



**Report of the  
Comptroller and Auditor General of India  
on  
Social, Economic, General and Revenue Sectors  
for the year ended 31 March 2018**



**लोकहितार्थ सत्यनिष्ठा**  
Dedicated to Truth in Public Interest

**Government of Arunachal Pradesh**  
*Report No. 2 of 2019*



**Report of the  
Comptroller and Auditor General of India  
on  
Social, Economic, General and Revenue Sectors  
for the year ended 31 March 2018**

**Government of Arunachal Pradesh**  
*Report No. 2 of 2019*



## TABLE OF CONTENTS

	<i>Paragraphs</i>	<i>Pages</i>
<b>Preface</b>		iii
<b>Chapter-I: Overview</b>		
Introduction	1.1	1
Planning and conduct of Audit	1.2	1
Accountability Mechanism	1.3	1
Significant Audit Observations	1.4	2
<b>Chapter-II: Compliance Audit Paragraphs</b>		
<b>Urban Development &amp; Housing Department</b>		
Unfruitful Expenditure	2.1	3
<b>Public Works Department</b>		
Fraudulent expenditure	2.2	4
Overpayment to a contractor	2.3	5
<b>Department of Horticulture</b>		
Idle expenditure	2.4	7
<b>Department of Power</b>		
Loss of revenue	2.5	8
Deemed Misappropriation of funds	2.6	10
<b>Agriculture Department</b>		
Irregular expenditure	2.7	11
<b>Planning Department</b>		
Unauthorised expenditure	2.8	12
Infructuous expenditure	2.9	12
<b>Revenue Receipts</b>	2.10	14
Audit criteria	2.10.1	15
<b>Taxation Department</b>		
Poor internal controls in assessing returns	2.10.2	16
Loss of revenue	2.10.3	18
Non-imposition of penalty	2.10.4	19
<b>State Excise Department</b>		
Loss of revenue	2.10.5	20

<b>Chapter-III: Public Sector Undertakings</b>		
Introduction	3.1	23
Investment in SPSUs	3.2	23
Special support and returns during the year	3.3	23
Reconciliation with Finance Accounts	3.4	24
Arrears in finalisation of accounts	3.5	24
Return on investment	3.6	25
Return on investment on the basis of historical cost of investment	3.7	26
Erosion of Net worth	3.8	26
Return on Capital Employed	3.9	27
Projects executed by Arunachal Pradesh Energy Development Agency (APEDA)	3.10	27

<b>Appendices</b>		
<b>Appendix No</b>	<b>Subject</b>	<b>Page (s)</b>
1.1	Statement showing details of pending Explanatory Notes on Paragraphs of Audit Reports as of March 2019	31
1.2	Status of outstanding Action Taken Notes (ATNs) on the recommendations of the Public Accounts Committee as of March 2019	35
2.1	Comparison between payment and Measurement books	37
2.2	List of HT consumers metered on LT side	38
2.3	Short levy of tariff due to misclassification of consumers	46
2.4	Payment details for shifting of electrical structures under double lane works	49
2.5	Expenditure incurred on maintenance of assets under RKVY	50
2.6	Details of short-deduction of VAT by EE, Highway Division (PWD), Jairampur	52
2.7	Details of short-payment of tax for 2015-16	53
2.8	Details of penalty for non-furnishing of FF-16 by DDOs	54
2.9	Non-realisation of licence fee and penalty from Bonded Warehouses	58
3.1	Summarised financial position and working results of PSUs (all Government companies) as per their latest finalised financial statements/accounts as on 30 September 2018	59

## PREFACE

1. *This Report of the Comptroller and Auditor General of India has been prepared for submission to the Governor of Arunachal Pradesh under Article 151 of the Constitution of India for being laid on the floor of the State legislature.*
2. *This Report contains significant results of compliance audit of the Departments of the Government of Arunachal Pradesh under Social, Economic, General and Revenue Sectors including Urban Development & Housing Department, Agriculture Department, Finance Department, Public Works Department, Horticulture Department, Power Department, Planning Department, Taxation Department, State Excise Department and Arunachal Pradesh Energy Development Agency.*
3. *The cases mentioned in the Report are those which came to notice in the course of test audit during the year 2017-18, as well as those which came to notice in earlier years, but could not be dealt with in the previous Reports. Matters relating to the period subsequent to 2017-18 have also been included, wherever necessary. The Report has been finalized after considering the response of the Government Departments, wherever received.*
4. *Audits has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.*



# **CHAPTER – I**

## **Overview**



# Chapter-I Overview

## 1.1 Introduction

This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from test audit of transactions of various Departments of the Government of Arunachal Pradesh pertaining to General, Social, Economic and Revenue Sectors.

The primary purpose of this Report is to bring to the notice of the State Legislature, significant results of audit. Auditing Standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions. The findings of audit are expected to enable the Executive to take corrective action, to frame appropriate policies as well as to issue directives that will lead to improved financial management and contribute to better governance.

This Chapter, in addition to explaining the planning and coverage of audit, provides a synopsis of significant instances of non-compliance with applicable laws, rules, regulations, various orders and instructions issued by competent authorities.

## 1.2 Planning and conduct of Audit

Audit process commences with the assessment of risk of the departments based on the expenditure incurred, criticality/complexity of activities, priority accorded for the activity by the Government, level of delegated financial powers, assessment of internal controls, concerns of stakeholders, previous audit findings etc. Based on this risk assessment, frequency and extent of audit are decided and an annual audit plan is formulated to conduct audit.

After completion of each audit, Inspection Report (IR) containing audit findings is issued to the Head of the unit with a request to furnish replies within one month of receipt of the IR. Wherever replies are received, audit findings are either settled or further action for compliance is advised. Significant audit observations pointed out in these IRs, which require attention at the highest level in the Government, are processed for inclusion in the Audit Reports which are submitted to the Governor of Arunachal Pradesh under Article 151 of the Constitution of India for causing them to be laid on the Table of the State Legislature.

## 1.3 Accountability Mechanism

Heads of Offices and the next higher authorities are required to respond to the observations contained in the IRs and take appropriate corrective action. As of 31 March 2018, 4,185 Paragraphs pertaining to 802 IRs, involving ₹ 3,597 crore were outstanding, and even first replies were not received from 213 offices in respect of 343 IRs issued between 1985-86 to 2017-18.

Lack of action on audit IRs and Paragraphs is fraught with the risk of perpetuating serious financial irregularities pointed out in these Reports, dilution of internal controls in the process of governance, inefficient and ineffective delivery of public goods and services, fraud, and loss to public exchequer.

Finance Department of the Government of Arunachal Pradesh issued instructions (June 1996), to the Administrative Departments to submit a *suo motu* Explanatory Notes

(ENs) on the Paragraphs/Performance Reviews included in the Audit Reports relating to their area of work, indicating the action taken or proposed to be taken, and submit the 'Action Taken Notes' (ATNs) to the Assembly Secretariat with a copy to the Accountant General and Secretary, Finance Department, within three months from the date of receipt of the Report.

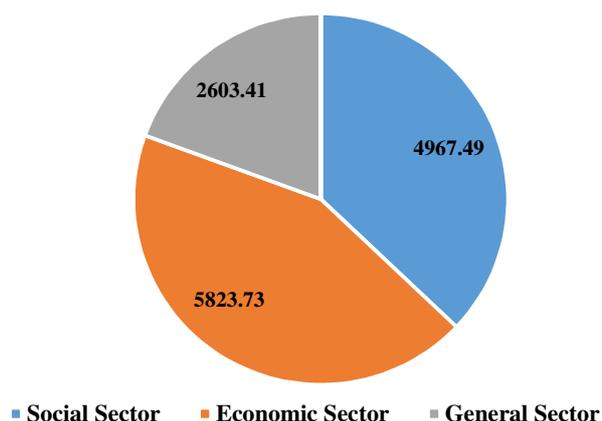
As per the decision taken in the National level Conference on "Legislature Audit Interface" held in July, 2010, State Public Accounts Committee (PAC)/Committee of Public Sector Undertakings (CoPU) have transferred 144 Paragraphs pertaining to the period from 1994-95 to 2007-08 to the State Government for their follow-up. However, no ATNs on these have been received from the concerned Departments (March 2019).

Further, as regards submission of *suo motu* ENs on Paragraphs included in the Reports of the CAG from 2008-09 to 2016-17, as of March 2019, ENs on 207 Paragraphs of the Audit Reports were outstanding from various Departments (**Appendix-1.1**).

The Administrative Departments were also required to take suitable action on recommendations of the PAC/ CoPU in their Reports presented to the State Legislature. The PAC specified the time-frame for submission of ATNs as one month. Review of 16 Reports of the PAC containing recommendations on 94 Paragraphs in respect of 25 Departments included in Audit Reports presented to the Legislature between September 1994 and September 2015 revealed that, none of the Departments sent ATNs to the Assembly Secretariat as of March 2019. Thus, status of implementation of recommendations of the PAC by the Administrative Departments could not be ascertained in audit (**Appendix-1.2**).

## 1.4 Significant Audit Observations

Sector-wise expenditure (Rupees in crore)



During the year 2017-18, the State Government had incurred an expenditure of ₹ 13,395 crore against the budget provision of ₹ 18,721 crore under Social, Economic and General Sectors. Sector wise expenditure is depicted in the chart alongside.

This Report contains findings of audit from a test check of the transactions of 118 units<sup>1</sup> in the Social, Economic, General and

Revenue Sectors involving an expenditure of ₹ 6186 crore<sup>2</sup>. Significant audit findings are discussed in the succeeding chapters.

---

<sup>1</sup> Social Sector :27 units, Economic Sector :48 units, General Sector :20 units, Revenue Sector :22 units and Public Sector Undertakings: 1 unit.

<sup>2</sup> ₹ 3788.43 crore under Social Sector, ₹ 1486.32 crore under Economic Sector and ₹ 911.70 crore under General Sector.

**CHAPTER – II**  
**Compliance Audit paragraphs**



## Chapter-II Compliance Audit Paragraphs

### Urban Development & Housing Department

#### 2.1 Unfruitful expenditure

**An expenditure of ₹ 1.11 crore incurred on the civil component of a Museum building at Koloriang was rendered unfruitful due to non-utilisation of the building**

GoAP sanctioned (November 2012) an amount of ₹ 1.11 crore for ‘*Construction of Hamchang Gyabe Museum Building at Koloriang in Koloriang District*’ with Thirteenth Finance Commission (TFC) grants, with the objective of preserving Nyishi and other tribal artefacts, arts, crafts, and handlooms, including items of their socio-cultural life.

The work involved construction of a Museum building, compound wall, approach road, open parking place, *etc.* GoAP released the entire amount (2013-16) to Koloriang Division of Urban Development & Housing Department (UD&HD) for executing the works. The work commenced in July 2014 and was completed in January 2016 at a cost of ₹ 1.11 crore

Scrutiny of records (December 2017) of the Deputy Director, UD&HD, Koloriang Division revealed the following:

- Technical sanction was not accorded for the work; and the work was executed through six contractors<sup>1</sup> by issuing 31 work orders without call of tenders in violation of the extant rules.
- The detailed project report (DPR) prepared by the Deputy Director, UD&HD, Koloriang and approved by the High Level Monitoring Committee chaired by the Chief Secretary, GoAP, did not contain details of sourcing of the artefacts that were to be exhibited, staff deployment and how the Museum would be kept functional.
- While the site of the Museum is two kms from the main road, the DPR considered an approach road of only 160 meters.

It was further observed in audit that the Deputy Director, Koloriang Division informed (May 2017) the Deputy Commissioner (DC), Kurung Kumey District, Koloriang that the project had been completed as per specifications and requested him to verify and take it over for its utilisation. The DC had neither taken it over nor had he engaged any agency for its functioning and management as of the date of audit (October 2018). The reason for not taking over the possession of the building despite the lapse of more than two years of its completion (January 2019), was not on record.

Joint inspection (June 2017) of the work site by Departmental officers and Audit staff revealed the approach road in a deteriorated condition and unmotorable. The building was found abandoned with shattered windows and filth/stains caused by encroachers, as there was no ward and watch as can be seen from the following photographs:

<sup>1</sup> 1. M/s Bro’s Enterprises, 2. M/s Smty Bengia Yojik, 3. M/s T.C. Enterprises, 4. M/s Pipi Enterprises, 5. J.K Consultants, 6. M/s C. Brother’s Enterprises.



In reply (May 2018), the Department stated that the project was successfully completed and that, it had repaired the broken window glasses many times and the Museum might be functional if there is road connectivity to the Museum from the main road, which was two kms away. The Department felt that, it was the responsibility of the District Administration to make it functional and utilise it.

With completion of only civil construction work, without linkage to the approach road, the Museum could not be operationalized over three and a half years after completion, and seven years after sanctioning it. Thus, an amount of ₹ 1.11 crore incurred on construction of the Museum became unfruitful as the objective of preserving Nyishi and other tribal arts, crafts and handlooms was not achieved.

Response of the concerned DC (District Administration) has not been received (July 2019).

## **Public Works Department**

### **2.2 Fraudulent expenditure**

#### **Payment of ₹ 1.97 crore was made without supporting records for execution of work**

According to Section 7.1 (4) of CPWD Works Manual<sup>2</sup>, payments to contractors and others for the work done or other services rendered are to be made on the basis of measurements recorded in the Measurement Book (MB).

Scrutiny of records (April 2018) of the Executive Engineer, PWD Tezu Division revealed that the Chief Engineer (Eastern Zone) allotted (March 2016) Rupees seven crore to the Division for 'Improvement and Maintenance of Roads'. Scrutiny of vouchers relating to the work showed that the Division spent ₹ 6.96 crore (out of ₹ 7 crore) on maintenance of various roads<sup>3</sup> in Tezu and Sunpura township between October – December 2016 on items like filling pot-holes, hiring of wheel-loader, maintenance of earthen shoulder, etc. However, vouchers relating to payment of ₹ 1.97 crore made on

<sup>2</sup> Government of Arunachal Pradesh does not have its own PWD Manual. Therefore, the State follows the CPWD Manual.

<sup>3</sup> Internal road to PLC Tezu; Tezu township road; Sunpura town ship Road; Sunpura road to 19<sup>th</sup> mile via Jeko village; BRO road to MepoBasti via Danglat Village; etc.

15 and 22 October 2016 to five contractors<sup>4</sup> did not indicate the exact chainage or location where the works were stated to have been executed.

Audit scrutiny revealed that none of the works shown as executed in the vouchers was recorded in the MB. In fact, pages 63-75 of MB No. TD/6410 mentioned in the vouchers where the measurements were stated to have been recorded, were blank. In other pages of MB (No. TD/6410), the entries were not related to the works detailed in these vouchers. Further, as per the vouchers, the work was shown to have been executed during May to July 2016 but as per entries in the MB, the works were executed during October 2010 to March 2018 (**Appendix-2.1**).

In the absence of authentic measurement and verification of work by competent authorities<sup>5</sup>, the veracity of works shown to have been executed at a cost of ₹ 1.97 crore cannot be vouched in Audit. Considering that the payment was made without relevant entries in support of the work executed, the possibility of fraudulent payment of ₹ 1.97 crore cannot be ruled out.

The case was reported to the Department in June 2018; reply has not been received (July 2019).

### **2.3 Overpayment to a contractor**

#### **Excess payment of ₹ 2.52 crore to contractor**

As per section 7 & 9 of Central Public Works Department (CPWD) Manual 2014, which was adopted by the State Government, all items of work in a project irrespective of their cost shall be measured and recorded by the Junior Engineer-in-charge in the Measurement Book (MB) of the work. Before the bill of a contractor/supplier is passed, entries in the MB relating to the description and quantities of work/supplies should be scrutinised by the Assistant Engineer, and calculation of "Contents or Area" should be checked arithmetically under his supervision. The bill should then be checked, passed and paid in the office of the Executive Engineer from the MB entries.

Ministry of Development of North Eastern Region (DoNER), GoI accorded (September 2013) administrative and financial approval for the project "*Construction of road from Yembung-Yemsing road to Tarak Village (Phase-I)*" in East Siang District, at an estimated cost of ₹ 28.18 crore under Non-Lapsable Central Pool of Resources (NLCPR). The project cost was to be shared between GoI and GoAP in the ratio of 90:10 (i.e. ₹ 25.36 crore and ₹ 2.82 crore). Technical sanction was accorded (February 2014) by the Chief Engineer, Central Zone-B, PWD. The target date of completion of the project was 31 August 2016. The objective of the project was to provide road connectivity between districts of East Siang and West Siang, covering 22 villages.

<sup>4</sup> (i) M/S Arunachal Trading Company, (ii) M/s K T Enterprises, (iii) M/s MG Enterprises, (iv) M/s US Enterprises, (v) M/s Unique Enterprises

<sup>5</sup> As per Para 7.11.3 of CPWD Manual, the Assistant Engineer should test check at least 50 per cent and Executive Engineer should check 10 per cent of measurement.

The Ministry released its share amounting to ₹ 20.28 crore in two instalments (₹ 10.14 crore in September 2013 and ₹ 10.13 crore in October 2017), while State Government released its entire share of ₹ 2.82 crore in March 2017.

