam State Warehousing Corporation and Assam Financial Corporation, CAG conducts the supplementary audit after the statutory audit conducted by Chartered Accountants.

### Investment in SPSUs

**1.6** As on 31 March 2013, the investment (capital and long-term loans) in 50 SPSUs was ₹ 3,505.97 crore as *per* details given in below:

Table 1.2

| Type of SPSUs     | Government Companies |                 |          | Statutory Corporations |                 |        | Grand Total |
|-------------------|----------------------|-----------------|----------|------------------------|-----------------|--------|-------------|
|                   | Capital              | Long Term Loans | Total    | Capital                | Long Term Loans | Total  |             |
|                   | (₹ in crore)         |                 |          |                        |                 |        |             |
| Working SPSUs     | 1,282.91             | 1,606.08        | 2,888.99 | 520.28                 | 55.45           | 575.73 | 3,464.72    |
| Non-working SPSUs | 26.68                | 13.94           | 40.62    | 0.63                   | -               | 0.63   | 41.25       |
| Total             | 1,309.59             | 1,620.02        | 2,929.61 | 520.91                 | 55.45           | 576.36 | 3,505.97    |

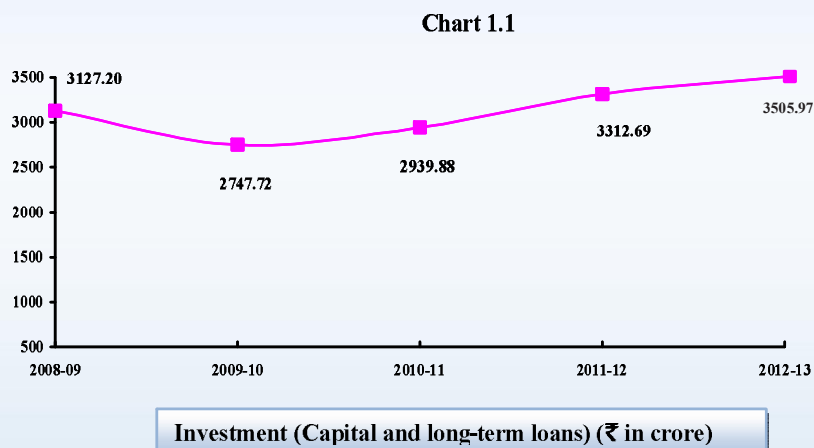
A summarised position of government investment in SPSUs is detailed in *Annexure 1*.

**1.7** As on 31 March 2013, of the total investment in SPSUs, 98.82 *per cent* was in working SPSUs and the remaining 1.18 *per cent* in non-working SPSUs.

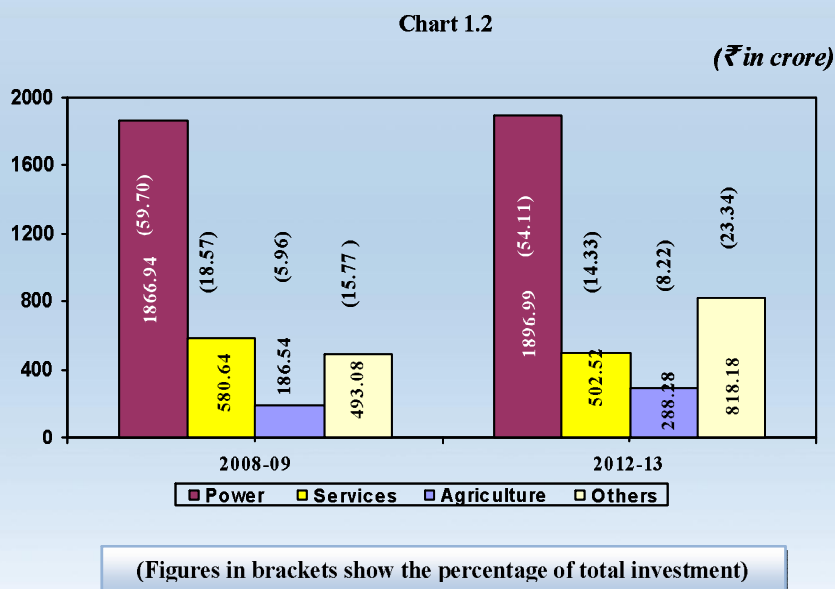
<sup>6</sup> There is no deemed Government Company under the purview of Section 619 B of the Companies Act, 1956 in Assam as on 30 September 2013.

<sup>7</sup> Assam State Electricity Board was non-functional since 2009-10 after transfer of its activities to companies at serial no. A-30, A-31 and A-32 of *Annexure 2*.

This total investment consisted of 52.21 *per cent* towards capital and 47.79 *per cent* in long-term loans. There investment had grown up by 12.11 *per cent* from ₹ 3,127.20 crore in 2008-09 to ₹ 3,505.97 crore in 2012-13 as shown in the following graph:



**1.8** The total investment in various important sectors and percentage thereof at the end of 31 March 2009 and 31 March 2013 are indicated below in the bar chart. As compared to the investment in 2008-09, investment in 2012-13 has increased in the Power sector (₹ 30.05 crore), Agriculture sector (₹ 101.74 crore) and other sectors (₹ 325.10 crore) whereas investment in service sector has decreased by ₹ 78.12 crore.



### Budgetary outgo, grants/subsidies, guarantees and loans

1.9 The details regarding budgetary outgo towards equity, loans, grants/subsidies, guarantee commitment and loans written off in respect of SPSUs are given in *Annexure 3*. The summarised details for three years ended 2012-13 are shown in the following table:

Table 1.3

(Amount ₹ in crore)

| Sl. No. | Particulars                          | 2010-11      |        | 2011-12      |        | 2012-13      |        |
|---------|--------------------------------------|--------------|--------|--------------|--------|--------------|--------|
|         |                                      | No. of SPSUs | Amount | No. of SPSUs | Amount | No. of SPSUs | Amount |
| 1.      | Equity Capital outgo from budget     | 2            | 39.54  | 3            | 86.17  | 1            | 0.20   |
| 2.      | Loans given from budget              | 6            | 152.06 | 2            | 316.58 | 4            | 60.29  |
| 3.      | Grants/Subsidy                       | 12           | 81.32  | 13           | 524.32 | 15           | 383.70 |
| 4.      | Total Outgo (1+2+3) <sup>8</sup>     | 17           | 272.92 | 14           | 927.07 | 16           | 444.19 |
| 5.      | Loans written off                    | -            | -      | 1            | 3.77   | -            | -      |
| 6.      | Interest/ Penal Interest written off | -            | -      | 1            | 2.43   | -            | -      |
| 7.      | Total Waiver                         | -            | -      | 1            | 6.20   | -            | -      |
| 8.      | Guarantee Commitment                 | 4            | 45.53  | 3            | 38.90  | 01           | 4.00   |

1.10 The details regarding budgetary outgo towards equity, loans and grants/subsidies for past five years are given in a graph below:

Chart 1.3



**Budgetary outgo towards Equity, Loans and Grants/Subsidies etc.  
(₹ in crore)**

It may be observed that the budgetary outgo to the SPSUs in the form of equity, loans, grants/subsidies, etc. had shown decreasing trend during 2008-09 (₹ 393.29

<sup>8</sup> Actual number of Companies, which received equity, loans, grants/subsidies from the state Government

crore) to 2010-11 (₹ 272.92 crore). This had increased significantly to ₹ 927.07 crore in 2011-12 mainly due to extension of loan (₹ 315.09 crore) and grants (₹ 454.79 crore) by the State Government to three power sector SPSUs. The budgetary outgo, however, had drastically reduced to ₹ 444.19 crore during the year 2012-13.

**1.11** The amount of Guarantees outstanding had also shown a decreasing trend during preceding three years and had decreased from ₹ 45.53 crore (2010-11) to ₹ 4.00 crore (2012-13).

### Reconciliation with Finance Accounts

**1.12** The figures in respect of equity and loans outstanding as per records of SPSUs should agree with that of the figures appearing in the Finance Accounts of the State. In case the figures do not agree, the concerned SPSUs and the Finance Department are required to carry out reconciliation of differences. The position in this regard as at 31 March 2013 is stated below:

Table 1.4

| Outstanding in respect of | Amount as per Finance Accounts | Amount as per records of SPSUs | Difference |
|---------------------------|--------------------------------|--------------------------------|------------|
|                           | (₹ in crore)                   |                                |            |
| Equity                    | 2073.85                        | 1613.20                        | 460.65     |
| Loans                     | 2801.07 <sup>9</sup>           | 1102.45                        | 1698.62    |

**1.13** Audit observed that the differences in equity<sup>10</sup> figures existed in respect of 42 SPSUs. It was further observed that during 2011-12, the differences in the figures of Equity and Loans were to the tune of ₹ 435.71 crore and ₹ 1,433.85 crore<sup>11</sup> respectively. Thus, the unreconciled differences had increased by ₹ 24.94 crore (Equity) and ₹ 264.77 crore (Loans) during 2012-13. The Accountant General (AG) had also taken up (May 2012 / December 2013) the issue with the Chief Secretary, Principal Secretaries to the Government of Assam (GOA) and the concerned SPSUs for early reconciliation of long pending differences. No significant progress was, however, noticed in this direction. The Government and the SPSUs should take concrete steps to reconcile the differences in a time bound manner.

<sup>9</sup> Including cumulative balances of loans to SPSUs (₹ 73.69 crore) and State Electricity Board (₹ 2,727.38 crore) as adopted from the major heads 'Loans to Public Sector and other Undertakings' and 'Loans to State Electricity Board' in absence of PSU-wise details in the Finance Accounts, 2012-13 (provisional).

<sup>10</sup> SPSU-wise details of Loans not available in the Finance Accounts of the State.

<sup>11</sup> Unreconciled balance of loans during 2011-12 after considering the figures appearing under the major heads 'Loans to Public Sector and other Undertakings' (₹ 69.14 crore) and 'Loans to State Electricity Board' (₹ 2,325.95 crore) of the Finance Accounts, 2011-12.

## Performance of SPSUs

**1.14** The financial results of SPSUs, financial position and working results of working Statutory corporations as per their latest finalised accounts as of September 2013 are detailed in *Annexure 2, 5 and 6* respectively. A ratio of SPSU turnover to State GDP shows the extent of SPSU activities in the State economy. Table below provides the details of working SPSU turnover and State GDP for the period 2007-08 to 2012-13.

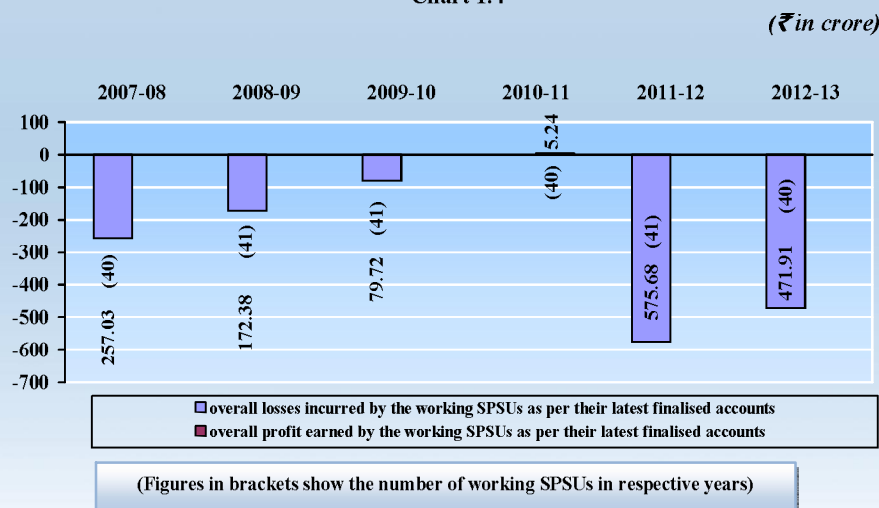
Table 1.5

| Particulars                         | 2007-08      | 2008-09  | 2009-10  | 2010-11  | 2011-12  | 2012-13  |
|-------------------------------------|--------------|----------|----------|----------|----------|----------|
|                                     | (₹ in crore) |          |          |          |          |          |
| Turnover <sup>12</sup>              | 2,036.24     | 2,766.90 | 3,519.57 | 2,644.44 | 2,879.21 | 3,509.96 |
| State GDP                           | 72,700       | 77,506   | 88,023   | 1,04,218 | 1,15,408 | 1,43,567 |
| Percentage of Turnover to State GDP | 2.80         | 3.57     | 4.00     | 2.54     | 2.49     | 2.44     |

The State GDP showed continuous growth during the years from 2007-08 to 2012-13. The turnover of working SPSUs correspondingly increased from ₹ 2,036.24 crore (2007-08) to ₹ 3,519.57 crore (2009-10) but decreased to ₹ 2,644.44 crore during 2010-11. The turnover, however, again improved during 2011-12 and 2012-13 and reached to ₹ 3,509.96 crore (2012-13). As a result, the percentage of the turnover to State GDP increased upto the year 2009-10 from 2.80 *per cent* (2007-08) to 4 *per cent* (2009-10) but had shown a decreasing trend during subsequent years and reached at 2.44 *per cent* during 2012-13.

**1.15** Losses incurred by working SPSUs during 2007-08 to 2012-13 are given below in a bar chart.

Chart 1.4



<sup>12</sup> Turnover of working SPSUs as per the latest finalised accounts as on 30 September of respective year.

The overall losses of the working SPSUs showed decreasing trend after 2007-08 and during 2010-11 SPSUs made profit of ₹ 5.24 crore. In the subsequent years, working SPSUs incurred losses of ₹ 575.68 crore (2011-12) and ₹ 471.91 crore (2012-13). The increase in the overall losses in last two years was caused mainly due to the losses of ₹ 599.19 crore (2011-12) and ₹ 524.85 crore (2012-13) incurred by three state power sector companies. During the year 2012-13, out of 40 working SPSUs, 16 SPSUs earned profit of ₹ 90.93 crore and 21 SPSUs incurred loss of ₹ 562.84 crore. Out of remaining three working SPSUs, two SPSUs<sup>13</sup> had not started commercial activities while one SPSU<sup>14</sup> had not finalised its first accounts. The major contributors to profits were Assam Gas Company Limited (₹ 60.45 crore), DNP Limited (₹ 11.08 crore) and Assam Police Housing Corporation Limited (₹ 8.35 crore). Heavy losses were incurred by Assam Power Distribution Company Limited (₹ 407.58 crore), Assam Electricity Grid Corporation Limited (₹ 67.63 crore), Assam Power Generation Corporation Limited (₹ 49.64 crore) and Assam State Transport Corporation (₹ 24.34 crore).

**1.16** A review of latest Audit Reports of CAG shows that the SPSUs incurred losses to the tune of ₹ 876.41 crore and made infructuous investment of ₹ 3.58 crore which were controllable with better management. Year-wise details from Audit Reports are stated as shown below:

**Table 1.6**

| Particulars                                    | 2010-11      | 2011-12   | 2012-13   | Total       |
|--|--------------|-----------|-----------|-------------|
|  | (₹ in crore) |           |           |             |
| Net loss (-)/ Net Profit                       | 5.24         | (-)575.68 | (-)471.91 | (-)1,042.35 |
| Controllable losses as per C&AG's Audit Report | 666.40       | 188.19    | 21.82     | 876.41      |
| Infructuous Investment                         | 3.21         | -         | 0.37      | 3.58        |

The losses of SPSUs were mainly due to deficiencies in planning, implementation of project, running their operations, financial management and monitoring.

**1.17** The above losses pointed out by the Audit Reports of CAG are based on test check of records of SPSUs. The actual controllable losses would be much more. With better management, losses can be minimized (or eliminated or the profits can be enhanced substantially). The SPSUs can discharge their role efficiently only if they are financially self-reliant. The above situation points towards a need for improving professionalism and accountability in the functioning of SPSUs.

<sup>13</sup> Assam Power loom Development Corporation Limited and Pragjyotish Fertilizers and Chemicals Limited (Serial no. A-17 and A-29 of *Annexure 2*).

<sup>14</sup> Assam Minorities Development and Finance Corporation limited (Serial no. A-10 of *Annexure 2*).

1.18 Some other key parameters pertaining to SPSUs are given below:

Table 1.7

| Particulars                           | 2007-08      | 2008-09     | 2009-10     | 2010-11     | 2011-12     | 2012-13     |
|---------------------------------------|--------------|-------------|-------------|-------------|-------------|-------------|
|                                       | (₹ in crore) |             |             |             |             |             |
| Return on Capital Employed (Per cent) | *            | *           | 2.82        | 2.97        | *           | *           |
| Debt                                  | 1,579.94     | 1,554.31    | 1,433.45    | 1,217.87    | 1,505.09    | 1,675.47    |
| Turnover <sup>15</sup>                | 2,036.24     | 2,766.90    | 3,519.57    | 2,644.44    | 2,879.21    | 3,509.96    |
| Debt/ Turnover Ratio                  | 0.78:1       | 0.56:1      | 0.41:1      | 0.46:1      | 0.52:1      | 0.48:1      |
| Interest Payments                     | 111.48       | 112.84      | 201.81      | 105.13      | 166.49      | 173.32      |
| Accumulated losses (-)                | (-)1,122.44  | (-)1,102.85 | (-)1,278.52 | (-)1,091.09 | (-)2,248.10 | (-)2,640.42 |

\* Negative figures

(Above figures pertain to all SPSUs except for turnover which is for working SPSUs)

1.19 From the above table, it may be noticed that excepting 2009-10 and 2010-11, the percentage of returns on capital employed was negative throughout the period of six years from 2007-08 to 2012-13. This was mainly due to huge losses incurred by the working SPSUs during the said periods. As discussed under *para 1.15 supra*, out of six years analysed by Audit, the working SPSUs showed overall positive working results (₹ 5.24 crore) only during one year (*viz.* 2010-11) while the overall losses of these SPSUs were at lowest (₹ 79.72 crore) during 2009-10. As a result, the percentage of return on capital employed was positive during these two years. The accumulated losses had also shown a mixed trend during the period of six years. It may be noticed that during 2007-08 to 2012-13, the accumulated losses of SPSUs had increased by more than 135.24 *per cent* from ₹ 1,122.44 crore (2007-08) to (-) ₹ 2,640.42 crore (2012-13).

The debt turnover ratio had improved gradually from 0.78:1 in 2007-08 to 0.41:1 in 2009-10 but deteriorated thereafter. During 2012-13, the debt turnover ratio had marginally improved from 0.52:1 (2011-12) to 0.48:1 (2012-13). The deterioration in the debt turnover ratio after 2009-10 was mainly due to net increase in debts by ₹ 242.02 crore from ₹ 1,433.45 crore (2009-10) to ₹ 1,675.47 crore (2012-13).

1.20 There was no information available regarding existence of any specific policy of the GOA on payment of minimum dividend by the SPSUs. As per their latest finalised accounts as on 30 September 2013, 16 SPSUs earned an aggregate

<sup>15</sup>Turnover of working SPSUs as per the latest finalised accounts as of 30 September of the respective year.



profit of ₹ 90.93 crore and only one SPSUs (*viz.* Assam Gas Company Limited) declared a dividend of ₹ 1.69 crore.

### Arrears in finalisation of accounts

### Working Government SPSUs

**1.21** The accounts of the companies for every financial year are required to be finalised within six months from the end of the relevant financial year under Sections 166, 210, 230, 619 and 619-B of the Companies Act, 1956. Similarly, in case of Statutory corporations, their accounts are finalised, audited and presented to the Legislature as per the provisions of their respective Acts. The table below provides the details of progress made by working SPSUs in finalisation of accounts by September 2013.

Table 1.8

| Sl. No. | Particulars                                      | 2008-09       | 2009-10          | 2010-11       | 2011-12           | 2012-13       |
|---------|--|---------------|------------------|---------------|-------------------|---------------|
| 1.      | Number of Working SPSUs                          | 41            | 39 <sup>16</sup> | 40            | 41                | 40            |
| 2.      | Number of accounts finalised during the year     | 36            | 51               | 57            | 62                | 46            |
| 3.      | Number of accounts in arrears                    | 357           | 345              | 328           | 322 <sup>17</sup> | 316           |
| 4.      | Average arrears per SPSU ( $3 \div 1$ )          | 8.71          | 8.85             | 8.20          | 7.85              | 7.90          |
| 5.      | Number of Working SPSUs with arrears in accounts | 41            | 38               | 39            | 37                | 37            |
| 6.      | Extent of arrears                                | 1 to 24 years | 1 to 25 years    | 1 to 24 years | 1 to 25 years     | 1 to 25 years |

**1.22** It could be seen from the above table that average arrears per SPSU had decreased from 8.71 in 2008-09 to 7.85 in 2011-12. The average arrear per SPSU again increased to 7.90 during 2012-13 mainly due to reduction in the number of accounts finalised by SPSUs from 62 accounts (2011-12) to 46 accounts (2012-13). It was observed that during the period from October 2012 to September 2013, out of 40 working SPSUs, only 9 SPSUs finalised more than one year accounts while 16 SPSUs finalised only one year accounts. Remaining 15<sup>18</sup> SPSUs, however, did not finalise any of their accounts during the said period. As of September 2013, there were arrears of 316 accounts relating to 37 SPSUs. It was further observed that out of 37 working SPSUs having arrears of 316 accounts, 7

<sup>16</sup> Three companies have merged into one company in 2009-10 and hence the total number of companies has reduced by two in comparison to the previous year 2008-09.

<sup>17</sup> This includes 16 arrear accounts of newly added Company *i.e.* Assam Minorities Development and Finance Corporation Limited.

<sup>18</sup> Serial no. A-4,5,6,7,11,13,17,25,26,27,28,29,30,35,B-2 of *Annexure 2*.



working SPSUs functioning under six Departments of the State Government had the arrears of total 159 accounts (50 *per cent*) for periods ranging between 21 and 25 years as per following details:

Table 1.9

| Sl. No. | Name of the SPSU   | Administrative Department                   | Serial no. of Annexure-2 | Period of accounts | No. of accounts in arrears |
|---------|--|---|--------------------------|--------------------|----------------------------|
| 1.      | Assam Plantation Crop Development Corporation Limited                  | Soil conservation                           | 7                        | 1987-88            | 25                         |
| 2.      | Assam Plains Tribes Development Corporation Limited                    | Welfare of Plains Tribes & Backward Classes | 8                        | 1988-89            | 24                         |
| 3.      | Assam Government Marketing Corporation Limited                         | Handloom Textile & Sericulture              | 34                       | 1989-90            | 23                         |
| 4.      | Assam Livestock and Poultry Corporation Limited                        | Animal Husbandry                            | 5                        | 1990-91            | 22                         |
| 5.      | Assam Hills Small Industries Development Corporation Limited           | Hill Areas Development                      | 13                       | 1990-91            | 22                         |
| 6.      | Assam State Text Book Production and Publication Corporation Limited   | Education                                   | 35                       | 1990-91            | 22                         |
| 7.      | Assam State Development Corporation for Other Backward Classes Limited | Welfare of Plains Tribes & Backward Classes | 9                        | 1991-92            | 21                         |

Thus, concrete steps should be taken by the SPSUs for preparation of accounts as per the statutory requirements with special focus on clearance of arrears in time bound manner.

#### Non-working Government SPSUs

**1.23** In addition to above, there were also arrears in finalisation of accounts by non-working SPSUs. Out of 10 non-working SPSUs, nine non-working SPSUs (eight Government companies and one Statutory corporation) had arrears in finalisation of accounts ranging from 1 to 30 years<sup>19</sup>. None of these 10 non-working SPSUs had started the process of liquidation.

**1.24** The State Government invested ₹ 761.90 crore (Equity: ₹ 4.97 crore, Loans: ₹ 239.70 crore and Grants: ₹ 517.23 crore) in 21 SPSUs (19 working SPSUs and 2 non-working SPSUs) during the years for which accounts were not finalised as detailed in *Annexure 4*. Delay in finalisation of accounts may result in risk of fraud and leakage of public money apart from violation of the provisions of the Companies Act, 1956.

<sup>19</sup> Refer *Annexure-2*.

**1.25** The administrative departments of the State Government have the responsibility to oversee the activities of these entities and to ensure that the accounts are finalised and adopted by these SPSUs within the prescribed period. The matter was taken up with the concerned SPSUs, Public Enterprises Department and the respective administrative departments from time to time. The matter was also taken up (April 2010, December 2011, May 2012 and December 2012) with the Chief Secretary, GOA for drawing up clear time frame and other necessary actions for liquidating the backlog in definite time frame. During the last three years, the Public Enterprise Department, GOA had convened four<sup>20</sup> meetings which were attended by the representatives of the AG, various SPSUs and their Statutory Auditors.

As an outcome of the above efforts, 14 working SPSUs had reduced their arrears by 1 year to 12 years during 2010-11 to 2012-13. In case of 23 working SPSUs, however, the arrear position either remained unchanged or increased during last three years.

**1.26** In view of above state of arrears, it is recommended that the Government should monitor and ensure timely finalisation of accounts in conformity with the provisions of the Companies Act 1956.

#### **Winding up of non-working SPSUs**

**1.27** There were 10 non-working SPSUs (9 Government companies and 1 Statutory corporation) as on 31 March 2013. The non-working SPSUs are needed to be closed down as their existence is not going to serve any purpose. During 2012-13, two non-working SPSUs incurred expenditure of ₹ 5.49 crore towards establishment expenditure. This expenditure was financed by the State Government in the form of grants. Information of expenditure in respect of remaining eight SPSUs was, however, not furnished to Audit.

#### **Accounts Comments and Internal Audit**

**1.28** Twenty two working Government companies forwarded their 44 audited accounts to AG during the period October 2012 to September 2013. Of these, 20 accounts of 15 companies were selected for supplementary audit, Non Review Certificates (NRC) have been issued for 23 accounts, while audit of remaining one account was in progress (October 2013). The audit reports of Statutory Auditors appointed by CAG and the supplementary audit of CAG indicate that the quality of maintenance of accounts needs to be improved substantially. The

<sup>20</sup> January 2012, April 2012, May 2013 and September 2013.

details of aggregate money value of comments of statutory auditors and CAG are given below:

Table 1.10

(Amount ₹ in crore)

| Sl. No.      | Particulars                      | 2010-11         |               | 2011-12         |               | 2012-13         |               |
|--------------|----------------------------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
|              |                                  | No. of accounts | Amount        | No. of accounts | Amount        | No. of accounts | Amount        |
| 1.           | Decrease in profit               | 3               | 41.30         | 9               | 6.01          | 6               | 6.47          |
| 2.           | Increase in loss                 | 13              | 11.12         | 15              | 174.41        | 7               | 35.17         |
| 3.           | Non-disclosure of material facts | 3               | 11.20         | --              | --            | 2               | 176.42        |
| 4.           | Errors of classification         | 7               | 49.40         | 6               | 16.76         | 1               | 35.35         |
| <b>Total</b> |                                  | -               | <b>113.02</b> | -               | <b>197.18</b> | -               | <b>253.41</b> |

**1.29** During the year, the statutory auditors had given qualified certificates for all the 44 accounts. The compliance of companies with the Accounting Standards remained poor as there were 117 instances of non-compliance in 15 accounts during the year.

**1.30** Gist of some of the important comments in respect of the accounts of the Government companies is as follows:

**Assam Electricity Grid Corporation Limited (2011-12)**

- (i) Other income of the Company was understated by ₹ 3.30 crore due to non-accountal of interest earned on renewal of eight Fixed Deposits pledged with State Bank of India. This had correspondingly resulted in overstatement of 'loss for the year' to that extent.
- (ii) Incorrect capitalisation of penal interest payable against State Government loans resulted in overstatement of Capital work in Progress and understatement of 'loss for the year' by ₹ 1.14 crore each.

**Assam Power Distribution Company Limited (2011-12)**

- (i) Non-provisioning against the expenditure of ₹ 1.26 crore relating to repairs and maintenance of building had resulted in understatement of 'loss for the year' by ₹ 1.26 crore.
- (ii) Non-provisioning towards interest liability on long term loans resulted in understatement of 'current liabilities' with corresponding understatement of 'loss for the year' by ₹ 30.03 lakh each.
- (iii) Non-provisioning against 'wheeling and SLDC charges' claimed by the State Power Transmission Company resulted in understatement of 'current

liabilities' with corresponding understatement of 'loss for the year' by ₹ 16.10 crore each.

#### **Assam Industrial Development Corporation Limited (2011-12)**

- (i) Non-rectification of wrong booking of penal interest/service charges waiver on IDBI term loan under Capital Reserve during last year had resulted in overstatement of 'Capital Reserve' and 'accumulated losses' by ₹ 39.88 crore each.
- (ii) Non-provision by the Company against liability towards arrears of pay revision had resulted in understatement of 'current liabilities' and overstatement of 'profit for the year' by ₹ 2.00 crore each.

#### **Assam Electronics Development Corporation Limited (2009-10)**

Non-accounting of income against Consultancy & Administrative Charges resulted in understatement of 'profit for the year' and corresponding understatement of 'loans & advances' by ₹ 1.38 crore each.

**1.31** Similarly, two<sup>21</sup> working Statutory corporations forwarded two accounts to AG during the period from October 2012 to September 2013 for conducting the supplementary audit. Of these two accounts, Statutory Auditors had given 'qualified' certificate on one account of Assam Financial Corporation while 'disclaimer' was issued on the accounts of Assam State Warehousing Corporation. The audit reports of Statutory Auditors and the supplementary audit reports of CAG on the accounts of these corporations indicate that the quality of maintenance of accounts needs to be improved substantially. The details of aggregate money value of comments of statutory auditors and CAG are given below:

**Table 1.11**

*(Amount ₹ in crore)*

| Sl. No.      | Particulars                      | 2010-11         |              | 2011-12         |              | 2012-13         |             |
|--------------|----------------------------------|-----------------|--------------|-----------------|--------------|-----------------|-------------|
|              |                                  | No. of accounts | Amount       | No. of accounts | Amount       | No. of accounts | Amount      |
| 1.           | Decrease in profit               | -               | -            | -               | -            | -               | -           |
| 2.           | Increase in loss                 | 2               | 15.99        | 2               | 16.62        | 2               | 0.91        |
| 3.           | Non-disclosure of material facts | 1               | 4.08         | -               | -            | 1               | 0.80        |
| 4.           | Errors of Classification         | -               | -            | -               | -            | -               | -           |
| <b>Total</b> |                                  | -               | <b>20.07</b> | -               | <b>16.62</b> | -               | <b>1.71</b> |

<sup>21</sup> Serial no. B-1 and B-3 of *Annexure 2*.

