

This inspection report has been prepared on the basis of information provided by Electricity Test Division, Rudrapur (Udham Singh Nagar) Uttarakhand Power Corporation Ltd. The Office of the Accountant General (Audit) Uttarakhand, Dehradun disclaims any responsibility for any misinformation, non- submission or submission of incomplete records.

Audit inspection of accounting records of Electricity Test Division, Rudrapur (Udham Singh Nagar)Uttarakhand Power Corporation Ltd for the period from October 2013 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 619(3)(b) of the Companies Act 1956 & section 143 of Companies Act 2013. Audit of the Electricity Test Division was conducted by Shri Ghanshyam Das Pal, AAO and Dr. Satish Pal, AAO under the supervision of Shri Sohrab Husain, Sr. AO during the period from 28.12.2016 to 02.01.2017.

Part-I

1. **Introduction:-** The last audit of this division was carried out by Shri A.P. Singh, AAO and Shri Roshan Lal Sharma AAO, from **24.3.2014 to 28.3.2014** under supervision of Shri Sohrab Husain Sr. AO in which accounting records of the period from **April 2004** to September 2013 were generally examined. In current audit, accounting records of the period from October 2013 to March 2016 were examined.

2. (i). **Functions and geographical jurisdiction of the Corporation:**

The main functions of division are to install, repair, and replace to test accuracy of the Electronic Meters. The jurisdiction of the division is Rudrapur and Sitarganj.

(ii) **Auditing methodology and scope of audit:**

This inspection report is based on findings of audit and May 2014 & February 2016 months were selected for detailed examination.

(iii) Revenue, Expenditure and Profit & Loss of the Corporation for last five years are as under:

(Rs. in lakh)

Year	Revenue	Expenditure	Profit
2011-12	-----	-----	-----
2012-13	-----	-----	-----
2013-14	-----	-----	-----
2014-15	-----	-----	-----
2015-16	-----	-----	-----

(iv) Organisation structure of the Corporation and reporting lines.

Organisation structure of the Corporation is enclosed.

PART-II-A-REPORT

NIL

PART-II-B-REPORT

Para-1: Heavy recurring loss of revenue due to non-repair/replacement of defective meters.

The main function of the Test Division is to install the new meters of 11 KW and above and repair/replace of all type of defective meters in the stipulated period as fixed by UERC.

Uttarakhand Electricity Regulatory Commission (UERC) made a provision in para 4 regarding defective meters of general condition of RTS effective from April 2014, April 2015, and April 2016 which is in force till date provides as under:

“In case of defective meter (ADF/IDF) the consumer shall be billed on the basis of average consumption of the past three billing cycles immediately preceding the date of the meter being found or being reported defective (as per Regulations 3.2 (1)of the Electricity Supply Code). These charges shall be levied for maximum period of three months or two billing cycle only. During this period licensee is required to replace the defective meter. Thereafter, the licensee shall not be entitled to raise any bill without correct meters.

Scrutiny of relevant records of the division revealed that 547 number of meter of the consumers were IDF for the period between 12 months to 126 months, however, no efforts were taken to replace/repair these defective meters by the Test Division. Thus due to non-repair/ replacement of defective meters, there is recurring loss of revenue and also violation of UERC's order. Thus, in order to avoid the recurring loss of revenue there is urgent need to repair/replace all these defective meters.

Division stated in its reply that 547 No. of meters that have been mentioned in the list of IDF, belong to the consumers, most of which have been temporary disconnected but Permanent Disconnection (P.D.) has not been finalised. Remaining meters are being changed and only few meters will soon be replaced. Reply of the division is not acceptable because no supporting document has been provided in support of reply.

Matter is brought to the notice of higher authorities.

Para: 2- Non-repair/replacement of meters defective under guarantee period.

During scrutiny of records of Test labs relating to electronic meters, it was noticed that Test Lab at Rudrapur received defective 100 electronic meters Single phase & 67 three phase (Genus) 37 meters Single Phase & 6 Three Phase (L & T) which become defective under the guarantee period and Test Lab at Sitarganj received defective meters 24 Single Phase & 06 Three Phase (Genus) and 62 Single Phase (L&T) which become also defective under guarantee period however, these have not been sent to the firms for replacement. Audit advised that these meters may be sent to the concerned firm for replacement immediately in order to avoid the loss of the Corporation.