Scrutiny (November 2017) of records of the Executive Engineer (EE) PWD, Boleng revealed the following:

- (i) The work was awarded (30 December 2015) at a contracted cost of ₹ 28.16 crore to M/s N.T. Agency, Naharlagun through tender on turnkey basis after a delay of more than two years from the date of administrative and financial approval (September 2013). The Executive Engineer attributed the delay to a litigation in Guwahati High Court regarding tender. The work commenced in January 2016.
- (ii) Out of nine components of works<sup>6</sup>, five components were stated to have been completed as of September 2018 and the contractor was paid an amount of ₹ 23.28 crore. There was no further progress in the work, on account of non-release of balance funds.
- (iii) The volume of earth to be excavated as per technical sanction under the component 'Formation cutting' was estimated at 528362.10 cum for a length of 15.850 km consisting of three types of earth work, as per following details:

**Table 2.1 Estimated provision**

Sl. No.	Classification of soil	Quantity (in cum)	Rate per cum (in ₹)
1	Excavation in Hill Area in soil (Mechanical)	326378.11	151.50
2	Excavation in Hill Area in ordinary rock (Manual)	177639.04	352.49
3	Excavation in Hard Rock (Blasting)	24344.95	273.71

It was observed in Audit that, while the total quantity executed was shown as 528362.10 cum in the summary in MB (No. BD/792-page no. 1 to 100), the aggregate of the chainage wise quantities recorded in different pages of the same MB worked out to only 387098.02 cum.

Considering that the actual quantity executed was only 387098.02 cum and supporting details were not available in the MBs for 141264.07 cum, the possibility of fraudulent payment of ₹ 2.52 crore to the contractor cannot be ruled out.

Further, the objective of providing road connectivity could not be achieved so far due to non-completion of essential components of road works like culvert, protection works, BT laying, etc., due to non-release of balance funds.

The matter was reported to the Department/Government (May 2018); reply has not been received (July 2019).

---

<sup>6</sup> Jungle clearance, formation cutting, RCC bridge 30 m span, RCC bridge 18 m span, cross drainage-RCC culverts, protection works, pavement works & BT carpeting, Side drain, Road signboards, Km stone

## Department of Horticulture

### 2.4 Idle expenditure

**Due to non-execution of the basic components and lack of timely action within the warranty period for maintenance by the Department, the packaging plant remained incomplete leading to idle expenditure of ₹ 94.35 lakh**

State Government accorded (March 2013) administrative approval and expenditure sanction for ₹ 94.35 lakh for the work “*Establishment of Packaging Units at Namsai, Lohit District*” to the District Horticulture Officer (DHO), Tezu under Special Plan Assistance scheme. The objective of the work was to provide enhanced remuneration to farmers for their horticultural produce by means of market linked packaging of sub-tropical fruits and vegetables in corrugated cartons with tag labels for identification.

Scrutiny of records (June 2017) of DHO, Tezu revealed the following.

- (i) Twenty supply orders and one work contract were placed on 11 contractors/suppliers for an amount of ₹ 94.35 lakh<sup>7</sup> on work order basis, without following the tendering procedures in contravention of Rule 136 of General Financial Rules (GFRs) 2017;
- (ii) DHO Tezu claimed (February 2014) in the physical and financial achievement report, Utilisation Certificate and Completion Certificate, that the entire sanctioned amount of ₹ 94.35 lakh was utilised for the work and all the items of the work have been completed in all respects as per standard specifications.

However, joint inspection (June 2017) by the departmental and Audit officers at the work site revealed that the basic components like shed for diesel generator, washing and drying chambers, electrification of shed and packaging unit were not executed. Consequently, the Packaging unit remained non-functional as can be seen from the following photographs taken during joint physical inspection by the Audit team with departmental officials:



<sup>7</sup> One Contractor for c/o packaging shed and DG shed (₹ 20.37 lakh) and 10 Suppliers for procurement of packaging machinery, transformer, office stationery, etc. (₹ 73.98 lakh) = ₹ 94.35 lakh.



Considering that the packaging unit remained incomplete since February 2014 despite the claim of the DHO that it was completed in all respects, the Department should hold him accountable for submitting false completion certificate by concealing the fact of non-execution of the basic components.

The DHO informed the supplier (M/s Ari cool Refrigerator DUNCON, Dimapur) only in July 2015 (after expiry of the warranty period in December 2014), that the Unit was not functioning after the demonstration, and requested to depute technical staff/engineer for inspection and maintenance of the machinery. This was however, not done.

Thus, due to non-execution of the basic components and failure to take timely action within the warranty period by the Department, the packaging plant remained incomplete leading to idle expenditure of ₹ 94.35 lakh for more than four years, and the objective of the project to add value to the horticultural produce could not be achieved.

In reply, the Department accepted (October 2018) that basic components like shed for DG set and drying & washing chamber were not constructed and stated that the missing machinery will be procured and the packaging unit would be operationalised within this financial year.

## Department of Power

### 2.5 Loss of revenue

#### **Non-levy of tariff at correct rate for metered consumption of HT consumers and miss-classification of consumers resulted in loss of revenue of ₹ 22.10 lakh**

Arunachal Pradesh Department of Power (APDoP) is a deemed licensee in terms of section 14 of the Electricity Act 2003 and is responsible for transmission and distribution of electricity in the State. Arunachal Pradesh State Electricity Regulatory Commission (APSERC) determines the tariff for supply of electricity to various categories of consumers like domestic, industrial, agricultural consumers, etc. duly segregated as Low Tension (LT) and High Tension (HT) consumers based on the Aggregate Revenue Requirement (ARR) and tariff petition filed by Department of Power. As per Section 11 of Schedule III (General Conditions of Supply) of the Tariff Orders 2013-14 to 2017-18 issued (May 2013 to September 2017) by APSERC mission, all consumers who are supplied electricity at HT, but are metered on LT side of the transformer, would be charged an additional three *per cent* over the metered consumption.

During scrutiny of records (2014-15 to 2017-18) of five out of 27 divisions (including two independent sub-divisions) of the Department of Power, it was observed that as of

August 2018, these five divisions had a total of 206 HT consumers<sup>8</sup>. Out of these, test check revealed that 104 HT consumers<sup>9</sup> were getting their supply at HT but metered on LT side of the transformer. The Divisions raised and collected electricity bills of ₹ 5.34 crore from these 104 consumers against the consumption of 1,31,94,176 units during May 2013 to January 2018. However, it was observed that contrary to the provisions of the Tariff Orders 2013-14 to 2015-16, the five Divisions raised monthly energy bills on those consumers without charging the additional three *per cent* over the metered consumption. The actual demand as per Tariff orders for these 104 HT consumers (considering additional three *per cent*) should have been ₹ 5.50 crore, against which, the Divisions collected only ₹ 5.34 crore resulting in loss of revenue of ₹ 16.01 lakh (**Appendix-2.2**).

It was further observed that, there was short collection of revenue of ₹ 6.09 lakh<sup>10</sup> due to misclassification of 52 consumers (**Appendix-2.3**) and levy of tariff at a lower rate than that applicable. Commercial enterprises were billed at domestic consumer tariff, which was lower, instead of applying commercial tariff.

Thus, failure of the Department to ensure compliance with the provisions of the Tariff Supply Order with regard to additional three *per cent* over the metered consumption and levying of bills at a lower rate than that applicable, resulted in loss of revenue of ₹ 22.10 lakh<sup>11</sup> to the Government.

Similar lapse of the Department was featured in the Audit Report for the year ended 31 March 2015 in respect of three other divisions<sup>12</sup>. However, the Department has not initiated corrective action.

Since audit finding is based on a test check of five out of 27 divisions of the Department of Power, State Government needs to carry out a comprehensive analysis of its billing database and ensure integrity of data relating to classification of consumers and correctness of tariff applied to various categories of consumers across all 27 divisions.

---

<sup>8</sup> Daporijo Electrical Division (16 nos.), Bomdila Electrical Division (29 nos.), Pasighat Electrical Division (20 nos.), Naharlagun Electrical Division (129 nos.) and Hayuliang Electrical Division (12 nos.).

<sup>9</sup> Daporijo Electrical Division (7 nos.), Bomdila Electrical Division (29 nos.), Pasighat Electrical Division (19 nos.), Naharlagun Electrical Division (37 nos.) and Hayuliang Electrical Division (12 nos.).

<sup>10</sup> Hayuliang Division: ₹ 0.52 lakh, Daporijo: ₹ 2.26 lakh, Hayuliang Division: ₹ 0.03 lakh and Pasighat Division: ₹ 3.28 lakh

<sup>11</sup> ₹ 16.01 lakh(non-levying of additional 3 *per cent*) + ₹6.09 lakh (miss-classification of consumers) = ₹ 22.10 lakh

<sup>12</sup> Capital, Aaloand Namsai Divisions

## 2.6 Deemed misappropriation of funds

**Opening and operating current account unauthorisedly by the Executive Engineer, Basar Electrical Division resulted in deemed misappropriation of ₹ 4.78 crore**

As per Para 16.2.1 of Central Public Works Accounts Code (followed by State Government), the amount received under deposit works should be credited to the Head of Account '108 – Public Works Deposits' under 'Major Head 8443 – Civil Deposits' and all expenditure incurred is to be debited to this account. Further, Rule 7 of GFR stipulates that all moneys received by or on behalf of the Government either as dues of Government or for deposit, remittance or otherwise, shall be brought into Government account without delay.

The Executive Engineer (EE), Basar Electrical Division office has two Current Accounts (Numbers: 33325961745 and 34627111414) with the State Bank of India, Basar Branch operated under the designated name of the Executive Engineer. However, there was no authorisation from the competent authority to the EE to open/operate Current Account.

Audit scrutiny showed that National Highway Infrastructure Development Corporation (NHIDC) Limited transferred (6 May 2016) estimated cost of ₹ 5.38 crore for the work '*Shifting of Electrical Structures for Double Lane of Akajan – Likhali – Bam Road (12 KM to 33 KM and 33 KM to 65 KM)*' for ongoing double lane road to EE, Basar Electrical Division. Similarly, M/s Bharat Sanchar Nigam Limited (BSNL) transferred (18 July 2016) estimated cost of ₹ 9.20 lakh for the work '*providing 3 Phase service connection to Microwave Mobile at Sago Village*'. These amounts were deposited into the Current Account of EE, Basar Electrical Division.

Further scrutiny of records (January 2017) of the EE, Basar Electrical Division revealed the following:

- (i) The Division issued (April 2016) 16 work orders to seven contractors for supply of electrical items *viz.*, poles, MS angles, wires, *etc.* amounting to ₹ 77.52 lakh (**Appendix-2.4**) without obtaining technical sanction and without following tendering procedures;
- (ii) Rupees 77.05 lakh was shown to have been paid (May 2016) to the contractors (from the Current Account, into which the deposit amounts were transferred),
  - a. without recording the payment details on vouchers,
  - b. without recording the measurements in MBs, and
  - c. without routing the payment through Divisional Accountant, who has to scrutinise and pass the bills.
- (iii) The Division unauthorisedly transferred ₹ 5.55 crore (₹ 5.09 crore from Current Account No. 33325961745 to nine unknown bank accounts from 6 May 2016 to 10 June 2016 and an amount of ₹ 0.46 crore to four unknown bank accounts from Current Account No. 34627111414 during the period from 14 June 2016 to 6 August 2016). These transfers were not supported by any documents, vouchers

or even entries in the Cash book. The transactions pertaining to these transfers were not routed through the regular process of passing the bills. Even the cheque book and pass books of the Accounts were not handed over by the then EE upon his transfer. These payments could not therefore be verified in audit and the amount of ₹ 5.55 crore is considered deemed misappropriation of funds.

Opening/operating and parking of Government funds in Current Account without obtaining approval from the competent authority led to suspected misappropriation of ₹ 4.78 crore<sup>13</sup> at the State Bank of India, Basar Branch.

The matter needs to be investigated and appropriate action taken to recover Government money.

## Agriculture Department

### 2.7 Irregular expenditure

#### **An amount of ₹ 8.52 crore was diverted and incurred on works not permissible under the Rashtriya Krishi Vikash Yojana**

GoI launched the Rashtriya Krishi Vikas Yojana (RKVY) during 2007-08, as a 100 *per cent* centrally funded scheme, with the objective of bringing quantifiable changes in the production and productivity of various components of agriculture and allied sectors. As per the operational guidelines of the scheme, expenditure only directly related to the development of agriculture and allied sectors is allowed and no expenditure on maintenance of assets or recurring expenses is covered.

Scrutiny (July 2018) of records of the Director, Agriculture Department revealed that during April 2013 to March 2018, State Government released ₹ 44.53 crore to the State for implantation of RKVY. Out of this amount, the Director, Agriculture, Naharlagun, diverted ₹ 8.52 crore towards maintenance/renovation of various assets such as residential/non-residential buildings, Garages, Office rooms, *etc.* (details given in **Appendix-2.5**).

In reply, the Department stated (January 2019) that the expenditure was incurred on repair/renovation and maintenance of assets on priority basis as a one-time measure.

The Department's reply is not acceptable, as expenditure on maintenance of assets or recurring expenses is not covered under any components of the scheme. The expenditure of ₹ 8.52 crore was thus in violation of the scheme guidelines.

Considering that ₹ 8.52 crore was expended on inadmissible items in one unit office alone, Government may verify similar inadmissible/irregular expenditure in all other unit offices in the State.

<sup>13</sup> ₹ 5.55 crore transferred to unknown accounts - ₹ 77.05 lakh shown to have been paid to contractors=  
₹ 4.78 crore

## Planning Department

### 2.8 Unauthorised expenditure

**Deputy Commissioner (DC), Namsai, District Planning Officers, Aalo and Ziro incurred an unauthorised expenditure of ₹ 1.57 crore**

Rule 26 (ii) of the General Financial Rules 2005 (adopted by GoAP) specifies that the controlling officer, in respect of funds placed at his disposal, is to ensure that the expenditure is incurred for the purpose for which funds have been provided.

State Government reintroduced 'Untied Fund' to be placed at the disposal of Deputy Commissioners (DC) and Additional Commissioners (ADC) during 2008-09, for execution of works of very urgent nature directly benefiting the community as a whole, and to meet critical gaps in infrastructure as per needs of the district/area. The works taken up should not cost more than ₹ 10 lakh in each case and the expenditure should not be of a recurring nature.

Scrutiny of records of DC, Namsai (July 2017), DPO, Aalo (November 2017) and Ziro (November -December 2017) revealed that, during the period January 2014 to March 2017, the DC/ DPOs of the three districts sanctioned a total amount of ₹ 1.57 crore (DC Namsai: ₹ 25 lakh, DPO Ziro: ₹ 102 lakh, DPO Aalo: ₹ 29.91 lakh) for renovation, painting & maintenance of the official residential bungalows/office buildings (₹ 72.05 lakh) and celebration of festivals (₹ 84.86 lakh) in violation of the provisions of 'Untied Fund' as laid down by the GoAP in its notification issued in October 2008.

The expenditure of ₹ 1.57 crore was neither for execution of works of an urgent nature, nor for meeting critical gaps in infrastructure, but was in the nature of recurring expenditure which should be met from the regular allocations made.

Government needs to fix responsibility on the concerned DCs who accorded administrative approval and expenditure sanction to all these works, which were in violation of the approved guidelines of the scheme.

The matter was reported to the Government/Department (February 2018); reply has not been received (July 2019).

### 2.9 Infertuous expenditure

**Objective of segregating solid waste and recycling garbage in Ziro township and generating revenue out of this activity was not achieved despite spending ₹ 1.11 crore**

GoAP approved (October 2012) 'construction of Resource Recovery Park at Ziro' in Lower Subansiri District under District Innovation Fund (DIF) (GoI scheme) at a cost of ₹ 1.11 crore<sup>14</sup> (to be shared in the ratio of 90:10 by DIF and State). The objective of the project was to provide space with necessary infrastructure, machinery tools and manual

<sup>14</sup> State share:- ₹ 9.95 lakh (March 2012) + ₹ 1.16 lakh (May 2015) = ₹ 11.11 lakh,  
Centre share: ₹ 50 lakh (March 2013) + ₹ 50 lakh (October 2015) = ₹ 100 lakh.

labour to sort, clean and segregate waste collected from the shops, commercial establishments, households, store non-biodegradable discards like plastic, paper, *etc.*, and make it available for production and consumption purposes as a part of integrated solid waste management in the town of Ziro. The project also envisaged that while dealing with solid waste more effectively, it would generate revenue to sustain future operations and create profit out of it.