**1.32** The Statutory Auditors (Chartered Accountants) are required to furnish a detailed report on various aspects including internal control/internal audit systems in the companies audited in accordance with the directions of the CAG to them under Section 619(3)(a) of the Companies Act, 1956 and to identify areas which need improvement. An illustrative resume of major comments made by the Statutory Auditors on possible improvement in the internal audit/internal control system in respect of 27 companies<sup>22</sup> for the year 2012-13 are given below :

**Table 1.12**

| Sl. No. | Nature of comments made by Statutory Auditors   | Number of companies where recommendations were made | Reference to serial number of the companies as per Annexure 2        |
|---------|---|---|--|
| 1.      | Absence of internal Control system commensurate with the nature and size of business of the company   | 15  | A-1,2,3,8,9,12,19,22,23,30,33, 34,36 C-2,6                           |
| 2.      | Absence of internal audit system commensurate with the nature and size of business of the company   | 15  | A-1,9,12,16,18,19,22,23,29, 30,33,34,36,B-3,C-5                      |
| 3.      | Non-maintenance of cost record  | 4   | A-29, C-5,6,9  |
| 4.      | Non-maintenance of proper records showing full particulars including quantitative details, situations, identity number, date of acquisitions, depreciated value of fixed assets and their locations | 24  | A-1,2,3,8,9,12,14,15,16,18,19, 20,22,23,29,33,34,36, B-1,3,C-2,5,6,9 |

#### Recoveries at the instance of audit

**1.33** During the course of audit in 2012-13, recoveries of ₹ 47.07 crore were pointed out to the Management of various SPSUs of which recoveries of ₹1.44 crore were admitted by SPSUs. An amount of ₹ 0.43 crore was recovered during the year 2012-13.

#### Status of placement of Separate Audit Reports

**1.34** The following table shows the status of placement of various Separate Audit Reports (SARs) issued by the C&AG on the accounts of Statutory corporations in the Legislature by the Government.

<sup>22</sup> Serial no.A-1,2,3,8,9,12,13,14,15,16,18,19,20,22,23,29,30,31,33,34,36,B-1,3 and C-2,5,6,9 of Annexure 2.

Table 1.13

| Sl. No. | Name of Statutory corporation     | Year up to which SARs placed in Legislature | Year for which SARs not placed in Legislature |                                 |   |
|---------|-----------------------------------|---|---|---------------------------------|---|
|         |                                   |   | Year of SAR                                   | Date of issue to the Government | Reasons for delay in placement in Legislature   |
| 1.      | Assam State Transport Corporation | 2008-09                                     | 2009-10                                       | 29 June 2012                    | Reasons called for (7 Nov 2013); reply awaited. |

Delay in placement of SARs weakens the legislative control over Statutory corporations and dilutes the latter's accountability. The Government should ensure prompt placement of SARs in the legislature.

### Disinvestment, Privatisation and Restructuring of SPSUs

*1.35* There is no information regarding any disinvestment or privatisation programme in any of the SPSUs.

**Performance Audit  
relating to  
Government company**

## Chapter-II

### Performance Audit relating to Government company

#### **PERFORMANCE AUDIT ON THE WORKING OF ASSAM ELECTRONICS DEVELOPMENT CORPORATION LIMITED**

Assam Electronics Development Corporation Limited (Company) was incorporated in 1984, with the objective to promote, establish and develop electronics and allied industries in the State. Realising the role of Information & Communication Technology (ICT) in the governance and other spheres of life, Government of Assam (GOA) framed (2009) the State's Information Technology Policy 2009 (IT Policy) and nominated the Company as the nodal agency for implementation. During 2008-09 to 2012-13, the Company was engaged in implementation of 18 projects/schemes sponsored by the State/Central Governments besides other activities like providing computer training, providing internet service, printing of driving licences (DL) and vehicle registration card (RC) etc. The present Audit Report covers the working of the Company during the period 2008-09 to 2012-13.

#### **Highlights**

The Company undertook 18 projects/schemes during 2008-13 and only 11 projects/schemes had fixed time schedule. The Company could complete only 5 out of these 11 projects/schemes within the targeted period. Out of the remaining 6 projects/schemes, 2 were completed with delays of 8 months while other 4 were still pending for completion even after expiry of 7 to 56 months from the scheduled dates.

*(Paragraph 2.6)*

As against 304 Points of Presence (PoPs) required to be completed under Assam State Wide Area Network (ASWAN), the Company could complete the construction of 270 PoPs only even after more than five years of the target date (July 2008).

*(Paragraph 2.7.1.4)*

By releasing interest free advance of ₹ 5.77 crore, the Company extended undue interest benefit of ₹ 1.64 crore to the contractor.

*(Paragraph 2.7.1.5 (b))*



Against an amount of ₹ 24.44 crore received for State Data Centre project scheduled for completion by June 2009, the Company could utilise ₹ 9.81 crore only till March 2013.

*(Paragraph 2.7.2)*

The Company could not properly monitor the operations of District Computer Centres (DCCs) due to non-submission of Status/Progress Reports by the franchisees on regular basis.

*(Paragraph 2.8 (a))*

The Company was retaining the scheme funds relating to completed projects and interest income earned there against without the knowledge of the scheme funding agencies. Ignoring the interest income earned against these scheme funds, the Company would have incurred operational losses during the five years from 2007-08 to 2011-12.

*(Paragraph 2.9)*

Absence of effective monitoring by the Apex Committee as well as non-constitution of other Committees as envisaged in the projects/scheme guidelines resulted in delays in implementation of projects/schemes.

*(Paragraph 2.10)*

## Introduction

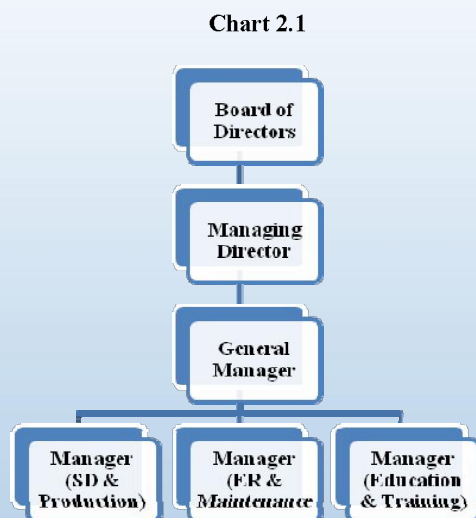
## Background of the Company

**2.1** Assam Electronics Development Corporation Limited (Company) incorporated in 1984 was functioning under the administrative control of Department of Information Technology, Government of Assam (GOA) with the main objective to promote, establish and develop electronics and allied industries in the State. Realising the role of Information & Communication Technology (ICT) in the governance and other spheres of life, Government of Assam (GOA) framed (2009) the State's Information Technology Policy 2009 (IT Policy) and nominated (January 2009) the Company as the nodal agency for implementation. The Company, being the nodal agency, was responsible for:

(a) assisting the State Government in drawing up infrastructure architecture, (b) providing Optical Fibre Cable (OFC) network by involving State Power sector utilities, (c) implementing the National e-Governance Plan in the State, (d) hosting/maintaining the websites of Government agencies along with National

Informatics Centre, (e) digitalisation of paper based maps/images relating to Assam and (f) acting as a channelising agency for providing incentives to IT industries.

**2.1.1** The Management of the Company is vested with the Board of Directors comprising of nine Members appointed by the GOA. The Managing Director acts as Chief Executive and is responsible for carrying out day to day operations of the Company with the assistance of one General Manager (ICT). The General Manager (ICT) is assisted by three Managers who are responsible for management of project/schemes and other revenue generating ventures allocated to them. The Organisational Chart depicting the hierarchy of the top management is as under:



### Scope of Audit

**2.2** The present Report covers the working of the Company during the period of five years from 2008-09 to 2012-13. During the period covered under the Report, the Company was engaged in implementing various projects/schemes sponsored by the State/Central Government. Besides, the Company was also engaged in providing several other services like providing computer training, providing internet service, printing of driving licence (DL) and vehicle registration card (RC) *etc.* for various departments of the GOA on entrustment basis.

During the period covered under the Report, the Company had undertaken total 18 Central/State funded projects/schemes. Out of said 18 projects/schemes, 8

projects/schemes were completed and remaining 10 projects/schemes were at various stages of implementation. The present Report involved scrutiny of records relating to implementation of all the 18 projects/schemes as well as examination of records relating to other activities undertaken up by the Company during 2008-09 to 2012-13.

### **Audit Objectives**

2.3 The Performance Audit was conducted to assess whether:

- the schemes/projects were planned and executed in an economical, efficient and effective manner by adhering to the scheme guidelines and relevant rules/regulations;
- the Company achieved economy and efficiency in ‘Other Activities’ relating to imparting of computer training, providing internet services, printing of smart cards for Transport Department, *etc.*;
- the management of financial resources was efficient, effective and in compliance with the relevant statutory requirements;
- proper monitoring systems were in place to review ongoing projects as well as other commercial activities and whether prompt corrective measures were taken to overcome the deficiencies identified.

### **Audit Criteria**

2.4 The audit criteria for assessing the achievement of the audit objectives were derived from the following sources:

- Information Technology Act 2008;
- IT Policy 2009, GOA;
- Guideline of GOA/GOI on implementation of various projects/schemes;
- Detailed Projects Reports of various Schemes implemented by the Company;
- General Financial Rules of GOA/GOI;
- Article of Association/ Memorandum of Association of the Company;
- Boards Minutes/Agenda papers, MIS Reports, Internal Audit Reports *etc.* of the Company.

## Audit Methodology

2.5 The methodology adopted for attaining the audit objectives with reference to audit criteria consisted of explaining audit objectives to top management in entry conference (3 May 2013), analysis of data/records with reference to audit criteria, scrutiny of records of the Company relating to Agenda/Minutes of the Board of Directors, annual reports, internal audit reports, *etc.* of the Company, interaction with the Company officials, raising of audit queries, issue of draft report to the Management/GOA for comments and final discussion of audit findings with Management/Government in exit conference (3 September 2013). The replies received (September 2013) from the Company as well as the views expressed by the representatives of the Company and GOA in the exit conference have been taken into consideration while finalising the Report. Formal replies of GOA, however, had not been received (November 2013).

## Audit Findings

2.6 During the period under review, the Company received an aggregate amount of ₹ 796.96 crore against 18 Central/State Government sponsored Projects/ Schemes (as shown in *Annexure 7*). Out of these 18 projects, 10 projects were GOA funded and the other 8 projects were funded by GOI. Of the 10 projects sponsored by State Government, 5 projects were event-based, 3 projects were for creation of IT infrastructure and 2 projects were aimed at providing training to rural educated unemployed youth and students. Of the 8 GOI sponsored projects, 5 projects were for creation of IT infrastructure, 2 were pilot projects and 1 project was for creation of capacity building at Government Offices. In total, an amount of ₹ 709.39 crore was spent (by 31 March 2013) on these projects.

It may be observed that against 11 out of total 18 projects/schemes (Central:8; State: 10), for which scheduled date of completion was fixed, only 5 event based projects (45 *per cent*) were completed within the targeted period while 2 projects were completed with a delay of 8 months each. Remaining four<sup>1</sup> out of said eleven projects were still in progress (March 2013) with delays ranging from 7 to 56 months from the targeted dates.

Further, it was noticed that in respect of remaining 7 out of 18 projects, no target dates for completion were fixed by the sanctioning authority. As on 31 March 2013, six out of these seven projects were ongoing. Non-fixation of timeline for

<sup>1</sup> Serial no. A-1, A-2, A-4 and A-7 of *Annexure-7*.

completion of these projects was indicative of deficient planning, which also contributed towards delays in completion of these projects.

As against total funds aggregating ₹ 796.96 crore received for implementation of 18 projects/scheme, the Company could utilise ₹ 709.39 crore (89 *per cent*) leaving unutilised funds to the extent of ₹ 87.57 crore (11 *per cent*). It was observed that in respect of two<sup>2</sup> out of seven ongoing projects (excluding three training based programmes), the intended benefits of the schemes could not be availed even after spending more than 80 *per cent* of the sanctioned costs. Further, the pace of implementation of other three<sup>3</sup> ongoing projects sanctioned during November 2006 to June 2009 was very slow as the spending against these projects was below 40 *per cent* of the sanctioned costs.

The delays in completion of the projects/schemes were due to various deficiencies like, post sanction revision in the scope of the project (*para 2.7.1.3*), delays in identification/handing over of project site (*para 2.7.2*), delay in finalisation of RFP/tendering document (*para 2.7.2*), non-fixation of event-wise schedule of deliverables for the consultants (*para 2.7.2*), wrong selection of department for covering under the scheme (*para 2.7.3*), non-provisioning for compatible power supply required for the project (*para 2.7.4*), etc.

Audit findings on implementation of schemes/projects have been discussed in succeeding paragraphs.

**Audit objective:** Whether the schemes/projects were planned and executed in an economical, efficient and effective manner by adhering to the scheme guidelines and relevant rules/regulations  
(*Para 2.7.1 to 2.7.6*)

## **Planning and Execution of Projects**

### **Government of India sponsored schemes/ projects**

#### **National e-Governance Plan**

**2.7.1** National e-Governance Plan (NeGP) was approved (May 2006) by GOI with the objective to make all Government services accessible to the common

<sup>2</sup> Serial no. A-1 and B-5 of *Annexure-7*.

<sup>3</sup> Serial no. A-2, A-4 and A-7 of *Annexure-7*.

man in the locality through common service delivery outlets and ensure efficiency, transparency and reliability of such services at affordable costs. NeGP envisaged bringing the different initiatives launched by different States/Departments under a common umbrella to achieve the vision. As part of GOI's initiatives, GOA launched the NeGP in the State of Assam in the year 2005. The Company acts as the State Designated Agency (SDA)/State Implementing Agency (SIA) for the scheme and holds the overall responsibility for implementation of the scheme in the State including receipt and utilisation of scheme funds as well as rendering of the accounts/Utilisation Certificates for all individual components of e-Governance Plan in the State. As a part of implementation of NeGP in the State, various programmes were launched in the State. An Apex Committee, headed by the Chief Secretary to GOA, was constituted (15 June 2009) by GOA. The Apex Committee was responsible for allocation of resources for various programmes under the scheme, setting priorities among various sub-projects and also for overseeing the progress of overall implementation of the NeGP in the State. Audit findings on implementation of these programmes under NeGP were discussed in following paragraphs:

### **Assam State Wide Area Network**

**2.7.1.2** To establish infrastructure for network connectivity in the State, GOI sanctioned (March 2005) Assam State Wide Area Network (ASWAN) with the stipulation to complete the project by July 2008 at a sanctioned cost of ₹ 72.50 crore. ASWAN envisaged network connectivity of data, voice and video communication with regard to:-

- connection to all State Headquarters up to the Block level *via* District/ sub-Divisional Headquarters, in a vertical hierarchical structure with a minimum bandwidth capacity of 2 Mbps<sup>4</sup> per link.
- creation of one Point of Presence (PoP) at each of Block Headquarter with Configurable Aggregation Equipment to enable vertical/horizontal connectivity.
- providing for the connectivity to Inter-State communication gateway *viz.* NICNET<sup>@</sup> ( which acts as a network backbone at the national level)

Against the said sanctioned amount, the Company received ₹ 65.35 crore (including ₹ 3.83 crore earned as interest on the amount received and invested in

<sup>4</sup> Mega bits per second  
<sup>@</sup>National Informatics Centre (NIC) Network

Bank deposits) and spent ₹ 61.54 crore (till March 2013). The project was still under progress (March 2013) even after expiry of more than 56 months of the scheduled date (July 2008) of completion.

### *Deficiency in planning*

**2.7.1.3** Being the nodal agency for implementation of projects/schemes, the Company is responsible for preparation of execution plans in accordance with the broad guidelines of various Central/State schemes. It is, therefore, essential for the Company that the execution plans are formulated on realistic basis after conducting adequate survey and assessing the requirements of the schemes/projects.

The GOA sanctioned (March 2006) an amount of ₹ 8.18 crore (including horizontal landing) for construction of Ground and First floor at 304 PoPs including the same located in district headquarters (DHQ) and sub-division headquarters (SDHQ). Later, an amount of ₹ 3.16 crore was additionally sanctioned (March 2010) for augmentation works at these PoPs. Till date, (August 2013) the Company had incurred ₹ 9.62 crore (93 *per cent*) against total receipt of ₹ 10.35 crore.

Scrutiny of records revealed that the Company proposed to upgrade 50 PoPs at DHQ and SDHQ to double storied buildings citing the reasons that the locations of the selected PoPs were in unsuitable areas and also considering the future requirements of space. A proposal was submitted (August 2006) to the GOA for additional cost of ₹ 5.10 crore against which the GOA accorded (March 2010) sanction for ₹ 4.65 crore. The upgradation work of the selected PoP buildings was completed (June 2013) at an expenditure of ₹ 3.93 crore. Due to change in the scope of earlier selected PoPs and also in sanctioning of additional expenditure out of GOA's budget, considerable delays occurred which ultimately affected the completion of the project. These delays could have been avoided by the Company through proper survey and realistic assessment of the requirements of the buildings planned for PoPs at planning stage itself.

### *Time over run*

**2.7.1.4** It was observed that the implementation of the project was delayed at various stages of planning and execution of works. The broad reasons for these delays were as under:

- The Company did not fix up time schedule for completion of various activities of the project viz. preparation of Request for Proposal (RFP),



selection of sites for PoPs, civil works for site preparation, installation and commission of PoPs, provision of Bandwidth (BW) connectivity *etc.* The absence of time schedule led to delay in completion of various activities and resulted in non-completion of project within the scheduled time.

- The Company did not abide by the specifications prescribed by GOI in preparation of RFP like criteria for evaluation of bidder in respect of technical and commercial (60:40) eligibility, specification for router/switch *etc.* The above deviations from the criteria prescribed for preparation of RFP resulted in issuance of corrigendum (March 2007) to the originally notified RFP (December 2006). This led to delay of 24 months in Tender notification (March 2007) for appointment of Network Operator after sanction (March 2005) of the project by GOI.
- Scrutiny of records also revealed that the bids for the appointment of Network Operator were received by 23 March 2007. Thus, owing to the delay in bid evaluation, however, the Company could appoint the Network Operator only in December 2007 *viz.* one year after floating (December 2006) of RFP and two years nine months after sanction of the project (March 2005), which also added to the delay in execution of project.
- To implement the project, the Company was to obtain possession of 304 PoP sites from District Authorities and create necessary infrastructure. This work should have been completed at planning stage before appointment of Network Operator. However, due to lack of proper coordination/ persuasion with District Authorities and non-fulfilment of mandatory infrastructure requirements like obtaining Power supply, *etc.*, the Company could obtain sites and complete (December 2007) the infrastructure works at 146 PoP sites only. Subsequently, construction of another 124 PoPs was also completed upto August 2013.
- The Company could complete (August 2013) the construction of 270 out of 304 PoPs only (89 *per cent*) even after more than five years of the targeted date (July 2008). The remaining 34 PoPs were pending for completion (August 2013). It was observed that an amount aggregating ₹ 0.52 crore was incurred on these 34 PoPs during 2008-09 and no significant progress of work was noticed on these PoPs during last four years.

The Company replied (September 2013) that delay in completion was mainly due to local disturbance. The reply was not tenable as the Company never pursued the matter with local authorities for early completion of works.



- As per the scheme conditions, the Company was required to appoint Third Party Auditor (TPA) for ensuring the effective and satisfactory performance of the Network Operator. As such, the TPA was needed to be appointed immediately on selection of Network Operator. It was, however, observed that the TPA was appointed by the Company only in July 2011 *i.e.* after 42 months since the appointment (December 2007) of the Network Operator.

Thus, as against the target date of commissioning all 304 PoPs by July 2008, the Company could commission only 270 POPs till August 2013.

### Undue benefit to Network Operator

**2.7.1.5** Tulip Telecom Limited, New Delhi (TTL) was appointed (December 2007) as the Network Operator for design, supply of equipment, installation, operation and maintenance of ASWAN for a period of five years on 'Build, Own, Operate and Transfer' (BOOT) basis. Audit scrutiny revealed the following irregularities:

#### (a) *Quarterly Guaranteed Revenue (QGR) payments*

As per the agreement, TTL was to be paid the supply and services charges on quarterly basis as per the uptime (network availability) at the end of each quarter for all the locations on the basis of certificate provided by the Third Party Auditor (TPA). The Apex Committee was constituted (June 2009) by GOA for allocation of resources among various sub projects and also to monitor the overall implementation of programme in the State. In this context, it may be stated that the Company issued several addenda to the agreement to benefit TTL without approval from the Apex Committee. Further, scrutiny of the record relating to payment of QGR bills revealed the following:

- TTL submitted five QGR bills amounting to ₹ 8.94 crore in respect of 163 PoPs for the period from 15 March 2010 to 14 June 2011. It was observed that in absence of TPA, who was appointed in July 2011 only, the Final Acceptance Test (FAT) could not be issued by TPA on these QGR bills of TTL. The Company, however, made the payments (November 2011) against these QGR claims of TTL on *adhoc* basis without supporting verification reports<sup>5</sup> on network availability.

Subsequently, the Company regularised (21 May 2012) the said *adhoc* payments in respect of 163 PoPs by way of issuing an addendum to the agreement which was made effective retrospectively from 15 March 2010.

<sup>5</sup> Required to be submitted by TPA as per RFP and agreement with TTL

The Company replied (September 2013) that initial payment was made to TTL based on Partial Acceptance Test (PAT) certification issued by the Company as TPA was not appointed.

The reply confirmed the fact that the Company made payments without detailed scrutiny by an independent agency as it had failed to appoint TPA immediately after signing agreement with TTL.

- The TPA was appointed by the Company in July 2011. After appointment, the TPA verified two QGR bills of TTL (₹ 3.65 crore) pertaining to period from 15 June 2011 to 14 December 2011 in respect of 163 PoPs. It was observed that the TPA, after verification of the bills, did not endorse the same for payment on the grounds that the said bills were not actual QGRs but the bills for part periods pertaining to supply of materials and services. The Company, however, released (6 July 2012) the payment ignoring the observations made by the TPA.

It was observed that the said payments were regularised by the Company by way of issuing (20 July 2012) another addendum to the agreement with retrospective effect from 15 March 2010 despite adverse remarks of TPA.

The Company replied (September 2013) that the part bills of TTL as mentioned by the TPA pertained to the items that were actually supplied.

The reply is not tenable as the payments were released without verifying the quality of service and ignoring the remarks of TPA contrary to the provisions of the Service Level Agreement (SLA).

#### ***(b) Extension of interest free Mobilisation Advance***

The contract for installation, operation and maintenance of the ASWAN entered (December 2007) with TTL was on BOOT basis and therefore, the contract did not provide for any advance payment to TTL. With a view to provide interest

By releasing interest free mobilisation advance of ₹ 5.77 crore, the Company extended undue interest benefit of ₹ 1.64 crore for the period from March 2008 to April 2011 to the contractor

free mobilisation advance to the extent of 10 per cent of the contract value (₹ 57.72 crore), however the Company issued (29 March 2008) an addendum to the contract to this effect without approval of the Apex Committee. Accordingly, the Company extended (29 March 2008) interest free mobilisation advance of

₹ 5.77 crore to the contractor. The mobilisation advance could be recovered in April 2011. Thus, the Company suffered an interest loss of ₹ 1.64 crore<sup>6</sup> against the mobilisation advance, which tantamount to undue benefit to the contractor.

The Company replied (September 2013) that mobilisation advance was paid on submission of 100 *per cent* Bank Guarantee and the advance was to be recovered from 1<sup>st</sup> year's bill.

The reply is not convincing as the Company without obtaining approval of the Apex Committee extended mobilisation advance and the same could be recovered only after three years from the date of payment.

***(c) No action against Poor Performance***

As per the Service Level Agreement (SLA), in case the equipment<sup>7</sup> uptime remains below 80 *per cent* of the requirement, TPA shall not recommend for payment of QGR bills of the Network Operator. During the period from 15 September 2010 to 14 December 2011, the equipment uptime at BHQ PoPs ranged between Nil and 81.89 *per cent* against the targeted range of 90 to 99 *per cent*. It was observed that the TPA neither verified nor recommended the said QGR bills (₹ 6.44 crore) for payment relating to BHQ PoPs. The Company, however, ignoring the above facts released (July 2012) the QGR payments, which was irregular resulting in undue benefit to the Network Operator (TTL).

Further, as per the terms of the SLA entered into with TTL, the Network Operator (TTL) was responsible for supply and installation of new/repared equipment in the event of failure of any equipment in the PoPs so as to ensure uninterrupted operation of the system. It was noticed that 166 out of 264 PoPs were not operational owing to non-working/non-availability of modems since April 2012. The Network Operator (TTL), however, could repair and provide (July 2013) the modems to 60 PoPs out of said 166 PoPs only leaving the remaining 106 PoPs non-operational for more than one year. As such in the absence of modems, the internet facilities expected from operation of the PoPs could not be achieved. The poor performance of the TTL was discussed (16 October 2012) in Assam Network Implementation & Advisory Committee (ANIAC), which suggested that the State e-Governance Mission Team (SeMT) should look into the termination and exit clause of the Agreement and take appropriate action against TTL latest by 30 November 2012. It was, however, observed that despite clear directions of ANIAC, no action was taken by the SeMT/Company against the Network Operator till date (September 2013).

<sup>6</sup> Considering interest at the rate of 6 *per cent* per annum for the period from March 2008 to April 2011.

<sup>7</sup> Equipment includes Routers, Switch, DG set, modems, *etc.*

The Company replied (September 2013) that as proper bandwidth and power could not be offered to TTL, full payment was recommended. It was further stated that since performance of the operator did not improve, termination of the operator has been proposed and calculation for recovery of dues from TTL would be done before termination of the contract.

The reply is not tenable as the SeMT/Company failed to comply with the directions of ANIAC within the deadline fixed despite poor performance of TTL.

### ***Irregular booking of expenditure***

**2.7.1.6** As per the scheme conditions of ASWAN project, the administrative expenditure for implementation of the scheme should be restricted to one *per cent* of the total project cost of ₹ 72.50 crore. It was, however, observed that the Company incurred excess administrative expenditure to the tune of ₹ 2.16 crore, which was inadmissible.

Similarly, the Company accounted for an amount of ₹ 2.55 crore under the project as expenditure for Bandwidth procurement (2007-12) as against actual expenditure of ₹ 0.13 crore. Thus, an amount aggregating ₹ 4.58 crore was irregularly booked under the scheme without the knowledge of the scheme funding agency.

The Company replied (September 2013) that the Bandwidth was used for ASWAN.

The reply is not tenable as the documents available with Audit indicate that the Bandwidth was procured and used for Company's own broadband internet business and not for ASWAN project. Further, the Company did not offer any comment with regard to excess accounting of administrative charges.

## **State Data Centre**

**2.7.2** State Data Centre (SDC) project expected to act as a mediator and convergence point between open unsecured public domain and sensitive Government environment. SDC was proposed to provide functions like central repository of the State, disaster recovery, on-line delivery of various services (G2G, G2C and G2B)<sup>8</sup>, portal for citizen information services, intranet portal *etc.* with better and secured management of resources at a minimised overall cost. Assam SDC would be equipped to host/co-locate systems such as Web

<sup>8</sup> G2G- Government to Government, G2C- Government to Citizens, G2B- Government to Business

Servers, Application Servers, Database Servers, Storage Area Network and Network Attached Storage, etc.

Assam State Data Centre was sanctioned (March 2008) at a cost of ₹ 49.04 crore

**In spite of completion schedule being June 2009, the Company could utilise ₹ 9.81 crore against the amount of ₹ 24.44 crore received till March 2013**

with stipulation to complete the same by June 2009. It was observed that as against the scheme fund of ₹ 24.44 crore received (February 2009 to December 2011), the Company could utilise an amount of ₹ 9.81 crore only (40 per cent) till March 2013.

- As per the DPR approved by GOI (20 March 2008), GOA earmarked the site for housing the SDC in the Assam Secretariat Complex. According to the approved DPR, the process of preparation of RFP for “Design, Site preparation, Supply, Installation, Commissioning, Maintenance and Operations of the Assam State Data Centre” should start within 7 weeks after the approval of DPR by the GOI and the same should be finalised by the Consultant within 11 weeks of approval of DPR. Accordingly, the preparation of RFP should have commenced by the 2<sup>nd</sup> week of May 2008 and finalised by the end of June 2008.

The examination of records relating to SDC revealed the deficiencies as detailed below:

- The actual location of the site was identified (September 2008) by GOA only after six months of approval of the DPR. Further, the site for execution of the project works was handed over (June 2010) by GOA to PWD after 21 months of its identification (September 2008) with stipulation to complete the works within two years of handing over the site. Due to delay on the part of the Government in handing over the site, the construction of building entrusted to PWD was delayed.
- After handing over the site to PWD, the Company took another two years in preparing (June 2012) the RFP for floating the tenders. The RFP was finally approved (September 2012) by GOI and tender was floated in October 2012.
- It was, however, observed that even after 13 months of floating the tenders, same were pending for finalisation (November 2013). Thus, significant delays at various stages of project implementation on account of reasons avoidable on part of the Company/GOA had correspondingly delayed the implementation of the scheme.

- The Company engaged (May 2008) Price Waterhouse Coopers as Consultant for project development, bid process management, supervision and overall implementation of the SDC at a fee of ₹ 0.40 crore. It was observed that although the contract period was fixed for one year (*i.e.* upto April 2009), no schedule for event wise deliverables was drawn up. The tenure of the consultant was extended (by paying additional compensation of ₹ 0.01 crore per month during the extended period - with effect from May 2012) up to May 2013 or till completion of Final Acceptance Test and ‘Go live’ of the SDC Project whichever is later. Thus, the delay at various levels culminated into liability for payment of additional consultation charges of ₹ 0.16 crore till September 2013.

The Company replied (September 2013) that the timelines as mentioned in DPR could not be adhered to as the GOA considering the technological sensitivity of the project, decided (July 2008) to construct a separate new SDC building after appointment of consultant. It was further stated that the work of preparation of RFP was deliberately kept in abeyance to synchronise with the progress of construction of new SDC building.

The reply is not tenable as GOA’s decision to construct new SDC building after appointment of the consultants itself is indicative of deficiency in planning, which ultimately delayed overall implementation of the time bound project of GOI.

### State Portal and State Service Delivery Gateway

2.7.3 State Portal and State Service Delivery Gateway (SP & SSDG) envisages making available various Governments to Citizens (G2C) services by facilitating download/submission of applications for these services electronically with the help of Electronic Forms hosted on the State Portal (SP). These forms would be routed by State Services Delivery Gateway (SSDG). The facilities were expected to provide citizens the provision for checking the status of the pending application. This would ensure efficiency, availability, transparency and reliability of such services at affordable costs to realise the basic needs of the common man. SP & SSDG project was sanctioned by Government of India in June 2009. The Company was appointed (January 2009) as the nodal agency for implementation of the project in the State of Assam. Under the project, a total of 32 G2C services relating to three departments were identified (December 2010). The project was scheduled to be completed by August 2012 at an estimated cost of ₹ 7.96 crore. The Company received (2010-11) an amount aggregating ₹ 4.97 crore for implementation of the scheme. The Company could, however, actually



utilise ₹ 2.47 crore only (50 per cent) till March 2013. In this connection, the following observations are made:

- The Company could not formalise (till June 2013) arrangements with the concerned Departments to ensure availability of necessary inputs/forms/data for implementation of the project. As a result, although the State Portal went live on 30 March 2013, the services for which the State Portal was developed were yet to be made available (September 2013) to the citizens defeating the basic objective of the scheme.
- It was observed that the 11 services of District administration proposed in State Portal project were also, *inter alia*, covered under the 'e-District project' funded by the GOI under the NeGP. This might result in overlapping of services to be offered and also wastage of resources.

The Company replied (September 2013) that the e-District services are integrated to the SSDG as per guidelines of Department of Electronics and Information Technology (DeitY), GOI.

The reply is not tenable as SSDG project also prescribed development of forms for the same services which were identified/ developed in 'e-District project' resulting in duplication of work.

