

CHAPTER – V

Department of Space

5.1 Implementation of incentive schemes

The policy framework of Indian space programme has provision for grant of various rewards and incentives to employees of Department of Space (DOS)/Indian Space Research Organisation and its centres. Government of India approved Performance Related Incentive Scheme (PRIS) for individual/ group performance based on the recommendation of Sixth Central Pay Commission. DOS implemented PRIS for all employees and continued to grant additionally, other special allowances resulting in multiple benefits to its employees. A structured monitoring and evaluation mechanism for PRIS was not instituted. There were instances of violation of DOS guidelines on grant of PRIS.

5.1.1 Introduction

The main function of Department of Space (DOS) is to develop new technologies and space systems to enhance and expand space services for national development. The Indian space programme is executed through Indian Space Research Organisation (ISRO) which is the research and development wing of DOS, along with other centres/units of ISRO.

The policy framework of Indian space programme has provision for grant of various rewards and incentives to scientists/engineers, technicians and administrative personnel of DOS/ISRO and its centres. These are:

- **Performance Related Incentive Scheme**-Based on recommendations of Sixth Central Pay Commission (SCPC), Government of India approved (August 2008) introduction of a new performance based pecuniary benefit known as Performance Related Incentive Scheme (PRIS) over and above the regular salary for government employees. PRIS was based on the principle of differential reward for differential performance and was payable, taking into account the performance of the employee during the period under consideration. PRIS was also linked with the organisation's measurable contribution to responsive governance.

PRIS was to be rolled out initially in DOS and Department of Atomic Energy. Detailed guidelines were to be issued by the nodal Ministry i.e. Department

of Expenditure, Ministry of Finance. Subsequently, DOS formulated (December 2008) PRIS by introducing an organisational incentive retrospectively from September 2008 in the form of special allowance at the rate of 20 *per cent* of the pay in the pay band plus grade pay payable on monthly basis to all its employees for a period of five years based on accomplishments of various objectives of the Department so far. In addition, individual group incentive at the rate of 10 *per cent* of pay in pay band plus grade pay was payable on annual basis. During the period from September 2008 to March 2014, DOS paid amount of ₹ 560.74⁵⁶ crore towards PRIS to its employees.

- **Professional Update Allowance-** In order to encourage Scientists/Engineers to obtain latest information and keep themselves updated, Government approved grant of Professional Update Allowance (PUA) at the rate of ₹ 5,000 per annum from the year 1998-99 onwards to all Scientists/Engineers of DOS in the pre-revised scale of pay of ₹ 8,000-13,500 and above. From October 2007, the quantum of PUA was enhanced and paid in a graded manner at ₹ 10,000 for scientists in pay scale below ₹ 14,300; ₹ 20,000 for scientists in pay scale beginning with ₹ 14,300 or higher and ₹ 30,000 for those in scales beginning with ₹ 18,400. The quantum of PUA was further enhanced (February 2013) to ₹ 12,500 for scientists in pre-revised pay scale below ₹ 14,300; ₹ 25,000 for scientists in pay scale beginning with ₹ 14,300 or higher and ₹ 37,500 for those in scales beginning with ₹ 18,400 or higher, with effect from July 2011. During the period 2006-07 to March 2014, DOS incurred expenditure of ₹ 69.30 crore towards payment of PUA to its Scientists/Engineers.
- **Ad hoc Launch Campaign Allowance** - In order to provide an incentive to employees in administrative categories and scientific and technical employees (other than Scientists/Engineers), DOS, with the approval of Space Commission, introduced (October 2000) Adhoc Launch Campaign Allowance (ALCA) of ₹ 3,000 per annum to regular administrative employees and other Science and Technology (S&T) employees of DOS below the scale of pay of ₹ 8,000-13,500, which was increased to ₹ 5,000 in November 2007. ALCA was further enhanced (May 2013) to ₹ 6,250 per annum with effect from April 2012. The allowance was payable in the form of ex-gratia payment only once in a financial year on completion of a launch campaign from Indian soil.

⁵⁶ ₹ 446.62 crore as organisational incentive and ₹ 114.12 crore as individual group incentives.