The work was executed by the Urban Development and Housing Department (UD & HD), Ziro. Scrutiny of records (October 2017) of the District Planning Officer (DPO), Ziro revealed the following:

- (i) The project consisted of 12 components<sup>15</sup> including construction<sup>16</sup> of Resource Recovery Park and procurement and supply of five machines<sup>17</sup>;
- (ii) The DPR was bereft of the details relating to institutional arrangements for operating the facility including staffing, disposal of the re-cycled products, electricity connection, *etc.*
- (iii) The construction commenced in August 2012 on work order basis without inviting tenders, in violation of rules;
- (iv) As per payment vouchers, cash book, *etc.*, all the components of construction work, except footpath, were recorded to have been executed as per estimated provision; the Department released the entire sanctioned amount of ₹ 1.11 crore to the executing agency (UD&HD) in December 2015 by certifying that the project has been completed in full as per design and scope in the approved estimates;
- (v) the Department procured only two machines (shredding machine and tipper) against the provision of five machines at a cost of ₹ 28.58 lakh as against a provision of ₹ 13 lakh in the estimate;

As per the DPR, the building was to have adequate space for segregation and cleaning, for containment of hazardous material, for shredding and recycling the paper waste into paper plates, napkins, *etc.* However, during the joint physical verification (November 2017) of the site by the Audit team along with the departmental officers, it was noticed that there was no activity in the building and even the shredding machine, which was stated to have been procured and installed, was not installed. It was lying in the open field near Indoor Stadium, Ziro about 10 km from the project site, for more than three years from the date of procurement (December 2015) as can be seen from the photographs given below.

---

<sup>15</sup> Sorting and cleaning facility, storing facility, composting plant, Vermi composting plant, Biogas plant, transfer station, shredder machine, Bailing unit, Civil Construction, Grey water re-cycling plant, and Rain Water Harvesting facility.

<sup>16</sup> Civil Construction consisting of Formation cutting, RR wall, Compound Wall, Transfer Station, Office Building, Toilets, Shop cum Store, Septic Tank, Drive way, footpath and Parking Place.

<sup>17</sup> (1) Shredding machine (₹ 15.86 lakh), (2) Vertical bailing machine (₹ 2.32 lakh), (3) Tissue paper making machine (₹ 9.00 lakh), (4) Surf coated paper machine (₹ 4.00 lakh) & (5) Tipper truck machine (₹ 9.40 lakh).



*Shredding Machine lying idle in open field near Indoor Stadium, Ziro.*

Moreover, the essential equipment for paper re-cycling viz., vertical baling machine, tissue paper making machine, surf coated paper making machine were not procured. Consequently, infrastructure created could not be utilised and the resource recovery park was lying idle since completion (December 2015) as can be seen from the photographs given below.



While the Department has not provided any reasons for releasing the amount before completion of work, it stated (December 2018) that the matter has been reviewed by the District Administration and the implementing agency had assured that the resource recovery park would be operationalised by March 2019.

The objective of segregating solid waste and recycling the garbage in Ziro township and generating revenue out of this activity thus remained unachieved and an expenditure of ₹ 1.11 crore proved infructuous.

## **2.10 Revenue receipts**

Arunachal Pradesh is a Special Category State and area-wise, is the largest State in the North-Eastern region. Tax and non-tax revenue raised by GoAP during 2017-18, share of net proceeds of divisible Union taxes and duties assigned to the State, Grants-in-aid received from Government of India (GoI) during the year are shown below:

**Table 2.2 Trend of Revenue Receipts**

		(₹ in crore)
Sl. No.	Particulars	2017-18
Revenue raised by State Government		
	Tax revenue	815.57
	Non-tax revenue	366.18
<b>Total</b>		<b>1181.75</b>
Receipts from GoI		
	Share of net proceeds of divisible Union taxes and duties	9238.79
	Grants-in-aid	3354.06
<b>Total</b>		<b>12592.85</b>
<b>Total revenue receipts (1 +2)</b>		<b>13774.60</b>

Source: Finance Accounts of 2017-18

As can be seen above, during 2017-18, revenue collected by the State (₹ 1181.75 crore) was nine *per cent* of the total revenue receipts, with the balance 91 *per cent* coming from GoI.

### 2.10.1 Audit criteria

#### **Arunachal Pradesh Goods Tax Act, 2005 and Arunachal Pradesh Goods Tax Rules, 2005**

During 2017-18, out of 132 auditable units, 22 units of Tax & Excise Offices were audited (17 *per cent*). Out of these, 12 units were Tax offices, with 5448 VAT assesses, of which, 1362 (25 *per cent*) VAT assesses were test checked in audit. Audit scrutiny revealed under assessment/short levy/loss of revenue aggregating ₹ 30.94 crore in 130 cases, which were accepted by the Departments concerned. However, only ₹ 0.07 crore was recovered during 2017-18.

Under Section 34 (1) (b) and Section 87(10) of the Arunachal Pradesh Goods Tax (APGT) Act, 2005, if any person has furnished incomplete or incorrect returns, the Commissioner may assess or re-assess the tax due for a tax period, and the dealer will be liable, in addition to tax evaded, to pay penalty of a sum of ₹ one lakh or the amount of tax evaded whichever is greater. Further, Section 44 (2) of the Act stipulates payment of interest ranging between 12 to 24 *per cent* per annum computed on daily basis for the period of default in payment of tax due.

Under Section 5 (2) of the APGT, 2005, a dealer executing works contract shall be liable to pay VAT on the taxable turnover arrived at, after deduction of charges incurred towards labour, services, etc. If such charges are not ascertainable, a deduction of 25 *per cent* is allowed on the total turnover. Further, Section 47A of the Act *ibid* provides for deduction of VAT at source by the Government/Departments while making payment to works contractors at a rate of four *per cent* on the total value of works in respect of registered dealer who opted for 'Simplified Accounting Method for Works Contracts'. If the Drawing and Disbursing Officer (DDO) fails to deduct tax at source (TDS), he is also liable to pay penalty not exceeding twice the amount of tax.

Rule 43 A of the APGT Rules (Amendment) 2010, stipulates the manner of deduction of tax at source. For non-deduction or deduction of tax at lower rate at source, the dealer should submit an application to the prescribed authority. If the particulars and documents

furnished by the dealer are correct and complete in all respects the prescribed authority grants a certificate in Form FF 15 and forwards a copy of such certificate to the contractee for whom the work is executed. Under Section 47 A (1) (c) of the Act, if any person entering into any contract with any contractor for transfer of property in goods (whether as goods or in some other form) involved in the execution of works contract shall furnish within fifteen days from the date of signing of the contract, such information as may be prescribed to the Prescribed Authority under whose jurisdiction the contractor's place of business is situated. Further, Rule 43 A(2) (5) of the APGT Rules (Amendment) 2010 stipulates that the detailed information related to contract to be furnished to the prescribed authority in Form FF 16. Failure to do so shall entail a penalty not exceeding ₹ 500 per day of default after affording such person a reasonable opportunity of being heard. Further, as per Rule 43 A (6) (C) every person responsible for deduction of tax shall file a return in Form FF-19 within two months from the end of each year before the prescribed authority.

Instances of non-compliance with the above provisions noticed during test check of the records, which resulted in loss of revenue to Government, are discussed as follows:

## **Taxation Department**

### **2.10.2 Poor internal control in assessing returns**

#### **Failure of STs to verify the correctness of returns filed, led to non-detection of tax evasion of ₹ 1.62 crore**

- (i) A dealer (VAT TIN: 12170364169) declared a turnover of ₹ 36.49 lakh from counter sales in his self-assessed return (FF-01) for the period January-March 2017. Cross verification of records (August 2017) of the ST, Zone-II, Itanagar with those of the Drawing and Disbursing Officer (DDO) and Finance and Accounts Officer (FAO), Department of Industries revealed that the dealer supplied scientific equipment valued at ₹ 1.15 crore (taxable at the rate of 12.50 *per cent* VAT) in March 2017 to the Department. The DDO made payment to the dealer in March 2017 and deducted VAT at source of only ₹ 4.61 lakh (at the rate of four *per cent*) against the required rate of 12.50 *per cent*, which works out to ₹ 14.40 lakh. It was observed in Audit that the dealer did not declare the supplies made to Industries Department in the return filed and concealed the entire supply of ₹ 1.15 crore in his return.

The dealer thus, concealed turnover and evaded payment of tax of ₹ 9.79 lakh. For willful evasion of tax by furnishing false return, the dealer is liable to pay a penalty of ₹ 9.79 lakh under Section 87(10) along with interest of ₹ 1.28 lakh at the rate of 12 *per cent* calculated up to 31 May 2018.

- (ii) Scrutiny of records (July 2018) of the ST, Tawang revealed that during the period from April 2016 to March 2017, a registered contractor (VAT TIN: 12010072174) disclosed 'nil' turnover in his four quarterly self-assessed returns submitted for the assessment year 2016-17. The Assessing officer (AO) assessed and accepted the returns furnished by the dealer.

However, cross-verification of records of the ST, Tawang with those of the Executive Engineer (EE), PWD, Lumla, revealed that the registered contractor executed civil works valued at ₹ 12.41 crore during January 2014 to March 2017 and payment was made in March 2017. Audit scrutiny revealed that the dealer had not opted for 'Simplified Accounting Method for Works Contracts' as Form FF15 was not issued to him. The taxable turnover was ₹ 9.30 crore, after allowing deduction of 25 per cent towards labour cess and service charges as the same was not ascertainable.

The dealer was thus liable to pay a tax of ₹ 1.06 crore on this turnover. However, the EE deducted VAT of ₹ 10.52 lakh only, resulting in short-deduction of ₹ 1.06 crore. For short payment of tax, the dealer is also liable to pay interest of ₹ 19.04 lakh (@ 12 per cent per annum calculated up to September 2018) and penalty of ₹ 1.06 crore.

- (iii) Scrutiny of records (September 2017) of the EE (DDO), Highway Division (PWD), Jairampur under the jurisdiction of the ST Changlang revealed that payment of ₹ 6.47 crore was made to a contractor (VAT TIN:12120172127) for civil works against four bills during May 2015 to March 2016. Scrutiny of VAT records of the works contractor maintained by the ST, Changlang revealed that the contractor had not opted for 'Simplified Accounting Method for Works Contracts' as Form FF 15 was not issued to him by the ST. The taxable turnover was ₹ 4.85 crore (after allowing deduction of 25 per cent towards labour and service charges). The EE was required to deduct VAT of ₹ 60.63 lakh (@ 12.50 per cent of taxable turnover of ₹ 4.85 crore). However, the DDO deducted VAT of only ₹ 25.87 lakh (at four per cent) resulting in short-deduction of ₹ 34.76 lakh (**Appendix-2.6**).

The contractor was liable to pay the balance amount of tax of ₹ 34.76 lakh and penalty of ₹ 34.76 lakh alongwith interest of ₹ 11.10 lakh as per Section 44 (2) of the APGT Act, 2005.

- (iv) Two works contractors (VAT TIN:12080368175 and VAT TIN:12060147113) registered under the jurisdictions of ST, Pasighat and ST, Daporijo, executed two civil works contracts for the EE, Rural Works Department, Pasighat Division and the EE, Public Works Department, Daporijo Division during March 2017. Payment of ₹ 1.24 crore was made by the DDOs without deducting tax at source. As the charges towards labour and services, etc., were not ascertainable, VAT of ₹ 11.65 lakh (at the rate of 12.50 per cent) on taxable turnover of ₹ 93.26 lakh (being 75 per cent of gross value of ₹ 1.24 crore) was payable by the two contractors under Section 5 (2) of the APGT Act, 2005. However, it was observed in Audit that all the self-assessed quarterly returns (FF-01) furnished by the two dealers during the year 2016-17 including the return for the period January-March 2017 were 'nil' returns which were accepted by the Assessing Officers and accordingly the dealers did not pay any tax for the year 2016-17. The DDOs failed to deduct any tax at source from the contractors' bills and did not also furnish Form FF-16 to the concerned ST as per Rule 43 (2) (5) of the APGT Rules (Amendment), 2010 as detailed below:

**Table 2.3 Details of civil works executed by two works contractors**

Name of Department	RWD, Pasighat Division	PWD, Daporijo Division	Amount involved (₹ in Lakh)
VAT TIN of the Dealer	TIN:12080368175	TIN:12060147113	
Works Contract Turnover concealed by dealer	59.99	64.37	124.36
Taxable Turnover (75% of gross turnover)	44.99	48.27	93.26
A) Tax leviable (@ 12.5 per cent on taxable turnover)	5.62	6.03	11.65
B) Penalty U/s 87(10)	5.62	6.03	11.65
C) Interest leviable (@ 12% on tax amount for 398 days from 29/04/2017 to 31/05/2018)	0.74	0.79	1.53

From the above table it can be seen that the dealers concealed total work contract turnover of ₹ 1.24 crore from the Assessing Officers (i.e. STs) by submitting false self-assessed returns and evaded the liability to pay VAT of ₹ 11.65 lakh. For willful evasion of tax, the dealers are liable to pay a penalty of ₹ 11.65 lakh under Section 87(10) along with interest of ₹ 1.53 lakh at the rate of 12 per cent calculated up to 31 May 2018.

Thus, due to failure of the STs of Zone II Itanagar, Tawang, Changlang, Pasighat and Daporijo to verify the correctness of the returns filed resulted in non-detection of concealment of turnover by dealers with consequent tax evasion of ₹ 1.62 crore.<sup>18</sup> The assesses were liable to pay interest of ₹ 0.33 crore and penalty of ₹ 1.62 crore.

The matter was reported to Government/Department in September 2017; reply has not been received (April 2019).

Audit noticed the concealment of turnover on test check of records of five unit offices out of 17 unit offices in the State. The Department should internally examine similar errors in other unit offices not covered in audit.

**Recommendation:** *Taxation Department should ensure that the Assessing officers exercise necessary checks while examining the returns and make sure that the relevant Rules are complied with. Action may be initiated against the DDOs for deduction of tax at source at lower rates than the prescribed rate.*

### 2.10.3 Loss of revenue

#### Failure of the ST to detect irregular claim of exemption by an Industrial Unit resulted in loss of revenue of ₹ 1.96 crore

As per the provisions of the Arunachal Pradesh State Industrial Policy, 2008 and Arunachal Pradesh Industrial Tax Incentive Order, 2010, an Industrial Unit (IU) may claim exemption of 99 per cent of the tax payable in respect of sale of goods manufactured in a unit, until the amount of such tax payable exceeds the quantum of monetary ceiling<sup>19</sup> or the period of eligibility<sup>20</sup>, whichever is earlier. Para 8 of the order further states that the Certificate of Entitlement shall remain valid only for one year, i.e., up to the end of the financial year, and thereafter shall be renewed after examination of

<sup>18</sup> ST, Itanagar- ₹ 9.79 lakh, ST- Tawang- ₹ 1.06 crore, ST, Changlang- ₹ 34.76 lakh, ST, Pasighat- ₹ 5.62 lakh and ST, Daporijo- ₹ 6.03 lakh

<sup>19</sup> i) 150% of fixed capital in case of Category "A" and Category "C" industrial unit.

ii) 150% of additional fixed capital investment in case of Category "B" industrial unit.

<sup>20</sup> Seven years from the date of commencement of production.

annual return furnished in the prescribed format for each financial year, or for a fraction of financial year, till the industrial unit reaches the maximum permissible monetary limit of tax exemption.

Scrutiny of records (July 2017) of the ST, Border Facilitation Counter (BFC), Banderdewa revealed that an IU (VAT TIN: 12041656182), which was eligible for 99 *per cent* tax exemption during the period from 23 January 2009 to 22 January 2016 with monetary ceiling of ₹ 67.41 crore, was issued Entitlement Certificate with validity till 31 March 2015 by the Commissioner of Tax, GoAP under the provisions of the Arunachal Pradesh Industrial Tax Incentive Order, 2010.

It was noticed in Audit that after the expiry of the validity of Entitlement Certificate on 31 March 2015, the IU neither submitted annual returns to the Commissioner of Tax, nor got the Certificate renewed. However, tax exemption was claimed for the period from April 2015 to March 2017. During this period, in 22 self-assessed VAT returns (FF-01) submitted to the ST, BFC, Banderdewa, the IU declared a turnover of ₹ 50.25 crore with tax liability of ₹ 2.01 crore (four *per cent* of ₹ 50.25 crore). After adjustment of Input Tax Credit (ITC) of ₹ 3.06 lakh, the net tax liability was ₹ 1.98 crore. The Unit however, paid a tax of only ₹ 1.98 lakh (one *per cent* of ₹ 1.98 crore) and claimed exemption of ₹ 1.96 crore (Detailed in **Appendix-2.7**) despite not having Entitlement Certificate.

The IU is liable to pay the balance tax of ₹ 1.96 crore and a penalty of ₹ 1.96 crore under Section 87(10) of the APGT Act, 2005. Besides, interest of ₹ 57.38 lakh is also leviable on the outstanding tax calculated at 12 *per cent per annum* on daily basis till 31 May 2018. The ST failed to detect the irregular claim of exemption for ₹ 1.96 crore or recover the dues from the IU, resulting in loss of revenue to that extent.

On this being pointed out by Audit, the ST issued a demand notice (September 2017) for payment of tax due of ₹ 1.96 crore along with the interest amount of ₹ 35.81 lakh (calculated up to May 2018). However, the IU had not paid as of April 2019.

Audit noticed the irregular claims by the IU on verification of records of one unit office out of 17 unit offices in the State. The Department should internally examine similar errors in other unit offices not covered in audit.