- The project envisaged that Agriculture Department would offer 16 G2C services. After more than 15 months of selection (December 2010) of the Department for coverage under the scheme, it was realised (April 2012) that the proposed services under Agriculture Department were not Citizen centric. Hence, it was decided (April 2012) to replace the Agriculture Department with some other suitable department for coverage under the scheme. The above decision was indicative of the lackadaisical approach adopted by the GOA/Company in planning of the project. This also contributed towards delay in overall implementation of the project in the State.

The Company replied (September 2013) that after detailed discussions with the Departments it was noticed that the services selected were not citizen centric and hence it was decided to go for services of other departments.

The reply is indicative of the defective planning as the DPR prepared by the GOA/Company for the project was not based on inputs to make it citizen centric.

- DPR of the scheme (Gap Infrastructure component) allocated an amount of ₹ 0.73 crore for purchase of 183 Nos. of Computers, printers and UPS<sup>9</sup> equipments. The Company submitted (26 February 2013) 'Utilisation of Certificate' for ₹ 0.29 crore (upto September 2012) confirming that the scheme funds were spent on the intended purpose.

Audit scrutiny, however, revealed that though the Company reported to have utilised the funds for the specified purpose, the funds were actually diverted for procurement and laying of OFC cables in different parts of Assam. The unauthorised diversion of scheme funds to other works had correspondingly caused delays in delivery of services as envisaged under the project.

The Company replied (September 2013) OFC cables were laid to speed up delivery of services under e-District project as no fund was received from GOI for horizontal connectivity which was essential to progress all NeGP projects.

The reply is not tenable as the works relating to providing the horizontal connectivity was to be done under ASWAN and there was no provision under SSDG for taking up these works.

## State Government Projects/Schemes

### Assam Online Portal and Secretarial Less Paper Office Project

**2.7.4** The NeGP aims to significantly transform and improve the way the Government provides services to the citizens. It is envisaged to move from a Government centric to citizen centric paradigm in service provisioning, start treating citizens as Government customers and empower them to demand convenient, cost effective and transparent services from the Government.

In order to achieve the above objective, the GOA sanctioned (February 2009) Assam Online Portal and Secretarial Less Paper Office project. The project envisages providing necessary IT hardware for deployment in the Secretariat for day-to-day office work as well as for hosting of e-applications. The Company was selected as the implementing agency for the project. No time schedule was, however, fixed for completion of the project. As against the scheme funds aggregating ₹ 34.40 crore received by the Company, ₹ 20.20 crore (59 per cent) were utilised (March 2013). The project was, however, still pending for

<sup>9</sup> Uninterrupted Power Supply



completion (September 2013). In this connection, following observations are made:

- Computerisation of Assam Secretariat included installation of large quantity of computers and accessories along with creation of Local Area Network (LAN) in all nine blocks of Assam Secretariat. The work (at a cost of ₹ 14.68 crore)<sup>10</sup> of supply and installation of computer equipments and Gigabit networks was allotted (June 2010) to WIPRO. Accordingly, WIPRO supplied the equipment during June 2010 and October 2010.

After receiving the equipment, however, the Company realised (November 2010) that in order to utilise the newly procured equipment, additional power supply was essential. The Company took up (November 2010) the matter with the GOA for provision of the additional power supply in the Secretariat. It was, however, observed that the necessary works for provision of additional power supply were yet to be taken up (June 2013).

Thus, due to deficient planning of the Company in implementation of the project, the equipment procured (June-October 2010) at a cost of ₹ 14.68 crore remained unutilised for more than 33 months (June 2013).

It was further observed that all the equipment procured for installation in the Secretariat carried one to three years warranty from the manufacturer. The delayed/non installation of equipment deprived the Company of availing free warranty for the said periods besides the risk of equipment becoming obsolete.

The Company replied (September 2013) that after taking up the matter, PWD Department had started provisioning for the required power. It was further stated that equipments are required to be kept under warranty continuously as critical parts may not be available subsequently.

The reply of the Company not only indicates deficiency in planning but also shows that the Company did not rigorously pursue with GOA for commissioning of the project in time. The fact remains that the Company could not avail itself the warranty due to delay in implementation of the project and subsequent extension of warranty would involve additional expenditure.

<sup>10</sup> Computers and accessories : ₹ 10.88 crore + LAN : ₹ 3.80 crore

### Anundoram Borooah Award Scheme

2.7.5 Government of Assam (GOA) introduced Anundoram Borooah Award Scheme (ARBAS) in 2005 to enhance the knowledge of Information Technology (IT) among the student community. As per the scheme, a Personal Computer (PC) along with UPS or a Laptop or a sum equivalent to the cost of PC/Laptop would be provided to students who secure 60 *per cent* marks in 10<sup>th</sup> standard examination conducted by State Educational Boards/Councils under GOA. The Company was nominated for implementing the scheme. As per the scheme provisions, the Company was responsible for collecting the list of the beneficiaries from the respective Boards/Councils for selection of the eligible students. This exercise was to be done every year for implementation of the scheme in the State. The Company was also required to submit the utilisation reports on yearly basis to the concerned Department regarding completion of the project. The Company was entitled for an agency charges at the rate of five *per cent* of the total project cost for providing its services in implementation of the scheme. During the period of review (2008-12), the Company received ₹ 241.28 crore for implementing the five annual schemes (*viz.* ARBAS 2008 to ARBAS 2012).

#### *Printing of excess booklets and certificates than requirement*

The Students were issued a Certificate and a set of Users' Manual along with Computers. Scrutiny of records revealed that the Company printed excess quantity of Certificates<sup>11</sup> (4,020) and Manuals<sup>12</sup> (12,438) at an additional cost of ₹ 0.17 crore than required.

**The Company printed excess quantity of certificates and manuals at an additional cost of ₹ 0.17 crore.**

It was observed that out of excess quantity of Certificates and Manuals so printed, 3,000 Manuals were issued for NeGP project and some of the booklets were also issued to officers for personal use.

The Company replied (September 2013) that the additional Manuals had to be printed for distribution to guests attending the Distribution Ceremony and additional Certificates had to be printed for making corrections during Distribution Ceremony.

<sup>11</sup> Excess ranged from 1.75 *per cent* to 5.98 *per cent*

<sup>12</sup> Excess ranged from 9.40 *per cent* to 35.21 *per cent*

The reply is not tenable as the number of students securing 60 *per cent* was identifiable and does not justify printing of large number of Manuals/Certificates in excess of requirements causing the additional expenditure on this account.

### **Rajiv Gandhi Computer Literacy Programme (RGCLP)**

2.7.6 The GOA decided to impart computer education in all Government schools through Rajiv Gandhi Computer Literacy Programme (RGCLP) project. GOA entrusted (July 2003) the project to the Company for implementation through contractors on Build, Operate and Transfer (BOT) basis. The contractors were responsible for providing resources like faculty, computing resources, site preparation, internet connectivity *etc.* in all allotted schools for a period of five years in a phased manner. The scheme was launched in April 2004 and covered 1607 schools upto January 2013 in five phases (five year each) in allotted schools. The Company received ₹ 337.80 crore for implementation of the scheme and spent ₹ 329.57 crore (98 *per cent*) by March 2013. Audit scrutiny revealed the following irregularities in implementation of scheme under five phases:

**(a) *Payment for work not executed/partially executed***

- NIIT Limited (NIIT) was entrusted with the implementation of the scheme in 140 Schools under Phase I (December 2003) and in 200 Schools under Phase IV (February 2006) at a contract value of ₹ 25.13 crore and ₹ 25 crore respectively. As per the terms of the contract, the programme was to commence within 45 days of handing over of the school. Further, in case of any delay in handing over of the school for whatsoever reasons, the commencement date of the programme would also be treated to have extended correspondingly.

Scrutiny of records revealed that NIIT commenced education delivery at 42 schools (Phase I: 14 and Phase IV: 28) with delays ranging from 15 to 421 days against the scheduled dates (*viz.* 1<sup>st</sup> April 2004 and 15<sup>th</sup> January 2007 respectively). Accordingly, as per the contract terms, the project completion period for these schools was to be extended for the corresponding delayed periods. It was, however, observed that the Company did not insist upon NIIT for extending the 'education delivery period' corresponding to the delays occurred in commencing the education delivery.

**Release of full payment without extending the period of education delivery for the corresponding delayed periods resulted in excess payment of ₹ 0.26 crore to the contractor.**

On the contrary, full payments for the contract period of five years were released by the Company without deducting any amount from the bills of NIIT for 'non- delivery of education'. Further, the Company also did not consider this aspect for appropriate adjustment in the contract value against renewal of the contract of NIIT for subsequent periods. This resulted in excess payment of ₹ 0.26 crore for the period during which the students did not receive any computer education.

The Company admitted the facts and stated (September 2013) that a notice has been issued (August 2013) to NIIT for deduction of ₹ 0.26 crore.

- On completion of education delivery by the contractors under the initial Phases, the same was renewed in respect of 630 schools. Under the renewal scheme, the contractor, in addition to providing the computer education service, was also responsible to upgrade/replace/maintain the existing hardware & software within 45 days of completion of original phases. Under the renewal scheme, NIIT was entrusted with the scheme works in respect of total 570 schools under Phase I, II and III (*viz.* Phase I: 140 schools, Phase II: 200 schools and Phase III: 230 schools) at the rate of ₹ 0.10 crore per school (including ₹ 1.62 lakh per school for up-gradation).

It was observed that there were delays ranging from 36 to 121 days in up gradation/replacement of existing infrastructure by NIIT. Since these were renewal phases of the contract with NIIT for providing the services in the same schools, there was no impediment which hampered upgradation of infrastructure in the selected schools. Thus, NIIT should have been held responsible for delays in upgradation work. It was, however, noticed that the Company released the entire payments to NIIT (including cost of upgradation) completely ignoring the lapse on its part in timely and effectively executing the assigned project works. This tantamount to extending of undue benefit to the tune of ₹ 0.20 crore by not deducting the proportionate cost of upgradation for delayed period besides depriving the students of availing the intended benefits of the scheme.

The Company replied (September 2013) that the delivery of educational services could not be stopped and it takes minimum 45 days to install the new system.

The reply is not tenable as the delays pointed out by Audit have been worked out after allowing said 45 days for upgradation.

**(b) *Unauthorised waiver of Liquidated damages***

Under Phase I of the scheme, CMC limited (CMC) was awarded (February 2004) the contract for implementation of the project in 60 schools at total contract value of ₹ 11.30 crore. As per the agreement, CMC was required to complete the supply, installation and commissioning of computers within 45 days from the date of site readiness. The site readiness was intimated to CMC in June 2004. As the supplies were not received from CMC till September 2004, the Company preferred a liquidated damages (LD) claim for ₹ 0.34 crore as per the terms of the contract. On the request of CMC, however, the matter was referred (December 2004) to GOA for decision.

It was observed that pending decision of GOA in the matter, the Company released (15 November 2011) the remaining payments aggregating ₹ 0.71 crore (including the Earnest Money Deposit of ₹ 0.50 crore released on November 2011) to CMC without holding back the LD amount, which was contrary to the agreement terms.

The Company replied (September 2013) that the LD was released as the verbal directions of the Hon'ble Minister, P&D Department, GOA.

The reply is not tenable as the amount was released without written approval from GOA, which was against the principles of propriety and prudence.

**(c) *Payment of irregular Advance***

The Company awarded (February 2006) the work of implementation of the scheme in 300 schools under Phase IV to NIIT Limited (NIIT) based on open bidding. A writ petition was, however, filed by one of the bidders (Educomp Solutions Limited) alleging irregularities in bid evaluation criteria. As a result, the contract was quashed (May 2006) by the Hon'ble Guwahati High Court.

It was observed that despite the contract being quashed by the Hon'ble High Court, the Company extended (June 2006) interest free Mobilisation Advance (MA) of ₹ 6.56 crore to NIIT in respect of 300 schools against the quashed contract. The said MA was funded through pre-matured withdrawal of an existing fixed deposit and availing Bank overdraft. On an appeal filed by the Company, Hon'ble Supreme Court directed (November 2006) the Company to allocate only 200 schools to NIIT as against 300 schools allocated by the Company initially. It was observed that in the light of the decision of the Hon'ble High Court, the Company should not have extended MA to NIIT till the matter was finally decided by the Apex Court. Thus, the irregular advance made

by the Company for the period from June 2006 to September 2007 resulted in loss of interest of ₹ 0.23 crore<sup>13</sup> to the Company.

The Company replied (September 2013) that the interest penalty was re-calculated as ₹ 0.14 crore from the date of Supreme Court verdict and a notice has been issued (September 2013) to NIIT for recovery of the amount.

The reply is not tenable as the interest loss should have been worked out from the date of payment of advance after verdict of Guwahati High Court and not from the date of the decision by the Apex court as worked out by the Company. Further, continuous efforts should be undertaken to recover the amount from NIIT.

**(d) Incorrect assessment of number of courseware**

As per the agreements entered into for implementation of the scheme under Phase I to III, the contractors were to provide courseware up to 800 students per school per year while under Phase IV & V, contractors were to cover upto 600 students per school per year. In case the number of students covered by the contractors exceeds the prescribed number of students (viz. 800/600 students), the cost of additional courseware was to be borne by the Company. It was, however, noticed that no system was devised by the Company for compiling the required data for ascertaining the actual number of students covered by the contractors under each school. The Company also failed to provide appropriate clause in the contract agreement for proportionate deduction in the contract value in case the number of students falls below the specified number. From the data on actual number of students enrolled each year in the State as compiled by the contractors, it was revealed that out of 2240 schools covered in the scheme, the numbers of students was less than 800/600 in 2120 schools while the number of students was more than the specified limit in the remaining 120 schools.

It was observed that though the Company incurred extra liabilities towards cost of additional courseware provided, no amount was deducted against the schools having number of students below the prescribed number. Thus, due to failure of the Company to include an enabling clause in the agreement for proportionate adjustment of contractors dues based on the actual coverage, an amount of

13

| No. of schools | Amount of advance | Date of release | Date of adjustment/ SC order | Days | Rate of Interest | Interest Loss       |
|----------------|-------------------|-----------------|------------------------------|------|------------------|---------------------|
| 200            | ₹ 4.42 crore      | 30 June 2006    | 20 November 2006             | 152  | 5 per cent       | ₹ 9.20 lakh         |
| 100            | ₹ 2.14 crore      | 30 June 2006    | 28 September 2007            | 455  | 5 per cent       | ₹ 13.33 lakh        |
| <b>Total</b>   |                   |                 |                              |      |                  | <b>₹ 22.53 lakh</b> |

₹ 17.85 crore was paid towards the cost of courseware which was not actually delivered.

The Company replied (September 2013) that as there was no scope in the agreement for proportionate downward adjustment of the cost in the event of number of students falling below the specified number, no damages could be imposed.

The reply confirms the need for inclusion of an appropriate clause in the agreements for adjustment of dues payable to the contractors based on the actual delivery of the courseware to students.

**Audit objective: Whether the Company achieved economy and efficiency in 'Other activities relating to imparting of computer training, providing internet services, printing of smart cards for Transport Department, etc.**

*(Para 2.8)*

### **Management of Other Activities**

**2.8** Apart from acting as the nodal agency for implementation of Central/State sponsored schemes in the State, the Company had also undertaken several other activities during the period of five years covered under the Report. These activities included creating and managing the District Computer Centres (DCCs) for imparting the computer training to the eligible students in the State, providing the Broad Band Internet Services to registered consumers in the State, executing the printing jobs for the Transport Department of GOA, *etc.* Audit scrutiny of the activities of the Company revealed the following:

#### **(a) Management of District Computer Centres**

Under the 11<sup>th</sup> Finance Commission Award to the Government of Assam, the Company carried out a turnkey project at a total cost of ₹ 7.58 crore for creating and managing '50 Personal Computer/Server Computer laboratory' in each of the 23 districts of Assam with effect from 2004-05. These District Computer Centres (DCCs) were run and managed by the Company through a network of Franchisee/Authorised agents for imparting computer training to students at nominal rates. The DCCs were also used to conduct district level training programmes for the Government departments and holding of computer based



examination and tests. Out of 23 DCCs located in 23 districts of the State, 21 DCCs were handed over to Franchisees in consultation with the Deputy Commissioner of the respective district and remaining 2 DCCs were run by the Company departmentally. Scrutiny of records relating to the DCCs revealed the following:

- ***Lack of effective monitoring on the operations of the Franchisee***

The Cachar DCC was handed over (16 November 2006) to franchisee (M/s DIGICOM Computer Centre) for running and managing the DCC for a period of two years. It was, however, observed that essential facilities like LAN and Generator were pending for installation in the Cachar DCC at the time of its handing over to the franchisee. It was further noticed that the franchisee had not organised any training programme in the DCC for Students and Teachers so far (September 2013) even after expiry of almost seven years of its taking over the charge from the Company. It was noticed that despite the above deficiencies in the performance of the franchisee in running and managing the Cachar DCC, the franchisee was allowed to run the DCC even after expiry of the agreement in November 2008 without formally renewing the agreement.

The Company replied (September 2013) that the work of installation of LAN and Generator was outsourced and the same could be completed only after handing over the DCC to the franchisee. It was also added that the Company would initiate steps for employing a new franchisee in consultation with the District Commissioner. The fact, however, remained that the Company is taking the steps for replacement of the franchisee after almost five years of expiry of the agreement despite noticing serious shortcomings in their performance.

- ***Lack of control over the assets/infrastructure created in DCCs***

One of the objectives of running the DCCs was to impart computer training to the deserving students at nominal rates. For the purpose, the DCCs were setup with required infrastructure including the Computers, related equipment and other assets. Hence, the said infrastructure/equipment installed in each DCC need to be utilised solely for the intended purposes so as to achieve the intended objectives of formation of the DCCs. Scrutiny of records, however, revealed that 26 computers along with Computer tables and chairs belonging to DCC, Cachar were taken away by the District Administration between May 2007 and December 2009. Another 5 computers belonging to DCC, Karimganj were taken away by the District



Administration in August 2010. It was further observed that the computers/equipment so diverted by the District Administration were not returned back (September 2013) to the respective DCC defeating the purpose of procurement of said computers/equipment. The Company, however, neither initiated any steps for bringing back the computers nor informed the higher authorities about the diversion of the computers/equipment.

The Company replied (September 2013) that though DCCs are run by the Company through franchisees, the responsibility of smooth functioning of DCCs lies with the District DCC Committee which is headed by the concerned Deputy Commissioner of the District. As such, the District Administration is the best judge to decide the effective use of computer equipments and on this assumption the Company did not decide otherwise.

The reply is not tenable in view of the fact that the Computers and other equipment were procured for imparting computer training to students at nominal rates. Hence, the use of Computer equipment for other purposes defeated the purpose of setting up the DCCs. The Company, being the Nodal Agency for implementing and overseeing the Project, was responsible for protecting and maintaining the assets of all DCCs. The Company, however, failed to take appropriate steps to effectively fulfil this responsibility.

- ***Management Information System (MIS) in DCCs***

The Company appointed franchisees to run the DCCs in consultation with the District Administration. There was, however, no Management Information System (MIS) in place to monitor the functioning of the DCCs. As per the appointment letter and the agreement signed with the franchisees, the franchisees were required to submit monthly Status/Progress Reports on the activities of the DCCs. It was, however, noticed that the franchisees were not regularly submitting the said Status/Progress Reports to the Company. As a result, the Company could not monitor properly the operations of the DCCs. Further, as per the appointment letter and the agreement signed with the franchisees, the franchisees were required to pay 20 *per cent* of the 'earnings' as royalty to the Company. Scrutiny of records, however, revealed that out of 21 DCCs handed over to franchisees, only 6 DCCs were paying royalty on the gross revenue against the fees collected from the students. The remaining DCCs were either paying 20 *per cent* royalty on 'net earnings' after netting off their operational expenditure or were not paying the royalty at all. Hence, it can be seen that neither the regular MIS required to monitor the performance of DCCs was maintained by the Company nor it had clarity about the method of calculation of the royalty receivable from the DCCs.

The Company replied (September 2013) that the franchisees paid royalty as per their understanding of 'earnings' and some paid royalty on gross fee collection and others on net earnings.

The reply confirms the ambiguity in contract terms regarding payment of royalty by the DCCs. The Company, therefore, needs to suitably bring out the method of working out the royalty to be paid by the DCCs. Further, the Company needs to take appropriate steps for ensuring timely and regular submission of MIS from all DCCs so as to have effective monitoring on their activities and timely action on the deficiencies, if any, noticed in the functioning of DCCs.

**(b) Broad Band Internet Services**

The Company provides broad band internet service 'MAGIC SURF' with 16 tariff plans/packages with effect from 2006-07. As of September 2013, there were total 4170 registered consumer connections under different packages

**During the period from 2008-09 to 2011-12, the Company incurred an expenditure of ₹ 3.74 crore against the earnings of ₹ 2.78 crore.**

including 35 direct consumers and 502 'free of cost' consumer connections relating to Government offices/officials. The Company engaged 25 franchisees for providing the said broad band internet services in different

locations of the State. The franchisees were responsible for all the activities involved in providing the services like provision of internet connection, billing and collection of subscriptions and line maintenance, *etc.* The Company also maintains two branch offices for billing and collection of revenue. During the period from 2008-09 to 2011-12<sup>14</sup>, the Company incurred an expenditure<sup>15</sup> of ₹ 3.74 crore against the earnings of ₹ 2.78 crore. Scrutiny of records revealed the following irregularities:-

- The Company appointed the franchisees without entering into any formal agreement with them stipulating the appropriate terms and conditions of service. As such, the Company was not collecting any security deposit to safeguard its financial and other interests against default, if any, by the franchisees in providing the quality services and payment of dues in time. After being pointed out by Audit, the Company started executing formal agreements with the franchisees from August 2013 onwards.
- A test check of Revenue collection records relating to 12 out of 25 franchisees revealed that an amount of ₹ 1.52 crore relating to the year 2008-09 to 2012-13 remained unrealised.

<sup>14</sup> Accounts for 2012-13 not compiled by the Company

<sup>15</sup> Excluding pay and allowances (Regular and Contractual)

In reply, the Company accepted the observations and stated (September 2013) that with effect from 1 August 2013, all franchisees were requested to deposit full collection against invoices along with their claims. The reply was, however, silent about recovery of the outstanding dues of earlier period pointed out by Audit.

- The Company had been following a uniform structure of commission and adjustments for payment of remuneration to the franchisees in respect of the services provided to the Government/Direct consumers as well as other private consumers of the Company. In addition to allowing the 'commission' ranging from 33 to 50 *per cent* of the package value, franchisees were also allowed 'adjustments' against providing 'line maintenance services' and 'billing and collection of subscription charges' to the above mentioned three categories of consumers. In this connection, it was observed that the works relating to 'billing and collection of subscription charges' in respect of Government and direct consumers was being done by the Company departmentally without any role of the franchisee. Therefore, uniform rate of commission was not justified. This resulted in extension of undue benefit to the franchisees. In one instance, it was observed that the Company had paid an amount of ₹ 0.44 crore as 'commission and adjustments' to a franchisee (M/s Harsha Technology), during the period November 2007 to March 2013 against the revenue of ₹ 0.12 crore only.

In reply, the Company while accepting the facts stated (September 2013) that the adjustment allowed has been discontinued with effect from 1 August 2013. It was further stated that the billing and actual adjustment will be done after completion of the internal audit.

- According to the provisions of Section 194H of the Income Tax Act, 1961, the Company was responsible for deduction of tax at source (TDS) from the franchisees against the said commission and deposit the same with the tax authorities. It was, however, observed that the Company failed to collect the TDS of ₹ 0.29 crore (at the rate of 10 *per cent*) against commission amounting to ₹ 2.85 crore for the period 2007-08 to 2012-13.

On being pointed out by Audit, the Company appointed (May 2013) a Chartered Accountant for assessment of tax matters.

- The Company provides free internet service to 131 State Government Officers under the package name ISC. The Company made payment of ₹ 0.13 crore as commission/adjustment to the franchisees against these consumers. It was, however, observed that the Company had not obtained

the approval from Board of Directors for providing free connections to this category of consumers.

The Company replied (September 2013) that it received fund support from GOA for these consumers.

The reply is not tenable as the fund received from GOA was for implementation of the project only. The GOA, however, did not make any fund allocation to meet the recurring expenditure against providing this regular free service.

- The consumers availing the broad band internet services of the Company were being billed through the monthly invoices. The monthly invoices were generated by the online monitoring system of the Company. Scrutiny of records relating to the invoices/bills generated *vis-a-vis* invoices/bills actually issued to the consumers for the years from 2008-09 to 2011-12, however, revealed significant discrepancies in the number of invoices generated by system (considering the serial number of invoice as basis) and the invoices served on consumers as per the following details:

**Table 2.1**

(Invoices/ bills in No.)

| Year         | Invoices/ bills<br>Generated | Invoices/ bills<br>issued to consumers | Unbilled<br>Invoices |
|--------------|------------------------------|--|----------------------|
| 2008-09      | 17,659                       | 14,641                                 | 3,018                |
| 2009-10      | 17,576                       | 15,634                                 | 1,942                |
| 2010-11      | 15,928                       | 15,335                                 | 593                  |
| 2011-12      | 13,107                       | 12,976                                 | 131                  |
| <b>Total</b> | <b>64,270</b>                | <b>58,586</b>                          | <b>5,684</b>         |

The Company replied (September 2013) that after 2010-11 system software was stable and appears to be in order. In 2010-11, 593 unbilled invoices appear to be due to wrong billing like double renewal by call centre operator and cancelled later on. The reply, however did not address the significant anomalies pointed out for the years 2008-09 and 2009-10.

The reply is also not tenable as there was no system in existence to verify the number of invoices and difference between invoices generated and issued needs to be reconciled.

- The Company did not maintain any integrated database system for monitoring different transactions relating to “Magic Surf” business. For instance, the Registers for collection of Monthly bills were maintained manually whereas the consumer-wise monthly billing was done through the Computer system. Further, the Company did not maintain records relating to

procurement, utilisation of bandwidth, details of terminated franchisee/customers and outstanding dues there against.

**(c) *Executing the printing jobs for the Transport Department of GOA  
Inventory and accounting of Smart cards***

Under the Transport Computerisation Project (District Transport Office), the Company was awarded (August 2005) the work of 'printing and delivery of Smart Card based Driving Licence and Registration Card (DL-RC)' for five years on Build, Own, Operate and Transfer (BOOT) model to be implemented in 23 districts. Accordingly, after computerisation of the back end process, the printing and delivery of the Smart Card based DL-RC commenced (March 2008) in Kamrup District. It was observed that the Company procures the Smart cards and distributes the same to various district centers. The Company, however, did not devise any system for tracking and accounting of the Smart cards used, cards rejected in the process of printing or cards spoiled due to mistakes of operators, *etc.* Thus, the possibilities of misuse of the Smart Cards could not be ruled out.

The Company replied (September 2013) that cards cannot be printed without going through the cash verification process. Efforts, however, would be made to maintain records of rejected cards.

The reply is not tenable as the guidelines for issuing the licenses required the Company to destroy the rejected cards and hence, the Company should have maintained all necessary records for the same.

**Audit objective: Whether the management of financial resources was efficient, effective and in compliance with the relevant statutory requirements.**

*(Para 2.9)*

## **Financial Management**

**2.9** As per Sections 166, 210 and 619 of the Companies Act, 1956, the accounts of the Company for every financial year are required to be finalised within six months from the end of the relevant financial year. It was, however, noticed that the Company could finalise its accounts only upto 2009-10 and the accounts for subsequent three years from 2010-11 to 2012-13 were in arrears (September 2013) in violation of the provisions of the Companies Act, 1956.

The financial position of the Company for five years <sup>16</sup> from the year 2007-08 to 2011-12 has been summarised in *Annexure 8*.

It may be seen the Annexure that the net profits of the Company during five years from 2007-08 to 2011-12 ranged between ₹ 0.60 crore (2010-11) and ₹ 1.60 crore (2009-10). The 'Interest Income' during the said period ranged from ₹ 2.49 crore (2009-10) to ₹ 4.38 crore (2011-12), which was generated mainly against the fixed deposits maintained out of Scheme/Project funds. Thus, it may be seen that ignoring the contribution of 'Interest Income', the Company would have incurred 'operational losses' during all the five years under reference. Further, the high value of current assets as depicted in the Balance Sheets throughout the period was also attributable to these Scheme funds lying under fixed deposits. Following irregularities were, however, noticed in management of funds by the Company:

**(a) Retention of Scheme Funds**

The Company, being the Nodal Agency for implementing the IT Policy of the GOA, was provided with a huge amount of funds from time to time for implementation of various schemes. The Company was, however, slow in surrendering the unutilised scheme funds to the funding agencies on completion of the scheme. During test check of five projects<sup>17</sup> completed during 2008 to 2012, it was observed that the Company had retained the unutilised surplus funds to the tune of ₹ 1.15 crore. Similarly, the Company had a surplus of ₹ 1.90 crore, generated during implementation of ARBAS scheme in 2007-08. Both these funds were retained by the Company without intimating the fact to the scheme funding agencies/GOA. The practice of unauthorised delay in surrendering of unutilised funds against completed projects was irregular.

The Company replied (September 2013) that the difference of fund receipts and payments had been worked out by Audit without considering the commission receivable by the Company.

The reply is not tenable as the amount of surplus scheme funds to be refunded was calculated by Audit after taking into consideration the commission receivable by the Company as per the Expenditure Statement submitted to the Government.

<sup>16</sup> Figures for 2010-11 and 2011-12 are provisional while figures for 2012-13 were yet to be compiled by the Company. (September 2013)

<sup>17</sup> Serial No. A5, B3, B6, B7, B8 of *Annexure 7*.



**(b) Retention of Interest earned on Scheme Funds**

As per terms and conditions governing the Grant-in aid of the central sponsored projects, any interest earned on these funds was to be utilised for the purpose of the Scheme and diversion of the same was not allowed. As such, the interest earned was to be treated as a credit to the Company and the same was adjustable against future instalment of the grant. In this connection, following observations are made:

- The Company earned interest of ₹ 10.43 crore (upto March 2013) on the funds deposited out of the funds received against six centrally funded projects. It was, however, noticed that in violation of the Grant conditions, the fact of the interest earned against grant money and its unauthorised retention by the Company was not reported to the GOI at the time of submitting the Utilization Certificates (UC) for the scheme funds.

The Company replied (September 2013) that the investments were made out of its own initiative and there was no directive/advice from the GOI/GOA to invest the funds in fixed deposits.

However, the fact remains that the Company in violation of the condition of the grant did not intimate the interest accrued and utilised the same for its own purpose.

- Similarly, the Company earned interest income of ₹ 0.52 crore (upto March 2013) against unutilised scheme funds<sup>18</sup> relating to ARBAS 2007. It was noticed that the Company did not report this fact to the GOA though the scheme was completed long back in 2007-08. On being pointed out by Audit, the Company reported (June 2013) this fact to GOA after five years of completion of the project.

**(c) Diversion of Scheme Funds**

(i) The Company received ₹ 63.81 crore for implementation of three projects namely 'State Data Centre Project', 'Assam Online Portal Project' and 'State Portal & State Service Delivery Gateway project' against which the Company incurred an expenditure of ₹ 32.48 crore (including refund of ₹ 3.50 crore to Central Government) leaving an unspent balance of ₹ 31.33 crore as on 31 March 2013.