During the period 2006-07 to March 2014, DOS incurred expenditure of ₹ 20.93⁵⁷ crore towards payment of ALCA to its employees.

- **Space Technology Allowance-** Space Technology allowance for S&T personnel for their contribution in various missions was recommended (September 2008) by SCPC. STA was paid at the rate of ₹ 5,000 per annum. After its introduction, ALCA payable to S&T employees was discontinued since 2008-09. In April 2013, STA was enhanced to ₹ 6,250 per annum with effect from April 2012. During the period from 2008-09 to March 2014, DOS incurred expenditure of ₹ 12.35 crore towards payment of STA to its employees.
- **Additional increments-** Government of India (October 1998) approved granting of two additional increments to Scientists and Engineers of DOS with effect from 1 January 1996 on promotion to the pre-revised pay scales of ₹ 10,000-325-15,200, ₹ 12,000-375-16,500, ₹ 14,300-400-18,300 and ₹ 16,400-450-20,000 in order to attract, retain, inspire and motivate them. SCPC recommended (September 2008) grant of variable increments upto a maximum of six increments to deserving Scientists/Engineers at the time of promotion, which was approved by Government of India (January 2009).
- **Annual Awards scheme-** Government of India (October 2007) approved annual award scheme in DOS to enhance career attraction to Scientist/Engineers⁵⁸. Expenditure for grant of awards was to be met from certain percentage of amounts earned through commercial activities⁵⁹ of DOS. During the period 2006-07 to March 2014, DOS incurred expenditure of ₹ 5.89 crore towards annual awards to its Scientists/Engineers.
- **Gold Coins and other Gifts-** With the approval (December 2008) of Space Commission, gift of value not exceeding ₹ 10,000 was paid to each employee of DOS/ISRO, including its Autonomous Bodies, who were in service between 1 January 2008 and 22 October 2008, as a token of appreciation of their contribution towards the success of Chandrayaan I mission (launched in October 2008). During the period 2006-07 to March 2014, DOS incurred expenditure of ₹ 18.57⁶⁰ crore towards procurement of gold coins and gifts.

⁵⁷ Comprising ₹ 20.66 crore towards payment of ALCA to administrative staff during 2006-07 to 2013-14 and ₹ 27.20 lakh to S&T staff from 2006-07 to 2007-08. With effect from 2008-09, ALCA for S&T staff was discontinued and payment of Space Technology Allowance was commenced.

⁵⁸ Comprising of Lifetime achievement award, Outstanding achievement award, Performance excellence award, Merit award, Young scientists merit award and Team excellence award.

⁵⁹ Revenue earned from delivery of space products and services.

⁶⁰ Comprising ₹ 18 crore towards distribution of gold coins for success of Chandrayaan mission and ₹ 57 lakh towards other gifts.

5.1.2 Audit findings

Audit reviewed the formulation, approval, implementation, monitoring and evaluation of the incentive schemes in DOS from April 2006 to March 2014. The audit findings are discussed in the succeeding paragraphs.

5.1.2.1 Implementation of multiple incentives in DOS

Prior to approval of Government for implementation of SCPC report, DOS had various incentives for different categories of staff such as scientists/ engineers, technical staff (other than scientists and engineers) and administrative staff. The SCPC, in its report, recommended a comprehensive incentive scheme combining individual, team and organisational achievements, while stating that payment of special allowances (organisational incentive) across the board would be counter-productive and de-motivating for consistent high performers.

While recommending PRIS, SCPC recommended that existing incentives such as bonus (ad hoc or productivity linked), honorarium, overtime allowance, etc. would end. The spirit of SCPC recommendation was to replace across the board incentives schemes with a uniform performance related incentive scheme. However, DOS, while introducing PRIS, continued to implement its earlier across the board incentive schemes such as ALCA and gifts.

Post-implementation of PRIS, DOS paid an amount of ₹ 446.62 crore as organisational incentive under PRIS. In addition, it paid ₹ 10.08 crore towards ALCA and ₹ 5.37 crore towards gift schemes during the period 2009-10 to 2013-14 i.e. after implementation of PRIS. Further, DOS also released overtime allowance of ₹ 5.08 crore during the period 2009-10 to 2013-14. Operation of the earlier schemes of DOS in addition to PRIS in effect amounted to payment of multiple incentives for the same achievements.