**Recommendation:** *The Department should issue instructions to all STs to verify the validity period of the Entitlement Certificates of the IUs scrupulously, while allowing them tax incentives.*

#### 2.10.4 Non-imposition of penalty

**Seven DDOs failed to furnish details of 39 works contract agreements in Form FF-16, which involves levy of a penalty of ₹ 1.20 crore**

Cross-verification of records of three STs, Pasighat, Ziro and Daporijo with those of seven DDOs<sup>21</sup> between September 2017 and November 2017 revealed that the DDOs had entered into 39 works contracts with 33 contractors during the period from February

<sup>21</sup> (i) ST, Pasighat – September 2017 – 2 DDOs  
(ii) ST, Ziro – October 2017 – 2 DDOs  
(iii) ST, Daporijo – November 2017 – 3 DDOs

2014 to March 2017. However, none of the DDOs furnished information about the works contracts to the respective STs in Form FF-16 within the prescribed timeframe of 15 days of signing of agreement till the date of audit, as required under Section 47A (1) (c) of the APGT (Amendment) Act, 2007 and Rule *ibid*.

The STs were unaware of the works contracts executed by the 33 contractors in their jurisdiction and failed to take action against the DDOs for non-compliance with the provision of the APGT Act and Rules. The DDOs were liable to pay a penalty of ₹ 1.20 crore calculated at the rate of ₹ 500 per day up to 31 May 2018 (**Appendix-2.8**). Despite the issue being pointed out in Audit, the STs have failed to take any action against the DDOs to ensure compliance, resulting in non-realization of a total revenue of ₹ 1.20 crore. The matter was reported to Government/Department between November 2017 and December 2017; reply has not been received (April 2019).

Audit noticed failure of the STs in imposing penalty on DDOs on verification of records of three unit offices out of 17 unit offices in the State. The Department should internally examine similar errors in other unit offices not covered in audit.

**Recommendation:** *The Taxation Department should recover penalty from the DDOs concerned for non-compliance with the provisions of the Act and Rules and take action against the concerned officials for negligence of duties.*

## State Excise Department

### 2.10.5 Loss of revenue

**Failure of the Commissioner to initiate action led to non-realisation of licence fee of ₹ 31.50 lakh and penalty of ₹ 6.19 lakh from seven Bonded Warehouses of India Made Foreign Liquor (IMFL)/ Beer**

Under the Arunachal Pradesh Excise Act, 1993 and Rules made there under, a licence granted for operating a Bonded Warehouse of India Made Foreign Liquor (IMFL)/Beer shall remain valid for one year from the date of issue. On expiry of the validity period, the licensee shall either return the licence or get it renewed on payment of the prescribed annual fee of ₹ 1.50 lakh in advance. If the licensee fails to renew the licence before expiry of the validity period, he shall be liable to pay penalty at the rate of ₹ 100 per day in addition to the annual fees for the period of default in payment. Further, Section 29(1) (b) of the Act provides that the licence may be cancelled or suspended if the prescribed annual licence fee payable by the licensee has not been duly paid.

Scrutiny of records (April 2018) of the Commissioner of Excise (CE), Itanagar revealed that seven out of 41 Bonded Warehouses in the State did not renew their licenses before the expiry of the validity period falling between April 2011 and March 2018 even after 15 to 2527 days (calculated up to 31 March, 2018). The Bonded Warehouses neither returned their licenses nor paid renewal fee of ₹ 31.50 lakh, and were thus also liable to pay penalty of ₹ 6.19 lakh (calculated up to March 2018). Details are given in **Appendix-2.9**. The Commissioner neither took any initiative to realize the prescribed renewal fee and penalty, nor cancelled the licenses as prescribed under Section 29(1) (b)

of the Act. There was thus, a revenue loss of ₹ 37.69 lakh (licence fee ₹ 31.50 lakh and penalty ₹ 6.19 lakh).

The case was reported to the Department/Government in June 2018. The Commissioner Tax and Excise replied (March 2019) that fee of ₹ 6.00 lakh and penalty of ₹ 0.96 lakh was recovered from two licencees (Sl. No. 1 & 4 of **Appendix-2.9**), and in three cases, licences were cancelled and security deposits forfeited. However, the three licences were cancelled without realising the annual renewal fees of ₹ 21 lakh and penalty of ₹ 4.52 lakh. In respect of the remaining two cases (Sl. No. 2 & 7 of **Appendix-2.9**), further development is awaited.

**Recommendations:** *The Department should evolve a system to ensure timely collection of licence fee from the licencees to avoid loss of revenue.*



**CHAPTER – III**  
**State Public Sector Undertakings**



## Chapter-III State Public Sector Undertakings

### 3.1 Introduction

As of 31 March 2018, there were six SPSUs (all Government Companies) in Arunachal Pradesh. None of these Companies was listed on the stock exchange. During the year 2017-18, no new PSU was incorporated and no existing SPSU was closed down.

### 3.2 Investment in SPSUs

As of 31 March 2018, the investment<sup>1</sup> in the six SPSUs was ₹ 31.95 crore, comprising ₹ 23.84 crore towards capital and ₹ 8.11 crore in long term loans. The investment has grown by 5.82 per cent from ₹ 30.19 crore in 2013-14 to ₹ 31.95 crore in 2017-18.

The sector-wise summary of investments in the SPSUs as of 31 March 2018 is given below:

**Table 3.1 Sector-wise investment in SPSUs as on 31 March 2018**

(₹ in crore)

Name of Sector	Number of SPSUs		Investment
	Working	Non-Working	
Power	1		12.45
Finance	1	-	12.26
Agriculture & Allied	1	-	4.50
Miscellaneous	1	-	2.48
Manufacturing	-	1	0.24
Infrastructure	1	-	0.02
<b>Total</b>	<b>5</b>	<b>1</b>	<b>31.95</b>

(Source: Compiled based on information received from SPSUs)

As can be seen from the above table, the thrust of investment was mainly in the Power and Finance sectors, which had around 39 per cent and 38 per cent of the total investment respectively, during the year 2017-18. Power sector had the highest investment of ₹ 12.45 crore in the form of equity capital in the lone power sector SPSU (Hydro Power Development Corporation of Arunachal Pradesh Limited), which remained unchanged during the last five years. About 80 per cent of this investment was contributed by the State Government.

As of 31 March 2018, there was one non-working SPSU with a total investment of ₹ 0.24 crore, that had been lying defunct since 1995.

### 3.3 Special support and returns during the year

State Government provides financial support to SPSUs by way of equity, loans and grants/subsidies, etc. Summarized details in this regard for three years ended 2017-18 are given in the following table:

<sup>1</sup> This includes investment of State Government (₹ 27.23 crore), Central Government (₹ 2.00 crore) and others (₹ 2.72 crore). Investment figures as on 31 March 2018 are provisional and as provided by the SPSUs since none of the six SPSUs has finalised its accounts for 2017-18 as of 30 September 2018.

**Table 3.2 Details of budgetary support to SPSUs**

(₹ in crore)

Sl. No.	Particulars	2015-16		2016-17		2017-18	
		No.	Amount	No.	Amount	No.	Amount
1	Equity Capital outgo from budget	-	-	-	-	-	-
2	Loans given from budget	-	-	-	-	-	-
3	Grants/Subsidy from budget	-	-	2	4.13	2	3.87
<b>4</b>	<b>Total Outgo (1+2+3)</b>	-	-	<b>2</b>	<b>4.13</b>	<b>2</b>	<b>3.87</b>
5	Waiver of loans and interest	-	-	-	-	-	-
6	Guarantees issued	-	-	-	-	-	-
7	Guarantee Commitment	1	2.00	1	2.00	1	2.00

Budgetary assistance during 2016-17 included ₹ 2.45 crore (grants/subsidy) to one SPSU<sup>2</sup> for project development and ₹ 1.68 crore to another SPSU<sup>3</sup> towards salaries and wages of employees and upkeep of tea gardens. During 2017-18, however, the amount of grants/subsidy provided to these two SPSUs was ₹ 0.45 crore and ₹ 3.42 crore respectively.

The guarantee commitment of the State Government extended to Arunachal Pradesh Industrial Development and Financial Corporation Limited remained unchanged at ₹ 2 crore during the last three years, although no guarantee commission was paid to the State Government.

### 3.4 Reconciliation with Finance Accounts

The figures of equity and outstanding loans as per the records of SPSUs should agree with those appearing in the Finance Accounts of the State. The position in this regard as at 31 March 2018 is given below:

**Table 3.3 Equity and outstanding loans as per Finance Accounts vis-a-vis records of SPSUs**  
(₹ in crore)

Details of	Amount as per Finance Accounts	Amount as per the records of SPSUs	Difference
Equity	9.00	19.39	10.39
Loans	Nil	7.84	7.84

The differences in the figures of equity and loans as per the two sets of records are significant, and have not been reconciled for more than ten years. The matter was taken up (December 2018) with the Secretary, Finance Department, Government of Arunachal Pradesh, Administrative Departments of respective SPSUs and the SPSUs concerned for reconciliation of the differences. However, there was no progress in this regard. The Government and the SPSUs concerned should take concrete steps in coordination with the AG Office to reconcile the differences in a time-bound manner.

### 3.5 Arrears in finalisation of accounts

Financial statements of the companies are required to be finalised within six months from the close of the relevant financial year, i.e., by end of September, in accordance with the provisions of Section 96 (1) of the Companies Act. Failure to do so, may attract penal provisions under Section 99 of the Companies Act.

The following table provides the details of progress made by working SPSUs in finalisation of accounts as of 30 September 2018.

<sup>2</sup> Hydro Power Development Corporation of Arunachal Pradesh Limited

<sup>3</sup> Arunachal Pradesh Forest Corporation Limited

**Table 3.4 Position relating to finalisation of accounts of working SPSUs**

Sl. No.	Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
1	Number of Working SPSUs	5	5	5	5	5
2	Number of accounts finalised during the year	4	5	1	3	2
3	Number of accounts in arrears	29	29	33	35	38
4	Extent of arrears (numbers in years)	1 to 15	1 to 15	1 to 16	1 to 17	1 to 18

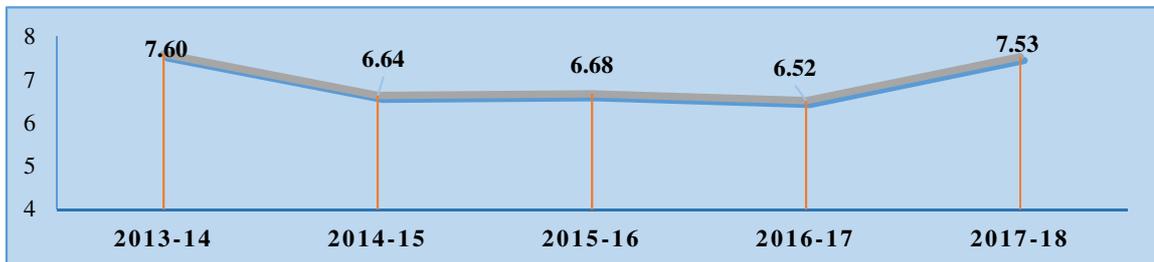
As can be observed from the above table, the number of accounts in arrears has shown an increasing trend during 2013-14 to 2017-18. Arunachal Pradesh Mineral Development and Trading Corporation Limited had the highest arrears of 18 accounts as of 30 September 2018.

Timely finalisation of accounts is important for the State Government to assess the financial health of the SPSUs, avoid financial misappropriation and mismanagement, ensure safety of Government equity, etc. Persistent delay in finalisation of accounts is fraught with the risk of fraud and leakage of public money going undetected apart from violation of the provisions of the Companies Act, 2013. In the absence of up-to-date accounts and their subsequent audit, it could not be ascertained whether the investments and expenditure incurred have been properly accounted for and the purpose for which the amount was invested has been achieved or not. The Accountant General (Audit)/Principal Accountant General (Audit), Arunachal Pradesh has been taking up this matter regularly with the Chief Secretary, Government of Arunachal Pradesh, to impress upon the Administrative Heads of the SPSUs concerned to expedite liquidation of arrears of accounts of SPSUs).

The Government needs to look into the constraints in preparing the accounts of the SPSUs and initiate appropriate action to address this issue.

### 3.6 Return on Investment

The overall position of the profit earned by State working SPSUs during 2013-14 to 2017-18 as per their latest finalised accounts is depicted below:

**Chart 3.1 Profit of working SPSUs**

(Source: Compiled based on latest finalised accounts of SPSUs).

From the **Chart** above, it can be observed that there was marginal reduction in the profits of the SPSUs from ₹ 7.60 crore (2013-14) to ₹ 7.53 crore (2017-18) during the five years under reference. As compared to the previous year, however, there was a growth of around 15 *per cent* in the profit of the working SPSUs from ₹ 6.52 crore (2016-17) to ₹ 7.53 crore (2017-18) mainly because of higher profit (₹ 6.31 crore) earned by one SPSU (Arunachal Police Housing and Welfare Corporation Limited) during 2017-18 compared to the previous year.

During the year 2017-18, out of five working SPSUs, three SPSUs earned aggregate net profit of ₹ 10.28 crore, while the remaining two SPSUs incurred loss of ₹ 2.75 crore. The major contributors to profit were Arunachal Police Housing and Welfare Corporation Limited (₹ 6.31 crore) and Arunachal Pradesh Forest Corporation Limited (₹ 3.54 crore) while Arunachal Pradesh Industrial Development and Financial Corporation Limited incurred a loss of ₹ 2.47 crore.

State Government has not formulated (November 2018) any dividend policy to make it mandatory for SPSUs to pay a minimum return on the paid-up share capital contributed by the State Government. None of the three working SPSUs, which earned profit during 2017-18 had declared any dividend.

### **3.7 Return on investment on the basis of historical cost of investment**

Return on investment is the percentage of profit or loss to the total investment. In addition to the equity contribution by the State Government, interest-free loans provided by the Government to these SPSUs should also be considered as Government investment for the purpose of working out the return on investment, as these loans are akin to equity. The funds made available in the form of grants/subsidy should not be reckoned as investment.

State Government invested ₹ 46.79 crore over the years in the six SPSUs in the form of equity (₹ 16.04 crore). The return on this investment during the period 2013-14 to 2017-18 is given in the following table:

**Table 3.5 Return on State Government Investment**

*(₹ in crore)*

<b>Financial year</b>	<b>Funds infused by the State Government in the form of Equity</b>	<b>Total Earnings/Losses</b>	<b>Return on Investment on the basis of historical cost (per cent)</b>
2013-14	14.05	7.60	54.09
2014-15	14.23	6.64	46.66
2015-16	16.23	6.68	41.16
2016-17	16.04	6.52	40.65
2017-18	16.04	7.53	46.95

As can be seen above, the return on State Government investment during the five years under reference has shown a downward trend upto 2016-17 and improved during 2017-18 from 40.65 per cent (2016-17) to 46.95 per cent (2017-18) due to the increase in the profit of Arunachal Police Housing & Welfare Corporation Limited during 2017-18.

### **3.8 Erosion of Net worth**

Net worth is the sum total of the paid-up capital and free reserves and surplus minus accumulated losses and deferred revenue expenditure. Essentially, it is a measure of what an entity is worth to the owners. A negative net worth indicates that the entire investment by the owners has been wiped out by accumulated losses and deferred revenue expenditure.

The overall accumulated losses of six SPSUs as per their latest finalised accounts as of 30 September 2018 were ₹ 1.40 crore as against the equity investment of ₹ 16.04 crore (**Appendix-3.1**). Of the six SPSUs, the net worth was eroded completely in case of three SPSUs viz, Arunachal Pradesh Industrial Development and Financial Corporation Limited (equity: ₹ 4.15 crore; accumulated losses: ₹ 22.44 crore), Arunachal Pradesh Forest Corporation Limited (equity: ₹ 4.50 crore; accumulated losses: ₹ 4.58 crore) and Parasuram Cement Limited (equity: ₹ 0.24 crore; accumulated losses: ₹ 2.66 crore).

### 3.9 Return on Capital Employed

Return on Capital Employed (ROCE) measures a Company's profitability and the efficiency with which its capital is employed. It is calculated by dividing an entity's earnings before interest and taxes (EBIT) by capital employed<sup>4</sup>. The details of ROCE of all the six SPSUs during the period 2013-14 to 2017-18 are given below.

**Table 3.6 Return on Capital Employed**

Year	EBIT (₹ in crore)	Capital Employed (₹ in crore)	ROCE (in per cent)
2013-14	8.36	33.53	24.93
2014-15	7.40	36.86	20.08
2015-16	7.44	37.61	19.78
2016-17	7.28	41.68	17.47
2017-18	8.29	45.97	18.03

As can be seen from the Table above, the ROCE of the SPSUs has been decreasing gradually over the period upto 2016-17 mainly due to failure of the SPSUs to maintain the pace of growth in EBIT corresponding to yearly increase in the capital employed. The ROCE increased to 18.03 *per cent* during 2017-18 due to increase in the EBIT of one SPSU (Arunachal Pradesh Police Housing & Welfare Corporation Limited) from ₹ 5.26 crore (2016-17) to ₹ 6.31 crore (2017-18).