Further, it also earned interest of ₹ 3.97 crore (as on 7 April 2013) on Fixed Deposits made out of these Project Funds. It was, however, observed that an amount of ₹ 29.61 crore was only available in the separate bank accounts

<sup>18</sup> Amounting to ₹ 1.90 crore as discussed in *Para 2.9(a)*

maintained exclusively for implementation of these projects. The balance amount of ₹ 5.69 crore<sup>19</sup> was not utilised for implementation of the project.

The Company replied (September 2013) that a portion of the interest has been utilised to meet the cost of manpower and facilities devoted for implementation, operations and monitoring of the project for which agency charges/margin has not been provided by the GOI/GOA.

The reply is not tenable as the Company was paid agency charges for implementation of GOI/GOA funded projects. Further, Department of Electronics and Information Technology, GOI (DeitY), being the funding agency for implementation of schemes, instructed the Company to credit the interest accrued/earned out of the scheme funds against the project account. As such unauthorised utilisation of the Interest earned out of the scheme funds for Company's own purpose was not justified.

(ii) The GOI's Guidelines (March 2005) for implementation of Capacity Building project specifically disallowed utilisation of Scheme funds towards capital expense, overhead costs, building or renovation projects *etc.* It was, however, observed that the Company diverted an amount of ₹ 0.38 crore towards capital expenses relating to the construction and electrical works of its Corporate Office building, which was irregular.

The Company replied (September 2013) that it is a matter of internal accounting for proper booking of expenditure.

The reply is not tenable as the capital expenditures were booked under the above scheme as reported in the Utilisation certificate which was against the provisions of guidelines. Further, account of these expenditures in its internal records does not validate the diversion of the fund for the purpose other than what was envisaged in the scheme guidelines.

#### **(d) Poor realisation of debts**

(i) As per directions issued (October 2001) by GOA, the State Government Departments as well as the State PSUs shall either procure all their IT related goods from the Company or they shall take Company's assistance in the said procurement. During the period under review, the Company executed the works as detailed in the following table:

<sup>19</sup> Interest earned (₹ 3.97 crore) plus scheme fund (₹ 1.72 crore).



Table 2.2

(₹ in crore)

| Year    | Value of Sales/supplies made to Govt./PSUs | Value of Jobs/Services | Outstanding dues at the end of the year |
|---------|--|------------------------|---|
| 2007-08 | 4.36                                       | 5.22                   | 3.98                                    |
| 2008-09 | 6.57                                       | 6.33                   | 7.59                                    |
| 2009-10 | 7.77                                       | 4.54                   | 7.69                                    |
| 2010-11 | 3.53                                       | 6.87                   | 11.95                                   |
| 2011-12 | 1.69                                       | 6.97                   | 9.48                                    |

It may be seen that as on 31 March 2012, the sundry debtors of the Company stood at ₹ 9.48 crore. Scrutiny of records revealed that against the receivables of ₹ 9.48 crore, ₹ 1.09 crore was outstanding for more than five years. It was observed that the Company failed to effectively pursue for recovery of dues with the debtors. It was also seen that the Company did not obtain the Balance confirmation Certificates from the sundry debtors having huge dues pending for recovery for long periods.

The Company replied (September 2013) that the major portion of the debtors relates to institutions under GOA and it takes a long time to realise payments from them. It was further stated that strong exercise would be carried out to recover these debts for which necessary manpower and legal consultants would be engaged.

The reply is not tenable as the Company neither pursued the issue with the concerned Departments for realising the dues nor obtained any balance confirmation from these Departments. Since no effective steps were taken by the Company for recovery of long pending dues, realisation of these debts remained doubtful.

(ii) The Company disbursed (2004-05) ₹ 0.40 crore as loan to 26 beneficiaries under National Backward Classes Finance & Development Corporation (NBCFDC) scheme. It was noticed that as on 31 March 2013 that only 2 out of 26 beneficiaries repaid their entire dues. The total accumulated dues against remaining 24 beneficiaries stood at ₹ 1.00 crore (Principal: ₹ 0.36 crore and interest: ₹ 0.64 crore). It was further noticed that the validity of the documents like LIC policy, Fixed Deposit receipt *etc.*, mortgaged against the loans of these 24 beneficiaries had already expired/lapsed.

The Company replied (September 2013) that the beneficiaries were asked to repay the dues and on failure to make payment, Bakijai<sup>20</sup> case against them will be filed.

<sup>20</sup> Bakijai case is a money suit against defaulter

The reply is not tenable in view of the fact that in absence of adequate and valid mortgages/security the chances of recovery of outstanding dues are remote.

**(e) Lack of proper tax administration**

Service Tax Rules provide that the service provider shall collect the service tax on all taxable services and remit the same to Service Tax Authorities. It was seen that the Company did not follow proper system for collection and deposit of service tax as well as for filing of tax returns within the due time. The Company failed to appreciate the taxable services in time for which it received the following notices from Service Tax department:

- On December 2010, Commissioner of Central Excise and Service Tax issued demand notice to the Company of ₹ 0.17 crore along with interest of ₹ 9.12 lakh for non-payment of service tax on 5 taxable services relating to the period 2004-09. Accordingly, the Company paid (March 2011) the outstanding tax liability of ₹ 0.26 crore along with interest.
- On October 2011, the Service Tax department had issued another demand notice for payment of service tax for ₹ 2.12 crore for 12 types of service rendered during the period 2006-2011 (covering previous notice also). The Company, however, accepted liability for ₹ 1.10 crore only and paid the amount. In subsequent hearing, Commissioner of Central Excise and Service Tax directed (March 2013) the Company to pay service tax of ₹ 2.12 crore along with an equal amount of penalty (₹ 2.12 crore) and interest after adjusting ₹ 1.10 crore already paid (including interest amounting to ₹ 0.11 crore). As per order, 75 per cent of the penalty would be waived if payment was made within 30 days. It was, however, noticed that till date the Company had not paid the amount demanded by the Service Tax Department.

On being pointed out by Audit, the Company filed (August 2013) an appeal with the Central Excise and Service Tax Appellate Tribunal, Kolkata for the disputed balance amount. The outcome of the appeal was awaited (September 2013).

**Audit objective: Whether proper monitoring systems were in place to review ongoing projects as well as other commercial activities and whether prompt corrective measures were taken to overcome the deficiencies identified**

*(Para 2.10.1 to 2.10.3)*

## **Monitoring System**

**2.10** An effective Monitoring System helps in reviewing the completed/ongoing projects, to take corrective measures, to overcome deficiencies identified and to take prompt and adequate steps to strengthen the system. The deficiencies observed in the monitoring system of the Company are detailed below:

### ***Monitoring committees***

**2.10.1** An Apex Committee was formed (June 2009) under NeGP with a view to ensure adequate coordination among various departments involved in implementation of projects and also to effectively monitor the progress of execution of the projects so as to ensure timely completion of all the works without compromising with the quality of work. It was, however, observed that only three meetings of the Apex committee were convened since its constitution (June 2009) of which two were held in February and May 2013.

Similarly, various committees namely State Level Committee, Zonal Level Committees, District Level Committees, and School Level Committees were required to be constituted by the GOA for monitoring the implementation of Rajiv Gandhi Computer Literacy Programme (RGCLP). It was, however, observed that these committees were never constituted.

Absence of effective monitoring by the Apex Committee as well as non-constitution of other committees as envisaged in the projects/scheme guidelines resulted in lack of co-ordination, which in turn caused delays in implementation of projects/schemes and failed to accelerate the progress of various projects/schemes.

### ***Periodical evaluation of the Schemes***

**2.10.2** As per GOA's Operational guidelines on implementation of RGCLP, the Company should regularly monitor the quality of IT education and should

also independently conduct evaluation examinations of students for assessment of performance of the contractor. It was, however, observed that periodical evaluations of the performance of the students were conducted by the contractor without involving the Company. As a result, assessment of delivery of quality IT education to the students was not done by the Company.

### ***Role of Board of Directors in monitoring of the Schemes***

**2.10.3** As per the provisions of Section 285 of the Companies Act, 1956, it was mandatory for the Board of Directors of the Company to hold its meetings at least once in every three calendar months and at least four such meeting should be held every year. It was, however, observed that during the period 2008-09 to 2012-13, only 11 meetings of Board of Directors of the Company were held against minimum requirement of 20 meetings. It was quite evident that the monitoring and evaluation of different projects could not be discussed adequately at the Board level to review constraints if any, required to be addressed in consultation with different departments/agencies.

The above issues were reported (August 2013) to the Government, their replies had not been received (September 2013).

### **Conclusion**

The Company undertook 18 projects/schemes during 2008-13 and only 11 projects/schemes had fixed time schedule. Of these 11 projects/schemes the Company could complete only 5 schemes within the targeted period. Out of the remaining 6 projects/schemes, 2 were completed with delays of 8 months while other 4 were still pending for completion even after expiry of 7 to 56 months from the scheduled dates. These delays were attributable to various deficiencies in planning, delays in identification/handing over of project site, delays in finalisation of tendering documents, non-fixation of event-wise deliverables for the consultant and post sanction changes in specification and scope of works *etc.* Instances of irregular amendments to the contract terms to the benefit of the contractors were also noticed which was against the principles of propriety.

The management of other activities by the Company was also not satisfactory. In absence of formal agreements with the franchisees/agents, the control of the Company over its activities relating to the Broad Band Internet Services was not effective. Management Information System on the activities of District Computer Centres (DCCs) was not satisfactory as the franchisees running these DCCs were not regular in submitting the monthly

**Status/Progress Reports.** In execution of printing jobs for the Transport Department, the Company failed to devise an appropriate system for tracking and accounting of the smart cards used, rejected or spoiled thereby leaving scope for misuse of the said cards.

The Company had shown positive working results during five years from 2007-08 to 2011-12. The Company was retaining the scheme funds relating to completed projects and interest income earned there against without the knowledge of the scheme funding agencies. Ignoring the interest income earned against the scheme funds, the Company would have incurred operational losses during the said five years. Financial management system of the Company was also deficient in view of the poor realisation of debts and failure to collect and deposit service tax to tax authorities, causing avoidable payment of penalties.

Lack of proper monitoring by monitoring committees resulted in unsatisfactory progress of the projects/schemes works. The monitoring of the Company at the top management level was also weak due to deficiency in holding minimum number of meetings by its Board of Directors as per the requirements of the Companies Act, 1956.

#### **Recommendations**

- The Company needs to undertake proper planning duly synchronising all the preparatory activities relating to the projects so as to avoid subsequent revisions in the scope/specification of the works and complete the work within the targeted period.
- While appointing franchisee/agents the Company should formalise all significant terms in the form of an agreement.
- The Company should follow a transparent and effective system with regard to surrender of surplus fund and as well as collection and deposit of service tax.
- For strengthening monitoring mechanism, the monitoring committees should hold regular meetings and BODs should also meet as per the mandatory requirement of the Companies Act, 1956.

# Compliance Audit Observations

## Chapter-III

### Compliance Audit Observations

Important audit findings emerging from test check during the audit of the State Government companies/Statutory corporations are included in this Chapter.

#### Government companies

##### DNP Limited

#### 3.1 *Undue benefit to Consultants*

*Adhoc adjustment in the contract value against exclusion of certain works resulted in undue benefit of ₹ 0.37 crore to the consultant.*

DNP Limited (Company) awarded (March 2006) the work of consultancy services to Tractebel Engineers and Constructors Private Limited (TECPL) for Engineering, Procurement and Construction (EPC) Management of Duliajan to Numaligarh Refinery Limited (NRL) Pipeline Project. Subsequently, DNP entered into (June 2006) an agreement with TECPL. The work was scheduled to be completed by March 2007 at an estimated cost of ₹ 5.00 crore.

The scope of work under the contract (June 2006) included radiography work in respect of 10 *per cent* of mainline joints as well as 100 *per cent* of other joints (*viz.* crossings and tie-in joints, metering station and compressor station piping network joints). The total estimated number of joints as stipulated in the contract were 19,600 (including 19000 mainline joints and 600 other joints). Accordingly, TECPL was required to conduct the radiography on 1,900 joints in the mainline (10 *per cent*) and 600 other joints in the crossings and compressors (100 *per cent*). The work order, however, did not stipulate any separate items of cost for radiography work.

The Company decided (June 2006) to downsize the design of the proposed pipeline in terms of diameter (from 20 inches to 16 inches) in absence of a firm commitment from the gas supplier (Oil India Limited) for supply of the required quantity of gas so as to match the same with gas transportation capacity of 1 million standard cubic metre per day (MMSCMD) from existing 2 MMSCMD.

Accordingly, TECPL re-assessed (November 2006) the number of joints as 7,100 (6,080 mainline joints and 1,020 other joints).

While the radiography work was yet to start, TECPL informed (June 2008) the Company that as the project was being extended beyond the scheduled period of completion on account of re-assessment of entire design and drawings, they were entitled for compensation of ₹ 1.47 crore for extra mandays required against the extended period.

While the negotiation for the compensation claim of TECPL was in progress, the Company engaged (December 2008) a separate contractor- Industrial X-Ray & Allied Radiographers (I) Private Limited (IXAR) for conducting the radiography as well as the ultrasonic tests of all the 7,100 joints (100 *per cent*) at a price of ₹ 1.63 crore. During negotiations with TECPL, the Company agreed (March 2009) to exclude the entire radiography work from the revised work scope of TECPL by deducting a lump sum amount of ₹ 16.29 lakh only (*i.e.* 10 *per cent* of the value of the work order issued in favour of IXAR) from the original contract value of TECPL. The said deduction against reduction in the work scope of TECPL was made on the plea that the amount so deducted adequately covers the cost of radiography work excluded from the work scope of TECPL under revised contract. Accordingly, an amended work order was issued (August 2009) in favour of TECPL at revised contract value of ₹ 5.96 crore as against the original contract value of ₹ 5.00 crore.

IXAR finally carried out radiography testing of 5,600 mainline joints and 1,856 tie up joints at the rate of ₹ 2,200 per joint. It was observed that as per the original work scope of the contract, TECPL was to execute radiography of the 10 *per cent* of the mainline joints and 100 *per cent* of the other joints. Considering the actual cost involved against radiography work done by IXAR and the radiography work included in the original work order, TECPL was liable to contribute the costs for conducting radiography tests of 560 mainline joints (10 *per cent* of mainline joints) and 1,856 other joints (100 *per cent* of crossing and tie up joints) involving aggregate cost of ₹ 0.53 crore at the rate of ₹ 2,200 per joint.

Hence, *ad hoc* adjustment of ₹ 0.16 crore in the contract value of original work order resulted in extension of undue benefit of ₹ 0.37 crore to TECPL.

In reply, Management stated (August 2013) that as the cost deducted from TECPL for reduction in their scope of work was a part of total negotiation and clubbed with other issues/claims of TECPL, the value cannot be assessed in



isolation. The Government also endorsed (September 2013) the replies of the Management.

The reply is not tenable as while re-negotiating with TECPL, the item-wise cost variations involved in respect of each change in the scope of the original work order should have been analysed rationally before arriving at a final decision. Apparently, the benefits availed against the reduction in the work scope of the contract were much less than the actual costs incurred in execution of the said works.

### **Assam Power Generation Corporation Limited**

#### **3.2 Unfruitful investment on measuring equipment**

Investment of ₹ 37.44 lakh on ‘on-line pressure and gas flow monitoring system’ proved unfruitful due to faulty technical specifications provided by the Company.

Assam Power Generation Corporation Limited (Company) entered (November 2007) into an agreement with Oil India Limited (Supplier) for supply of gas to the Company’s Thermal Power Station at Namrup (NTPS). The gas procured was to be transported from the ‘off-take point’ of the Supplier at Duliajan to the ‘in-take point’ of the Company at NTPS through the pipeline of Assam Gas Company Limited (Transporter) based on separate agreement already in existence with the Transporter.

As per the *inter se* agreements, the quantum of gas supplied by the Supplier is measured through a meter installed at Supplier’s ‘off-take point’. From this ‘off-take point’, the Transporter receives the gas and transports to the Company through its pipeline. The measurement of the gas supplied by the Supplier could be cross-checked by a meter fixed by the Transporter on its side at ‘off-take point’ of the Supplier. In addition, the gas transported and released by the Transporter is also measured by a meter provided on its side at the ‘in-take point’ of the Company. The bills for gas and transportation are raised according to these readings. The measurements of gas as recorded by the meters installed by the Supplier and the Transporter were supposed to be further cross-checked by a meter to be placed by the Company on its side at NTPS ‘in-take point’. The discrepancies in meter readings were to be resolved mutually in monthly meetings.

With a view to operate measuring equipment on its side of ‘in-take point’ as well as to analyse the performance indicators of its individual turbines, the Company invited (October 2005) tenders for supply and installation of ‘on-line pressure and gas flow monitoring systems’ (measuring system). The tender comprised of two parts – technical and financial bids.

As per the design provided by the Company, the common gas flow line at ‘in-take point’ on NTPS side was bifurcated into two lines – one with 8 inch header for serving four Gas Turbines (GTs) connected by individual lines and another with 6 inch header for serving three lines including one line serving Steam Turbine (ST). Separate meters were to be provided for all these lines in addition to the meters installed at 8 inch and 6 inch headers.

The summation of gas flow meter readings of four GTs shall be equal to the reading shown by meter at 8 inch header (Set – 1). Similarly, the summation of gas flow meter readings of three lines at ST side shall also be equal to the reading of the meter at 6 inch header (Set – 2). Further, the total of meter readings at 8 inch and 6 inch headers shall be equal to the meter reading of the Transporter at the ‘in-take point’ of the Company (Set – 3).

The contract was awarded (February 2007) to N.K. Engineering Works (Contractor) and the work was completed (September 2007) at a total cost of ₹ 37.44 lakh. The Company issued (December 2007) a successful work completion certificate to the Contractor after observing the system installed for seven days.

On the day of issue of work completion certificate, it was noticed by the Company that the meter readings obtained from individual lines under Set 1 and Set 2 were inconsistent with the progressive readings recorded at the corresponding header as well as with the readings of the nearby meter placed by the Transporter. This was reported (December 2007) to the Contractor. On re-verification, the Contractor informed (March 2008) that the measuring equipment was manufactured as per the technical specifications provided by the Company and concluded that Set – 1 readings are accurate and the readings of remaining two sets were going wrong when the gas flow through the 6 inch header exceeded 11,000 sm<sup>3</sup> per hour, which was the maximum limit as per the technical specifications given by the Company. As a temporary solution, the Contractor suggested for reducing the gas flow in the by-pass valve.

Though the Company acted upon the suggestion, the problem (as detailed in *Annexure 9*) persisted and remained unresolved till date (September 2013). As the data shown by the meters seem to be erroneous, the Company had no other

option but to rely on the measurement reading as per the meter of the Transporter for making payments against the gas supplied without any cross verification. It was also observed that the newly installed meters were even not showing the correct data of the performance indicators of the turbines.

Thus, the investment of ₹ 37.44 lakh on installation of the measuring system remained unfruitful due to faulty technical specifications provided by the Company to the Contractor.

The matter was reported (July 2013) to Government/Management; their replies had not been received (September 2013).

### **Assam Power Distribution Company Limited**

#### **3.3 Loss of revenue**

The Company suffered a loss of ₹ 45.52 lakh due to irregular allowance of rebate and not preferring the claim for recovery of said rebate for more than two years.

Regulation 2.2 of the Assam Electricity Regulatory Commission (Electricity Supply Code and Related Matters) Regulations, 2004 (Regulations) provides parameters of different 'Voltage of Supply of power' to consumers in accordance with their Contracted Demand. In case the consumer intends to avail supply of power at higher voltage than applicable, the consumer needs to install and maintain additional infrastructure at his own cost. With a view to mitigate the hardship caused to consumers on account of this additional cost, the Schedule of Tariff\* provides for a rebate at the rate of 3 *per cent* in monthly energy charges against availing of power at higher voltage.

As per the Regulations, however, all the consumers with a minimum Contracted Demand of 5000 KVA and above may be supplied the power at highest voltage of supply *i.e.*, 132 KV / 220 KV. Since, this is the highest level of 'Voltage' for supply of power, the consumers availing power at this KVA are not entitled for any 'rebate in monthly energy charges' as specified in the Schedule of Tariff.

A test check of consumers' records at Industrial Revenue Collection Area (IRCA) of Assam Power Distribution Company Limited (Company) at Nagaon revealed that M/s Hindustan Paper Corporation Limited (HPCL) was billed

\* Applicable from June 2005 and subsequent tariff orders issued from time to time.

under the Category of “HT Category V (C): HT-II Industries”. HPCL was drawing power at 132 KV voltage level with Connected Load and Contracted Demand of 8500 KVA and 8824 KVA respectively. Since the supply of power was at highest voltage of 132 KV, HPCL was not entitled for any ‘rebate’ specified in the Schedule of Tariff.

The Company, however, allowed the rebate in monthly consumption charges of HPCL at the rate of 3 *per cent* for a period of 53 months from August 2006 to December 2010 amounting to ₹ 45.52 lakh, which was irregular. On noticing the mistake, the Company discontinued the rebate with effect from January 2011 without preferring a claim on HPCL for recovery of the said rebate amount already allowed upto December 2010.

It was observed that as per the provisions of Regulation 4.3.3 of the Regulations, the Licensee is not entitled to recover any sum due from the consumer after a period of two years from the date when such sum became first due unless the same is continuously shown as recoverable as arrears of charges for electricity supplied.

It was noticed that since the Company had failed to raise any claim on HPCL for recovery of the inadmissible rebate amount after its discontinuance in January 2011, it has already lost the legal right to claim the same in future as per the provision of the said Regulations.

Thus, the Company suffered a loss of ₹ 45.52 lakh due to irregular allowance of rebate and not preferring the claim for recovery of said rebate for more than two years.

Internal control system of the Company should be strengthened so as to avoid recurrence of similar lapses in future.

The matter was reported (April 2013) to the Government/Management; their replies had not been received (September 2013).

### 3.4 Loss of revenue

The Company suffered loss of ₹ 48.01 lakh due to wrong categorisation of consumers

As per the approved<sup>1</sup> Schedule of Tariff applicable from 3 June 2005 and subsequent tariff orders issued from time to time, the consumers availing supply of power for residential premises with connected load of 25 KVA and above are to be categorised under “HT Category I: HT Domestic”. This shall also include supply of power to occupants of flats in multi storied buildings/residential colonies receiving bulk power at single point with single metering for domestic purposes. The tariff applicable to this category of domestic consumers is different from the tariff applicable to other categories of domestic consumers.

A test check of consumer billing records at two billing centers of Assam Power Distribution Company Limited (Company) relating to the period from May 2007 to May 2012 revealed that eight consumers falling under the category of ‘HT Category I : HT Domestic’ were wrongly categorised as LT Category-I Jeevan Dhara and LT Category-II Domestic consumers. The wrong categorisation of consumers led to short billing for periods ranging from 13 to 61 months resulting in consequent loss of revenue of ₹ 48.01 lakh. (as detailed in *Annexure 10*).

Thus, the Company suffered loss of revenue of ₹ 48.01 lakh due to wrong categorisation of consumers pertaining to HT Category I: HT Domestic.

The Company should ensure that an effective system of internal checks is in place so as to avoid instances of similar losses due to wrong categorisation of consumers.

The matter was reported (April 2013) to the Government/Management; their replies had not been received (September 2013).

<sup>1</sup> Approved by Assam Electricity Regularity Commission (AERC)

### 3.5 Loss of revenue

Due to non-collection of LT charges for compensating the 'Transformation loss' the Company sustained a loss of ₹ 18.00 lakh

As per the approved<sup>2</sup> Schedule of Tariff effective from 3 June 2005 and subsequent tariff orders issued from time to time, consumers availing power supply at the voltage level of 11 KV and above are to be treated as High Tension (HT) group of consumers. Further, as per clause 2.2 of the Electricity Supply Code and Related Matters Regulation, 2004 (first amendment 2007), (Regulations), consumers with a connected load of more than 1200 KVA are required to draw power at 33 KV voltage. Drawal of power by such consumers at voltage level below 33 KV voltage results the incidence of higher transmission losses to Assam Power Distribution Company Limited (Company). As per the provisions of the Regulations, the Company was entitled to recover the compensation from such consumers for drawal of power at voltage level below 33 KV by way of levying LT charges at 3 *per cent* of total energy consumption till the services of the said consumers are converted from LT supply to HT supply.

Test check of consumer billing records at two billing centers<sup>3</sup> of the Company revealed that Company failed to recover the LT charges of ₹ 18 lakh against the 'transformation loss' for the period from March 2005 to March 2012 in respect of four consumers who were drawing power at 11 KV voltage though their connected load was above 1200 KVA.

Thus, due to non collection of LT charges for compensating the 'transmission loss' from HT consumers drawing power at 11 KV voltage, the Company sustained a loss of ₹ 18 lakh.

The matter was reported (April 2013) to the Government/Management; their replies had not been received (September 2013).

<sup>2</sup> Approved by Assam Electricity Regularity Commission (AERC)

<sup>3</sup> IRCA, Nagaon and IRCA, Kokrajhar

## Statutory Corporation

### Assam State Transport Corporation

#### 3.6 *Non-achievement of intended benefits*

Despite incurring an expenditure of ₹ 60 lakh on outsourcing the upkeep and maintenance work of ISBT premises, the Corporation could not get the intended benefit of a clean and hygienic environment.

To maintain and upkeep the Inter State Bus Terminus (ISBT), Guwahati, Assam State Transport Corporation (Corporation) engaged 12 employees per month for the works of regular cleaning and scavenging at aggregate wages of ₹ 3.07 lakh for the year 2008-09. To further enhance the cleaning standards, the Corporation decided (July 2009) to entrust the work to private contractors who were having experience and modern machinery for handling the works in similar field. Accordingly, sealed tenders were invited (August 2009) in two parts – Technical and Financial. It was, however, observed that the Technical part of the tender did not include any clause requiring the bidders to furnish details of their experience in similar works. In response to the tender, total three bids were received by the Corporation. It was, however, noticed that none of the three bidders had submitted the technical bids despite having clear instructions in this regard in tender document. Further, registration certificates furnished by the bidders showed that all three bidders were engaged mainly in the business of construction and general supplies. It was observed that the Corporation, without taking the cognizance of the above facts, opened the financial bids and awarded (August 2009) the work to the lowest bidder viz., Divine Construction & Suppliers (contractor) at the rate of ₹ 2.50 lakh per month for two years from September 2009 to August 2011.

The execution of work by the Contractor was unsatisfactory since beginning of the contract. It was observed that the controlling officer of ISBT (Divisional Superintendent) had brought the issue of unsatisfactory performance of the contractor to the notice of the higher management on several occasions during February 2010 to May 2011. Terms of the agreement with the Contractor also stipulated for termination of the services in case the performance of the Contractor as found to be unsatisfactory. It was, however, observed that despite repeated complaints received on the performance of the Contractor and also having enabling clause in the contract, no action was taken by the Corporation



for terminating the services of the Contractor except issuing warning notices on two occasions (February 2010 and March 2011). Finally, a termination notice was served (06 April 2011) on the Contractor for terminating the work contract with effect from 06 May 2011 viz. just three months before completion of the contract term. It was, however, noticed that despite issuing of the termination notice in April 2011, the Contractor was allowed to continue with its job till expiry of the contract (viz. August 2011). On expiry of the contract term, the work of cleaning and scavenging was executed by the Corporation departmentally through temporary workers for one year (September 2011 to August 2012) at a total cost of ₹ 12.28 lakh.

Thus, owing to several lapses in handling the works contract, the very purpose of engaging a private firm by the Corporation for better upkeep of the ISBT premises was defeated. The Corporation inspite of incurring an expenditure of ₹ 60 lakh could not get the intended benefit of a clean and hygienic environment in and around ISBT.

In reply, Management admitted (September 2013) the audit observation regarding unsatisfactory work performance of the contractor and stated that it has withheld the payment of the contractor amounting to ₹ 10 lakh (*i.e.* for the period May to August 2011) as it had already served the termination notice to the Contractor in May 2011.

The reply is not acceptable in view of the fact that the Corporation failed to immediately terminate the services of the Contractor despite receipt of adverse reports repeatedly on their performance since February 2010. Moreover, the Contractor was allowed to continue the work till the expiry of the contract (August 2011) even after issuing (May 2011) the termination notice. Further, the bills for the withheld payment of the Contractor have already been authenticated by the Corporation which was an indication of acceptance of the liability against bill amount by the Corporation.

The matter was reported (July 2013) to the Government; their replies had not been received (September 2013).



### 3.7 Undue benefit to the bus body fabricators

The Corporation extended undue benefit of ₹ 30 lakh to the contractors by allowing higher prices.

The Corporation invited (April 2010) quotations (under two bidding system) for construction of various types of bus bodies on the chassis supplied by it. The proposed works include building of bus body under the category of 'Hi-tech semi deluxe Bus body (Rural connectivity type) on 'TATA LP 1512/42 TC chassis.

In response, three bids were received, which were technically qualified. The financial bids were opened (May 2010) in the presence of the three bidders and the rates originally quoted by three bidders were as under:

Table 3.1

| Name of bidder              | Quoted price per chassis<br>(₹ in lakh) |
|-----------------------------|---|
| Unitech Motors Pvt. Limited | 8.70                                    |
| HMM Coaches Limited         | 9.25                                    |
| Raju Motor Works            | 8.90                                    |

After negotiations, three bidders agreed for a negotiated price of ₹ 8.40 lakh per chassis. Accordingly, a Comparative Statement showing the original quotations as well as the negotiated price agreed upon by the three bidders was prepared (May 2010) in their presence and the same was authenticated by three bidders with their signature on the Comparative Statement.

The Corporation, however, again negotiated with the three bidders in June 2010. It was observed that in the Comparative Statement subsequently prepared by the Corporation based on the second negotiation (June 2010), the original quotation of L1 bidder (Unitech Motors Private Limited) was shown at increased value of ₹ 8.90 lakh instead of ₹ 8.70 lakh as indicated in the original offer of the L1 bidder. It was also noticed that the negotiated rate, which was agreed upon at ₹ 8.40 lakh per chassis by three bidders in first negotiation, was raised to ₹ 8.70 lakh per chassis in the subsequent Comparative Statement. Accordingly, the work orders for construction of total 100 chassis were placed (September 2010 to December 2010) on two firms based on the negotiated price arrived at during second negotiation as detailed in the following table:

Table 3.2

| Name of bidder                 | Rate per chassis<br>(₹ in lakh) | Quantity<br>(No. of chassis) | Total value<br>(₹ in lakh) |
|--------------------------------|---------------------------------|------------------------------|----------------------------|
| Unitech Motors Private Limited | 8.70                            | 76                           | 661.20                     |
| Raju Motor Works               | 8.70                            | 24                           | 208.80                     |

The two firms completed the works and full payment was released (November 2010 to February 2011) to them.

As such when the suppliers had already agreed for a lower price, there was no need for calling for the second negotiation with the bidders. Thus, the Corporation extended undue benefit to the extent of ₹ 30 lakh<sup>4</sup> to the contractors under second negotiation by allowing increase in their original quotations as well as in their negotiated price, which was finalised during the first negotiation.

In reply, Management stated (July 2013) that the quoted price of the lowest bidder was ₹ 8.90 lakh and not ₹ 8.70 lakh as pointed out by the Audit. Further, the Comparative Statement maintained by the Corporation indicated the negotiated price at ₹ 8.70 lakh.