Division stated in its reply that receiving of defective meters under guarantee period is a regular process and meters as pointed out by the audit would be handed over to the concerned Company for repair/ replacement. Reply of the division will be examined in the next audit.

Matter is brought to the notice of higher authorities.

Para: 3- Accuracy of the electronic meter has not been testing due to Electronic Test Bench is not in operation.

The main function of Electricity Test Division (ETD) is to test the technical parameters and accuracy of Single Phase & three Phase electronic meters prior to installation of these at the connection of consumers. After testing, these meters are either issued to the Distribution Divisions or installed at the premises of the consumers by the ETD.

In order to test the above meters there are two Test Laboratories of the division which are situated at Rudrapur and Sitarganj. To check the technical parameters and accuracy of electronic meters, Electronic Test Bench is required for each Lab. Uttarakhand Electricity Regulatory Commission (UERC) was also pressing hard for installation of Electronic Test Bench in each Test Division for checking of accuracy of Electronic Meters.

In order to comply with the order of UERC regarding checking of accuracy of Electronic Meters, through Electronic Test Bench, headquarters office of the Test Division placed an order No:992/UPCL/CE/CCP-II/10/2011-12 (MTE) on 22.10.2012 for procurement of 05 (Five) Electronic Test Benches for installation in the laboratories of ETD Haridwar, Roorkee, Kashipur, Rudrapur and Haldwani to M/s MTE Services (P) Ltd. New Delhi.(A copy of purchase order is not available in division's record produced to audit) Against this purchase order Electronic Test Bench was received by Test Division in January 2014(11.1.2014) Value of this Bench is Rs. 63.54 lakh. Matter, regarding payment of these Electronic Test Bench was enquired from headquarters office of the division as well as Central Store, Haldwani, in turn they told that no payment on account of these Test Benches has been made to the supplier till date.

During scrutiny of relevant records of ETD, Rudrapur, it was noticed that the Electronic Test Bench received in January 2014 (11.01.2014) is not in operation till date (31.12.2016). While about 3 years have been elapsed from the date of receiving of this Test Bench. Audit advised that in order to check the accuracy of electronic meters, Electronic Test Bench should be made operational as early as possible.

Division stated in its reply that documents related to Test Bench i.e. Calibration Certificate and invoice from Central Store Haldwani are not available in the Test Division Rudrapur. Due to non-available of Calibration Certificate, accuracy electronic meters could not be tested .Reply of the division is not acceptable because no sincere efforts were made to get the Calibration Certificate and invoice from Central Store, Haldwani.

Matter is brought to the notice of higher authorities.

Part III

Detail of unsettled paras of previous inspection reports:-

Period of Inspection Report.	Part- II (A) para number	Part-II (B) para number
04/2004 to 09/2013	-	1 to 2

Compliance report of unsettled paras of previous inspection report-

For furnishing of reply of the outstanding paras of old Inspection Reports an audit Memo No. 25 was issued to the Company. In turn division stated that replies of these outstanding paras of old Inspection Reports are being prepared and same would be furnished as early as possible.

Part IV

Best practices of the Division

No good practices or innovation noticed during the course of audit

Part V

Acknowledgement

1. Office of The Accountant General (Audit) Uttarakhand, Dehradun expresses gratitude towards Executive Engineer of the Division and their officers and employees for promptly providing desired documents and information including infrastructure related co-operation during the course of audit.

2. Documents were not produced during audit:

-----NIL-----

3. Persistent irregularities.

-----NIL-----

4. **The following officers held the charge of head of the office during the audit period:**

Sr. No.	Name	Post	Period
1	Shri A.P. Singh	Executive Engineer	08.01.2013 to 29.07.2016
2	Shri Begraj Singh	Executive Engineer	29.07.2016 to till date of audit
3	Shri T.D. Tewar	DA	06.01.2013 to 21.03.2016
4	Sh. D.B. Mathur	DA	01.04.2016 to 31.10.2016
5	Sh. K.C. Tewari	DA	26.11.2016 to till date

Minor and operational irregularities which could not be resolved at the time of audit and have been included in Temporary Audit Note with the request that the compliance report on the same may be sent to Sr. DAG/DAG (concerned sector) within one month of receipt of the letter.

Sr. Audit Officer/ES-I