### Compliance Audit Paragraph

#### Arunachal Pradesh Energy Development Agency (APEDA)

### 3.10 Project execution by Arunachal Pradesh Energy Development Agency (APEDA)

Arunachal Pradesh Energy Development Agency (APEDA) was established in 1996 with the objective of promoting, implementing and developing conventional, non conventional, renewable and alternate energy sources. It took up 23 projects during the five year period 2013-14 to 2017-18 for generation of 14.52 Mega Watt of solar power. During this period, it received ₹ 41.72 crore from the Union Ministry of Non-renewable Energy (MNRE) and ₹ 23.55 crore as the State share for implementation of these projects. Audit of APEDA was carried out during April to July 2018 with the objective of ascertaining whether it has implemented the projects within the cost and time envisaged. Significant findings in this regard are discussed below.

<sup>4</sup> Capital employed = Paid-up share capital + free reserves and surplus + long-term loans – accumulated losses – deferred revenue expenditure. Figures are as per the latest year for which accounts of the SPSUs are finalised.

**i. Award of works without tendering**

General Financial Rules, 2005 (Rule 132) stipulate that open tenders should be called for all works costing Rupees five lakh and above. However, audit scrutiny of 10 out of the 23 projects taken up by APEDA during the five-year period 2013-18 revealed that four works were awarded to local contractors without tendering, as detailed below:

**Table 5.2.1: Works executed without call of tenders**

(₹ in lakh)				
Sl. No.	Name of Work	Value of work	No. of work Orders	Range of work order value
1	Installation of SPV Power Plant (150 KWP) at a village in Vijay Nagar- Head Load Carriage	87.34	1	-
2	Installation of SPV Power Pumps for Drinking Water in the State	14.00	1	-
3	Construction of Service Centres for repair & maintenance of renewable energy devices and systems in various districts of AP	216.00	14	5.78 - 29.00
4	Creation of marketing network for renewable energy devices in AP	90.00	6	7.24 - 23.40
<b>Total</b>		<b>407.34</b>	<b>22</b>	

(Source: APEDA records)

In response, APEDA stated (November 2018) that tendering process is the prescribed procedure for awarding works as per GFR in order to ensure competitive bidding and transparency, but it is not always the best choice. It was further stated that, in order to avoid some anticipated issues and problems that were likely to come up in the tendering process, the projects were executed without inviting open tenders.

In such a situation, the Agency should have documented the anticipated problems and obtained necessary orders to deviate from the prescribed procedures.

**ii. Installation of Solar Water Pumping Systems for drinking water**

The Union Ministry of Drinking Water and Sanitation introduced (October 2014) solar pumping systems to tackle drinking water problems of remote non-electrified small hamlets/habitations (with population between 150 and 250) with each scheme costing about ₹ 5.10 lakh excluding the cost of bore well. A target of 100 solar pumps was allocated for Arunachal Pradesh. The MNRE engaged APEDA for identifying the habitations and implementing the project in the State, and released ₹ 14 lakh (January 2015) as first installment.

APEDA utilized ₹ 4.18 lakh out of the fund for installation of solar pumps at Energy Awareness Park, Itanagar town in violation of the scheme guidelines. This installation in the Park was being used for filling water in the existing pond and thus did not serve the intended purpose of providing drinking water facilities to remotely located habitations. APEDA has not identified the habitations for installing drinking water systems as required by MNRE. It did not also obtain the approval of State level Scheme Sanction Committee (SLSSC) for the 48 systems identified by the Public Health Engineering and Water Supply Department. Consequently, MNRE did not release further funds for this purpose.

APEDA stated (November 2018) that installation at Energy Park at Itanagar is helping in filling the water body (pond) as well as feeding drinking water in the park and Urja Bhavan.

The reply of the Agency is not acceptable, as water pumping systems were to be installed to tackle drinking water problems of remote non-electrified and small hamlets/habitations, and not in parks and offices.



**(PURUSHOTTAM TIWARY)**  
Accountant General, Arunachal Pradesh

**Itanagar**  
**Dated: 22 November 2019**

**Countersigned**



**(RAJIV MEHRISHI)**  
Comptroller and Auditor General of India

**New Delhi**  
**Dated: 25 November 2019**



# Appendices



**Appendix-1.1 (Para 1.3)**

**Statement showing details of pending Explanatory Notes on Paragraphs of Audit Reports as of March 2019**

<b>Year of Audit Report</b>	<b>Date of placement before the State Legislature</b>	<b>Paragraph number for which <i>suo moto</i> Explanatory Notes are awaited</b>	<b>Department</b>
2008-09	03 September 2010	1.1	Horticulture
		1.2	Planning
		1.3	Water Resources
		2.1	Industries
		3.1	Animal Husbandry & Veterinary
		2.3, 2.4	Agriculture
		2.6	Rural Works
		2.10	Public Works
		2.11	Urban Development and Housing
		4.3	State Excise
		5.7	Geology and Mining
		4.7, 4.8	Land Management
		4.9, 4.10	State Lottery
		4.20, 4.21, 4.22, 5.2	Transport
		5.4, 5.5	Power
		5.6	Supply and Transport.
5.8	Forest.		
2009-10	24 March 2011	2.12	Rural Development
		2.4, 2.5, 2.9, 2.10, 2.14	Public Works
		2.11, 2.13	Water Resources.
		3.1	Public Eng.& Water Supply
		4.2, 4.4, 4.5	State Excise
		4.7	Geology & Mining
		4.10, 4.11	State Lottery
		4.12, 4.13, 4.14, 4.15, 4.16, 4.17, 4.18, 4.19, 4.20	Taxation
		5.2	Hydro Power Development
		5.3, 5.4, 5.5	Power
5.6	Supply & Transport		
2010-11	27 September 2012	1.1	Education
		2.2	Education

Year of Audit Report	Date of placement before the State Legislature	Paragraph number for which <i>suo moto</i> Explanatory Notes are awaited	Department
		2.5	Rural Works
		2.8	Science & Technology.
		2.10	Health & Family Welfare
		2.11	Education
		4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.6, 4.2.8, 4.2.9	Taxation
		4.2.13, 4.2.14	Transport
		4.2.16, 4.2.17, 4.2.18	State Excise
		4.2.19	Land Management
		5.2, 5.3, 5.4	Power
		5.5	Finance
2011-12	23 September 2013	1.2	Health & Family Welfare
		1.5	Social Welfare, Women & Child Development
		1.6	Education
		2.3	Tourism
		2.4	Agriculture
		3.2	Secretariat General Administration
		3.3, 5.2.23	Land Management
		4.2, 4.3	Power
		4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, 4.2.20, 4.2.21, 4.2.22	State Excise
2012-13	26 September 2014	1.5	Education
		2.2	Public Works
		2.3	Science and Technology
		2.8	Horticulture
		2.9	Agriculture
		3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9	Taxation
		4.2, 4.3	Hydro Power Department
2013-14	21 July 2015	1.3	Public Health Engineering & Water Supply
		1.4	Education
		1.5	Rural Development
		2.3, 2.4, 2.5, 2.6, 2.7	Public Works
		2.8, 2.9	Water Resources
		2.10	Horticulture
		3.2	Geology and Mining

Year of Audit Report	Date of placement before the State Legislature	Paragraph number for which <i>suo moto</i> Explanatory Notes are awaited	Department
		3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10	Taxation
		3.11, 3.12, 3.13, 3.14	State Excise
		4.2,4.3	Hydro Power Development
		4.4	Power
2014-15	10 March 2017	1.2	Department of Industry
		1.3	Urban Development and Housing
		2.2	Tourism
		2.3,2.4,2.5	Rural works
		2.6,2.7,2.8,2.9,2.10,2.11	Public works
		2.12	Water Resources
		3.2	APPSC
		4.2,4.3,4.4,4.5,4.6	Taxation
		4.7,4.8	Transport
		4.9,4.10	State Excise
		5.2	Power
5.3	APID & FCL		
2015-16	14 October 2017	1.2, 1.4	Health
		1.3	Education
		1.5	Sports & Youth Affairs
		1.6	Rural Development
		2.2	Water Resources
		2.3, 2.4, 2.5	Public Works
		3.2	General Administration
		3.3	District Administration
		4.2, 4.3	Transport
		4.4, 4.5, 4.6, 4.7, 4.8, 4.9	Taxation
		4.10	Land Management
		4.11	State Excise
		5.2	State Transport
5.3	APMDTCL		
2016-17	21 February 2019	1.2, 1.4	Public Health Engineering and Water Supply
		1.3	Women & Child Development
		2.3	Public Works Department
		2.2, 2.4	Water Resources Department

Year of Audit Report	Date of placement before the State Legislature	Paragraph number for which <i>suo moto</i> Explanatory Notes are awaited	Department
		2.5	Hydro Power Development
		2.6	Agriculture
		3.2,3.3, 3.4	Planning
		3.5	District Administration
		4.2,4.3,4.4,4.5,4.6	Tax and Excise
		4.7,4.8,4.9	Transport
		5.2	Home
		5.3	Arunachal Pradesh Forest Corporation
<b>Total</b>		<b>207</b>	

**Appendix-1.2 (Para 1.3)**  
**Status of outstanding Action Taken Notes (ATNs) on the recommendations of the Public Accounts Committee as of March 2019**

Year of Report	Particulars of paragraphs on which recommendations were made by the PAC but ATNs are awaited		PAC Report in which recommendations were made	Date of presentation of the Report of the PAC to the State Legislature
	Paragraph Number	Total Paragraphs		
<b>1986-87</b>	3.1, 3.2, 3.3, 3.7, 3.8, 3.9, 3.10, 3.11, 4.3, 5.2, 7.2 and 7.3	12	27 <sup>th</sup> , 36 <sup>th</sup> , 37 <sup>th</sup> , 40 <sup>th</sup> , 42 <sup>nd</sup> , 44 <sup>th</sup> and 49 <sup>th</sup> Report	8 <sup>th</sup> September 1994, 27 <sup>th</sup> September 1996, 10 <sup>th</sup> November 1998, 24 <sup>th</sup> March 2000, 21 <sup>st</sup> September 2001, 3 <sup>rd</sup> March 2003
<b>1987-88</b>	3.1, 3.4, 3.5, 3.6, 3.7, 3.9 and 5.1	7	27 <sup>th</sup> , 36 <sup>th</sup> , 37 <sup>th</sup> , 40 <sup>th</sup> and 42 <sup>th</sup> Report	8 <sup>th</sup> September 1994, 27 <sup>th</sup> September 1996, 10 <sup>th</sup> November 1998 and 24 <sup>th</sup> March 2000
<b>1988-89</b>	3.1,3.3,3.4,3.10,3.11,3.14,4.5,4.8,5.5 and 5.6	10	37 <sup>th</sup> , 38 <sup>th</sup> , 40 <sup>th</sup> , 42 <sup>nd</sup> and 45 <sup>th</sup>	27 <sup>th</sup> September 1996, 10 <sup>th</sup> November 1998, 24 <sup>th</sup> March 2000 and 3 <sup>rd</sup> March 2003
<b>1989-90</b>	5.2	1	44 <sup>th</sup> Report	21 <sup>st</sup> September 2001
<b>1990-91</b>	3.4, 3.8, 3.9, 7.3 and 7.5	5	39 <sup>th</sup> , 44 <sup>th</sup> , 45 <sup>th</sup> and 48 <sup>th</sup>	6 <sup>th</sup> March 1997, 21 <sup>st</sup> September 2001, 19 <sup>th</sup> March 2002 and 3 <sup>rd</sup> March 2003
<b>1991-92</b>	3.1 and 5(b), 3.4	3	39 <sup>th</sup> , 44 <sup>th</sup> , 45 <sup>th</sup> and 48 <sup>th</sup> 57 <sup>th</sup>	6 <sup>th</sup> March 1997, 21 <sup>st</sup> September 2001, 19 <sup>th</sup> March 2002 3 <sup>rd</sup> March 2003 and 27 <sup>th</sup> September 2012
<b>1992-93</b>	3.3, 3.4, 4.3, 4.4 and 5.1	5	39 <sup>th</sup> and 44 <sup>th</sup> Report	6 <sup>th</sup> March 1997 and 21 <sup>st</sup> September 2001
<b>1993-94</b>	4.6, 4.7 and 7.2	3	48 <sup>th</sup> Report	19 <sup>th</sup> March 2002

*Audit Report for the year ended 31 March 2018*

Year of Report	Particulars of paragraphs on which recommendations were made by the PAC but ATNs are awaited		PAC Report in which recommendations were made	Date of presentation of the Report of the PAC to the State Legislature
	Paragraph Number	Total Paragraphs		
<b>1994-95</b>	3.3, 3.4, 3.5, 3.6, 4.3 and 4.10	6	45 <sup>th</sup> and 46 <sup>th</sup> Report	19 <sup>th</sup> March 2002 and 3 <sup>rd</sup> March 2003
<b>1995-96</b>	3.2 to 3.6 and 3.11, 4.4, 3.7	8	46 <sup>th</sup> Report, 57 <sup>th</sup> Report 60 <sup>th</sup> Report	19 <sup>th</sup> March 2002 and 27 <sup>th</sup> September 2012
<b>1996-97</b>	3.13, 4.10 to 4.14 and 4.16, 3.1.8 4.3.6 (ii), 4.3.6 (iii), 4.3.7, 6.9	12	48 <sup>th</sup> Report, 57 <sup>th</sup> Report 60 <sup>th</sup> Report	19 <sup>th</sup> March 2002 and 27 <sup>th</sup> September 2012
<b>1997-98</b>	4.6, 5.1 and 5.4	3	48 <sup>th</sup> 51 <sup>st</sup> Report	19 <sup>th</sup> March 2002 and 21 <sup>st</sup> March 2006
<b>1998-99</b>	3.6,3.4.8,4..3	3	51 <sup>st</sup> Report, 57 <sup>th</sup> Report	21 <sup>st</sup> March 2006 and 27 <sup>th</sup> September 2012
<b>1999-00</b>	3.9,	1	57 <sup>th</sup> Report	27 <sup>th</sup> September 2012
<b>2000-01</b>	6.11	1	60 <sup>th</sup> Report	27 <sup>th</sup> September 2012
<b>2001-02</b>	3.4, 3.1.13, 3.1.14, 3.1.15, 3.1.16, 3.1.17 & 3.1.38 to 3.1.40	9	57 <sup>th</sup> Report 60 <sup>th</sup> Report	27 <sup>th</sup> September 2012
<b>2005-06</b>	3.2.16.1	1	66 <sup>th</sup> Report	7 <sup>th</sup> July 2015
<b>2006-07</b>	6.3, 6.4.1 & 6.4.2	3	66 <sup>th</sup> Report	7 <sup>th</sup> July 2015
<b>2009-10</b>	2.10	1	66 <sup>th</sup> Report	7 <sup>th</sup> July 2015
<b>Total</b>		<b>94</b>	<b>16</b>	

**Appendix-2.1 (Para 2.2)**  
**Comparison between payment and Measurement books**

Particulars as per Payment Vouchers			Particulars as per Measurement Book No. TD/6410		
Name of contractor	Item of work	Date of execution	Name of contractor	Item of work	Date of execution
1. M/S Arunachal Trading Company	i. filling pot-holes, ii. hiring of wheel-loader, iii. maintenance of earthen shoulder, iv. labour rate for levelling, v. labour rate of clearing jungle and vi. supply of good earth	May 2016 to July 2016	1. M/s Commercial	Town Club	October 2010
2. M/s K T Enterprises	-do-		2. M/s Bajrang Steel (Sales)	Town Club	December 2010
3. M/s MG Enterprises	-do-		3. M/s DiluMogar	Restoration of flood damage	January 2011
4. M/s US Enterprises	-do-		4. M/s DagmoRiba	VIP Suite	April 2013
5. M/s Unique Enterprises	-do-		5. M/s JT Enterprises	C/o Science Block	March 2018
		6. New Tech Computer	C/o Rostum at playground	March 2018	
		7. Chang Enterprises	Maintenance of Govt. Resident Quarter	January 2018	

**Appendix-2.2 (Para 2.5)**  
**List of HT consumers metered on LT side**

Name of the Division	Sl. No.	Name of consumer	Period	Energy/Units Consumed	Applicable Rate(in ₹)	Total(in ₹)	Additional charge of 3per cent <i>g= (e * f) 3%</i>	Dues(in ₹)
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>			
<b>Daporijo Electrical Division</b>	1	BSNL Telecom Exchange, Maro	July 2017 to August 2017	480	5.00	2400.00	72.00	2472.00
	2	Rural Bank	May 2016 to August 2017	3200	5.00	16000.00	480.00	16480.00
	3	BSNL Telecom Exchange, Dumporijo	January 2017 to August 2017	16000	5.00	80000.00	2400.00	82400.00
	4	BTS Tower, Dumporijo	February 2017 to August 2017	14000	5.00	70000.00	2100.00	72100.00
	5	Commandant, Bora Ropuk I	April 2016 to August 2017	208130	3.75	780487.50	23421.00	803908.50
	6	Commandant, Bora Ropuk II	April 2015 to August 2017	448436	3.75	1681635.00	50455.00	1732090.00
	7	Singik hotel	July 2016 to February 2017 and June 2017 to August 2017	47800	5.00	239000.00	7170.00	246170.00
<b>Bomdila Electrical Division</b>	1	Garrison Engineer, Kumaon Regiment	November 2014 to September 2017	198217	4.00	792868.00	23786.00	816654.00
	2	Garrison Engineer, AsconTenga	November 2014 to September 2017	121046	4.00	484184.00	14526.00	498710.00
	3	O.C 91RCC GREF C/O 99 APO	November 2014 to September 2017	377465	4.00	1509860.00	45296.00	1555156.00
	4	Commanding Officer 14 BRTF GREFF	November 2014 to September 2017	745121	4.00	2980484.00	89415.00	3069899.00
	5	Bharti Infratel, Tenga Market	November 2016 to September 2017	103252	5.00	516260.00	15488.00	531748.00