The reply is not acceptable in view of the fact that the bid document of the L1 bidder available with Audit clearly mentions the bid price at ₹ 8.70 lakh. Further, the Comparative Statement duly authenticated by three bidders and also referred to in Corporations' records/noting indicated the negotiated price at ₹ 8.40 lakh.

The matter was reported (July 2013) to the Government, their replies had not been received (September 2013).

<sup>4</sup> {(₹ 8.70 lakh less ₹ 8.40 lakh) × 100 chassis}

## General

## Public Enterprises Department

### 3.8 Follow-up action on Audit Reports

#### 3.8.1 Outstanding Explanatory Notes

The Comptroller and Auditor General of India's Audit Reports represent culmination of the process of scrutiny starting with initial inspection of accounts and records maintained by various Public Sector Undertakings (PSUs). It is, therefore, necessary that they elicit appropriate and timely response from the Executive. Finance (Audit & Fund) Department, Government of Assam issued (May 1994) instructions to all administrative departments that immediately on receipt of Audit Reports, the concerned departments would prepare an explanatory note on the paragraphs and performance audits included in the Audit Reports indicating the corrective/remedial action taken or proposed to be taken and submit the explanatory notes to the Assam Legislative Assembly with a copy to the Principal Accountant General/Accountant General within 20 days from the date of receipt of the Reports. Besides this, the departments would ensure submission of written Memorandum as called for on the para(s) concerning the department within the time limit prescribed by the Assam Legislative Assembly from time to time.

Though the Audit Reports presented to the Legislature for the period from 2007-08 to 2011-12 contained 67 paragraphs/performance audits, explanatory notes on 35 of these paragraphs/performance audit were not received till September 2013 as indicated below:

Table 3.3

| Year of Audit Report<br>(Commercial/PSUs) | Date of presentation<br>to the State Legislature | Total paragraphs/<br>performance audits appeared in<br>Audit Report | No. of paragraphs/<br>performance audits for which<br>explanatory notes were not received |
|---|--|---|---|
| 2007-2008                                 | March 2009                                       | 18  | 2   |
| 2008-2009                                 | March 2010                                       | 16  | 9   |
| 2009-2010                                 | February 2011                                    | 11  | 4   |
| 2010-2011                                 | March 2012                                       | 9   | 7   |
| 2011-2012                                 | April 2013                                       | 13  | 13  |
| <b>Total</b>                              |  | <b>67</b>   | <b>35</b>   |

Department wise analysis of paragraphs/performance audits for which explanatory notes are awaited is given in *Annexure 11*. Power, Industries and Transport Departments were largely responsible for non-submission of explanatory notes.

### **3.8.2 Action Taken Notes on the Reports of the Committee on Public Undertakings (COPU)**

Action Taken Notes (ATNs) on the recommendations of the COPU are required to be furnished within six weeks from the date of presentation of the Report by the COPU to the State Legislature. Replies to 134 recommendations pertaining to 18 Reports of the COPU, presented to the State Legislature between August 1997 and September 2013 had not been received as on September 2013 as detailed below:

**Table 3.4**

| <b>Year of the COPU Recommendations</b> | <b>Total number of Reports involved</b> | <b>Number of recommendations where ATNs replies not received</b> |
|---|---|--|
| 1997-98                                 | 1                                       | 1  |
| 2002-03                                 | 1                                       | 9  |
| 2003-04                                 | 2                                       | 18   |
| 2004-05                                 | 1                                       | 10   |
| 2007-08                                 | 3                                       | 6  |
| 2008-09                                 | 6                                       | 65   |
| 2009-10                                 | 2                                       | 10   |
| 2010-11                                 | 1                                       | 9  |
| 2011-12                                 | 1                                       | 6  |
| <b>Total</b>                            | <b>18</b>                               | <b>134</b>   |

### **3.8.3 Response to inspection reports, draft paragraphs and performance audits**

Audit observations noticed during audit and not settled on the spot are communicated to the heads of PSUs and concerned departments of the State Government through inspection reports. The heads of PSUs are required to furnish replies to the inspection reports through respective heads of departments within a period of four weeks. A review of inspection reports issued up to March 2013 pertaining to 36 PSUs disclosed that 1105 paragraphs relating to 221 inspection reports remained outstanding at the end of September 2013; of these,

153 inspection reports containing 749 paragraphs had not been replied to for more than one year. Department-wise break-up of inspection reports and audit observations outstanding as on 30 September 2013 are given in *Annexure 12*.

Similarly, draft paragraphs and performance audits on the working of PSUs are forwarded to the Principal Secretary/Secretary of the Administrative Department concerned demi-officially, seeking confirmation of facts and figures and their comments thereon within a period of six weeks. It was, however, observed that against seven draft paragraphs and one performance audit forwarded (April to August 2013) to various departments, only one department (Industries and Commerce) submitted replies to one draft paragraph and replies to the remaining draft paragraphs and performance audit have not been furnished till date as detailed in *Annexure 13*. It is recommended that the Government should ensure that (a) procedure exists for appropriate action against the officials who failed to send replies to inspection reports and ATNs on the recommendations of COPU as per the prescribed time schedule; (b) action to recover loss/outstanding advances/overpayment is taken within the prescribed period and (c) the system of responding to audit observations is revamped.

**GUWAHATI  
THE**



**(C. H. KHARSHING)  
Accountant General (Audit), Assam**

**Countersigned**



**NEW DELHI  
THE**

**(SHASHI KANT SHARMA)  
Comptroller and Auditor General of India**

## Annexures

## Annexure 1

### Statement showing particulars of up-to-date paid-up capital, loans outstanding and manpower as on 31 March 2013 in respect of Government companies and Statutory corporations

(Referred to in paragraph 1.6)

(Figures in column 5 (a) to 6 (d) are ₹ in crore)

| Sl. No.                         | Sector & Name of the Company                                 | Name of the Department | Month and year of incorporation | Paid-up Capital <sup>§</sup> |                    |        |       | Loans <sup>**</sup> outstanding at the close of 2012-13 |                    |        |       | Debt equity ratio for 2012-13 (Previous year) | Manpower (No. of employees as on 31.3.2013) |
|---------------------------------|--|------------------------|---------------------------------|------------------------------|--------------------|--------|-------|---|--------------------|--------|-------|---|---|
|                                 |  |                        |                                 | State Government             | Central Government | Others | Total | State Government  | Central Government | Others | Total |   |   |
| 1                               | 2  | 3                      | 4                               | 5 (a)                        | 5 (b)              | 5 (c)  | 5 (d) | 6 (a)   | 6 (b)              | 6 (c)  | 6 (d) | 7   | 8   |
| A. Working Government Companies |  |                        |                                 |                              |                    |        |       |   |                    |        |       |   |   |
| AGRICULTURE & ALLIED            |  |                        |                                 |                              |                    |        |       |   |                    |        |       |   |   |
| 1.                              | Assam Seeds Corporation Limited                              | Agriculture            | 27-01-67                        | 1.46                         | 0.00               | 0.00   | 1.46  | 3.89  | 0.00               | 0.00   | 3.89  | 2.66:1 (4.92:1)                               | 190   |
| 2.                              | Assam Agro-Industries Development Corporation Limited        | Agriculture            | 27-01-75                        | 1.10                         | 1.10               | 0.00   | 2.20  | 6.76  | 0.00               | 0.50   | 7.26  | 3.30:1 (3.30:1)                               | 1   |
| 3.                              | Assam State Minor Irrigation Development Corporation Limited | Irrigation             | 15-10-80                        | 17.35                        | 0.00               | 0.00   | 17.35 | 45.65   | 0.00               | 0.00   | 45.65 | 2.63:1 (2.63:1)                               | 0   |
| 4.                              | Assam Fisheries Development Corporation Limited              | Fisheries              | 01-03-77                        | 0.49                         | 0.00               | 0.00   | 0.49  | 0.00  | 0.00               | 0.00   | 0.00  | -   | 90  |

| Sl. No.                  | Sector & Name of the Company   | Name of the Department                      | Month and year of incorporation | Paid-up Capital <sup>s</sup> |                    |             |              | Loans <sup>**</sup> outstanding at the close of 2012-13 |                    |             |               | Debt equity ratio for 2012-13 (Previous year) | Manpower (No. of employees as on 31.3.2013) |
|--------------------------|--|---|---------------------------------|------------------------------|--------------------|-------------|--------------|---|--------------------|-------------|---------------|---|---|
|                          |  |   |                                 | State Government             | Central Government | Others      | Total        | State Government  | Central Government | Others      | Total         |   |   |
| 1                        | 2  | 3   | 4                               | 5 (a)                        | 5 (b)              | 5 (c)       | 5 (d)        | 6 (a)   | 6 (b)              | 6 (c)       | 6 (d)         | 7   | 8   |
| 5.                       | Assam Livestock and Poultry Corporation Limited                        | Animal Husbandry                            | 02-06-84                        | 0.07                         | 2.12               | 0.00        | 2.19         | 0.00  | 0.10               | 0.00        | 0.10          | 0.05:1 (0.05:1)                               | 29  |
| 6.                       | Assam Tea Corporation Limited  | Industries & Commerce                       | 02-04-72                        | 29.54                        | 0.00               | 0.00        | 29.54        | 161.93  | 0.00               | 2.97        | 164.90        | 5.58:1 (5.45:1)                               | 16694                                       |
| 7.                       | Assam Plantation Crop Development Corporation Limited                  | Soil Conservation                           | 11-01-74                        | 5.00                         | 0.00               | 0.00        | 5.00         | 8.25  | 0.00               | 0.00        | 8.25          | 1.65:1 (1.58:1)                               | 99  |
| <b>Sector wise total</b> |  |   |                                 | <b>55.01</b>                 | <b>3.22</b>        | <b>0.00</b> | <b>58.23</b> | <b>226.48</b>   | <b>0.10</b>        | <b>3.47</b> | <b>230.05</b> | <b>3.95:1 (3.93:1)</b>                        | <b>17103</b>                                |
| <b>FINANCE</b>           |  |   |                                 |                              |                    |             |              |   |                    |             |               |   |   |
| 8.                       | Assam Plains Tribes Development Corporation Limited                    | Welfare of Plains Tribes & Backward Classes | 29-03-75                        | 2.20                         | 0.75               | 0.00        | 2.95         | 0.00  | 0.00               | 16.85       | 16.85         | 5.71:1 (6.85:1)                               | 181   |
| 9.                       | Assam State Development Corporation for Other Backward Classes Limited | Welfare of Plains Tribes & Backward Classes | 08-06-75                        | 3.20                         | 0.00               | 0.00        | 3.20         | 0.00  | 0.00               | 4.01        | 4.01          | 1.25:1 (1.66:1)                               | 75  |



| Sl. No.                  | Sector & Name of the Company  | Name of the Department                      | Month and year of incorporation | Paid-up Capital <sup>1</sup> |                    |             |              | Loans <sup>2</sup> outstanding at the close of 2012-13 |                    |              |              | Debt equity ratio for 2012-13 (Previous year) | Manpower (No. of employees as on 31.3.2013) |
|--------------------------|---|---|---------------------------------|------------------------------|--------------------|-------------|--------------|--|--------------------|--------------|--------------|---|---|
|                          |   |   |                                 | State Government             | Central Government | Others      | Total        | State Government                                       | Central Government | Others       | Total        |   |   |
| 1                        | 2   | 3   | 4                               | 5 (a)                        | 5 (b)              | 5 (c)       | 5 (d)        | 6 (a)  | 6 (b)              | 6 (c)        | 6 (d)        | 7   | 8   |
| 10.                      | Assam Minorities Development and Finance Corporation Limited.                       | Welfare of Minorities                       | 27-02-97                        | 2.00                         | 0.00               | 0.00        | 2.00         | 0.00   | 0.00               | 7.09         | 7.09         | 3.55:1 (3.55:1)                               | 0   |
| 11.                      | Assam State Development Corporation for Scheduled Castes & Backward Classes Limited | Welfare of Plains Tribes & Backward Classes | 18-01-75                        | 5.34                         | 4.51               | 0.00        | 9.85         | 0.00   | 0.00               | 9.32         | 9.32         | 0.95:1 (0.92:1)                               | 126   |
| 12.                      | Assam State Film (Finance & Development) Corporation Limited                        | Cultural Affairs                            | 09-04-74                        | 0.09                         | 0.00               | 0.01        | 0.10         | 0.04   | 0.00               | 0.00         | 0.04         | 0.4:1 (0.4:1)                                 | 9   |
| <b>Sector wise total</b> |   |   |                                 | <b>12.83</b>                 | <b>5.26</b>        | <b>0.01</b> | <b>18.10</b> | <b>0.04</b>  | <b>0.00</b>        | <b>37.27</b> | <b>37.31</b> | <b>2.06:1 (2.39:1)</b>                        | <b>391</b>                                  |
| <b>INFRASTRUCTURE</b>    |   |   |                                 |                              |                    |             |              |  |                    |              |              |   |   |
| 13.                      | Assam Hills Small Industries Development Corporation Limited****                    | Hill Areas Development                      | 30-03-64                        | 2.00                         | 0.00               | 0.00        | 2.00         | 16.49  | 0.00               | 0.00         | 16.49        | 8.25:1 (7.15:1)                               | 56  |
| 14.                      | Assam Industrial Development Corporation Limited                                    | Industries & Commerce                       | 21-04-65                        | 125.42                       | 0.00               | 0.00        | 125.42       | 36.92  | 0.00               | 0.00         | 36.92        | 0.29:1 (0.29:1)                               | 139   |

| SL No. | Sector & Name of the Company                           | Name of the Department | Month and year of incorporation | Paid-up Capital <sup>s</sup> |                    |        |       | Loans <sup>**</sup> outstanding at the close of 2012-13 |                    |        |       | Debt equity ratio for 2012-13 (Previous year) | Manpower (No. of employees as on 31.3.2013) |
|--------|--|------------------------|---------------------------------|------------------------------|--------------------|--------|-------|---|--------------------|--------|-------|---|---|
|        |  |                        |                                 | State Government             | Central Government | Others | Total | State Government  | Central Government | Others | Total |   |   |
| 1      | 2  | 3                      | 4                               | 5 (a)                        | 5 (b)              | 5 (c)  | 5 (d) | 6 (a)   | 6 (b)              | 6 (c)  | 6 (d) | 7   | 8   |
| 15.    | Assam Small Industries Development Corporation Limited | Industries & Commerce  | 27-03-62                        | 6.51                         | 0.00               | 0.00   | 6.51  | 1.04  | 0.00               | 0.00   | 1.04  | 0.16:1<br>(0.16:1)                            | 138   |
| 16.    | Assam Electronics Development Corporation Limited      | Information Technology | 04-04-84                        | 9.46                         | 0.00               | 0.00   | 9.46  | 0.55  | 0.00               | 0.41   | 0.96  | 0.10:1<br>(0.60:1)                            | 257   |
| 17.    | Assam Powerloom Development Corporation Limited        | Industries & Commerce  | 03-05-90                        | 3.54                         | 0.00               | 0.00   | 3.54  | 0.00  | 0.00               | 0.00   | 0.00  | -   | 11  |
| 18.    | Assam Mineral Development Corporation Limited          | Mines and Minerals     | 19-05-83                        | 4.89                         | 0.00               | 0.00   | 4.89  | 0.00  | 0.00               | 0.00   | 0.00  | -   | 108   |
| 19.    | Assam Police Housing Corporation Limited               | Home                   | 11-05-80                        | 0.04                         | 0.00               | 0.00   | 0.04  | 0.00  | 0.00               | 0.00   | 0.00  | -   | 173   |
| 20.    | Assam Government Construction Corporation Limited      | PWD (R&B)              | 24-03-64                        | 4.00                         | 0.00               | 0.00   | 4.00  | 0.00  | 0.00               | 0.00   | 0.00  | -   | 7   |

| Sl. No.                  | Sector & Name of the Company                  | Name of the Department | Month and year of incorporation | Paid-up Capital <sup>8</sup> |                    |              |               | Loans <sup>**</sup> outstanding at the close of 2012-13 |                    |              |              | Debt equity ratio for 2012-13 (Previous year) | Manpower (No. of employees as on 31.3.2013) |
|--------------------------|---|------------------------|---------------------------------|------------------------------|--------------------|--------------|---------------|---|--------------------|--------------|--------------|---|---|
|                          |   |                        |                                 | State Government             | Central Government | Others       | Total         | State Government  | Central Government | Others       | Total        |   |   |
| <b>1</b>                 | <b>2</b>                                      | <b>3</b>               | <b>4</b>                        | <b>5 (a)</b>                 | <b>5 (b)</b>       | <b>5 (c)</b> | <b>5 (d)</b>  | <b>6 (a)</b>  | <b>6 (b)</b>       | <b>6 (c)</b> | <b>6 (d)</b> | <b>7</b>                                      | <b>8</b>                                    |
| 21.                      | Assam Trade Promotion Organisation            | Industries & Commerce  | 17-02-10                        | 0.10                         | 0.00               | 0.00         | 0.10          | 0.00  | 0.00               | 0.00         | 0.00         | -   | 5   |
| <b>Sector wise total</b> |   |                        |                                 | <b>155.96</b>                | <b>0.00</b>        | <b>0.00</b>  | <b>155.96</b> | <b>55.00</b>  | <b>0.00</b>        | <b>0.41</b>  | <b>55.41</b> | <b>0.36:1 (0.37:1)</b>                        | <b>894</b>                                  |
| <b>MANUFACTURING</b>     |   |                        |                                 |                              |                    |              |               |   |                    |              |              |   |   |
| 22.                      | Assam Petrochemicals Limited                  | Industries & Commerce  | 22-04-71                        | 0.00                         | 0.00               | 9.13         | 9.13          | 0.00  | 0.00               | 0.00         | 0.00         | -   | 363   |
| 23.                      | Ashok Paper Mill (Assam) Limited              | Industries & Commerce  | 06-07-91                        | 0.01                         | 0.00               | 0.00         | 0.01          | 10.43   | 0.00               | 0.00         | 10.43        | 1043:1 (894:1)                                | 202   |
| 24.                      | Assam Hydro-Carbon and Energy Company Limited | Industries & Commerce  | 02-05-06                        | 21.00                        | 0.00               | 0.00         | 21.00         | 0.00  | 0.00               | 0.00         | 0.00         | -   | 0   |
| 25.                      | Assam Conductors and Tubes Limited            | Industries & Commerce  | 22-06-64                        | 1.54                         | 0.00               | 0.00         | 1.54          | 4.33  | 0.00               | 0.00         | 4.33         | 2.81:1 (2.81:1)                               | 4   |
| 26.                      | Amtron Informatics (India) Limited            | Information Technology | 27-03-02                        | 0.01                         | 0.00               | 0.00         | 0.01          | 0.00  | 0.00               | 1.20         | 1.20         | 120:1 (120:1)                                 | 16  |
| 27.                      | Assam State Textiles Corporation Limited      | Industries & Commerce  | 26-02-80                        | 15.76                        | 0.00               | 0.00         | 15.76         | 6.07  | 0.00               | 0.00         | 6.07         | 0.39:1 (0.39:1)                               | 7   |

| Sl. No.                  | Sector & Name of the Company                  | Name of the Department | Month and year of incorporation | Paid-up Capital <sup>8</sup> |                    |              |               | Loans <sup>**</sup> outstanding at the close of 2012-13 |                    |               |                | Debt equity ratio for 2012-13 (Previous year) | Manpower (No. of employees as on 31.3.2013) |
|--------------------------|---|------------------------|---------------------------------|------------------------------|--------------------|--------------|---------------|---|--------------------|---------------|----------------|---|---|
| 1                        | 2   | 3                      | 4                               | State Government             | Central Government | Others       | Total         | State Government  | Central Government | Others        | Total          | 7   | 8   |
| 28.                      | Assam State Fertilizers and Chemicals Limited | Industries & Commerce  | 30-03-88                        | 0.00                         | 0.00               | 4.56         | 4.56          | 8.03  | 0.00               | 0.00          | 8.03           | 1.76:1<br>(1.97:1)                            | 49  |
| 29.                      | Pragjyotish Fertilizers and Chemicals Limited | Industries & Commerce  | 27-02-04                        | 0.00                         | 0.00               | 2.33         | 2.33          | 0.00  | 0.00               | 0.00          | 0.00           | -   | 2   |
| <b>Sector wise total</b> |   |                        |                                 | <b>38.32</b>                 | <b>0.00</b>        | <b>16.02</b> | <b>54.34</b>  | <b>28.86</b>  | <b>0.00</b>        | <b>1.20</b>   | <b>30.06</b>   | <b>0.55:1<br/>(0.54:1)</b>                    | <b>643</b>                                  |
| <b>POWER</b>             |   |                        |                                 |                              |                    |              |               |   |                    |               |                |   |   |
| 30.                      | Assam Power Generation Corporation Limited    | Power                  | 23-10-03                        | 455.86                       | 0.00               | 0.00         | 455.86        | 114.21  | 0.00               | 306.61        | 420.82         | 0.92:1<br>(0.76:1)                            | 1320  |
| 31.                      | Assam Electricity Grid Corporation Limited    | Power                  | 23-10-03                        | 99.93                        | 0.00               | 0.00         | 99.93         | 213.19  | 0.00               | 48.67         | 261.86         | 2.62:1<br>(2.46:1)                            | 1841  |
| 32.                      | Assam Power Distribution Company Limited      | Power                  | 23-10-03                        | 251.45                       | 0.00               | 0.00         | 251.45        | 406.44  | 0.00               | 0.00          | 406.44         | 1.62:1<br>(1.26:1)                            | 11759                                       |
| <b>Sector wise total</b> |   |                        |                                 | <b>807.24</b>                | <b>0.00</b>        | <b>0.00</b>  | <b>807.24</b> | <b>733.84</b>   | <b>0.00</b>        | <b>355.28</b> | <b>1089.12</b> | <b>1.35:1<br/>(1.12:1)</b>                    | <b>14920</b>                                |

| Sl. No.  | Sector & Name of the Company   | Name of the Department          | Month and year of incorporation | Paid-up Capital <sup>5</sup> |                    |        | Total   | Loans <sup>**</sup> outstanding at the close of 2012-13 |                    |        | Debt equity ratio for 2012-13 (Previous year) | Manpower (No. of employees as on 31.3.2013) |       |
|--|--|---------------------------------|---------------------------------|------------------------------|--------------------|--------|---------|---|--------------------|--------|---|---|-------|
|  |  |                                 |                                 | State Government             | Central Government | Others |         | State Government  | Central Government | Others |   |   | Total |
| 1  | 2  | 3                               | 4                               | 5 (a)                        | 5 (b)              | 5 (c)  | 5 (d)   | 6 (a)   | 6 (b)              | 6 (c)  | 6 (d)   | 7   | 8     |
| SERVICES   |  |                                 |                                 |                              |                    |        |         |   |                    |        |   |   |       |
| 33.  | Assam Tourism Development Corporation Limited***                     | Tourism                         | 06-06-88                        | 0.39                         | 0.00               | 0.00   | 0.39    | 0.00  | 0.00               | 0.00   | 0.00  | -   | 103   |
| Sector wise total                                      |  |                                 |                                 | 0.39                         | 0.00               | 0.00   | 0.39    | 0.00  | 0.00               | 0.00   | 0.00  | -   | 103   |
| MISCELLANEOUS  |  |                                 |                                 |                              |                    |        |         |   |                    |        |   |   |       |
| 34.  | Assam Government Marketing Corporation Limited                       | Handloom, Textile & Sericulture | 16-12-59                        | 2.15                         | 1.34               | 0.00   | 3.49    | 0.00  | 0.00               | 0.00   | 0.00  | -   | 78    |
| 35.  | Assam State Text Book Production and Publication Corporation Limited | Education                       | 03-03-72                        | 1.00                         | 0.00               | 0.00   | 1.00    | 0.00  | 0.00               | 0.00   | 0.00  | -   | 105   |
| 36.  | Assam Gas Company Limited  | Industries & Commerce           | 31-03-62                        | 16.91                        | 0.00               | 0.00   | 16.91   | 0.00  | 0.00               | 3.88   | 3.88  | 0.23:1 (0.88:1)                             | 366   |
| 37.  | DNP Limited  | Industries & Commerce           | 15-06-07                        | 0.00                         | 0.00               | 167.25 | 167.25  | 0.00  | 0.00               | 160.25 | 160.25  | 0.96:1 (1.12:1)                             | 44    |
| Sector wise total                                      |  |                                 |                                 | 20.06                        | 1.34               | 167.25 | 188.65  | 0.00  | 0.00               | 164.13 | 164.13  | 0.87:1 (1.41:1)                             | 593   |
| Total A (All sector wise working Government companies) |  |                                 |                                 | 1089.81                      | 9.82               | 183.28 | 1282.91 | 1044.22   | 0.10               | 561.76 | 1606.08                                       | 1.25:1 (1.17:1)                             | 34647 |

| Sl. No.  | Sector & Name of the Company        | Name of the Department | Month and year of incorporation | Paid-up Capital <sup>5</sup> |                    |        | Loans <sup>6</sup> outstanding at the close of 2012-13 |                  |                    |        | Debt equity ratio for 2012-13 (Previous year) | Manpower (No. of employees as on 31.3.2013) |       |
|--|-------------------------------------|------------------------|---------------------------------|------------------------------|--------------------|--------|--|------------------|--------------------|--------|---|---|-------|
| 1  | 2                                   | 3                      | 4                               | State Government             | Central Government | Others | Total  | State Government | Central Government | Others | Total   | 7   | 8     |
| B. Working Statutory corporations                        |                                     |                        |                                 |                              |                    |        |  |                  |                    |        |   |   |       |
| FINANCE  |                                     |                        |                                 |                              |                    |        |  |                  |                    |        |   |   |       |
| 1.   | Assam Financial Corporation         | Finance                | 04-01-54                        | 16.85                        | 0.00               | 5.55   | 22.40  | 51.20            | 0.00               | 0.00   | 51.20   | 2.29:1 (0.63:1)                             | 161   |
| Sector wise total  |                                     |                        |                                 | 16.85                        | 0.00               | 5.55   | 22.40  | 51.20            | 0.00               | 0.00   | 51.20   | 2.29:1 (0.63:1)                             | 161   |
| SERVICES   |                                     |                        |                                 |                              |                    |        |  |                  |                    |        |   |   |       |
| 2.   | Assam State Transport Corporation   | Transport              | 03-01-70                        | 484.41                       | 0.00               | 0.00   | 484.41   | 0.00             | 0.00               | 0.00   | 0.00  | -   | 2185  |
| 3.   | Assam State Warehousing Corporation | Co-operation           | 08-01-58                        | 8.00                         | 5.47               | 0.00   | 13.47  | 1.96             | 2.29               | 0.00   | 4.25  | 0.32:1 (-)                                  | 435   |
| Sector wise total  |                                     |                        |                                 | 492.41                       | 5.47               | 0.00   | 497.88   | 1.96             | 2.29               | 0.00   | 4.25  | 0.01:1 (-)                                  | 2620  |
| Total B (All sector wise working Statutory corporations) |                                     |                        |                                 | 509.26                       | 5.47               | 5.55   | 520.28   | 53.16            | 2.29               | 0.00   | 55.45   | 0.11:1 (0.03:1)                             | 2781  |
| Grand Total (A + B)                                      |                                     |                        |                                 | 1599.07                      | 15.29              | 188.83 | 1803.19  | 1097.38          | 2.39               | 561.76 | 1661.53                                       | 0.92:1 (0.84:1)                             | 37428 |

| Sl. No.                             | Sector & Name of the Company                                   | Name of the Department | Month and year of incorporation | Paid-up Capital <sup>8</sup> |                    |        |       | Loans <sup>9</sup> outstanding at the close of 2012-13 |                    |        |       | Debt equity ratio for 2012-13 (Previous year) | Manpower (No. of employees as on 31.3.2013) |
|-------------------------------------|--|------------------------|---------------------------------|------------------------------|--------------------|--------|-------|--|--------------------|--------|-------|---|---|
|                                     |  |                        |                                 | State Government             | Central Government | Others | Total | State Government                                       | Central Government | Others | Total |   |   |
| 1                                   | 2  | 3                      | 4                               | 5 (a)                        | 5 (b)              | 5 (c)  | 5 (d) | 6 (a)  | 6 (b)              | 6 (c)  | 6 (d) | 7   | 8   |
| C. Non-working Government Companies |  |                        |                                 |                              |                    |        |       |  |                    |        |       |   |   |
| MANUFACTURING                       |  |                        |                                 |                              |                    |        |       |  |                    |        |       |   |   |
| 1.                                  | Assam Tanneries Limited***                                     | Industries & Commerce  | 28-09-61                        | 0.02                         | 0.00               | 0.01   | 0.03  | 0.00   | 0.00               | 0.00   | 0.00  | -   | 0   |
| 2.                                  | Industrial Papers (Assam) Limited                              | Industries & Commerce  | 09-06-74                        | 0.00                         | 0.00               | 0.40   | 0.40  | 0.00   | 0.00               | 0.00   | 0.00  | -   | 2   |
| 3.                                  | Assam Spun Silk Mills Limited***                               | Industries & Commerce  | 31-03-60                        | 1.70                         | 0.00               | 0.00   | 1.70  | 4.36   | 0.00               | 0.20   | 4.56  | 2.68:1 (2.68:1)                               | 212   |
| 4.                                  | Assam Polytex Limited***                                       | Industries & Commerce  | 29-05-82                        | 0.00                         | 0.00               | 5.62   | 5.62  | 0.00   | 0.00               | 6.30   | 6.30  | 1.12:1 (1.12:1)                               | 0   |
| 5.                                  | Assam Syntex Limited   | Industries & Commerce  | 04-01-85                        | 0.00                         | 0.00               | 5.12   | 5.12  | 0.00   | 0.00               | 0.00   | 0.00  | -   | 2   |
| 6.                                  | Assam State Weaving and Manufacturing Company Limited          | Industries & Commerce  | 29-11-88                        | 8.20                         | 0.00               | 0.00   | 8.20  | 0.29   | 0.00               | 0.00   | 0.29  | 0.04:1 (0.04:1)                               | 3   |
| 7.                                  | Assam and Meghalaya Mineral Development Corporation Limited*** | Mines & Minerals       | 08-10-64                        | 0.20                         | 0.00               | 0.03   | 0.23  | 0.00   | 0.00               | 0.00   | 0.00  | -   | 0   |

| Sl. No.  | Sector & Name of the Company  | Name of the Department | Month and year of incorporation | Paid-up Capital <sup>s</sup> |                    |        |         | Loans <sup>**</sup> outstanding at the close of 2012-13 |                    |        |         | Debt equity ratio for 2012-13 (Previous year) | Manpower (No. of employees as on 31.3.2013) |
|--|-------------------------------|------------------------|---------------------------------|------------------------------|--------------------|--------|---------|---|--------------------|--------|---------|---|---|
|  |                               |                        |                                 | State Government             | Central Government | Others | Total   | State Government  | Central Government | Others | Total   |   |   |
| 1  | 2                             | 3                      | 4                               | 5 (a)                        | 5 (b)              | 5 (c)  | 5 (d)   | 6 (a)   | 6 (b)              | 6 (c)  | 6 (d)   | 7   | 8   |
| 8.   | Cachar Sugar Mills Limited    | Industries & Commerce  | 30-03-72                        | 3.38                         | 0.00               | 0.00   | 3.38    | 0.42  | 0.00               | 0.00   | 0.42    | 0.12:1 (0.12:1)                               | 1   |
| 9.   | Fertilchem Limited            | Industries & Commerce  | 29-03-74                        | 0.00                         | 0.00               | 2.00   | 2.00    | 0.00  | 0.00               | 2.37   | 2.37    | 1.19:1 (1.19:1)                               | 2   |
| Sector wise total  |                               |                        |                                 | 13.50                        | 0.00               | 13.18  | 26.68   | 5.07  | 0.00               | 8.87   | 13.94   | 0.52:1 (0.52:1)                               | 222   |
| Total C (All sector wise non-working Government companies) |                               |                        |                                 | 13.50                        | 0.00               | 13.18  | 26.68   | 5.07  | 0.00               | 8.87   | 13.94   | 0.52:1 (0.52:1)                               | 222   |
| D. Non-working Statutory Corporations                      |                               |                        |                                 |                              |                    |        |         |   |                    |        |         |   |   |
| POWER  |                               |                        |                                 |                              |                    |        |         |   |                    |        |         |   |   |
| 1 <sup>^</sup> .   | Assam State Electricity Board | Power                  | 01-01-75                        | 0.63                         | 0.00               | 0.00   | 0.63    | 0.00  | 0.00               | 0.00   | 0.00    | -   | 0   |
| Sector wise total  |                               |                        |                                 | 0.63                         | 0.00               | 0.00   | 0.63    | 0.00  | 0.00               | 0.00   | 0.00    | -   | 0   |
| Total D (Non-working Statutory corporations)               |                               |                        |                                 | 0.63                         | 0.00               | 0.00   | 0.63    | 0.00  | 0.00               | 0.00   | 0.00    | -   | 0   |
| Grand Total (C+D)  |                               |                        |                                 | 14.13                        | 0.00               | 13.18  | 27.31   | 5.07  | 0.00               | 8.87   | 13.94   | 0.51:1 (0.52:1)                               | 222   |
| Grand Total (A + B + C+D)                                  |                               |                        |                                 | 1613.20                      | 15.29              | 202.01 | 1830.50 | 1102.45   | 2.39               | 570.63 | 1675.47 | 0.92:1 (0.83:1)                               | 37650                                       |

All figures are provisional and as provided by the companies/corporations except in respect of companies at serial no. A-36, A-37 and C-9, which have finalised their accounts for the year 2012-13.

