

Audit Inspection report on the account of Executive Engineer, Electricity Store Division, Haldwani for the period from April 2007 to March 2016 was carried out in exercise of the power conferred by section 19 of the C &AG, DPC Act 1971 read with section 143 of the Companies Act 2013. The transaction audit was conducted by Shri Ghanshyam Das Pal, AAO under the supervision of Shri Sohrab Hussain Sr.A.O. during the period from 13-6-2016 to 20-6-2016.

“The Inspection report has been prepared on the basis of information /records provided by the Executive Engineer, Electricity Store Division Haldwani. Accountant General (Audit) Uttarakhand, Dehradun will not be responsible for any wrong information provided by the Executive Engineer or information not received”.

Part-I

A. Introductory: Last audit of the division was conducted by Shri Sohrab Hussain, A.A.O, from April 2006 to March 2007. During the present audit, records for the period from April 2007 to March 2016 were generally examined

Following officers held the charge of the division since last audit to till date of Audit.

Executive Engineer –

- i. Shri P.C. Pandey Since last audit to 11.06.2009
- ii. Sh. P.C. Diwedi 12.06.2209 to 17.11. 2009
- iii. Sh. V.S.S. Parmar, 18.112009 to 21.7.2010
- iv. Sh. S.C. Tripathi, 22.7.2010 to 01.08.2011
- v. Sh. Jaswant Singh, 02.08.2011 to 26.06.2012
- vi. Sh. P.C. Diwedi, 27.06.2012 to 31.03.2015

Accountant

- i. Sh.. K.S. Bisht since last audit to 4.8.2008
- ii. Sh. S.C. Pandey 5.8.2008 to 6.7.2009
- iii. Sh. S. S. Gangharia, 7.7.2009 to 25.8.2014
- iv. Sh. B.C Lohni 26.8.2014 to till date of audit

B. Outstanding paras of previous audit inspection reports:-

Sl. No.	Period	Part IIA Para Nos.	Part IIB Para Nos.
1-	6/1981 to 4/1982	3	
2-	1/1986 to 3/1987	1(a)	
3-	4/1987 to 3/1989	1.3	
4-	4/1989 to 3/1991	1	
5-	4/1991 to 11/1992	2.8	
6-	12/1992 to 3/1995		1
7-	4/1998 to 3/1999		1 to 4
8-	4/1999 to 3/2000		1 to 3
9-	4/2001 to 3/2001	1 to 3	1 to 3
10-	4/2001 to 12/2002	1,2	1
11-	1/2003 to 3/2004	1	1,2
12-	4/2004 to 3/2005	1	1&2
13-	4/2005 to 3/2006	1	1&2
14	4/2006 to 3/2007	1	1&2

(C) Persistent irregularities :-

-----Nil-----

(D) Record not put up to audit:-

-----Nil-----

Part-II A

-----Nil-----

Part-II B

Para: 1- Blockade of fund due to non-auction of Scrap Material/ - ` 163.00 lakh.

As per store manual, the division is to review the stock (obsolete material, scrap items & unsearchable material) twice in a year, if during the review material is found obsolete, unserviceable and scrap then division should take action for auction of these materials through Disposal/Auction Committee to avoid blockade of fund. During the audit scrutiny of relevant records, it was noticed that scraps items/ material amounting to ` 162.99 lakh was lying in the different stores of the division as detail below:

Sl.No.	Name of store in which scrap is lying	Amount of scrap. (amount in lakh)
1	Central store, Haldwani	` 16.10
2.	Sub-store kashipur	` 83.09
3	Sub-store Almora	` 31.94
4	Sub-store, Rudrapur	` 24.17
5.	Sub-store, Pithoragarh	` 5.70
6	Sub-store Tanakpur	` 2.00
	Total	` 163.00

It was noticed that division has not taken action for auction of this scrap material, consequently scrap material was piled up to the tune of ` 163.00 lakh resultantly blockade of fund of the division/UPCL to the extent of ` 163.00 lakh. In turn division stated that in order to dispose off material, action is being taken at headquarters office level. Position of scrap material would be watched in the next audit.

Matter is brought to the notice of higher authority of the division.

Para-2: Non-replacement of 7371 meters which were defective under guarantee period, consequently loss of ` 80.74 lakh

Scrutiny of records revealed that purchase order for procurement of electronic meters was placed in October 2004 by the headquarters office (Uttarakhand Power Corporation Ltd. Dehradun) of Store Division, Haldwani. As per terms and conditions of the purchase order, guarantee period of these meters was 10 years from the date of purchase. Thus they were under the guarantee up to September 2014. Division issued 3858 meters and 3513 meters (date of issue may please be given) supplied by M/s Commet and M/s Accurate respectively to Test Division Haldwani. Value of these meters was ` 3858000 and ` 4215600. All the said meters were defective under guarantee period. As the meters were defective under guarantee period, hence test division returned these meters to the Store Division for replacement/ repair from the suppliers. But no action in this regard was taken by the division and all the meters in question are lying in the store of the division. Now guarantee period of these meters has been over. Thus due to non-repair/replacement of meters, UPCL suffered a loss of ` 80.74 lakh.

Division having accepted the audit observation and stated that meters in question has been damaged under guarantee period. Vigorous correspondence was also made with the supplier firms but nothing was responded by these firms. Besides, this issue has also been brought to the notice of the headquarters office.

Matter is brought to the notice of higher authority of the division.

Para: 3- Non-recovery of advances from the employees of `67.29 lakh.

During test check of advance register, it was noticed that advances of ` 67.29 lakh were pending against the employees as detail bellow:

Sl. No.	Name of Employee and Designation	Amount of Advance
1	Sh. A. K. Gupta, AE	6990.00
2	Sh. H.C. Joshi, Asstt. Store Keeper	92629.00
3	Sh. A.A. Siddiqe, AE	6498.00
4	Sh. C.P. Sharma, Store Keeper	392146.00
5	Sh. C.M. Joshi, Store Keeper	114079.00
6	Sh. Sahodar Singh, AE	474000.00
7	Sh. G.P. Dhyani, Store Keeper	327786.00
8	Sh. U.K. Shrotia, Store Keeper	5315605.00
	Total	` 6729733.00

Further, it was also noticed that these advances are more than 5 years old; however, no action was taken for realization of the same.

Division stated that case of recovery of advance from Shri U.K Shrotia, Store Keeper, was pending in Hon'ble High Court, Nainital Uttarakhand. Now case has been decided by the court in favour of the division and action for recovery of the advance is being taken. Recovery of advance from other employees is remote because either these have been died or retired.

Matter is brought to the notice of higher authority of the division.

PART III

-----NIL-----

Sr. Audit Officer/ES-I