Name of the Division	Sl. No.	Name of consumer	Period	Energy/Units Consumed	Applicable Rate(in ₹)	Total(in ₹)	Additional charge of 3per cent	Dues(in ₹)
	6	Bharti Infratel, Morgung	November 2016 to September 2017	44190	5.00	220950.00	6629.00	227579.00
	7	Bharti Infratel, Sinchung	November 2016 to September 2017	33505	5.00	167525.00	5026.00	172551.00
	8	SDO, Telephone Exchange, Nafra	July 2015 to August 2017	9792	5.00	48960.00	1469.00	50429.00
	9	Bharti Infratel, Upper Dzang	October 2016 to September 2017	23953	5.00	119765.00	3593.00	123358.00
	10	Bharti Infratel, Nafra	October 2016 to September 2017	27656	5.00	138280.00	4148.00	142428.00
	11	BSNL Telephone Exchange, Kalaktang	January 2016 to September 2017	75784	5.00	378920.00	11368.00	390288.00
	12	BSNL Telephone Exchange, Mobile Tower Kalaktang	January 2016 to September 2017	94456	5.00	472280.00	14168.00	486448.00
	13	SDO, BSNL Mobile Tower, Kalaktang	January 2016 to September 2017	47664	5.00	238320.00	7150.00	245470.00
	14	SBI, Rupa	November 2014 to September 2017	7946	5.00	39730.00	1192.00	40922.00
	15	SBI, ATM, Rupa	November 2014 to September 2017	12592	5.00	62960.00	1889.00	64849.00
	16	SBI Office, Rupa	November 2014 to September 2017	27830	5.00	139150.00	4175.00	143325.00
	17	M/s Bharti Hexa Com., Rupa	December 2014 to September 2017	35503	5.00	177515.00	5325.00	182840.00
	18	Bharti Infratel, Tower, Rupa	December 2014 to September 2017	87629	5.00	438145.00	13144.00	451289.00
	19	SDO, Telegraph, TelephoneExchange I, Rupa	January 2017 to September 2017	78887	5.00	394435.00	11833.00	406268.00

Name of the Division	Sl. No.	Name of consumer	Period	Energy/Units Consumed	Applicable Rate(in ₹)	Total(in ₹)	Additional charge of 3per cent	Dues(in ₹)
	20	The DVO, Poultry Farm	November 2014 to March 2017	7226	4.00	28904.00	867.00	29771.00
	21	The DVO, Poultry Farm	November 2014 to March 2017	2100	4.00	8400.00	252.00	8652.00
	22	SDOT(BSNL)TV Top, Tower, Hill Top	May 2016 to March 2017	5200	5.00	26000.00	780.00	26780.00
	23	Sub-DivisionalEngineer (Micro wave)	November 2014 to April 2017	126446	5.00	632230.00	18967.00	651197.00
	24	SDOT (BSNL),Telephone Exchange	November 2014 to September 2017	83070	5.00	415350.00	12461.00	427811.00
	25	SDOT (BSNL),Telephone Exchange	November 2014 to September 2017	290998	5.00	1454990.00	43650.00	1498640.00
	26	The Army Signal Ex-Hill Top	November 2014 to September 2017	76092	4.00	304368.00	9131.00	313499.00
	27	ASCON (HillTop)	November 2014 to September 2017	209231	4.00	836924.00	25108.00	862032.00
	28	SDOT (BSNL), Tower, New Bomdila	November 2014 to September 2017	54983	5.00	274915.00	8247.00	283162.00
	29	All India Radio	Frbruary 2016 to September 2017	7137	4.00	28548.00	856.00	29404.00
<b>Pasighat Electrical Division</b>	1	The Sub-Divisional Office (Telecom), Nari	January 2015 to September 2017	40000	5.00	200000.00	6000.00	206000.00
	2	Arunachal Pradesh Rural Bank, Lumpo Branch	January 2015 to September 2017	9903	5.00	49515.00	1485.00	51000.00
	3	Are Abing English School, Bilat	November 2016 to August 2017	800	5.00	4000.00	120.00	4120.00

Name of the Division	Sl. No.	Name of consumer	Period	Energy/Units Consumed	Applicable Rate(in ₹)	Total(in ₹)	Additional charge of 3per cent	Dues(in ₹)
	5	M/s Sai Enterprise, Niglok	September 2016 to September 2017	97500	3.85	375375.00	11261.00	386636.00
	6	M/s Siang Tea & Industries, Oyan	January 2015 to September 2017	570000	3.40	1938000.00	58140.00	1996140.00
				972000	3.50	3402000.00	102060.00	3504060.00
	7	GE, 872 EWS	January 2015 to September 2017	695991	3.75	2609966.25	78299.00	2688265.00
	8	BSNL, Oyan	January 2015 to September 2017	63000	5.00	315000.00	9450.00	324450.00
				36000	5.00	180000.00	5400.00	185400.00
	9	BSNL, Ruksin	January 2015 to September 2017	99000	5.00	495000.00	14850.00	509850.00
	10	BSNL, Ngorlung	January 2016 to September 2017	1971	5.00	9855.00	296.00	10151.00
				8557	5.00	42785.00	1284.00	44069.00
	11	Airtel, Sille	January 2015 to September 2017	40000	5.00	200000.00	6000.00	206000.00
				26000	5.00	130000.00	3900.00	133900.00
	12	Airtel, Sika Bamin	January 2015 to September 2017	24633	5.00	123165.00	3695.00	126860.00
				26000	5.00	130000.00	3900.00	133900.00
	13	Airtel, Rani	June 2016 to September 2017	6000	5.00	30000.00	900.00	30900.00
				26000	5.00	130000.00	3900.00	133900.00
	14	Aircel, Sille	January 2015 to September 2017	24000	5.00	120000.00	3600.00	123600.00
				26000	5.00	130000.00	3900.00	133900.00
	15	Aircel, Rani	September 2016 to September 2017	24000	5.00	120000.00	3600.00	123600.00
				26000	5.00	130000.00	3900.00	133900.00
	16	Aircel, Ngorlung	August 2017 to September 2017	4000	5.00	20000.00	600.00	20600.00
	17	Aircel, Rayang	August 2017 to September 2017	4000	5.00	20000.00	600.00	20600.00
	18	ATC Tower Corporation of India Ltd., Sille	January 2015 to September 2017	40000	5.00	200000.00	6000.00	206000.00
				26000	5.00	130000.00	3900.00	133900.00

Name of the Division	Sl. No.	Name of consumer	Period	Energy/Units Consumed	Applicable Rate(in ₹)	Total(in ₹)	Additional charge of 3per cent	Dues(in ₹)
	19	Reliance Telecom, Rani	January 2015 to September 2017	40000	5.00	200000.00	6000.00	206000.00
				26000	5.00	130000.00	3900.00	133900.00
	20	Reliance, Oyan	July 2016 to September 2017	4000	5.00	20000.00	600.00	20600.00
				26000	5.00	130000.00	3900.00	133900.00
<b>Naharlagun Electrical Division</b>	1	C/o GREF, G-Ext., Damsite	April 2015 to September 2016	119682	3.75	448807.5.00	13464.00	462271.50
	2	Vodafone Tower, E. Rec	April 2015 to July 2016	67419	5.00	337095.00	10113.00	347208.00
	3	M/s Hotel Toya, S/Market	April 2015 to November 2016	43392	5.00	216960.00	6509.00	223469.00
	4	Tata Indicom, Youth Hostel	April 2015 to January 2016	26342	5.00	131710.00	3951.00	135661.00
	5	Aircel Tower, Youth Hostel	April 2015 to January 2016	28269	5.00	141345.00	4240.00	145585.00
	6	Vodafone Tower, Youth Hostel	April 2015 to June 2016	45000	5.00	225000.00	6750.00	231750.00
	7	Reliance Tower, Youth Hostel	April 2015 to April 2016	36000	5.00	180000.00	5400.00	185400.00.
	8	Bharti Hexacomm. Limited, Airtel Tower, Youth Hostel	April 2015 to November 2016	42367	5.00	211835.00	6355.00	218190.00
	9	Oriental Bank, G Extn., RCC	April 2015 to November 2016	53440	4.20	224448.00	6733.00	231181.00
	10	Punjab National Bank, G Extn., RCC	April 2015 to November 2016	24707	4.20	103769.40	3113.00	106882.40
	11	State Bank of India, G Extn., RCC	April 2015 to November 2016	72000	5.00	360000.00	10800.00	370800.00
	12	T. Soki Apartment, D Sector, RCC	April 2015 to November 2016	139771	3.75	524141.25	15724.00	539865.30

Name of the Division	Sl. No.	Name of consumer	Period	Energy/Units Consumed	Applicable Rate(in ₹)	Total(in ₹)	Additional charge of 3per cent	Dues(in ₹)
	13	LingdumTatu, Barapani	April 2015 to March 2016	3730	4.20	15666.00	470.00	16136.00
			April 2016 to November 2016	973	4.30	4183.90	126.00	4309.90
	14	Maze Mart, Barapani market	April 2015 to November 2016	167720	4.20	704424.00	21133.00	725557.00
	15	Pamong Commercial Complex	April 2015 to November 2016	38593	4.20	162090.60	4863.00	166953.60
	16	SDO Telecom, BSNL, A Sector	November 2015 to November 2016	104630	4.20	439446.00	13183.00	452629.00
	17	M/s Petrol Pump,P/Nalla Near Road side, Naharlagun	April 2015 to November 2016	10400	5.00	52000.00	1560.00	53560.00
	18	M/s Him Yamaha Motor	January 2015 to December 2016	18745	5.00	93725.00	2812.00	96537.00
	19	M/s Niba Clinic	February 2015 to November 2016	105774	5.00	528870.00	15866.00	544736.00
	20	BSNL Tower, Pachin Colony	April 2016 to November 2016	39012	5.00	195060.00	5852.00	200912.00
	21	River View Hotel	May 2016 to October 2016	6327	5.00	31635.00	949.00	32584.00
	22	Hotel Achi Ama, B Sector	January 2015 to November 2016	32660	5.00	163300.00	4899.00	168199.00
	23	Hotel Nemko	January 2015 to November 2016	41530	5.00	207650.00	6230.00	213880.00
	24	Hotel Legia	January 2015 to November 2016	19974	5.00	99870.00	2996.00	102866.00

Name of the Division	Sl. No.	Name of consumer	Period	Energy/Units Consumed	Applicable Rate(in ₹)	Total(in ₹)	Additional charge of 3per cent	Dues(in ₹)
	25	Hotel Arunachal, Super Market, Naharlagun	January 2015 to November 2016	25140	5.00	125700.00	3771.00	129471.00
	26	E&K Restaurant	January 2015 to November 2016	59016	5.00	295080.00	8852.00	303932.00
	27	Echo Newspaper	January 2015 to November 2016	19320	5.00	96600.00	2898.00	99498.00
	28	State Bank of India, Bazaar Branch	January 2015 to November 2016	35313	5.00	176565.00	5297.00	181862.00
	29	Vodafone Polo Tower	January 2015 to February 2016	32289	5.00	161445.00	4843.00	166288.00
	30	Reliance Tower, Polo Colony	January 2015 to November 2016	53706	5.00	268530.00	8056.00	276586.00
	31	Bharti Hexacomm Limited, Airtel Tower, Polo RCC	January 2015 to November 2016	45359	5.00	226795.00	6804.00	233599.00
	32	Reliance Tower, RGU Complex	April 2015 to November 2016	28800	4.20	120960.00	3629.00	124589.00
	33	DGM, NEEPCO, Doimukh	January 2015 to October 2017	2349460	3.75	8810475.00	264314.00	9074789.00
	34	31 Bn. ITBP Commandant Complex, Yupia	June 2015 to July 2016	97580	3.40	331772.00	9953.00	341725.00
	35	31 Bn. ITBP Commandant Type 2 Office, Yupia	June 2015 to July 2016	56000	4.00	224000.00	6720.00	230720.00
	36	NIT Boys Hostel and Guest House	June 2015 to July 2016	35680	4.00	142720.00	4282.00	147002.00
	37	NIT Boys Hostel Type 3	June 2015 to July 2016	70000	4.00	280000.00	8400.00	288400.00

Name of the Division	Sl. No.	Name of consumer	Period	Energy/Units Consumed	Applicable Rate(in ₹)	Total(in ₹)	Additional charge of 3per cent	Dues(in ₹)
Hayuliang Electrical Division	1	The Commanding Officer, 2/8 GR/10 SiklaiKibitu	May 2013 to January 2018	336490	3.75	1261837.50	37855.00	1299693.00
	2	The Commanding Officer, 305 Q Fd/ 9 Para/ 274, Walong	May 2013 to January 2018	391030	3.75	1466362.50	43991.00	1510354.00
	3	The Commanding Officer, 2/8 GR/ Siklai, Walong	May 2013 to January 2018	333180	3.75	1249425.00	37483.00	1286908.00
	4	2 IC 116 R.C.C Gref	May 2013 to January 2018	64890	3.75	243337.50	7300.00	250637.50
	5	2 Mountain Douk, Lower Yapak	March 2015 to January 2018	342950	3.75	1286062.50	38582.00	1324645.00
	6	2 Mountain Douk, Upper Yapak	July 2015 to January 2018	34820	3.75	130575.00	3917.00	134492.00
	7	The Commanding Officer, 9 Para Fd, Telam	July 2016 to January 2018	224270	3.75	841012.50	25230.00	866242.50
	8	Arunachal Scouts, Taflagam	February 2016 to October 2017	24487	3.75	91826.25	2755.00	94581.25
	9	BSNL, Khupa	August 2014 to January 2018	25200	5.00	126000.00	3780.00	129780.00
	10	9th JAK Rifle	May 2013 to December 2017	155015	3.75	581306.25	17439.00	598745.30
	11	Transit Camp	May 2013 to December 2017	166167	3.75	623126.25	18694.00	641820.30
	12	116 RCC	May 2013 to December 2017	133185	3.75	499443.75	14983.00	514426.80
<b>Total</b>				<b>13194176</b>		<b>53379392.00</b>	<b>1601396.00</b>	<b>54980788.00</b>

**Appendix-2.3 (Para 2.5)**  
**Short levy of tariff due to misclassification of consumers**

Sl. No.	Name of consumer/ Category	Month	Energy/Units Consumed	Rate applied by the Division (in ₹)	Applicable Rate (in ₹)	Short Levy due to wrong Classification (in ₹)
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g=(f-e)d</i>
<b>Naharlagun Division</b>						
1	C/o GREF, G-Ext., Damsite	April 2015 to November 2016	123427	3.40	3.75	43199
2	LingdumTatu, Barapani	April 2016 to November 2016	973	4.20	4.30	97
3	M/s Jaba Enterprise	April 2016 to May 2016	450	4.20	4.30	45
4	YakoPiel, Fabrication	April 2016 to December 2016	1609	4.20	4.30	161
5	M/s Loi Fabrication	April 2016 to November 2016	6094	4.20	4.30	609
6	TechiPayo Fabrication	April 2016 to November 2016	1440	4.20	4.30	144
7	M/s Likha Kame Fabrication	April 2016 to December 2016	4688	4.20	4.30	469
8	Shri. DevandarSharma,A Sector	April 2016 to November 2016	2260	4.20	4.30	226
9	M/s Modern Furniture	April 2016 to October 2016	5665	4.20	4.30	566
10	M/s Eureka Offset Printing Press	April 2016 to October 2016	3480	4.20	4.30	348
11	M/s ParanOil and Flour mill	April 2016 to October 2016	3738	4.20	4.30	374
12	TokoYazo Fabrication	April 2016 to October 2016	2042	4.20	4.30	204
13	M/s Taba Valley	April 2016 to October 2016	7292	4.20	4.30	729
14	M/s TachoYallo	April 2016 to October 2016	2132	4.20	4.30	213
15	M/s Paron Rice Mill	April 2016 to September 2016	864	4.20	4.30	86
16	M/s Sango Fabrication	April 2016 to October 2016	1980	4.20	4.30	198
17	M/s Anju Fabrication	April 2016 to October 2016	4900	4.20	4.30	490
18	M/s Durga Engineering	April 2016 to November 2016	5600	4.20	4.30	560
19	M/s Liyam Sheet	May 2016 to October 2016	656	4.20	4.30	66
20	M/s T. Melong Fabrication	April 2016 to October 2016	2170	4.20	4.30	217
21	Shri. Abhey Kr. Patel	May 2016 to October 2016	4608	4.20	4.30	461
22	M/s Impressions	April 2016 to November 2016	1033	4.20	4.30	103
23	M/s T.L Fabrication, Near NRL petrol pump	April 2016 to November 2016	3220	4.20	4.30	322
24	M/s Capital Printers	April 2016 to November 2016	4215	4.20	4.30	421
25	M/s LomdeBomjin	April 2016 to November 2016	21743	4.20	4.30	2174