<sup>s</sup> Paid-up capital includes share application money.

<sup>\*\*</sup> Loans outstanding at the close of 2012-13 represent long-term loans only.

<sup>\*\*\*</sup> Figures taken from previous year due to non furnishing of information by SPSUs.

<sup>^</sup> Statutory Corporation at Sl No. D-1 had no activities after transfer (2009-10) of its activities relating to generation, transmission and distribution of electricity to companies at Sl. No. A-30, A-31 and A-32 respectively.



## Annexure 2

### Summarised financial results of Government companies and Statutory corporations for the latest year for which their accounts were finalised

(Referred to in paragraph 1.14 and 1.23)

(Figures in column 5(a) to (11) are ₹ in crore)

| Sl. No.                         | Sector & Name of the Company                                 | Period of Accounts | Year in which finalised | Net Profit (+)/Loss (-)                           |          |                |                  | Turnover | Impact of Accounts Comments <sup>#</sup> | Paid up Capital | Accumulat ed Profit (+)/ Loss(-) | Capital employed @ | Return on capital employed <sup>s</sup> | Percent- age return on capital employed |
|---------------------------------|--|--------------------|-------------------------|---|----------|----------------|------------------|----------|--|-----------------|----------------------------------|--------------------|---|---|
|                                 |  |                    |                         | Net Profit/ Loss before Interest & Depreci- ation | Interest | Deprecia- tion | Net Profit/ Loss |          |  |                 |                                  |                    |   |   |
| 1                               | 2  | 3                  | 4                       | 5(a)  | 5(b)     | 5 (c)          | 5 (d)            | 6        | 7  | 8               | 9                                | 10                 | 11                                      | 12                                      |
| A. Working Government Companies |  |                    |                         |   |          |                |                  |          |  |                 |                                  |                    |   |   |
| AGRICULTURE & ALLIED            |  |                    |                         |   |          |                |                  |          |  |                 |                                  |                    |   |   |
| 1.                              | Assam Seeds Corporation Limited                              | 2009-10            | 2012-13                 | 0.04  | 0.00     | 0.06           | -0.02            | 51.37    | -  | 1.46            | -21.59                           | -11.57             | -0.02                                   | -                                       |
| 2.                              | Assam Agro-Industries Development Corporation Limited        | 2006-07            | 2012-13                 | -1.11   | 0.38     | 0.02           | -1.51            | 3.43     | -  | 2.20            | -20.58                           | -18.38             | -1.13                                   | -                                       |
| 3.                              | Assam State Minor Irrigation Development Corporation Limited | 2011-12            | 2013-14                 | 0.02  | 0.00     | 0.00           | 0.02             | 0.00     | -  | 17.35           | -63.76                           | -46.42             | 0.02                                    | -                                       |
| 4.                              | Assam Fisheries Development Corporation Limited              | 2010-11            | 2012-13                 | 1.40  | 0.00     | 0.13           | 1.27             | 3.46     | -  | 0.49            | 1.18                             | 1.67               | 1.27                                    | 76.05                                   |
| 5.                              | Assam Livestock and Poultry Corporation Limited              | 1990-91            | 2010-11                 | 0.08  | 0.00     | 0.00           | 0.08             | 0.08     | -  | 0.07            | 0.00                             | 0.15               | 0.08                                    | 53.33                                   |
| 6.                              | Assam Tea Corporation Limited                                | 1998-99            | 2010-11                 | 5.39  | 5.76     | 1.15           | -1.52            | 48.90    | -1.06                                    | 27.54           | -55.10                           | 112.06             | 4.24                                    | 3.78                                    |
| 7.                              | Assam Plantation Crop Development Corporation Limited        | 1987-88            | 1995-96                 | 0.15  | 0.59     | 0.00           | -0.44            | 0.22     | -0.08                                    | 5.00            | -1.80                            | 8.06               | 0.15                                    | 1.86                                    |
| Sector wise total               |  |                    |                         | 5.97  | 6.73     | 1.36           | -2.12            | 107.46   | -1.14                                    | 54.11           | -161.65                          | 45.57              | 4.61                                    | 10.12                                   |

| Sl. No.   | Sector & Name of the Company   | Period of Accounts | Year in which finalised | Net Profit (+)/Loss (-)                         |             |              |                  | Turnover    | Impact of Accounts Comments <sup>#</sup> | Paid up Capital | Accumulated Profit (+)/ Loss(-) | Capital employed | Return on capital employed <sup>\$</sup> | Percent- age return on capital employed |
|---|--|--------------------|-------------------------|---|-------------|--------------|------------------|-------------|--|-----------------|---------------------------------|------------------|--|---|
|   |  |                    |                         | Net Profit/ Loss before Interest & Depreciation | Interest    | Depreciation | Net Profit/ Loss |             |  |                 |                                 |                  |  |   |
| 1   | 2  | 3                  | 4                       | 5(a)  | 5(b)        | 5(c)         | 5(d)             | 6           | 7  | 8               | 9                               | 10               | 11                                       | 12                                      |
| <b>FINANCE</b>  |  |                    |                         |   |             |              |                  |             |  |                 |                                 |                  |  |   |
| 8.  | Assam Plains Tribes Development Corporation Limited                    | 1988-89            | 2013-14                 | -0.41   | 0.00        | 0.01         | -0.42            | 0.01        | -  | 0.94            | -2.49                           | -1.34            | -0.42                                    | -                                       |
| 9.  | Assam State Development Corporation for Other Backward Classes Limited | 1991-92            | 2012-13                 | 0.22  | 0.01        | 0.02         | 0.19             | 0.00        | -  | 1.23            | 0.29                            | 0.88             | 0.20                                     | 22.73                                   |
| 10.   | Assam Minorities Development and Finance Corporation Limited           |                    |                         |   |             |              |                  |             |  |                 |                                 |                  |  |   |
| First Accounts for the year 1996-97 not yet finalized |  |                    |                         |   |             |              |                  |             |  |                 |                                 |                  |  |   |
| 11.   | Assam State Development Corporation for Scheduled Castes Limited       | 2009-10            | 2012-13                 | -1.17   | 0.49        | 0.02         | -1.68            | 0.00        | -  | 9.85            | -23.74                          | -2.33            | -1.19                                    | -                                       |
| 12.   | Assam State Film (Finance & Development) Corporation Limited           | 2003-04            | 2013-14                 | -0.08   | 0.00        | 0.05         | -0.13            | 0.06        | -  | 0.10            | 0.64                            | 0.02             | -0.13                                    | -                                       |
| <b>Sector wise total</b>                              |  |                    |                         | <b>-1.44</b>                                    | <b>0.50</b> | <b>0.10</b>  | <b>-2.04</b>     | <b>0.07</b> | <b>0.00</b>                              | <b>12.12</b>    | <b>-25.30</b>                   | <b>-2.77</b>     | <b>-1.54</b>                             | <b>-</b>                                |
| <b>INFRASTRUCTURE</b>                                 |  |                    |                         |   |             |              |                  |             |  |                 |                                 |                  |  |   |
| 13.   | Assam Hills Small Industries Development Corporation Limited           | 1990-91            | 2011-12                 | -0.37   | 0.00        | 0.04         | -0.41            | 0.29        | -  | 2.00            | -3.03                           | 4.04             | -0.41                                    | -                                       |
| 14.   | Assam Industrial Development Corporation Limited                       | 2011-12            | 2012-13                 | 3.50  | 0.00        | 0.22         | 3.28             | 1.86        | -  | 93.10           | -120.61                         | 4.81             | 3.28                                     | 68.19                                   |

| Sl. No.                  | Sector & Name of the Company                           | Period of Accounts | Year in which finalised | Net Profit (+)/Loss (-)                        |             |              |                 | Turnover      | Impact of Accounts Comments <sup>#</sup> | Paid up Capital | Accumulated Profit (+)/ Loss(-) | Capital employed | Return on capital employed <sup>\$</sup> | Percent-age return on capital employed |
|--------------------------|--|--------------------|-------------------------|--|-------------|--------------|-----------------|---------------|--|-----------------|---------------------------------|------------------|--|--|
|                          |  |                    |                         | Net Profit/Loss before Interest & Depreciation | Interest    | Depreciation | Net Profit/Loss |               |  |                 |                                 |                  |  |  |
| 1                        | 2  | 3                  | 4                       | 5(a)   | 5(b)        | 5(c)         | 5 (d)           | 6             | 7  | 8               | 9                               | 10               | 11                                       | 12                                     |
| 15.                      | Assam Small Industries Development Corporation Limited | 1994-95            | 2013-14                 | -0.98  | 0.01        | 0.11         | -1.1            | 8.2           | -0.04                                    | 6.1             | -6.12                           | 2.41             | -1.09                                    | -                                      |
| 16.                      | Assam Electronics Development Corporation Limited      | 2009-10            | 2013-14                 | 2.68   | 0.76        | 0.41         | 1.51            | 86.07         | -  | 9.46            | -3.74                           | 13.67            | 2.27                                     | 16.61                                  |
| 17.                      | Assam Power Loom Development Corporation Limited       | 1993-94            | 2001-02                 | 0.00   | 0.00        | 0.00         | 0.00            | 0.00          | -  | 1.47            | 0.00                            | 1.23             | 0.00                                     | -                                      |
| 18.                      | Assam Mineral Development Corporation Limited          | 2007-08            | 2013-14                 | -0.18  | 0.00        | 0.17         | -0.35           | 7.27          | -  | 4.89            | -6.19                           | -1.31            | -0.34                                    | -                                      |
| 19.                      | Assam Police Housing Corporation Limited               | 2011-12            | 2013-14                 | 8.42   | 0.00        | 0.07         | 8.35            | 12.25         | -  | 0.04            | 16.64                           | 16.67            | 8.35                                     | 50.09                                  |
| 20.                      | Assam Government Construction Corporation Limited      | 2011-12            | 2013-14                 | -0.13  | 0.01        | 0.03         | -0.17           | 0.06          | -  | 2               | -10.05                          | 1.38             | -0.17                                    | -                                      |
| 21.                      | Assam Trade Promotion Organisation                     | 2011-12            | 2013-14                 | 0.41   | 0.00        | 0.04         | 0.37            | 0.29          | -  | 10              | 1.06                            | 2.06             | 0.37                                     | 17.96                                  |
| <b>Sector wise total</b> |  |                    |                         | <b>13.35</b>                                   | <b>0.78</b> | <b>1.09</b>  | <b>11.48</b>    | <b>116.29</b> | <b>-0.04</b>                             | <b>129.06</b>   | <b>-132.04</b>                  | <b>44.96</b>     | <b>12.26</b>                             | <b>27.27</b>                           |
| <b>MANUFACTURING</b>     |  |                    |                         |  |             |              |                 |               |  |                 |                                 |                  |  |  |
| 22.                      | Assam Petrochemicals Limited                           | 2011-12            | 2013-14                 | 0.72   | 0.02        | 1.76         | -1.06           | 60.48         | -  | 9.13            | -11.3                           | 71.72            | -1.04                                    | -                                      |
| 23.                      | Ashok Paper Mill (Assam) Limited                       | 2011-12            | 2013-14                 | -1.14  | 1.14        | 0.00         | -2.28           | 0.00          | -  | 0.01            | -70.77                          | -61.83           | -1.14                                    | -                                      |

| Sl. No.                  | Sector & Name of the Company                  | Period of Accounts | Year in which finalised | Net Profit (+)/Loss (-)                         |               |               |                  | Turnover       | Impact of Accounts Comments <sup>#</sup> | Paid up Capital | Accumulated Profit (+)/ Loss(-) | Capital employed @ | Return on capital employed <sup>s</sup> | Percent- age return on capital employed |
|--------------------------|---|--------------------|-------------------------|---|---------------|---------------|------------------|----------------|--|-----------------|---------------------------------|--------------------|---|---|
|                          |   |                    |                         | Net Profit/ Loss before Interest & Depreciation | Interest      | Depreciation  | Net Profit/ Loss |                |  |                 |                                 |                    |   |   |
| 1                        | 2   | 3                  | 4                       | 5(a)  | 5(b)          | 5 (c)         | 5 (d)            | 6              | 7  | 8               | 9                               | 10                 | 11                                      | 12                                      |
| 24.                      | Assam Hydro-Carbon and Energy Company Limited | 2011-12            | 2013-14                 | 1.37  | 0.00          | 0.11          | 1.26             | 0.00           | -  | 21.00           | 4.04                            | 25.04              | 1.26                                    | 5.03                                    |
| 25.                      | Assam Conductors and Tubes Limited            | 1994-95            | 2012-13                 | -0.32   | 0.00          | 0.01          | -0.33            | 0.75           | -  | 1.54            | -3.37                           | 1.29               | -0.33                                   | -                                       |
| 26.                      | Amtron Informatics (India) Limited            | 2005-06            | 2012-13                 | -0.9  | 0.00          | 0.08          | -0.98            | 0.28           | -  | 0.01            | -1.29                           | -0.03              | -0.98                                   | -                                       |
| 27.                      | Assam State Textiles Corporation Limited      | 2010-11            | 2012-13                 | 0.84  | 0.00          | 0.51          | 0.33             | 0.00           | -  | 15.76           | -53.68                          | -46.04             | 0.33                                    | -                                       |
| 28.                      | Assam State Fertilizers and Chemicals Limited | 2005-06            | 2011-12                 | 0.43  | 0.00          | 0.07          | 0.36             | 2.09           | -0.50                                    | 4.56            | -9.3                            | 2.29               | 0.36                                    | 15.72                                   |
| 29.                      | Pragyoish Fertilizers and Chemicals Limited   | 2007-08            | 2011-12                 | 0.00  | 0.00          | 0.00          | 0.00             | 0.00           | -  | 2.33            | -                               | 0.53               | -                                       | -                                       |
| <b>Sector wise total</b> |   |                    |                         | <b>1.00</b>                                     | <b>1.16</b>   | <b>2.54</b>   | <b>-2.70</b>     | <b>63.60</b>   | <b>-0.50</b>                             | <b>54.34</b>    | <b>-145.67</b>                  | <b>-7.03</b>       | <b>-1.54</b>                            | <b>-</b>                                |
| <b>POWER</b>             |   |                    |                         |   |               |               |                  |                |  |                 |                                 |                    |   |   |
| 30.                      | Assam Power Generation Corporation Limited    | 2011-12            | 2012-13                 | 7.48  | 26.05         | 31.07         | -49.64           | 443.05         | -  | 455.86          | -80.56                          | 719.72             | -23.59                                  | -                                       |
| 31.                      | Assam Electricity Grid Corporation Limited    | 2011-12            | 2012-13                 | 16.61   | 23.99         | 60.25         | -67.63           | 391.14         | -  | 99.93           | -274.36                         | 71.47              | -43.64                                  | -                                       |
| 32.                      | Assam Power Distribution Company Limited      | 2011-12            | 2012-13                 | -262.81   | 87.07         | 57.70         | -407.58          | 2046.47        | -  | 162.77          | -1461.46                        | -716.45            | -320.51                                 | -                                       |
| <b>Sector wise total</b> |   |                    |                         | <b>-238.72</b>                                  | <b>137.11</b> | <b>149.02</b> | <b>-524.85</b>   | <b>2880.66</b> | <b>0.00</b>                              | <b>718.56</b>   | <b>-1816.38</b>                 | <b>74.74</b>       | <b>-387.74</b>                          | <b>-</b>                                |

| Sl. No.                           | Sector & Name of the Company   | Period of Accounts | Year in which finalised | Net Profit (+)/Loss (-)                           |          |                |                  | Turnover | Impact of Accounts Comments <sup>#</sup> | Paid up Capital | Accumulat ed Profit (+)/ Loss(-) | Capital employed <sup>@</sup> | Return on capital employed <sup>\$</sup> | Percent- age return on capital employed |
|-----------------------------------|--|--------------------|-------------------------|---|----------|----------------|------------------|----------|--|-----------------|----------------------------------|-------------------------------|--|---|
|                                   |  |                    |                         | Net Profit/ Loss before Interest & Depreci- ation | Interest | Depreci- ation | Net Profit/ Loss |          |  |                 |                                  |                               |  |   |
| 1                                 | 2  | 3                  | 4                       | 5(a)  | 5(b)     | 5(c)           | 5 (d)            | 6        | 7  | 8               | 9                                | 10                            | 11                                       | 12                                      |
| SERVICES                          |  |                    |                         |   |          |                |                  |          |  |                 |                                  |                               |  |   |
| 33.                               | Assam Tourism Development Corporation Limited                        | 2011-12            | 2013-14                 | 0.98  | 0.00     | 0.13           | 0.85             | 2.97     | -  | 0.39            | 5.47                             | 5.86                          | 0.85                                     | 14.51                                   |
| Sector wise total                 |  |                    |                         | 0.98  | 0.00     | 0.13           | 0.85             | 2.97     | -  | 0.39            | 5.47                             | 5.86                          | 0.85                                     | 14.51                                   |
| MISCELLANEOUS                     |  |                    |                         |   |          |                |                  |          |  |                 |                                  |                               |  |   |
| 34.                               | Assam Government Marketing Corporation Limited                       | 1989-90            | 2012-13                 | -0.07   | 0.00     | 0.01           | -0.08            | 3.10     | -  | 1.46            | -1.32                            | 0.56                          | -0.08                                    | -                                       |
| 35.                               | Assam State Text Book Production and Publication Corporation Limited | 1990-91            | 2005-06                 | 1.31  | 0.39     | 0.01           | 0.91             | 7.61     | -0.01                                    | 1.00            | 2.12                             | 5.88                          | 1.30                                     | 22.11                                   |
| 36.                               | Assam Gas Company Limited  | 2012-13            | 2013-14                 | 72.05   | 1.45     | 10.15          | 60.45            | 223.83   | -  | 16.91           | 341.33                           | 362.12                        | 61.90                                    | 17.09                                   |
| 37.                               | DNP Limited  | 2012-13            | 2013-14                 | 44.11   | 16.60    | 16.43          | 11.08            | 54.58    | -  | 167.25          | 0.05                             | 298.88                        | 27.68                                    | 9.26                                    |
| Sector wise total                 |  |                    |                         | 117.40  | 18.44    | 26.60          | 72.36            | 289.12   | -0.01                                    | 186.62          | 342.18                           | 667.44                        | 90.80                                    | 13.60                                   |
| Total A (All sector wise)         |  |                    |                         | -101.46   | 164.72   | 180.84         | -447.02          | 3460.17  | -1.69                                    | 1155.20         | -1933.39                         | 828.77                        | -282.30                                  | -                                       |
| B. Working Statutory corporations |  |                    |                         |   |          |                |                  |          |  |                 |                                  |                               |  |   |
| FINANCE                           |  |                    |                         |   |          |                |                  |          |  |                 |                                  |                               |  |   |
| 1.                                | Assam Financial Corporation  | 2012-13            | 2013-14                 | 1.68  | 0.93     | 0.13           | 0.62             | 4.41     | -  | 22.4            | -0.74                            | 58.11                         | 1.55                                     | 2.67                                    |
| Sector wise total                 |  |                    |                         | 1.68  | 0.93     | 0.13           | 0.62             | 4.41     | -  | 22.4            | -0.74                            | 58.11                         | 1.55                                     | 2.67                                    |

| Sl. No.  | Sector & Name of the Company                          | Period of Accounts | Year in which finalised | Net Profit (+)/ Loss (-)                          |          |               |                  | Impact of Accounts Comments <sup>#</sup> | Paid up Capital | Accumulat ed Profit (+)/ Loss(-) | Capital employed @ | Return on capital employed <sup>s</sup> | Percent- age return on capital employed |          |
|--|---|--------------------|-------------------------|---|----------|---------------|------------------|--|-----------------|----------------------------------|--------------------|---|---|----------|
|  |   |                    |                         | Net Profit/ Loss before Interest & Depreci- ation | Interest | Depreciati on | Net Profit/ Loss |  |                 |                                  |                    |   |   | Turnover |
| 1  | 2   | 3                  | 4                       | 5(a)  | 5(b)     | 5(c)          | 5(d)             | 6  | 7               | 8                                | 9                  | 10                                      | 11                                      | 12       |
| SERVICES   |   |                    |                         |   |          |               |                  |  |                 |                                  |                    |   |   |          |
| 2.   | Assam State Transport Corporation                     | 2009-10            | 2012-13                 | -12.08  | 6.19     | 6.07          | -24.34           | 39.09                                    | 15.31           | 398.59                           | -569.76            | -171.17                                 | -18.15                                  | -        |
| 3.   | Assam State Warehousing Corporation                   | 2008-09            | 2013-14                 | -0.04   | 0.58     | 0.55          | -1.17            | 6.29                                     | -               | 12.14                            | -10.71             | 10.76                                   | -0.59                                   | -        |
| Sector wise total  |   |                    |                         | -12.12  | 6.77     | 6.62          | -25.51           | 45.38                                    | 15.31           | 410.73                           | -580.47            | -160.41                                 | -18.74                                  | -        |
| Total B (All sector wise working Statutory corporations) |   |                    |                         | -10.44  | 7.70     | 6.75          | -24.89           | 49.79                                    | 15.31           | 433.13                           | -581.21            | -102.30                                 | -17.19                                  | -        |
| Grand Total (A + B)                                      |   |                    |                         | -111.90   | 172.42   | 187.59        | -471.91          | 3509.96                                  | 13.62           | 1588.33                          | -2514.60           | 726.47                                  | -299.49                                 | -        |
| C. Non-working Government companies                      |   |                    |                         |   |          |               |                  |  |                 |                                  |                    |   |   |          |
| MANUFACTURING  |   |                    |                         |   |          |               |                  |  |                 |                                  |                    |   |   |          |
| 1.   | Assam Tanneries Limited                               | 1982-83            | 1983-84                 | 0.00  | 0.00     | 0.00          | 0.00             | 0.00                                     | -               | 0.02                             | -                  | -                                       | -                                       | -        |
| 2.   | Industrial Papers (Assam) Limited                     | 2000-01            | 2012-13                 | 0.00  | 0.00     | 0.00          | 0.00             | 0.00                                     | -               | 0.40                             | -                  | -                                       | -                                       | -        |
| 3.   | Assam Spun Silk Mills Limited                         | 1991-92            | 1996-97                 | -0.08   | 0.00     | 0.00          | -0.08            | 2.45                                     | -0.04           | 1.70                             | -3.54              | 0.32                                    | -0.08                                   | -        |
| 4.   | Assam Polytex Limited                                 | 1987-88            | 1993-94                 | 0.00  | 0.00     | 0.00          | 0.00             | 0.00                                     | -               | 5.26                             | -                  | -                                       | -                                       | -        |
| 5.   | Assam Syntex Limited                                  | 2011-12            | 2012-13                 | 0.97  | 0.00     | 0.08          | 0.89             | 0.00                                     | -               | 5.12                             | -54.70             | -49.58                                  | 0.89                                    | -        |
| 6.   | Assam State Weaving and Manufacturing Company Limited | 2011-12            | 2012-13                 | 0.58  | 0.00     | 1.49          | -0.91            | 0.00                                     | -               | 11.61                            | -12.45             | -0.55                                   | -0.91                                   | -        |

| Sl. No.  | Sector & Name of the Company                                | Period of Accounts | Year in which finalised | Net Profit (+)/ Loss (-)                        |          |              |                  | Turnover | Impact of Accounts Comments <sup>#</sup> | Paid up Capital | Accumulated Profit (+)/ Loss(-) | Capital employed <sup>@</sup> | Return on capital employed <sup>\$</sup> | Percent-age return on capital employed |
|--|---|--------------------|-------------------------|---|----------|--------------|------------------|----------|--|-----------------|---------------------------------|-------------------------------|--|--|
|  |   |                    |                         | Net Profit/ Loss before Interest & Depreciation | Interest | Depreciation | Net Profit/ Loss |          |  |                 |                                 |                               |  |  |
| 1  | 2   | 3                  | 4                       | 5(a)  | 5(b)     | 5(c)         | 5(d)             | 6        | 7  | 8               | 9                               | 10                            | 11                                       | 12                                     |
| 7.   | Assam and Meghalaya Mineral Development Corporation Limited | 1983-84            | 1984-85                 | -0.01   | 0.00     | 0.00         | -0.01            | 0.00     | -  | 0.23            | -0.09                           | 0.05                          | -0.01                                    | -                                      |
| 8.   | Cachar Sugar Mills Limited                                  | 2003-04            | 2012-13                 | -0.24   | 0.90     | 0.05         | -1.19            | 0.00     | 0.10                                     | 3.38            | -32.85                          | -0.22                         | -0.29                                    | -                                      |
| 9.   | Fertichem Limited   | 2012-13            | 2013-14                 | -0.43   | 0.00     | 0.00         | -0.43            | 0.00     | -  | 2.00            | -22.19                          | -21.77                        | -0.43                                    | -                                      |
| Sector wise total  |   |                    |                         | 0.79  | 0.90     | 1.62         | -1.73            | 2.45     | 0.06                                     | 29.72           | -125.82                         | -71.75                        | -0.83                                    |  |
| Total C (All sector wise non-working Government companies)                                 |   |                    |                         | 0.79  | 0.90     | 1.62         | -1.73            | 2.45     | 0.06                                     | 29.72           | -125.82                         | -71.75                        | -0.83                                    | -                                      |
| D. Non working Statutory corporations  |   |                    |                         |   |          |              |                  |          |  |                 |                                 |                               |  |  |
| POWER  |   |                    |                         |   |          |              |                  |          |  |                 |                                 |                               |  |  |
| 1.   | Assam State Electricity Board <sup>^</sup>                  | 2011-12            | 2012-13                 | 0.00  | 0.00     | 0.00         | 0.00             | 0.00     | -  | 0.63            | 0.00                            | 0.63                          | 0.00                                     | -                                      |
| Sector wise total  |   |                    |                         | 0.00  | 0.00     | 0.00         | 0.00             | 0.00     | -  | 0.63            | 0.00                            | 0.63                          | 0.00                                     | -                                      |
| Total D (Non-Working Statutory corporations)   |   |                    |                         | 0.00  | 0.00     | 0.00         | 0.00             | 0.00     | -  | 0.63            | 0.00                            | 0.63                          | 0.00                                     | -                                      |
| Total (C + D) (All sector wise non-working Government companies and Statutory Corporation) |   |                    |                         | 0.79  | 0.90     | 1.62         | -1.73            | 2.45     | 0.06                                     | 30.35           | -125.82                         | -71.12                        | -0.83                                    | -                                      |
| Grand Total (A + B + C+D)  |   |                    |                         | -111.11   | 173.32   | 189.21       | -473.64          | 3512.41  | 13.68                                    | 1618.68         | -2640.42                        | 655.35                        | -300.32                                  | -                                      |

<sup>#</sup> Impact of accounts comments include the net impact of comments of Statutory Auditors and CAG and is denoted by (+) increase in profit/ decrease in losses (-) decrease in profit/ increase in losses.

<sup>@</sup> Capital employed represents the aggregate of Shareholders Funds and Long Term Borrowings except in case of finance companies/ corporations where the capital employed is worked out as a mean of aggregate of the opening and closing balances of paid up capital, free reserves, bonds, deposits and borrowings (including refinance).

<sup>\$</sup> Return on capital employed has been worked out by adding interest charged to profit and loss account to the profit/loss for the year.

\* Companies at Sl. No. A-17 and A-29 had not started commercial activities.

<sup>^</sup> Corporation at Sl. No. D-1 had no activities after transfer (2009-10) of its activities relating to generation, transmission and distribution of electricity to companies at Sl. No. A-30, A-31 and A-32 respectively.

## Annexure 3

**Statement showing grants and subsidy received/receivable, guarantees received, waiver of dues, loans written off and loans converted into equity during the year and guarantee commitment at the end of March 2013**

*(Referred to in paragraph 1.9)*

(Figures in column 3 (a) to 6 (d) are ₹ in crore)

[illegible]



| Sl. No.                  | Sector & Name of the Company   | Equity/ loans received out of budget during the year |             | Grants and subsidy received during the year |                  |             |              | Guarantees received during the year and commitment at the end of the year@ |             | Waiver of dues during the year |                             |                                 |             |
|--------------------------|--|--|-------------|---|------------------|-------------|--------------|--|-------------|--------------------------------|-----------------------------|---------------------------------|-------------|
|                          |  | Equity   | Loans       | Central Government                          | State Government | Others      | Total        | Received   | Commitment  | Loans repayment written off    | Loans converted into equity | Interest/ penal interest waived | Total       |
| 1                        | 2  | 3 (a)  | 3 (b)       | 4 (a)                                       | 4 (b)            | 4 (c)       | 4 (d)        | 5 (a)  | 5 (b)       | 6 (a)                          | 6 (b)                       | 6 (c)                           | 6 (d)       |
| <b>FINANCE</b>           |  |  |             |   |                  |             |              |  |             |                                |                             |                                 |             |
| 6.                       | Assam Plains Tribes Development Corporation Limited                    | 0.00   | 0.00        | 0.00  | 8.00             | 0.00        | 8.00         | 0.00   | 4.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| 7.                       | Assam State Development Corporation for Other Backward Classes Limited | 0.20   | 0.00        | 0.00  | 4.20             | 0.00        | 4.20         | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| 8.                       | Assam State Development Corporation for Scheduled Castes Limited       | 0.00   | 0.00        | 0.00  | 9.50             | 0.00        | 9.50         | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| <b>Sector wise total</b> |  | <b>0.20</b>  | <b>0.00</b> | <b>0.00</b>                                 | <b>21.70</b>     | <b>0.00</b> | <b>21.70</b> | <b>0.00</b>  | <b>4.00</b> | <b>0.00</b>                    | <b>0.00</b>                 | <b>0.00</b>                     | <b>0.00</b> |
| <b>INFRASTRUCTURE</b>    |  |  |             |   |                  |             |              |  |             |                                |                             |                                 |             |
| 9.                       | Assam Industrial Development Corporation Limited                       | 0.00   | 0.00        | 3.91  | 7.89             | 0.00        | 11.80        | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| <b>Sector wise total</b> |  | <b>0.00</b>  | <b>0.00</b> | <b>3.91</b>                                 | <b>7.89</b>      | <b>0.00</b> | <b>11.80</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>                    | <b>0.00</b>                 | <b>0.00</b>                     | <b>0.00</b> |

| Sl. No.                  | Sector & Name of the Company               | Equity/ loans received out of budget during the year |              | Grants and subsidy received during the year |                  |               |               | Guarantees received during the year and commitment at the end of the year <sup>@</sup> |             | Waiver of dues during the year |                             |                                 |             |
|--------------------------|--|--|--------------|---|------------------|---------------|---------------|--|-------------|--------------------------------|-----------------------------|---------------------------------|-------------|
|                          |  | Equity   | Loans        | Central Government                          | State Government | Others        | Total         | Received   | Commitment  | Loans repayment written off    | Loans converted into equity | Interest/ penal interest waived | Total       |
| 1                        | 2  | 3 (a)  | 3 (b)        | 4 (a)                                       | 4 (b)            | 4 (c)         | 4 (d)         | 5 (a)  | 5 (b)       | 6 (a)                          | 6 (b)                       | 6 (c)                           | 6 (d)       |
| <b>MANUFACTURING</b>     |  |  |              |   |                  |               |               |  |             |                                |                             |                                 |             |
| 10.                      | Assam Petrochemicals Limited               | 0.00   | 0.00         | 0.00  | 0.02             | 0.00          | 0.02          | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| 11.                      | Assam State Textiles Corporation Limited   | 0.00   | 0.00         | 0.00  | 8.12             | 0.00          | 8.12          | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| <b>Sector wise total</b> |  | <b>0.00</b>  | <b>0.00</b>  | <b>0.00</b>                                 | <b>8.14</b>      | <b>0.00</b>   | <b>8.14</b>   | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>                    | <b>0.00</b>                 | <b>0.00</b>                     | <b>0.00</b> |
| <b>POWER</b>             |  |  |              |   |                  |               |               |  |             |                                |                             |                                 |             |
| 12.                      | Assam Power Generation Corporation Limited | 0.00   | 0.00         | 0.00  | 95.70            | 0.00          | 95.70         | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| 13.                      | Assam Electricity Grid Corporation Limited | 0.00   | 0.44         | 0.00  | 40.91            | 139.66        | 180.57        | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| 14.                      | Assam Power Distribution Company Limited   | 0.00   | 56.00        | 0.47  | 194.85           | 0.00          | 195.32        | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| <b>Sector wise total</b> |  | <b>0.00</b>  | <b>56.44</b> | <b>0.47</b>                                 | <b>331.46</b>    | <b>139.66</b> | <b>471.59</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>                    | <b>0.00</b>                 | <b>0.00</b>                     | <b>0.00</b> |

| Sl. No.   | Sector & Name of the Company                   | Equity/ loans received out of budget during the year |              | Grants and subsidy received during the year |                  |               |               | Guarantees received during the year and commitment at the end of the year@ |             | Waiver of dues during the year |                             |                                 |             |
|---|--|--|--------------|---|------------------|---------------|---------------|--|-------------|--------------------------------|-----------------------------|---------------------------------|-------------|
|   |  | Equity   | Loans        | Central Government                          | State Government | Others        | Total         | Received   | Commitment  | Loans repayment written off    | Loans converted into equity | Interest/ Penal interest waived | Total       |
| 1   | 2  | 3 (a)  | 3 (b)        | 4 (a)                                       | 4 (b)            | 4 (c)         | 4 (d)         | 5 (a)  | 5 (b)       | 6 (a)                          | 6 (b)                       | 6 (c)                           | 6 (d)       |
| <b>SERVICES</b>   |  |  |              |   |                  |               |               |  |             |                                |                             |                                 |             |
| 15.   | Assam Tourism Development Corporation Limited  | 0.00   | 0.00         | 31.27                                       | 8.00             | 0.00          | 39.27         | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| <b>Sector wise total</b>  |  | <b>0.00</b>  | <b>0.00</b>  | <b>31.27</b>                                | <b>8.00</b>      | <b>0.00</b>   | <b>39.27</b>  | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>                    | <b>0.00</b>                 | <b>0.00</b>                     | <b>0.00</b> |
| <b>MISCELLANEOUS</b>  |  |  |              |   |                  |               |               |  |             |                                |                             |                                 |             |
| 16.   | Assam Government Marketing Corporation Limited | 0.00   | 0.00         | 0.00  | 0.79             | 0.00          | 0.79          | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| <b>Sector wise total</b>  |  | <b>0.00</b>  | <b>0.00</b>  | <b>0.00</b>                                 | <b>0.79</b>      | <b>0.00</b>   | <b>0.79</b>   | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>                    | <b>0.00</b>                 | <b>0.00</b>                     | <b>0.00</b> |
| <b>Total A (All sector wise working Government companies)</b>   |  | <b>0.20</b>  | <b>60.29</b> | <b>35.89</b>                                | <b>382.15</b>    | <b>141.48</b> | <b>559.52</b> | <b>0.00</b>  | <b>4.00</b> | <b>0.00</b>                    | <b>0.00</b>                 | <b>0.00</b>                     | <b>0.00</b> |
| <b>B. Working Statutory corporations</b>                        |  |  |              |   |                  |               |               |  |             |                                |                             |                                 |             |
| <b>SERVICES</b>   |  |  |              |   |                  |               |               |  |             |                                |                             |                                 |             |
| 1.  | Assam State Warehousing Corporation            | 0.00   | 0.00         | 15.00                                       | 0.00             | 0.00          | 15.00         | 0.00   | 0.00        | 0.00                           | 0.00                        | 0.00                            | 0.00        |
| <b>Sector wise total</b>  |  | <b>0.00</b>  | <b>0.00</b>  | <b>15.00</b>                                | <b>0.00</b>      | <b>0.00</b>   | <b>15.00</b>  | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>                    | <b>0.00</b>                 | <b>0.00</b>                     | <b>0.00</b> |
| <b>Total B (All sector wise working Statutory corporations)</b> |  | <b>0.00</b>  | <b>0.00</b>  | <b>15.00</b>                                | <b>0.00</b>      | <b>0.00</b>   | <b>15.00</b>  | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>                    | <b>0.00</b>                 | <b>0.00</b>                     | <b>0.00</b> |
| <b>Grand Total (A + B)</b>                                      |  | <b>0.20</b>  | <b>60.29</b> | <b>50.89</b>                                | <b>382.15</b>    | <b>141.48</b> | <b>574.52</b> | <b>0.00</b>  | <b>4.00</b> | <b>0.00</b>                    | <b>0.00</b>                 | <b>0.00</b>                     | <b>0.00</b> |

| Sl. No.  | Sector & Name of the Company | Equity/loans received out of budget during the year |       | Grants and subsidy received during the year |                  |        |        |          | Guarantees received during the year and commitment at the end of the year <sup>@</sup> |                             | Waiver of dues during the year |                                 |       |  |
|--|------------------------------|---|-------|---|------------------|--------|--------|----------|--|-----------------------------|--------------------------------|---------------------------------|-------|--|
|  |                              | Equity  | Loans | Central Government                          | State Government | Others | Total  | Received | Commitment   | Loans repayment written off | Loans converted into equity    | Interest/ penal interest waived | Total |  |
| 1  | 2                            | 3 (a)   | 3 (b) | 4 (a)                                       | 4 (b)            | 4 (c)  | 4 (d)  | 5 (a)    | 5 (b)  | 6 (a)                       | 6 (b)                          | 6 (c)                           | 6 (d) |  |
| C. Non-working Government companies                        |                              |   |       |   |                  |        |        |          |  |                             |                                |                                 |       |  |
| MANUFACTURING  |                              |   |       |   |                  |        |        |          |  |                             |                                |                                 |       |  |
| 1.   | Cachar Sugar Mills Limited   | 0.00  | 0.00  | 0.00  | 1.55             | 0.00   | 1.55   | 0.00     | 0.00   | 0.00                        | 0.00                           | 0.00                            | 0.00  |  |
| Sector wise total  |                              | 0.00  | 0.00  | 0.00  | 1.55             | 0.00   | 1.55   | 0.00     | 0.00   | 0.00                        | 0.00                           | 0.00                            | 0.00  |  |
| Total C (All sector wise non-working Government companies) |                              | 0.00  | 0.00  | 0.00  | 1.55             | 0.00   | 1.55   | 0.00     | 0.00   | 0.00                        | 0.00                           | 0.00                            | 0.00  |  |
| Grand Total (A + B + C)                                    |                              | 0.20  | 60.29 | 50.89                                       | 383.70           | 141.48 | 576.07 | 0.00     | 4.00   | 0.00                        | 0.00                           | 0.00                            | 0.00  |  |

<sup>@</sup> Figures indicate total guarantees outstanding at the end of the year.

## Annexure 4

### Statement showing the State Government's investment in PSUs during the years for which their accounts were in arrears

(Referred to in paragraph 1.24)

(₹ in crore)

| SL No.                                 | Name of PSU  | Year upto which accounts finalised | Paid up capital as per latest finalised accounts | Investment made by State Governments during the years for which the accounts are in arrears |        |        |   | No. of Accounts in Arrear (As on 30 September 2013) |
|--|--|------------------------------------|--|---|--------|--------|---|---|
|  |  |                                    |  | Equity  | Loans  | Grants | Others Loans guaranteed by State Government |   |
| 1                                      | 2  | 3                                  | 4  | 5   | 6      | 7      | 8   | 9   |
| <b>A. Working Government companies</b> |  |                                    |  |   |        |        |   |   |
| 1.                                     | Assam Fisheries Development Corporation Limited                        | 2010-11                            | 0.49   | 0.00  | 0.00   | 4.97   | 0.00  | 2   |
| 2.                                     | Assam Livestock and Poultry Corporation Limited                        | 1990-91                            | 0.07   | 0.00  | 8.25   | 9.50   | 0.00  | 22  |
| 3.                                     | Assam Tea Corporation Limited  | 1998-99                            | 27.54  | 0.00  | 157.83 | 0.00   | 0.00  | 14  |
| 4.                                     | Assam Plantation Crops Development Corporation                         | 1987-88                            | 5.00   | 0.00  | 0.33   | 0.58   | 0.00  | 25  |
| 5.                                     | Assam Plains Tribes Development Corporation Limited                    | 1988-89                            | 0.94   | 1.26  | 16.85  | 96.19  | 0.00  | 24  |
| 6.                                     | Assam State Development Corporation for other Backward Classes Limited | 1991-92                            | 1.23   | 1.97  | 0.00   | 4.20   | 0.00  | 21  |
| 7.                                     | Assam State Development Corporation for Scheduled Castes Limited       | 2009-10                            | 9.85   | 0.00  | 0.00   | 9.50   | 0.00  | 3   |

| Sl. No.   | Name of PSU  | Year upto which accounts finalised | Paid up capital as per latest finalised accounts | Investment made by State Governments during the years for which the accounts are in arrears |               |               |   | No. of Accounts in Arrear (As on 30 September 2013) |
|---|--|------------------------------------|--|---|---------------|---------------|---|---|
|   |  |                                    |  | Equity  | Loans         | Grants        | Others Loans guaranteed by State Government |   |
| 1   | 2  | 3                                  | 4  | 5   | 6             | 7             | 8   | 9   |
| 8.  | Assam State Film (Finance & Development) Corporation Limited | 2003-04                            | 0.10   | 0.00  | 0.00          | 6.33          | 0.00  | 9   |
| 9.  | Assam Industrial Development Corporation Limited             | 2011-12                            | 93.10  | 0.00  | 0.00          | 1.00          | 0.00  | 1   |
| 10.   | Assam Small Industries Development Corporation Limited       | 1994-95                            | 6.10   | 0.41  | 0.00          | 1.89          | 0.00  | 18  |
| 11.   | Assam Mineral Development Corporation Limited                | 2007-08                            | 4.89   | 0.00  | 0.00          | 2.00          | 0.00  | 5   |
| 12.   | Assam Petrochemicals Limited                                 | 2011-12                            | 9.13   | 0.00  | 0.00          | 0.02          | 0.00  | 1   |
| 13.   | Assam State Textiles Corporation Limited                     | 2010-11                            | 15.76  | 0.00  | 0.00          | 19.34         | 0.00  | 2   |
| 14.   | Assam Power Generation Corporation Limited                   | 2011-12                            | 455.86   | 0.00  | 0.00          | 95.70         | 0.00  | 1   |
| 15.   | Assam Electricity Grid Corporation Limited                   | 2011-12                            | 99.93  | 0.00  | 0.44          | 40.91         | 0.00  | 1   |
| 16.   | Assam Power Distribution Company Limited                     | 2011-12                            | 162.77   | 0.00  | 56.00         | 194.85        | 0.00  | 1   |
| 17.   | Assam Tourism Development Corporation                        | 2011-12                            | 0.39   | 0.00  | 0.00          | 8.00          | 0.00  | 1   |
| 18.   | Assam Government Marketing Corporation Limited               | 1989-90                            | 1.46   | 0.00  | 0.00          | 0.79          | 0.00  | 23  |
| <b>Total A (All Working Government companies)</b> |  |                                    |  | <b>3.64</b>   | <b>239.70</b> | <b>495.77</b> | <b>0.00</b>                                 | <b>174</b>  |

| Sl. No.  | Name of PSU                         | Year upto which accounts finalised | Paid up capital as per latest finalised accounts | Investment made by State Governments during the years for which the accounts are in arrears |               |               |   | No. of Accounts in Arrear (As on 30 September 2013) |
|--|-------------------------------------|------------------------------------|--|---|---------------|---------------|---|---|
|  |                                     |                                    |  | Equity  | Loans         | Grants        | Others Loans guaranteed by State Government |   |
| 1  | 2                                   | 3                                  | 4  | 5   | 6             | 7             | 8   | 9   |
| <b>B. Statutory corporations</b>                   |                                     |                                    |  |   |               |               |   |   |
| 1.   | Assam State Warehousing Corporation | 2008-09                            | 12.14  | 1.33  | 0.00          | 3.42          | 0.00  | 4   |
| <b>Total B (All Statutory corporations)</b>        |                                     |                                    |  | <b>1.33</b>   | <b>0.00</b>   | <b>3.42</b>   | <b>0.00</b>                                 | <b>4</b>  |
| <b>Total (A+ B)</b>                                |                                     |                                    |  | <b>4.97</b>   | <b>239.70</b> | <b>499.19</b> | <b>0.00</b>                                 | <b>178</b>  |
| <b>C. Non-working Government companies</b>         |                                     |                                    |  |   |               |               |   |   |
| 1.   | Industrial Papers(Assam) limited    | 2000-01                            | 0.40   | 0.00  | 0.00          | 7.28          | 0.00  | 12  |
| 2.   | Cachar Sugar Mills                  | 2003-04                            | 3.38   | 0.00  | 0.00          | 10.76         | 0.00  | 9   |
| <b>Total C ( non-working Government companies)</b> |                                     |                                    |  | <b>0.00</b>   | <b>0.00</b>   | <b>18.04</b>  | <b>0.00</b>                                 | <b>21</b>   |
| <b>Grand Total (A + B + C)</b>                     |                                     |                                    |  | <b>4.97</b>   | <b>239.70</b> | <b>517.23</b> | <b>0.00</b>                                 | <b>199</b>  |

## Annexure 5

### Statement showing financial position of Working Statutory corporations

(Referred to in paragraph 1.14)

| Particulars  | 2007-08      | 2008-09 | 2009-10 |
|--|--------------|---------|---------|
|  | (₹ in crore) |         |         |
| Working Statutory corporations   |              |         |         |
| 1. Assam State Transport Corporation   |              |         |         |
| A. Liabilities   |              |         |         |
| Capital (including capital contribution & equity capital)                                  | 379.31       | 392.80  | 398.59  |
| Borrowings (Government)  | 0.00         | 0.00    | 0.00    |
| Borrowings (Others)  | 64.93        | 71.56   | 0.00    |
| Funds  | 4.00         | 5.53    | 71.15   |
| Trade dues and other current liabilities (including provisions)                            | 178.35       | 184.55  | 210.31  |
| Total  | 626.59       | 654.44  | 680.05  |
| B. Assets  |              |         |         |
| Gross Block  | 27.66        | 30.39   | 31.98   |
| Less: Depreciation   | 4.93         | 6.03    | 6.07    |
| Net fixed assets   | 22.73        | 24.36   | 25.91   |
| Capital work-in-progress (including cost of chassis)                                       | 51.56        | 67.17   | 65.32   |
| Current assets, loans and advances   | 25.78        | 16.56   | 19.06   |
| Investments  | 1.44         | 1.75    | 0.00    |
| Accumulated losses   | 525.08       | 544.60  | 569.76  |
| Total  | 626.59       | 654.44  | 680.05  |
| C. Capital Employed*   | -80.84       | -80.24  | -171.17 |
| *Capital employed represents the aggregate of Shareholders Funds and Long term Borrowings. |              |         |         |
| 2. Assam Financial Corporation   |              |         |         |
|  | 2010-11      | 2011-12 | 2012-13 |
| A. Liabilities   |              |         |         |
| Paid-up capital  | 18.40        | 22.40   | 22.4    |
| Reserve fund and other reserves and surplus  | 2.82         | 3.40    | 2.82    |
| Borrowings:  |              |         |         |
| (i) Bonds and debenture  | 0.00         | 0.00    | 0.00    |
| (ii) Fixed Deposits  | 0.00         | 0.00    | 0.00    |
| (iii) Industrial Development Bank of India & Small Industries Development Bank of India    | 0.00         | 0.00    | 0.00    |
| (iv) Reserve Bank of India   | 0.00         | 0.00    | 0.00    |
| (v) Loan towards share capital:  | 0.00         | 0.00    | 0.00    |
| (vi) Others (including State Government)   | 14.00        | 14.00   | 51.20   |
| Other liabilities and provisions   | 6.82         | 4.28    | 7.09    |
| Total-A  | 42.04        | 44.08   | 83.51   |



| <b>2. Assam Financial Corporation (continued)</b>  | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b>     |
|--|----------------|----------------|--------------------|
| <b>B. Assets</b>   |                |                |                    |
| Cash and Bank balances   | 19.51          | 21.10          | 39.39              |
| Investments  | 4.76           | 0.50           | 5.94               |
| Loans and Advances   | 13.41          | 17.61          | 32.3               |
| Net fixed assets   | 1.17           | 1.27           | 1.38               |
| Other assets   | 2.38           | 3.60           | 3.76               |
| Miscellaneous expenditure  | 0.81           | 0.00           | 0.74               |
| <b>Total-B</b>   | <b>42.04</b>   | <b>44.08</b>   | <b>83.51</b>       |
| <b>C. Capital employed*</b>  | <b>28.22</b>   | <b>37.51</b>   | <b>58.11</b>       |
| * Capital employed represents the mean of the aggregate of the opening and closing balances of paid-up capital, reserves (other than those which have been funded specifically and backed by investments), bonds, deposits and borrowings (including refinance). |                |                |                    |
| <b>3. Assam State Warehousing Corporation</b>  | <b>2006-07</b> | <b>2007-08</b> | <b>2008-09</b>     |
| <b>A. Liabilities</b>  |                |                |                    |
| Paid-up capital  | 10.94          | 11.54          | 12.14              |
| Reserves and surplus   | 2.45           | 3.72           | 3.03               |
| Borrowings: (Government)   | 8.59           | 9.16           | 9.74               |
| (Others)   | --             | --             | --                 |
| Trade dues and current liabilities (including provision)   | 6.47           | 7.34           | 8.24               |
| <b>Total-A</b>   | <b>28.45</b>   | <b>31.76</b>   | <b>33.15</b>       |
| <b>B. Assets</b>   |                |                |                    |
| Gross Block  | 19.39          | 19.99          | 20.01              |
| Less: Depreciation   | 9.38           | 9.94           | 10.49              |
| Net fixed assets   | 10.01          | 10.05          | 9.52               |
| Capital work-in-progress   | 0.57           | 0.58           | 1.28               |
| Current assets, loans and advances   | 10.14          | 11.63          | 11.60              |
| Profit and Loss account  | 7.73           | 9.50           | 10.75 <sup>#</sup> |
| <b>Total-B</b>   | <b>28.45</b>   | <b>31.76</b>   | <b>33.15</b>       |
| <b>C. Capital employed*</b>  | <b>11.40</b>   | <b>10.80</b>   | <b>10.76</b>       |
| * Capital employed represents the aggregate of Shareholders Funds and Long Term Borrowings.  |                |                |                    |

<sup>#</sup> This includes preliminary expense of ₹ 0.04 crore yet to be written off.

## Annexure 6

### Statement showing working results of working Statutory Corporations

(Referred to in paragraph 1.14)

| Sl. No.  | Particulars                              | 2007-08                     | 2008-09 | 2009-10 |         |
|--|--|-----------------------------|---------|---------|---------|
|  |  | (₹ in crore)                |         |         |         |
| Working Statutory corporations   |  |                             |         |         |         |
| 1.   | Assam State Transport Corporation        |                             |         |         |         |
| 1.   | Operating:                               | (a) Revenue                 | 37.27   | 35.69   | 39.09   |
|  |  | (b) Expenditure             | 52.46   | 58.55   | 65.87   |
|  |  | (c) Surplus (+)/deficit (-) | -15.19  | -22.86  | -26.78  |
| 2.   | Non-operating:                           | (a) Revenue                 | 12.56   | 2.86    | 14.74   |
|  |  | (b) Expenditure             | 9.89    | 10.09   | 12.30   |
|  |  | (c) Surplus (+)/deficit (-) | 2.67    | -7.23   | 2.44    |
| 3.   | Total:                                   | (a) Revenue                 | 49.83   | 38.55   | 53.83   |
|  |  | (b) Expenditure             | 62.35   | 68.64   | 78.17   |
|  |  | (c) Surplus (+)/deficit (-) | -12.52  | -30.09  | -24.34  |
| 4.   | Interest on capital and loans            |                             | 9.17    | 23.56   | 6.19    |
| 5.   | Total return on capital employed         |                             | -3.35   | -6.53   | -18.15  |
| 2.   | Assam Financial Corporation              |                             | 2010-11 | 2011-12 | 2012-13 |
| 1.   | Income                                   |                             |         |         |         |
|  | 1.                                       | Interest on loans           | 2.53    | 2.38    | 4.32    |
|  | 2.                                       | Other income                | 4.32    | 3.48    | 3.07    |
|  | Total-1                                  |                             | 6.85    | 5.86    | 7.39    |
| 2.   | Expenses                                 |                             |         |         |         |
|  |  | (a) Interest on loans       | 0.40    | 0.20    | 0.93    |
|  |  | (b) Provision for NPA       | 0.00    | -       | 0.00    |
|  |  | (c) Other expenses          | 5.23    | 4.57    | 5.84    |
|  | Total-2                                  |                             | 5.63    | 4.77    | 6.77    |
| 3.   | Profit before tax (1-2)                  |                             | 1.22    | 1.09    | 0.62    |
| 4.   | Provision for tax                        |                             | -       | -       | -       |
| 5.   | Other appropriations                     |                             | -       | -       | -       |
| 6.   | Amount available for dividend            |                             | -       | -       | -       |
| 7.   | Dividend                                 |                             | -       | -       | -       |
| 8.   | Total return on capital employed**       |                             | 1.62    | 1.29    | 1.55    |
| 9.   | Percentage of return on capital employed |                             | 5.74    | 3.44    | 2.67    |
| ** Total return on capital employed represents net surplus /deficit plus total interest charged to profit and loss account (less interest capitalised) |  |                             |         |         |         |

| 3.  | Assam State Warehousing Corporation | 2006-07     | 2007-08     | 2008-09     |
|---|-------------------------------------|-------------|-------------|-------------|
| 1.  | <b>Income</b>                       |             |             |             |
|   | (a) Warehousing charges             | 6.05        | 5.93        | 6.29        |
|   | (b) Other income                    | 0.78        | 2.33        | 0.94        |
|   | <b>Total-1</b>                      | <b>6.83</b> | <b>8.26</b> | <b>7.23</b> |
| 2.  | <b>Expenses</b>                     |             |             |             |
|   | (a) Establishment charges           | 4.47        | 4.80        | 5.00        |
|   | (b) Other expenses                  | 3.12        | 3.48        | 3.40        |
|   | <b>Total-2</b>                      | <b>7.59</b> | <b>8.28</b> | <b>8.40</b> |
| 3.  | Profit before tax (1-2)             | -0.76       | -0.02       | -1.17       |
| 4.  | Other appropriations                | --          | --          | --          |
| 5.  | Amount available for dividend       | --          | --          | --          |
| 6.  | Dividend for the year               | --          | --          | --          |
| 7.  | Total return on capital employed**  | -0.75       | -1.67       | -0.59       |
| **Total return on capital employed represents net surplus/deficit plus total interest charged to profit and loss account (less interest capitalised). |                                     |             |             |             |

## Annexure 7

### Statement showing details of various schemes/projects undertaken by Assam Electronics Development Corporation Limited

(Referred to in paragraph 2.6)

| Sl. No.   | Name of Scheme/ Project   | Month of sanction | Sanctioned Cost   | Funds received | Funds Utilised | Surplus/ (Deficit) | Percentage of fund utilised to sanctioned cost | Schedule Date of completion | Actual date of completion  | Delays in completion <sup>1</sup> (in months) |
|---|---|-------------------|-------------------|----------------|----------------|--------------------|--|-----------------------------|----------------------------|---|
| <b>A. Central Government Funded Schemes/ Projects</b> |   |                   |                   |                |                |                    |  |                             |                            |   |
| 1.  | Assam State Wide Area Network                                   | March 2005        | 72.50             | 61.53          | 61.54          | (-)0.01            | 84.88  | July 2008                   | Not completed              | 56  |
| 2.  | Community Service Centres                                       | November 2006     | 116.45            | 48.42          | 46.26          | 2.16               | 39.73  | March 2009                  | Not completed              | 48  |
| 3.  | Capacity Building (Training programme)                          | February 2008     | 10.71             | 4.42           | 3.66           | 0.76               | 34.17  | NA <sup>2</sup>             | Not completed              | -   |
| 4.  | State Data Centre   | March 2008        | 49.04             | 24.44          | 9.81           | 14.63              | 20.00  | June 2009                   | Not completed              | 45  |
| 5.  | Integrated Infrastructure Research (IIRUPM)                     | June 2008         | 2.36              | 2.36           | 2.01           | 0.35               | 85.17  | NA <sup>2</sup>             | December 2011              | -   |
| 6.  | e-District (Pilot Project)                                      | November 2008     | 72.44             | 13.62          | 5.03           | 8.59               | 6.94   | May 2009                    | January 2010               | 8   |
| 7.  | State Portal & SSDG Project                                     | June 2009         | 7.96              | 4.97           | 2.47           | 2.50               | 31.03  | August 2012                 | Not completed              | 7   |
| 8.  | ADB Pilot Project   | December 2009     | 1.13 <sup>3</sup> | 1.08           | 1.07           | 0.01               | 94.69  | January 2010                | September 2010             | 8   |
| <b>B. State Government Funded Schemes/ Project</b>    |   |                   |                   |                |                |                    |  |                             |                            |   |
| 1.  | Rajiv Gandhi Computer Literacy Programme (Training programme)   | November 2003     | 296.93            | 337.80         | 329.57         | 8.23               | 110.99   | NA <sup>2</sup>             | Not completed              | --  |
| 2.  | IT Park   | February 2008     | 11.82             | 12.90          | 8.25           | 4.65               | 69.80  | NA <sup>2</sup>             | Not completed              | --  |
| 3.  | ARBAS 2008 (Event based)  | December 2008     | 32.75             | 32.75          | 32.74          | 0.01               | 99.97  | March 2009                  | March 2009                 | --  |
| 4.  | Assam Online Portal   | February 2009     | 34.40             | 34.40          | 20.20          | 14.20              | 58.72  | NA <sup>2</sup>             | Not completed              | --  |
| 5.  | Computerisation of GMC  | February 2009     | 7.80              | 7.60           | 6.82           | 0.78               | 87.44  | NA <sup>2</sup>             | Not completed              | --  |
| 6.  | ARBAS 2009 (Event based)  | December 2009     | 34.83             | 34.83          | 34.83          | -                  | 100.00   | March 2010                  | March 2010                 | --  |
| 7.  | ARBAS 2010 (Event based)  | November 2010     | 45.00             | 45.00          | 48.56          | (-)3.56            | 107.91   | March 2011                  | March 2011                 | --  |
| 8.  | ARBAS 2011 (Event based)  | September 2011    | 52.00             | 52.00          | 47.64          | 4.36               | 91.62  | March 2012                  | March 2012                 | --  |
| 9.  | ARBAS 2012 (Event based)  | July 2012         | 76.70             | 76.70          | 47.43          | 29.27              | 61.84  | March 2013                  | March 2013                 | --  |
| 10.   | Mukhya Mantri Tatyva Projukti Niyog Achoni (Training programme) |                   | --                | 2.14           | 1.50           | 0.64               |  | NA <sup>2</sup>             | Not completed <sup>2</sup> | --  |
| <b>Total</b>  |   |                   |                   | <b>796.96</b>  | <b>709.39</b>  | <b>87.57</b>       | <b>--</b>                                      | <b>--</b>                   | <b>--</b>                  | <b>--</b>                                     |

<sup>1</sup> Delay in respect of ongoing schemes/ projects as on 31 March 2013 with reference to scheduled date of completion.

<sup>2</sup> For these schemes/ projects, no completion time is specified by GOA, GOI.

<sup>3</sup> Sanctioned cost (US dollars 2.50 lakh) converted into Indian Rupees adopting conversion rate of one US dollar equivalent to ₹ 45.00.