Sl. No.	Name of consumer/ Category	Month	Energy/Units Consumed	Rate applied by the Division (in ₹)	Applicable Rate (in ₹)	Short Levy due to wrong Classification (in ₹)
<b>Sub Total</b>						<b>52485</b>
<b>Daporijo Division</b>						
26	BSNL Telecom Exchange, Maro	July 2017 to August 2017	480	4	5	480
27	Rural Bank	May 2016 to August 2017	3200	4	5	3200
28	BSNL Telecom Exchange, Dumporijo	January 2017 to August 2017	16000	4	5	16000
29	BTS Tower, Dumporijo	February 2017 to August 2017	14000	4	5	14000
30	Public Lighting, Dumporijo	April 2016 to August 2017	119000	4	5.1	130900
31	Rural Bank, Taliha	July 2016 to March 2017 & June 2017 to August 2017	2575	4.2	5	2060
32	Singik hotel	July 2016 to August 2017	47800	3.75	5	59750
<b>Sub Total</b>						<b>226390</b>
<b>Hayuliang Division</b>						
33	The DC, Anjaw, Street Light (Urban)	June 2015 to January 2018	13250	5	5	1325
34	The DC, Anjaw, Street Light (Old Hawaii)	January 2016 to January 2018	6500	5	5	650
35	DC Anjaw, Street light, Khupa	August 2016 to January 2018	8154	5	5.10	815
<b>Sub Total</b>						<b>2790</b>
<b>Pasighat Division</b>						
36	Arunachal Pradesh Rural Bank, Lumpo Branch	January 2015 to September 2017	9903	4	5	9903
37	Nari HQ Street Light	March 2015 to September 2017	1550	4	5.10	1705
38	Are Abing English School, Bilat	November 2016 to August 2017	800	4	5	800
39	M/s Sai Enterprise, Niglok	September 2016 to September 2017	97500	3.75	3.85	9750
40	M/s Siang Tea & Industries, Oyan	April 2016 to September 2017	972000	3.40	3.50	97200
41	BSNL, Oyan	October 2016 to September 2017	36000	4.20	5	28800
42	BSNL, Nyorlung	October 2016 to September 2017	8557	4.20	5	6846
43	Airtel, Sille	September 2016 to September 2017	26000	4.20	5	20800
44	Airtel, Sika Bamin	September 2016 to September 2017	26000	4.20	5	20800
45	Airtel, Rani	September 2016 to September 2017	26000	4.20	5	20800
46	Aircel, Sille	September 2016 to September 2017	26000	4.20	5	20800
47	Aircel, Rani	September 2016 to September 2017	26000	4.20	5	20800
48	Aircel, Ngorlung	August 2017 to September 2017	4000	4.20	5	3200

*Audit Report for the year ended 31 March 2018*

---

Sl. No.	Name of consumer/ Category	Month	Energy/Units Consumed	Rate applied by the Division (in ₹)	Applicable Rate (in ₹)	Short Levy due to wrong Classification (in ₹)
49	Aircel, Rayang	August 2017 to September 2017	4000	4.20	5	3200
50	ATC Tower Corporatio of India Ltd, Sile	September 2016 to September 2017	26000	4.20	5	20800
51	Reliance Telecom, Rani	September 2016 to September 2017	26000	4.20	5	20800
52	Relaince, Oyam	September 2016 to September 2017	26000	4.20	5	20800
<b>Sub Total</b>						<b>327804</b>
<b>Total</b>						<b>609469</b>

**Appendix-2.4 (Para 2.6)**  
**Payment details for shifting of electrical structures under double lane works**

Sl. No.	Bill No. & date	MB No.	Gross amount	VAT (4 per cent)	IT (2 per cent)	Bill passed and paid	Amount paid including taxes
1	09/7.5.16	17	42726.00	1709.04	854.52	40162.44	42726.00
2	10/7.5.16	17	218839.00	8753.56	4376.78	205708.70	218839.00
3	12/7.5.16	11	742831.00	2857.44	14285.22	699975.00	717117.70
4	14/7.5.16	17	500046.00	2000.84	10000.92	470043.00	482044.80
5	16/19.5.16	17	305179.00	12086.32	6043.16	287049.00	305178.50
6	13/7.5.13	17	500046.00	20001.84	10000.92	470043.00	500045.80
7	01/7.5.16	11	587451.00	23498.04	11749.02	581011.00	616258.10
8	02/7.5.16	11	587451.00	23498.04	11749.02	552204.00	587451.10
9	03/7.5.16	11	618097.00	2473.88	12361.94	581011.00	595846.80
10	05/7.5.16	17	587451.00	23498.04	11749.02	552204.00	587451.10
11	06/7.5.16	17	585362.00	23414.48	11707.24	550240.00	585361.70
12	07/7.5.16	17	585122.00	23404.88	11702.44	550015.00	585122.30
13	08/7.5.16	17	485279.00	19411.16	9705.58	456162.00	485278.70
14	12/19.5.16	11	109200.00	4200.00	2100.00	100000.00	106300.00
15	11/7.5.16	11	583128.00	23325.12	4662.56	548140.00	576127.70
16	04/7.5.16	17	714245.00	28569.80	14284.9	671390.00	714244.70
<b>Total</b>			<b>7752453.00</b>	<b>242702.50</b>	<b>147333.2</b>	<b>7315358.00</b>	<b>7705394.00</b>

**Appendix-2.5 (Para 2.7)**  
**Expenditure incurred on maintenance of assets under RKVY**

(₹ in lakh)

Year	Particulars	DDO	Expenditure
2013-14	Renovation/maintenance of office and residential quarters	DAO Seppa	10.90
	Renovation/maintenance of office and residential quarters	DAO Changlang	2.20
	Repairing/ Renovation/ Maintenance of residential Quarters	DAO Bomdila	3.00
	Repairing/ Renovation/ Maintenance of residential Quarters	DAO Koloriang	2.00
	Repairing/ Renovation/ Maintenance of office and residential Quarters	DAO Khonsa	9.50
	Repairing/ Renovation/ Maintenance of residential Quarters	DAO Daporijo	5.00
	cost of water supply connection to KVK office	KVK Tawang	6.50
	Repairing/ Renovation/ Maintenance of residential Quarters	MCP Basar	4.50
	Repairing/ Renovation/ Maintenance of residential Quarters	DA, Naharlagun	26.17
	Repairing/ Renovation/ Maintenance of residential Quarters	Principal GTC Pasighat	1.09
	Repairing/ Renovation/ Maintenance of office	DAO Yupia	5.00
	Repairing/ Renovation/ Maintenance of office and residential Quarters	DAO Ziro	28.00
	Repairing/ Renovation/ Maintenance of office and residential Quarters	DAO Seppa	8.91
	Repairing/ Renovation/ Maintenance of office and residential Quarters	DAO Roing	5.70
	Repairing/ Renovation/ Maintenance of office and residential Quarters	DAO Tezu	2.88
	Repairing/ Renovation/ Maintenance of office and residential Quarters	Project Officer (MCP) Basar	1.50
	Repairing/ Renovation/ Maintenance of office and residential Quarters	DA, Naharlagun	10.64
<b>Sub-Total</b>			<b>133.49</b>
2014-15	Renovation/maintenance of residential and non-residential buildings	DAO Yupia	16.00
	Renovation/maintenance of residential and non-residential buildings	DAO Daporijo	10.00
	Renovation/maintenance of residential and non-residential buildings	DAO Ziro	14.00
	Renovation/maintenance of residential and non-residential buildings	EE (RWD) Ziro	34.00
	Renovation/maintenance of residential and non-residential buildings	Director of Agri, Naharlagun	30.64
<b>Sub-total</b>			<b>104.64</b>
2015-16	Renovation/maintenance of residential and non-residential buildings	DAO Aalo	1.60
	Renovation/maintenance of residential and non-residential buildings	EE (RWD) Ziro	30.00
	Renovation/maintenance of residential and non-residential buildings	Agronomist Tezu	4.20
	Renovation/maintenance of residential and non-residential buildings	DA, Naharlagun	6.12
	Renovation/maintenance of residential buildings	DDA Ziro	15.00
	Renovation/maintenance of residential buildings	DDA Yupia	3.00
	Renovation/maintenance of residential buildings	DA Naharlagun	7.00
	Renovation/maintenance of residential buildings	DDA Ziro	9.00
	Renovation/maintenance of residential and non-residential buildings	DA, Naharlagun	8.00
	Renovation/maintenance of residential buildings	DDA Tawang	2.00
	Renovation/maintenance of non-residential buildings	DDA Roing	3.00
	Renovation/maintenance of residential and non-residential buildings	DDA Seppa	5.00
	Renovation/maintenance of residential and non-residential buildings	DDA Yupia	6.50
	Renovation/maintenance of residential and non-residential buildings	EE (RWD) Ziro	17.00
	Renovation/maintenance of residential and non-residential buildings	Director of Agri, Naharlagun	7.00
	Renovation/maintenance of residential buildings	Principal GTC Pasighat	9.00
	C/o Septic tank and repair/maintenance of transit camp	DA, Naharlagun	7.00
	Renovation/maintenance of residential and non-residential buildings	Farm Manager Sonajuli	6.50
	Renovation/maintenance of residential and non-residential buildings	DDA Daporijo	1.50
	Renovation/maintenance of residential buildings	DDA Pasighat	1.15
Renovation/maintenance of Laboratory	DDA Changlang	3.00	
Renovation/maintenance of residential and non-residential buildings	DDA Khonsa	3.00	
Renovation/maintenance of residential buildings	DDA Longding	3.90	
Renovation/maintenance of non-residential buildings	DDA Aalo	7.00	

Year	Particulars	DDO	Expenditure
	Renovation/maintenance of residential and non-residential buildings	Agronomist Tezu	3.50
	Renovation/maintenance of residential and non-residential buildings	DDA Tezu	2.50
	Renovation/maintenance of residential buildings	DDA Pasighat	2.33
	Renovation/maintenance of non-residential buildings	DDA Anjaw	14.00
	Renovation/maintenance of non-residential buildings	DDA Bomdila	3.00
	Renovation/maintenance of residential and non-residential buildings	DDA Kra-Dadi	5.00
	Renovation/maintenance of residential and non-residential buildings	DDA Ziro	1.50
	Renovation/maintenance of residential and non-residential buildings	Agronomist Tawang	1.99
	<b>Sub-total</b>		<b>200.29</b>
2016-17	Renovation/maintenance of residential and non-residential buildings	DDA Tawang	3.00
	Renovation/maintenance of residential and non-residential buildings	DDA Seppa	3.00
	Renovation/maintenance of residential and non-residential buildings	DDA Yupia	4.00
	Renovation/maintenance of residential and non-residential buildings	DDA Ziro	24.00
	Renovation/maintenance of residential and non-residential buildings	DDA Koloriang	5.00
	Renovation/maintenance of residential and non-residential buildings	DDA Kra-Dadi	6.00
	Renovation/maintenance of residential and non-residential buildings	DDA Daporijo	6.00
	Renovation/maintenance of residential and non-residential buildings	DDA Aalo	4.00
	Renovation/maintenance of residential and non-residential buildings	DDA Pasighat	32.00
	Renovation/maintenance of residential and non-residential buildings	SE(WRD) Khonsa	30.00
	Renovation/maintenance of residential and non-residential buildings	DDA Tezu	1.05
	Renovation/maintenance of residential and non-residential buildings	DDA Tawang	2.00
	Renovation/maintenance of residential and non-residential buildings	DDA Yupia	4.00
	Renovation/maintenance of residential and non-residential buildings	DDA Ziro	13.00
	Renovation/maintenance of residential and non-residential buildings	DDA Koloriang	4.00
	Renovation/maintenance of residential and non-residential buildings	DDA Daporijo	4.00
	Renovation/maintenance of residential and non-residential buildings	DDA Aalo	3.00
	Renovation/maintenance of residential and non-residential buildings	DDA Pasighat	16.00
	Renovation/maintenance of residential and non-residential buildings	DDA Khonsa	15.00
	Renovation/maintenance of residential and non-residential buildings	DDA Roing	1.49
	Renovation/maintenance of residential and non-residential buildings	DDA Tezu	2.00
	Renovation/maintenance of residential and non-residential buildings	DDA Tawang	4.00
Renovation/maintenance of residential and non-residential buildings	DDA(Research) Tezu	1.50	
	<b>Sub-total</b>		<b>188.04</b>
2017-18	C/o DAO office building Kra-dadi	EE WRD Ziro	100.00
	C/o boundary wall for Govt. Seed Farm, Sonajuli	Farm Manager Sonajuli	40.00
	C/o RCC boundary wall at FTC Kherem	DDA(Research) Tezu	40.00
	C/o AFA quarter, office room and store at Ambam under DDA Ziro	DDA Ziro	15.00
	Renovation/maintenance of office of Govt. seed production farm at Bolung under DDA, Tezu	DDA Tezu	1.50
	Renovation/maintenance of quarter of ADO Tawang	DDA Tawang	2.30
	Renovation/maintenance DAO office Yupia	DDA Yupia	13.00
	Renovation/maintenance quarters for farm manager at Yazali	DDA Ziro	4.50
	Renovation/maintenance of ADO office at Kamba	DDA Aalo	1.90
	Renovation/maintenance of quarter of DDA Yingkiong	DDA Yingkiong	4.40
	Renovation/maintenance of quarter of ADO Roing	DDA Roing	3.30
		<b>Sub-total</b>	
<b>Grand Total</b>			<b>852.36</b>

**Appendix-2.6 (Para 2.10.2-iii)**  
**Details of short-deduction of VAT by EE, Highway Division (PWD), Jairampur**

*(₹ in lakh)*

Sl. No.	Name of the work/particular of supplied items	Bill/ voucher No with date	value of work/bill amount	75per cent of work value being taxable turn over	VAT to deducted @ 12.5per cent on taxable turnover	VAT deducted @ 4per cent on total value	short deduction
1	2 Laning of Ledo-Pangsau Pass section ofNH-153 from Km 40.00 to 56/485	20 RA/12 dtd 15.03.2016	100.06	75.05	9.38	4.01	5.37
2	2 Laning of Ledo-Pangsau Pass section ofNH-153 from Km 40.00 to 56/485	22 RA/RF dtd 14.09.2016	28.81	21.61	2.70	1.15	1.55
3	2 Laning of Ledo-Pangsau Pass section ofNH-153 from Km 40.00 to 56/485	19 RA dtd 30.11.2015	250.23	187.67	23.46	10.01	13.45
4	2 Laning of NH-153 from Km 24.00 to 40.00	16 RF/01 dated 02.05.2015	267.58	200.69	25.09	10.70	14.39
<b>Total</b>			<b>646.68</b>	<b>485.01</b>	<b>60.63</b>	<b>25.87</b>	<b>34.76</b>

**Appendix-2.7 (Para 2.10.3)**  
**Details of short-payment of tax for 2015-16**

(₹ in lakh)

<b>Tax Period</b>	<b>VAT Sales</b>	<b>Tax due @ 4 per cent</b>	<b>Input Tax Credit</b>	<b>Net Tax Credit</b>	<b>Tax Paid @ 1 per cent</b>	<b>Tax foregone @ 99 per cent</b>	<b>Outstanding period in days till 31-05-2018 after allowing 28 days grace period</b>	<b>Interest @ 12 per cent per annum calculated on daily basis</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b>	<b>(g)</b>	<b>(h)</b>	<b>(i)</b>
Apr-15	42.79	1.71	0	1.71	0.02	1.69	1099	0.61
May-15	25.38	1.02	0.18	0.84	0.01	0.83	1068	0.29
Jun-15	38.15	1.53	0.09	1.44	0.01	1.42	1038	0.49
Jul-15	57.8	2.31	0.15	2.16	0.02	2.14	1007	0.71
Aug-15	39.3	1.57	0.23	1.34	0.01	1.33	976	0.43
Sep-15	1081.35	43.25	0.12	43.13	0.43	42.7	946	13.28
Oct-15	1245.89	49.84	0.29	49.55	0.5	49.05	915	14.76
Nov-15	1328.6	53.14	0.28	52.86	0.53	52.34	885	15.23
Dec-15	466.32	18.65	0	18.65	0.18	18.28	854	5.13
Jan-16	518.6	20.74	0.15	20.59	0.21	20.39	823	5.52
Apr-16	14.7	0.58	0.26	0.33	0	0.32	733	0.08
May-16	0	0	0	0	0	0	0	0
Jun-16	5	0.2	0.25	-0.05	0	-0.05	0	0
Jul-16	12.11	0.48	0	0.48	0	0.48	641	0.1
Aug-16	15.43	0.63	0.26	0.36	0	0.35	610	0.07
Sep-16	0.7	0.03	0	0.03	0	0.03	580	0.01
Oct-16	0	0	0	0	0	0	0	0
Nov-16	28.75	1.15	0.21	0.94	0.01	0.93	519	0.16
Dec-16	35.49	1.42	0.14	1.28	0.01	1.26	488	0.2
Jan-17	28.93	1.16	0.14	1.02	0.01	1.01	457	0.15
Feb-17	22.67	0.91	0.24	0.67	0.01	0.66	429	0.09
Mar-17	16.7	0.67	0.07	0.6	0.01	0.59	398	0.08
<b>Total</b>	<b>5024.66</b>	<b>200.99</b>	<b>3.06</b>	<b>197.93</b>	<b>1.97</b>	<b>195.75</b>	<b>14466</b>	<b>57.39</b>