## Annexure 8

### Statement showing the financial position of Assam Electronics Development Limited from 2007-08 to 2011-12

(Referred to in paragraph 2.9)

(₹ in crore)

| Particulars                 | 2007-08       | 2008-09       | 2009-10       | 2010-11<br>(Provisional) | 2011-12<br>(Provisional) |
|-----------------------------|---------------|---------------|---------------|--------------------------|--------------------------|
| <b>LIABILITIES</b>          |               |               |               |                          |                          |
| Share capital               | 9.46          | 9.46          | 9.46          | 9.46                     | 9.46                     |
| Reserve & Surplus           | 5.68          | 5.68          | 5.68          | 5.68                     | 5.68                     |
| Secured Loan                | 18.82         | 21.98         | 7.77          | 6.33                     | 2.01                     |
| Unsecured Loan              | 1.86          | 1.90          | 1.84          | 1.90                     | 1.97                     |
| Current liabilities         | 85.81         | 143.63        | 170.32        | 240.17                   | 237.94                   |
| <b>TOTAL</b>                | <b>121.63</b> | <b>182.65</b> | <b>195.07</b> | <b>263.54</b>            | <b>257.06</b>            |
| <b>ASSETS</b>               |               |               |               |                          |                          |
| Fixed Assets                | 9.98          | 10.22         | 11.55         | 12.71                    | 13.67                    |
| Less: Depreciation          | 3.20          | 3.49          | 3.90          | 4.46                     | 5.11                     |
| Net Fixed Assets            | 6.78          | 6.73          | 7.65          | 8.25                     | 8.56                     |
| Capital works in Progress   | --            | --            | 0.04          | 0.75                     | 1.92                     |
| Investments                 | 0.02          | 0.02          | 0.02          | 0.01                     | 0.01                     |
| Current Assets and Advances | 108.78        | 170.56        | 183.62        | 251.38                   | 244.56                   |
| Accumulated loss            | 6.05          | 5.34          | 3.74          | 3.15                     | 2.01                     |
| <b>TOTAL</b>                | <b>121.63</b> | <b>182.65</b> | <b>195.07</b> | <b>263.54</b>            | <b>257.06</b>            |
| <b>Profit for The Year*</b> | <b>1.44</b>   | <b>0.71</b>   | <b>1.60</b>   | <b>0.60</b>              | <b>1.14</b>              |
| <b>Interest Income</b>      | <b>2.65</b>   | <b>2.62</b>   | <b>2.49</b>   | <b>3.42</b>              | <b>4.38</b>              |
| <b>Capital employed**</b>   | <b>23.51</b>  | <b>26.65</b>  | <b>13.67</b>  | <b>13.93</b>             | <b>11.43</b>             |

\* Including adjustments for prior period items.

\*\* The capital employed indicates aggregate of shareholders' fund (share capital *plus* free reserve) and long term borrowings.

## Annexure 9

### Statement showing the mismatch in meter readings from the different header points

(Referred to in paragraph 3.2)

| Month               | GT<br>(1+2+3+4) | 8 inch<br>header | Difference    | 6 inch<br>header | 8+ 6 inch header<br>Total | Readings from<br>AGCL meter | Difference    |
|---------------------|-----------------|------------------|---------------|------------------|---------------------------|-----------------------------|---------------|
| (Units in lakh SCM) |                 |                  |               |                  |                           |                             |               |
| I                   | II              | III              | IV = (III-II) | V                | VI=(III+V)                | VII                         | VIII=(VII-VI) |
| Jan-08              | NA              | NA               | NA            | NA               | 216.64                    | 220.25                      | 3.61          |
| Feb-08              | NA              | NA               | NA            | NA               | 200.87                    | 211.20                      | 10.33         |
| Mar-08              | NA              | NA               | NA            | NA               | NA                        | 200.11                      | NA            |
| Apr-08              | NA              | NA               | NA            | NA               | NA                        | 190.55                      | NA            |
| May-08              | NA              | NA               | NA            | NA               | NA                        | 197.82                      | NA            |
| Jun-08              | NA              | NA               | NA            | NA               | NA                        | 178.12                      | NA            |
| Jul-08              | NA              | NA               | NA            | NA               | 213.15                    | 215.67                      | 2.52          |
| Aug-08              | 160.02          | 159.47           | (-) 0.55      | 39.81            | 199.28                    | 202.60                      | 3.32          |
| Sep-08              | 128.89          | 134.39           | 5.50          | 37.96            | 172.35                    | 168.72                      | (-) 3.63      |
| Oct-08              | 155.74          | 160.03           | 4.29          | 38.74            | 198.77                    | 199.12                      | 0.35          |
| Nov-08              | 135.99          | 145.49           | 9.50          | 56.55            | 202.04                    | 198.28                      | (-) 3.76      |
| Dec-08              | 118.62          | 137.78           | 19.16         | 56.22            | 194.00                    | 181.51                      | (-) 12.49     |
| Jan-09              | 124.21          | 142.85           | 18.64         | 41.78            | 184.63                    | 179.38                      | (-) 5.25      |
| Feb-09              | 145.19          | 161.78           | 16.59         | 35.53            | 197.31                    | 190.33                      | (-) 6.98      |
| Mar-09              | 167.17          | 182.23           | 15.06         | 40.49            | 222.72                    | 215.95                      | (-) 6.77      |
| Apr-09              | 163.61          | 174.14           | 10.53         | 38.97            | 213.12                    | 206.01                      | (-) 7.11      |
| May-09              | 166.77          | 169.99           | 3.22          | 33.09            | 203.08                    | 192.82                      | (-) 10.26     |
| Jun-09              | 157.11          | 160.49           | 3.38          | 43.14            | 203.63                    | 199.14                      | (-) 4.49      |
| Jul-09              | 186.96          | 197.91           | 10.95         | 35.75            | 233.67                    | 214.81                      | (-) 18.86     |
| Aug-09              | 171.10          | 185.73           | 14.63         | 10.28            | 196.01                    | 191.55                      | (-) 4.46      |
| Sep-09              | 189.17          | 207.56           | 18.39         | 0.00             | 207.56                    | 202.02                      | (-) 5.54      |
| Oct-09              | 160.47          | 177.87           | 17.40         | 0.00             | 177.87                    | 173.92                      | (-) 3.95      |
| Nov-09              | 142.48          | 160.91           | 18.43         | 0.00             | 160.91                    | 157.06                      | (-) 3.85      |
| Dec-09              | 174.23          | 189.94           | 15.71         | 0.00             | 189.94                    | 182.44                      | (-) 7.50      |
| Jan-10              | 165.90          | 185.26           | 19.36         | 0.00             | 185.26                    | 179.98                      | (-) 5.28      |
| Feb-10              | 182.39          | 192.27           | 9.88          | 0.00             | 192.27                    | 186.65                      | (-) 5.62      |
| Mar-10              | 198.25          | 205.31           | 7.06          | 0.00             | 205.31                    | 203.61                      | (-) 1.70      |
| Apr-10              | 183.61          | 191.81           | 8.20          | 34.83            | 226.64                    | 218.40                      | (-) 8.24      |
| May-10              | 190.97          | 197.54           | 6.57          | 38.50            | 236.05                    | 227.52                      | (-) 8.53      |
| Jun-10              | 183.41          | 191.13           | 7.72          | 20.43            | 211.56                    | 201.49                      | (-) 10.07     |
| Jul-10              | 169.40          | 173.94           | 4.54          | 0.00             | 173.94                    | 167.97                      | (-) 5.97      |
| Aug-10              | 169.05          | 180.81           | 11.76         | 0.00             | 180.81                    | 175.25                      | (-) 5.56      |
| Sep-10              | 146.75          | 163.57           | 16.82         | 0.00             | 163.57                    | 158.56                      | (-) 5.01      |
| Oct-10              | 144.28          | 175.05           | 30.77         | 0.01             | 175.05                    | 169.98                      | (-) 5.07      |

| Month               | GT<br>(1+2+3+4) | 8 inch<br>header | Difference    | 6 inch<br>header | 8+ 6 inch header<br>Total | Readings from<br>AGCL meter | Difference    |
|---------------------|-----------------|------------------|---------------|------------------|---------------------------|-----------------------------|---------------|
| (Units in lakh SCM) |                 |                  |               |                  |                           |                             |               |
| I                   | II              | III              | IV = (III-II) | V                | VI=(III+V)                | VII                         | VIII=(VII-VI) |
| Nov-10              | 137.82          | 167.66           | 29.84         | NIL              | 167.66                    | 163.02                      | (-) 4.64      |
| Dec-10              | 143.05          | 165.19           | 22.14         | 2.32             | 167.51                    | 166.47                      | (-) 1.04      |
| Jan-11              | 147.12          | 155.93           | 8.81          | 10.59            | 166.51                    | 160.87                      | (-) 5.64      |
| Feb-11              | 6.56            | 132.21           | 125.65        | 72.39            | 204.60                    | 199.39                      | (-) 5.21      |
| Mar-11              | 189.62          | 172.84           | (-) 16.78     | 47.95            | 220.79                    | 217.76                      | (-) 3.03      |
| Apr-11              | 189.87          | 134.07           | (-) 55.80     | 72.37            | 206.44                    | 204.97                      | (-) 1.47      |
| May-11              | 206.48          | 108.83           | (-) 97.65     | 111.35           | 220.18                    | 219.16                      | (-) 1.02      |
| Jun-11              | --              | --               | --            | --               | --                        | 198.10                      | 198.10        |
| Jul-11              | 191.24          | 149.02           | (-) 42.22     | 61.21            | 210.23                    | 219.46                      | 9.23          |
| Aug-11              | 193.41          | 140.46           | (-) 52.95     | 64.11            | 204.57                    | 208.66                      | 4.09          |
| Sep-11              | 157.75          | 160.03           | 2.28          | 11.36            | 171.39                    | 171.23                      | (-) 0.16      |
| Oct-11              | 186.52          | 186.94           | 0.42          | 0.00             | 192.35                    | 192.95                      | 0.60          |
| Nov-11              | --              | --               | --            | --               | --                        | 192.11                      | 192.11        |
| Dec-11              | 170.65          | 168.59           | (-) 2.06      | 22.17            | 190.77                    | 190.95                      | 0.18          |
| Jan-12              | 212.40          | 152.37           | (-) 60.03     | 73.93            | 226.30                    | 227.42                      | 1.12          |
| Feb-12              | 205.81          | 134.60           | (-) 71.21     | 82.01            | 216.61                    | 215.98                      | (-) 0.63      |
| Mar-12              | 202.88          | 137.54           | (-) 65.34     | 75.11            | 212.66                    | 212.98                      | 0.32          |
| Apr-12              | 183.17          | 145.00           | (-) 38.17     | 48.92            | 193.92                    | 193.18                      | (-) 0.74      |
| May-12              | 184.72          | 128.44           | (-) 56.28     | 64.03            | 192.47                    | 191.59                      | (-) 0.88      |
| Jun-12              | 156.90          | 108.09           | (-) 48.81     | 50.41            | 158.50                    | 152.11                      | (-) 6.39      |
| Jul-12              | 193.30          | 147.81           | (-) 45.49     | 49.44            | 197.25                    | 194.67                      | (-) 2.58      |
| Aug-12              | 177.09          | 139.38           | (-) 37.71     | 49.50            | 188.88                    | 186.60                      | (-) 2.28      |
| Sep-12              | 168.34          | 137.37           | (-) 30.97     | 38.82            | 176.20                    | 174.39                      | (-) 1.81      |
| Oct-12              | 193.02          | 166.05           | (-) 26.97     | 60.36            | 226.42                    | 226.91                      | 0.49          |
| Nov-12              | 145.45          | 132.27           | (-) 13.18     | 42.34            | 174.60                    | 188.39                      | 13.79         |
| Dec-12              | 184.43          | 144.60           | (-) 39.83     | 78.77            | 223.37                    | 224.44                      | 1.07          |
| Jan-13              | 187.80          | 141.90           | (-) 45.90     | 85.84            | 227.74                    | 234.04                      | 6.30          |
| Feb-13              | 163.61          | 141.98           | (-) 21.63     | 58.57            | 200.56                    | 200.06                      | (-) 0.5       |
| Mar-13              | 158.24          | 133.56           | (-) 24.68     | 64.36            | 197.91                    | 206.69                      | 8.78          |
| Apr-13              | 165.50          | 163.82           | (-) 1.68      | 39.51            | 203.33                    | 201.26                      | (-) 2.07      |
| May-13              | 171.88          | 188.94           | 17.06         | 39.31            | 228.25                    | 205.61                      | (-) 22.64     |
| Jun-13              | 138.35          | 152.30           | 13.95         | 48.01            | 200.31                    | 175.34                      | (-) 24.97     |
| Jul-13              | 141.71          | 155.98           | 14.27         | 43.16            | 199.13                    | 174.35                      | 24.78         |
| Aug-13              | 139.60          | 162.47           | 22.87         | 31.88            | 194.35                    | 178.17                      | 16.18         |
| Sep-13              | 141.67          | 157.64           | 15.97         | 38.07            | 195.71                    | 175.91                      | 19.80         |

## Annexure 10

### Statement showing Consumer wise details of under billing amount for wrong categorisation

(Referred to in paragraph 3.4)

| Sl. No. | Consumer Name<br>(Consumer No.)<br>[Connected load]            | Billing Unit          | Consumer Category as per tariff order | Consumer Category Billed                                     | Period of Billed           | Energy (in Units) Consumed | Energy Charges Collected (in ₹) | HT Tariff per unit (in ₹) | Gross Energy Charges to be Collected (in ₹) | Fixed Charges Collected (in ₹) | Fixed Charges to be Collected (in ₹) | Short Collection      |                      |                  |
|---------|--|-----------------------|---------------------------------------|--|----------------------------|----------------------------|---------------------------------|---------------------------|---|--------------------------------|--------------------------------------|-----------------------|----------------------|------------------|
|         |  |                       |                                       |  |                            |                            |                                 |                           |   |                                |                                      | Energy Charges (in ₹) | Fixed Charges (in ₹) | Total (in ₹)     |
| I       | II   | III                   | IV                                    | V  | VI                         | VII                        | VIII                            | IX                        | X<br>(VII x IX)                             | XI                             | XII                                  | XIII<br>(X-VIII)      | XIV<br>(XII-XI)      | XV<br>(XIII+XIV) |
| 1.      | Manager, Hatigarh Tea Estate<br>{IR-TE(LQ)-49TGL}<br>[154 KVA] | DGM, Mangaldoi Circle | HT Domestic                           | LT-Category - I Jeevan Dhara and LT-Category - II Domestic A | May 2009 to July 2009      | 20723                      | 44555                           | 3.95                      | 81856                                       |                                | 170940                               |                       |                      |                  |
|         |  |                       |                                       |  | August 2009 to April 2011  | 289555                     | 828651                          | 4.15                      | 1201653                                     | 171120                         |                                      | 659345                | -180                 | 659165           |
|         |  |                       |                                       |  | May 2011 to May 2012       | 188842                     | 581863                          | 4.40                      | 830905                                      |                                |                                      |                       |                      |                  |
|         |  |                       |                                       |  | <b>Total</b>               |                            | <b>1455069</b>                  |                           | <b>2114414</b>                              |                                |                                      |                       |                      |                  |
|         |  |                       |                                       |  | May 2007 to September 2007 | 100197                     | 259375                          | 3.40                      | 340670                                      |                                |                                      |                       |                      |                  |
| 2.      | Manager, Hatigarh Tea Estate<br>{IR-TE(LQ)-35TQL}<br>[158 KVA] | DGM, Mangaldoi Circle | HT Domestic                           | LT-Category - I Jeevan Dhara and LT-Category - II Domestic A | October 2007 to July 2009  | 343279                     | 919010                          | 3.95                      | 1355952                                     | 289140                         | 284814                               | 1513712               | -4326                | 1509386          |
|         |  |                       |                                       |  | August 2009 to April 2011  | 502719                     | 1506480                         | 4.15                      | 2086284                                     |                                |                                      |                       |                      |                  |
|         |  |                       |                                       |  | May 2011 to May 2012       | 341517                     | 1087004                         | 4.40                      | 1502675                                     |                                |                                      |                       |                      |                  |
|         |  |                       |                                       |  | <b>Total</b>               |                            | <b>3771869</b>                  |                           | <b>5285581</b>                              |                                |                                      |                       |                      |                  |
|         |  |                       |                                       |  |                            |                            |                                 |                           |   |                                |                                      |                       |                      |                  |



| Sl. No. | Consumer Name<br>(Consumer No.)<br>[Connected load]                     | Billing Unit                | Consumer Category as per tariff order | Consumer Category Billed   | Period of Billed                 | Energy (in Units) Consumed | Energy Charges Collected (in ₹) | HT Tariff per unit (in ₹) | Gross Energy Charges to be Collected (in ₹) | Fixed Charges Collected (in ₹) | Fixed Charges to be Collected (in ₹) | Short Collection      |                      |                  |
|---------|---|-----------------------------|---------------------------------------|--|----------------------------------|----------------------------|---------------------------------|---------------------------|---|--------------------------------|--------------------------------------|-----------------------|----------------------|------------------|
|         |   |                             |                                       |  |                                  |                            |                                 |                           |   |                                |                                      | Energy Charges (in ₹) | Fixed Charges (in ₹) | Total (in ₹)     |
| I       | II  | III                         | IV                                    | V  | VI                               | VII                        | VIII                            | IX                        | X<br>(VII x IX)                             | XI                             | XII                                  | XIII<br>(X-VIII)      | XIV<br>(XII-X)       | XV<br>(XIII+XIV) |
| 3.      | Manager, Orang<br>Juli Tea Estate<br>{(IR-TE(LQ)-50<br>TGL}<br>[90 KVA] | DGM,<br>Mangaldoi<br>Circle | HT<br>Domestic                        | LT-<br>Category –<br>I Jeevan<br>Dhara and<br>LT-<br>Category –<br>II<br>Domestic<br>A | February 2011<br>to April 2011   | 870                        | 2045                            | 4.15                      | 3610  |                                | 87310                                | 251528                | -3890                | 247638           |
|         |   |                             |                                       |  | May 2011 to<br>May 2012          | 153417                     | 425072.00                       | 4.40                      | 675035                                      | 91200                          |                                      |                       |                      |                  |
|         |   |                             |                                       |  | <b>Total</b>                     |                            | <b>427117</b>                   |                           | <b>678645</b>                               |                                |                                      |                       |                      |                  |
| 4.      | Manager,<br>Sagomolia Tea<br>Estate<br>(132/471)<br>[95 KVA]            | AMLRCA,<br>Nagaon           | HT<br>Domestic                        | LT-<br>Category –<br>II<br>Domestic<br>A   | November<br>2008 to July<br>2009 | 101308                     | 283662                          | 3.95                      | 400167                                      |                                |                                      |                       |                      |                  |
|         |   |                             |                                       |  | August 2009<br>to April 2011     | 210046                     | 630138                          | 4.15                      | 871691                                      | 99630                          | 116850                               | 489664                | 17720                | 506884           |
|         |   |                             |                                       |  | May 2011 to<br>March 2012        | 114440                     | 371930                          | 4.40                      | 503536                                      |                                |                                      |                       |                      |                  |
| 5.      | Manager, Nonoi<br>Tea Estate<br>(132/287)<br>[88 KVA]                   | AMLRCA,<br>Nagaon           | HT<br>Domestic                        | LT-<br>Category –<br>II<br>Domestic<br>A   | <b>Total</b>                     |                            | <b>1285730</b>                  |                           | <b>1775394</b>                              |                                |                                      |                       |                      |                  |
|         |   |                             |                                       |  | August 2008<br>to July 2009      | 269814                     | 755479                          | 3.95                      | 1065765                                     |                                |                                      |                       |                      |                  |
|         |   |                             |                                       |  | August 2009<br>to April 2011     | 458884                     | 1376652                         | 4.15                      | 1904369                                     | 96750                          | 113520                               | 1136641               | 16770                | 1153411          |
|         |   |                             |                                       |  | May 2011 to<br>March 2012        | 259685                     | 843976                          | 4.40                      | 1142614                                     |                                |                                      |                       |                      |                  |
|         |   |                             |                                       |  | <b>Total</b>                     |                            | <b>2976107</b>                  |                           | <b>4112748</b>                              |                                |                                      |                       |                      |                  |

| Sl. No. | Consumer Name<br>(Consumer No.)<br>[Connected load]               | Billing Unit    | Consumer Category as per tariff order | Consumer Category Billed   | Period of Billed            | Energy (in Units) Consumed | Energy Charges Collected<br>(in ₹) | HT Tariff per unit<br>(in ₹) | Gross Energy Charges to be Collected<br>(in ₹) | Fixed Charges Collected<br>(in ₹) | Fixed Charges to be Collected<br>(in ₹) | Short Collection         |                         |                  |  |
|---------|---|-----------------|---------------------------------------|--|-----------------------------|----------------------------|------------------------------------|------------------------------|--|-----------------------------------|---|--------------------------|-------------------------|------------------|--|
|         |   |                 |                                       |  |                             |                            |                                    |                              |  |                                   |   | Energy Charges<br>(in ₹) | Fixed Charges<br>(in ₹) | Total<br>(in ₹)  |  |
| I       | II  | III             | IV                                    | V  | VI                          | VII                        | VIII                               | IX                           | X<br>(VII x IX)                                | XI                                | XII                                     | XIII<br>(X-VIII)         | XIV<br>(XII-XI)         | XV<br>(XIII+XIV) |  |
| 6.      | Manager, Nonoi Tea Estate<br>(Purana sahnah 132/496)<br>[116 KVA] | AMJIRCA, Nagaon | HT Domestic                           | L.T- Category – II Domestic A                                    | March 2009 to July 2009     | 51363                      | 143818                             | 3.95                         | 202884   |                                   |   |                          |                         |                  |  |
|         |   |                 |                                       |  | August 2009 to April 2011   | 251491                     | 754472                             | 4.15                         | 1043688  |                                   |   |                          |                         |                  |  |
|         |   |                 |                                       |  | May 2011 to March 2012      | 119087                     | 387033                             | 4.40                         | 523983   | 112860                            | 132240                                  | 485232                   | 27301                   | 512533           |  |
|         |   |                 |                                       |  | Total                       |                            | 1285323                            |                              | 1770555  |                                   |   |                          |                         |                  |  |
| 7.      | Manager, Naupani Tea Estate<br>(132/521)<br>[38 KVA]              | AMJIRCA, Nagaon | HT Domestic                           | L.T- Category – I Jeevan Dhara                                   | December 2009 to April 2011 | 34537                      | 81162                              | 4.15                         | 143329   | 15960                             | 31920                                   | 93736                    | 15960                   | 109696           |  |
|         |   |                 |                                       |  | May 2011 to March 2012      | 16615                      | 41537                              | 4.40                         | 73106  |                                   |   |                          |                         |                  |  |
|         |   |                 |                                       |  | Total                       |                            | 122699                             |                              | 216435   |                                   |   |                          |                         |                  |  |
|         |   |                 |                                       |  | November 2008 to Jun 2009   | 18093                      | 38900                              | 3.95                         | 71467  |                                   |   |                          |                         |                  |  |
| 8.      | Manager, Kellyden Tea Estate<br>(132/472)<br>[72 KVA]             | AMJIRCA, Nagaon | HT Domestic                           | L.T- Category – I Jeevan Dhara and L.T- Category – II Domestic A | December 2011 to April 2012 | 33648                      | 109356                             | 4.40                         | 148051   | 27000                             | 58320                                   | 71262                    | 31320                   | 102582           |  |
|         |   |                 |                                       |  | Total                       |                            | 148256                             |                              | 219518   |                                   |   |                          |                         |                  |  |
|         |   |                 |                                       |  |                             |                            |                                    |                              |  |                                   |   |                          |                         |                  |  |
|         |   |                 |                                       |  |                             |                            |                                    |                              |  |                                   |   |                          |                         |                  |  |
| Total   |   |                 |                                       |  |                             |                            | 11472170                           |                              | 16173290                                       | 903660                            | 995914                                  | 4701120                  | 100175                  | 4801295          |  |

## Annexure 11

**Statement showing paragraphs/performance audits for which explanatory notes were not received**

*(Referred to in paragraph 3.8.1)*

| Sl. No.      | Name of department             | 2007-08         |  | 2008-09         |  | 2009-2010       |  | 2010-2011       |  | 2011-2012       |  |
|--------------|--------------------------------|-----------------|--|-----------------|--|-----------------|--|-----------------|--|-----------------|--|
|              |                                | In Audit Report | For which reply of the Government not received | In Audit Report | For which reply of the Government not received | In Audit Report | For which reply of the Government not received | In Audit Report | For which reply of the Government not received | In Audit Report | For which reply of the Government not received |
| 1.           | Power                          | 08              | --   | 03              | --   | 07              | --   | 01              | 01   | 02              | 02   |
| 2.           | Transport                      | 01              | 01   | 02              | --   | 01              | 01   | --              | --   | 01              | 01   |
| 3.           | Co-operation                   | 01              | 01   | --              | --   | --              | --   | --              | --   | --              | --   |
| 4.           | Welfare                        | 02              | --   | 01              | --   | --              | --   | --              | --   | --              | --   |
| 5.           | Agriculture                    | --              | --   | --              | --   | 01              | 01   | --              | --   | --              | --   |
| 6.           | Animal Husbandry               | --              | --   | --              | --   | --              | --   | 02              | --   | --              | --   |
| 7.           | Industries and Commerce        | 02              | --   | 06              | 05   | 01              | 01   | 04              | 04   | 09              | 09   |
| 8.           | Mines & Minerals               | --              | --   | 02              | 02   | --              | --   | --              | --   | --              | --   |
| 9.           | Public Enterprises             | --              | --   | 02              | 02   | --              | --   | --              | --   | --              | --   |
| 10.          | Education (Elementary)         | --              | --   | --              | --   | --              | --   | 01              | 01   | --              | --   |
| 11.          | Information and Technology     | 04              | --   | --              | --   | --              | --   | --              | --   | --              | --   |
| 12.          | Finance                        | --              | --   | --              | --   | 01              | 01   | --              | --   | --              | --   |
| 13.          | Handloom, Textile, Sericulture | --              | --   | --              | --   | --              | --   | 01              | 01   | --              | --   |
| 14.          | Home                           | --              | --   | --              | --   | --              | --   | --              | --   | 01              | 01   |
| <b>Total</b> |                                | <b>18</b>       | <b>02</b>                                      | <b>16</b>       | <b>09</b>                                      | <b>11</b>       | <b>04</b>                                      | <b>09</b>       | <b>07</b>                                      | <b>13</b>       | <b>13</b>                                      |

## Annexure 12

### Statement showing the department-wise outstanding Inspection Reports (IRs) as on 30 September 2013

(Referred to in paragraph 3.8.3)

| Sl. No.      | Departments                                 | No. of PSUs | No. of outstanding IRs | No. of outstanding paragraphs | Year from which paragraphs outstanding |
|--------------|---|-------------|------------------------|-------------------------------|--|
| 1.           | Agriculture                                 | 1           | 2                      | 19                            | 2010-11                                |
| 2.           | Animal Husbandry                            | 1           | 2                      | 16                            | 2005-06                                |
| 3.           | Co-operation                                | 1           | 2                      | 16                            | 2005-06                                |
| 4.           | Cultural Affairs                            | 1           | 1                      | 3                             | 2010-11                                |
| 5.           | Education (Elementary)                      | 1           | 3                      | 19                            | 2005-06                                |
| 6.           | Finance                                     | 1           | 1                      | 9                             | 2010-11                                |
| 7.           | Fisheries                                   | 1           | 3                      | 10                            | 2005-06                                |
| 8.           | Handloom, Textile & Sericulture             | 1           | 7                      | 48                            | 2006-07                                |
| 9.           | Home  | 1           | 2                      | 11                            | 2009-10                                |
| 10.          | Industries & Commerce                       | 12          | 22                     | 114                           | 2005-06                                |
| 11.          | Information & Technology                    | 2           | 3                      | 22                            | 2008-09                                |
| 12.          | Mines & Minerals                            | 1           | 2                      | 14                            | 2008-09                                |
| 13.          | Tourism                                     | 1           | 3                      | 23                            | 2006-07                                |
| 14.          | Transport                                   | 1           | 42                     | 133                           | 2006-07                                |
| 15.          | Welfare of Plains Tribes & Backward Classes | 3           | 6                      | 24                            | 2005-06                                |
| 16.          | Hill Areas                                  | 1           | 1                      | 10                            | 2011-12                                |
| 17.          | Irrigation                                  | 1           | 1                      | 2                             | 2012-13                                |
| 18.          | Soil Conservation                           | 1           | 1                      | 7                             | 2011-12                                |
| 19.          | Power                                       | 4           | 117                    | 605                           | 2004-05                                |
| <b>Total</b> |   | <b>36</b>   | <b>221</b>             | <b>1105</b>                   |  |

## Annexure 13

**Statement showing the department-wise draft paragraphs/performance audit replies to which are awaited**

*(Referred to in paragraph 3.8.3)*

| Sl. No.      | Name of the Departments | Number of Draft Paragraphs | Number of Performance audit report | Period/date of issue |
|--------------|-------------------------|----------------------------|------------------------------------|----------------------|
| 1.           | Power                   | 04                         | --                                 | April to July 2013   |
| 2.           | Transport               | 02                         | --                                 | July 2013            |
| 3.           | Information Technology  | --                         | 01                                 | August 2013          |
| <b>Total</b> |                         | <b>06</b>                  | <b>01</b>                          | --                   |

## Annexure 14

### ABBREVIATIONS USED IN THE AUDIT REPORT

(in alphabetical order)

| Sl. No. | Abbreviation | Full form  |
|---------|--------------|--|
| 01.     | ANIAC        | Assam Network Implementation and Advisory Committee  |
| 02.     | ARBAS        | Anandoram Barooah Award Scheme                       |
| 03.     | ASWAN        | Assam State Wide Area Network                        |
| 04.     | ATNs         | Action Taken Notes                                   |
| 05.     | BHQ          | Block Headquarters                                   |
| 06.     | BOT          | Build, Operate and Transfer                          |
| 07.     | BOOT         | Build, Own, Operate and Transfer                     |
| 08.     | CSC          | Common Service Centre                                |
| 09.     | DCC          | District Computer Centre                             |
| 10.     | DeitY        | Department of Electronics and Information Technology |
| 11.     | DHQ          | District Headquarters                                |
| 12.     | DPR          | Detailed Project Report                              |
| 13.     | GDP          | Gross Domestic Product                               |
| 14.     | G2G          | Government to Government                             |
| 15.     | G2B          | Government to Business                               |
| 16.     | G2C          | Government to Citizen                                |
| 17.     | GOA          | Government of Assam                                  |
| 18.     | GOI          | Government of India                                  |
| 19.     | ICT          | Information & Communication Technology               |
| 20.     | IT           | Information Technology                               |
| 21.     | LAN          | Local Area Network                                   |
| 22.     | MIS          | Management Information System                        |
| 20.     | MMSCMD       | Million Standard Cubic Meter Per Day                 |
| 21.     | NeGP         | National e-Governance Plan                           |
| 22.     | OFC          | Optical Fibre Cable                                  |
| 23.     | QGR          | Quarterly Guaranteed Revenue                         |
| 24.     | RFP          | Request for Proposal                                 |
| 25.     | RGCLP        | Rajiv Gandhi Computer Literacy programme             |
| 26.     | SAR          | Separate Audit Report                                |
| 27.     | SDA          | State Designated Agency                              |
| 28.     | SDC          | State Data Centre                                    |
| 29.     | SDHQ         | Sub-Divisional Headquarters                          |
| 30.     | SeMT         | State e-Governance Mission Team                      |
| 31.     | SLA          | Service Level Agreement                              |
| 32.     | SP & SSDG    | State Portal and State Service Delivery Gateway      |
| 33.     | SPSUs        | State Public Sector Undertakings                     |
| 34.     | TPA          | Third Party Auditor                                  |