**Appendix-2.8 (Para 2.10.4)**  
**Details of penalty for non-furnishing of FF-16 by DDOs**

(₹ in lakh)

Sl. No	Name of DDO	Name of Contractor	Name of Work	Agreement No.	Date of Agreement	Delay in no. of days till 31/05/2018 (excluding 15 days grace)	Penalty @ ₹ 500 per day	DDO wise Penalty
1	Executive Engineer, PWD, Daporijo Division	M/s Maling Enterprises	C/o Rcc girls hostel at kodak	DB/DRJ/TS/3/2016-17/1777-80 dtd 19-10-2016	19-10-16	574	2.87	24.62
2		do	C/o Rcc school bldg/classroom	DB/DRJ/TS/2/2016-17/1718-24 dtd 19-01-2016	10-11-16	552	2.76	
3		M/s PM Enterprises	C/o SDO office bldg at Taliha Administrative Circle	DB/DRJ/T/2014-15/02 dtd 16-03-2015	16-03-15	1157	5.78	
4		M/s KurungKumey Enterprises	C/o mini secretariat at Daporijo	DD/NIT/SPA/2014-15/01	12-02-17	458	2.29	
5		M/s TD Trade Centre	Infrastructure dev of govt. college	DD/NIT/SPA/14-15/02 dtd 03/2015	31-03-15	1142	5.71	
6		M/s D&G Construction	Re-construction of Circuit House at Daporijo under SPA	NIT/DB/DRJ/17/2015-16/1206-08 dtd 10-7-15	10-07-15	1041	5.21	
7	Dy. Director, UD & Housing, Daporijo Division	M/s Hella Engineering, Seppa	Infrastructure Development at Daporijo, Ph-I	DD/UD/DRJ/LGNES-03/2009-10 dtd 18/02/2014	18-02-14	1548	7.74	14.63
8		M/s Sonia Enterprises, Daporijo	C/o Vendors Market at Daporijo	DD/UD/DRJ/LGNES-03/2013-14 dtd 08/08/2014	08-08-14	1377	6.88	
9	Executive Engineer, RWD, Daporijo Division	M/s DDY Enterprises	C/o double unit T-III qtr& one store room with toilet attached to the office chamber of Superintendent Tax & Excise, Daporijo, Upper Subansiri District	DRWD/Tender/SPA/2015-16 dtd 25th January 2016	25-01-16	842	4.21	16.02
10		M/s Maling Enterprises	C/o Infrastructure Development work at CHC, Kodak	DRWD/tender/SIDF/RE/01/2015 -16 dtd 16/04/2016	16-04-16	760	3.8	

Sl. No	Name of DDO	Name of Contractor	Name of Work	Agreement No.	Date of Agreement	Delay in no. of days till 31/05/2018 (excluding 15 days grace)	Penalty @ ₹ 500 per day	DDO wise Penalty
11		M/s Karbom Mara Gamlin	C/o Semi RCC Boys Hostel Building Teacher Qtr	DRWD/Tender/TFC/2015-16 dtd 24th April 2016	24-04-16	752	3.76	
12		M/s JK Enterprises	C/o Semi-RCC Type-IV Qtr. For District Art & Culture Officer Daporijo	DRWD/Drj/WO-98/16-17 dtd 13/03/17	13-03-17	429	2.15	
13		M/s K.K. Enterprises	C/o Community Halls at Various Anchal Segment under Taliha-Payeng Circle	DRWD/tender/SIDF/RE/2015-16 dtd 20/03/2017	20-03-17	422	2.11	
14	Executive Engineer, PWD, Pasighat	M/s OJEE Traders, Pasighat	C/o Internal Road at High Region, Jarkong/Jarka, Tebo Village and Old Fish Market Pasighat	PA/Con-1/2015-16/6112-18	11-03-16	796	3.98	14.67
15		SmtYTipakTayeng	Improvement and Upgradation of Mebo-Dholla road at Maktumghat	PA/Con-1/2016-17/3378-83	30-11-16	532	2.66	
16		Sri OkiyangPertin	Maintenance of various roads and bridges at Mebo	06/PSG/SE-BLG/2016-17	29-11-16	533	2.66	
17		M/s Gammi Enterprises, Pasighat	C/o Roads and bridges at from National Highway NH-515 to Berung Village	10/PSG/SE-BLG/2016-17	04-01-17	497	2.48	
18		M/s Y.P. Enterprises, Pasighat	C/o road from MirmirCharali Junction to Sibor Korong, Pasighat	02/PSG/SE-BLG/2016-17	17-10-16	576	2.88	
19	Executive Engineer, RWD, Pasighat	M/s T.J. Enterprises, Pangin	Model Village (Infrastructure Development) at Jorshing Village	PRWD/AGREEMENT/-09/2016-17	23-03-17	419	2.1	17.64
20		M/s R.T. Enterprises	C/o General Ground at at Sub-Divisional HQ at Mebo	PRWD/AGREEMENT-05/2016-17	17-03-17	425	2.12	
21		M/s Er. TagamPanggam	C/o Community Hall at Riga Talom, MijeJerang and Pareng Village	PRWD/AGREEMENT-10/2016-17	23-03-17	419	2.09	
22		M/s Shakti Commercial	C/o RLR from New Seren to Old Deka Village	RWDP/SIDF-01/Agree-04/2016-17	09-12-16	523	2.62	

Sl. No	Name of DDO	Name of Contractor	Name of Work	Agreement No.	Date of Agreement	Delay in no. of days till 31/05/2018 (excluding 15 days grace)	Penalty @ ₹ 500 per day	DDO wise Penalty
23		M/s T.K. Enterprises, Pasighat	C/o RCC Double Storey Guest House and C/o Rain Water Drainage System at Ruksin	PRWD/AGREEMENT-01/2016-17	06-09-16	617	3.08	
24		M/s K.K. Enterprises	Construction and Improvement of RLR from Koyu to Rise	PRWD/AGREEMENT-05/2016-17	24-12-16	508	2.54	
25		M/s Gammi Enterprises	C/o Boundary wall around, Renovation/Upgradation & S/fencing at VTI Pasighat	PRWD/AGREEMENT-02/2016-17	06-09-16	617	3.09	
26	Executive Engineer, RWD, Ziro	M/s DonyiLella Enterprises	Joram Village along with rostrum and approach road	ZRW/Tend/AGREEMENT-I/2015-16 dtd 10-2-2017	10-02-17	460	2.3	5.41
27		do	C/o Road from Libia to Pistana Circle Hqr	ZRW/Tend/SPA/Z-II/AGREEMENT-2/2014-15 dtd 02-09-2016	02-09-16	621	3.1	
28	Executive Engineer, PWD, Ziro	Sri Hinyo Tai	C/o Approach Road from BRTF to MudongTage Village	ZD/EE/ADA/2016-17/18 dtd 27-03-2017	27-03-17	415	2.08	27.19
29		Shri Landi Tara	C/o RCC Slab Culvert 2 Mtrs Span	ZD/EE/ADA/2016-17/10 dtd 24-03-2017	24-03-17	418	2.09	
30		do	Construction & Improvement of approach road to various colony in Hapoli Town	ZD/EE/ADA/2016-17/09 dtd 24-03-2017	24-03-17	418	2.09	
31		M/s Gomyee Enterprises	C/o bridge connecting Repari Govt. ME School & BRTF Road Point	EE/ZD/ADA/2016-17/08 dtd 24-03-2017	24-03-17	418	2.09	
32		M/s Tap Tapuk	C/o Suspension bridge over Pein River	EE/ZD/ADA/2016-17/14 dtd 27-03-2017	27-03-17	415	2.08	
33		do	C/o Semi-RCC Type-II Qtr at Govt. HS School Boa-Simla	EE/ZD/ADA/2016-17/13 dtd 27-03-2017	27-03-17	415	2.08	
34		M/s P&T Enterprises	C/o Boundary Wall around Govt. ME School Saddle	EE/ZD/ADA/2016-17/12 dtd 27-03-2017	27-03-17	415	2.08	

Sl. No	Name of DDO	Name of Contractor	Name of Work	Agreement No.	Date of Agreement	Delay in no. of days till 31/05/2018 (excluding 15 days grace)	Penalty @ ₹ 500 per day	DDO wise Penalty
35		M/s Rannia Enterprises	C/o Community Hall at Tamen Village	EE/ZD/ADA/2016-17/22 dtd 28-03-2017	28-03-17	414	2.07	
36		M/s Biki Tania	C/o Community Hall at MengiKabak Village	EE/ZD/ADA/2016-17/20 dtd 28-03-2017	28-03-17	414	2.07	
37		M/s KabakKaru	C/o Community Hall at Dugi Village	EE/ZD/ADA/2016-17/16 dtd 27-03-2017	27-03-17	415	2.07	
38		M/s Tunia Commercial	C/o Road from Pine Grove to Siro (Outer Ring Road)	EE/ZD/RIDF-XIX/16-17/02 dtd 03-10-2016	03-10-16	590	2.95	
39		Sri Dani Kara	C/o Residential Building alongwith security compound Wall, Guard Room etc.	EE/ZD/JUD/(CJM)/16-17/01 dtd 23-06-2016	23-06-16	692	3.46	
			<b>Total</b>			<b>24036</b>	<b>120.18</b>	

**Appendix-2.9 (Para 2.10.5)**  
**Non-realisation of licence fee and penalty from Bonded Warehouses**

*(₹ in lakh)*

SI No.	Name of Firm	Location	License No. & Date	Valid upto	No. of years of non-renewal	Licence Fee due @ ₹150000 p.a.	No. of days late till 31-3-2018	Late fee @ ₹ 100/day	Total amount	Remarks
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	M/s Shiva Enterprise	Naharlagun	Ex-239/07/BWH dtd. 10-08-2008	11/08/2015	3	4.50	963	0.96	5.46	Recovered license renewal fees and penalty
2	M/s Royal Bonded Warehouse	Bordumsa	EX-132/2005/BWH dtd 15/01/08	15/07/2016	2	3.00	624	0.62	3.62	Further development is awaited
3	M/s Five Star Beer Bonded Warehouse	Naharlagun	Ex-175/06/BBWH dtd. 22/02/2006	21/12/2013	5	7.50	1561	1.56	9.06	License cancelled
4	M/s Exclusive Beer Bonded Warehouse	Banderdewa	Ex-05/00/BBWH dtd 9/3/2000	16/03/2018	1	1.50	15	0.01	1.52	Recovered license renewal fees
5	M/s Subansiri Associated Beverages	Hapoli	Ex-328/2009/BBWH dtd 1/4/2010	30/04/2011	7	10.50	2527	2.53	13.03	License cancelled
6	M/s North East Spirits	Bhalukpong	Ex-191/2014-15/BBWH dtd. 28/1/15	27/01/2017	2	3.00	428	0.43	3.43	License cancelled
7	M/s North East Beer Bonded Warehouse	Naharlagun	Ex-182/2014-15/BBWM dtd. 29/09/2014	22/01/2018	1	1.50	68	0.07	1.57	Further development is awaited
<b>Total</b>						<b>31.50</b>	<b>6186</b>	<b>6.19</b>	<b>37.69</b>	

## Appendix-3.1 (Para 3.8)

## Summarised financial position and working results of PSUs (all Government companies) as per their latest finalised financial statements/accounts as on 30 September 2018

(Figures in columns (5) to (12) are ₹ in crore)

Sl. No.	Sector / name of the Company	Period of accounts	Year in which accounts finalised	Paid-up capital	Loans outstanding at the end of year	Accumulated profit(+)/ loss(-)	Turnover	Net profit (+)/ loss (-)	Net impact of Audit comments	Capital employed <sup>1</sup>	Return on capital employed <sup>2</sup>	Percentage of return on capital employed	Manpower
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
<b>A. WORKING GOVERNMENT COMPANIES</b>													
<i>FINANCE</i>													
1.	Arunachal Pradesh Industrial Development and Financial Corporation Limited	2016-17	2017-18	4.15	25.07	(-) 22.44	6.88	(-) 2.47	-	6.78	(-) 2.47	(-) 36.43	32
<b>Total of the Sector</b>				<b>4.15</b>	<b>25.07</b>	<b>(-) 22.44</b>	<b>6.88</b>	<b>(-) 2.47</b>	<b>-</b>	<b>6.78</b>	<b>(-) 2.47</b>	<b>(-) 36.43</b>	<b>32</b>
<b>MISCELLANEOUS</b>													
2.	Arunachal Pradesh Mineral Development and Trading Corporation Limited	1999-00	2014-15	2.13	-	(-) 1.81	-	(-) 0.28	-	0.32	(-) 0.28	(-) 87.50	54
<b>Total of the Sector</b>				<b>2.13</b>	<b>-</b>	<b>(-) 1.81</b>	<b>-</b>	<b>(-) 0.28</b>	<b>-</b>	<b>0.32</b>	<b>(-) 0.28</b>	<b>(-) 87.50</b>	<b>54</b>
<b>AGRICULTURE AND ALLIED</b>													
3.	Arunachal Pradesh Forest Corporation Limited	2005-06	2014-15	4.50	4.80	(-) 4.58	8.97	3.54	-	4.72	4.30	91.10	64
<b>Total of the Sector</b>				<b>4.50</b>	<b>4.80</b>	<b>(-) 4.58</b>	<b>8.97</b>	<b>3.54</b>	<b>-</b>	<b>4.72</b>	<b>4.30</b>	<b>91.10</b>	<b>64</b>
<b>INFRASTRUCTURE</b>													
4.	Arunachal Police Housing and Welfare Corporation Limited	2015-16	2018-19	0.02	-	28.59	7.80	6.31	-	28.61	6.31	22.06	32
<b>Total of the Sector</b>				<b>0.02</b>	<b>-</b>	<b>28.59</b>	<b>7.80</b>	<b>6.31</b>	<b>-</b>	<b>28.61</b>	<b>6.31</b>	<b>22.06</b>	<b>32</b>

<sup>1</sup> Capital employed represents Shareholders fund and long term borrowings.<sup>2</sup> For calculating return on capital employed, interest on borrowed fund is added back to net profit/ loss as disclosed in the Profit and Loss Account.

Sl. No.	Sector / name of the Company	Period of accounts	Year in which accounts finalised	Paid-up capital	Loans outstanding at the end of year	Accumulated profit(+)/ loss(-)	Turnover	Net profit (+)/ loss (-)	Net impact of Audit comments	Capital employed <sup>1</sup>	Return on capital employed <sup>2</sup>	Percentage of return on capital employed	Manpower
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
<b>POWER</b>													
5.	Hydro Power Development Corporation of Arunachal Pradesh Limited	2012-13	2017-18	5.00	-	1.50	1.21	0.43	-	6.50	0.43	6.62	60
<b>Total of the Sector</b>				<b>5.00</b>	<b>-</b>	<b>1.50</b>	<b>1.21</b>	<b>0.43</b>	<b>-</b>	<b>6.50</b>	<b>0.43</b>	<b>6.62</b>	<b>60</b>
<b>Total of A</b>				<b>15.80</b>	<b>29.87</b>	<b>1.26</b>	<b>24.86</b>	<b>7.53</b>	<b>-</b>	<b>46.93</b>	<b>8.29</b>	<b>17.66</b>	<b>242</b>
<b>B. NON-WORKING GOVERNMENT COMPANIES</b>													
<b>MANUFACTURING</b>													
6.	Parasuram Cement Limited	2008-09	2013-14	0.24	1.46	(-) 2.66	-	-	-	(-) 0.96	-	-	-
<b>Total of the Sector</b>				<b>0.24</b>	<b>1.46</b>	<b>(-) 2.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(-) 0.96</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total of B</b>				<b>0.24</b>	<b>1.46</b>	<b>(-) 2.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(-) 0.96</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B)</b>				<b>16.04</b>	<b>31.33</b>	<b>(-) 1.40</b>	<b>24.86</b>	<b>7.53</b>	<b>-</b>	<b>45.97</b>	<b>8.29</b>	<b>18.03</b>	<b>242</b>



**© COMPTROLLER AND  
AUDITOR GENERAL OF INDIA  
2019**



**[www.cag.gov.in](http://www.cag.gov.in)**