DOS justified (June 2015) payment of ALCA to administrative personnel by stating that the number of space missions had increased but the total manpower of DOS had not increased. DOS also stated (June 2015) that OTA was paid for extra effort rendered beyond office hours.

The reply is not acceptable, as the spirit of SCPC recommendation was to replace across the board incentives schemes with a uniform performance related incentive scheme. This is particularly significant in view of the fact that DOS paid three incentives viz. PRIS, gold coins and ALCA to its staff for achievement of the same target (Chandrayaan mission), which is discussed in detail in para 5.1.2.4 of the report. The justification of DOS for payment of ALCA is also to be viewed in the light

of the fact that DOS did not take requisite approval of Government while enhancing rates of ALCA post-implementation of PRIS, as discussed in detail in para 5.1.2.3 (i) of the report.

5.1.2.2 Irregularities in Performance Related Incentive Scheme

Audit found the following irregularities in the PRIS scheme formulated by DOS:

(i) Irregular formulation of organisational incentive

Prior to submission of the SCPC report, DOS submitted a proposal to Government of India for the grant of special allowance to Scientists/Engineers of DOS on similar lines of organisational incentive. Ministry of Finance (MOF) advised DOS to refer the proposal to SCPC to have an equitable and balanced approach in treating similarly placed personnel across the Department.

However, SCPC, in its report, which was approved by the Government (August 2008) was not in favour of the 'across the board' special allowance proposed by DOS since the same would be counter-productive and de-motivating for consistent high performers. SCPC, therefore, recommended PRIS based on the principle of differential reward for differential performance, which should not be in the nature of routine monetary incentive.

Aggrieved by the position taken by SCPC on the subject in its interaction prior to introduction of SCPC report, DOS submitted (May/June 2008) a draft cabinet note to the Government. Against this cabinet proposal, MoF opined (October 2008) that grant of additional incentives to Scientist/Engineers in DOS should be implemented through immediate introduction of PRIS as accepted by Government.

When the approval of the Union Cabinet for an organisational incentive was not forthcoming, DOS, formulated an organisational incentive under PRIS and implemented the same with the approval of Space Commission with effect from 1 September 2008. Under the scheme, Space Commission approved grant of organisational incentive at the rate of 20 *per cent* of total pay (Pay in the Pay Band + Grade Pay) per month payable on monthly basis to all personnel of DOS for a period of five years (2008-13) based on accomplishment of various objectives of DOS "so far".

Audit observed that DOS did not obtain concurrence of MoF before implementing PRIS and rolled out the scheme on its own with approval of Space Commission, which was irregular. When the matter came to the notice of MoF later⁶¹ (January

⁶¹ DOS sought enhancement of budget for the year 2009-10 for the purpose of payment of PRIS and referred the matter to MoF.

2010), it also observed that introduction of organisational PRIS in DOS emanated from specific recommendation of SCPC, therefore the guidelines were to be issued by DOS in consultation with the nodal department i.e. Department of Expenditure, MoF, which was not done. DOS subsequently modified the guidelines for PRIS at the behest of MoF and issued the same (July 2010) with the approval of MoF.

However, in the absence of prior approval, organisational incentive scheme pursued by DOS from September 2008 to 2009-2010 was irregular. During this period, DOS incurred expenditure of ₹ 109.12 crore towards implementation of PRIS.

DOS stated (June 2015) that introduction of PRIS with the approval of Space Commission fell within the powers of the Commission, which had administrative and financial powers for carrying out work of DOS within the budgetary provisions approved by the Parliament. The reply is not acceptable, as PRIS was a new scheme that required approval of the Government/ MoF before it could be rolled out.

(ii) Absence of mechanism for monitoring and evaluation of PRIS

According to SCPC report, PRIS was linked with respective organisations' measurable contribution to responsive governance. The PRIS system was to run with support of Performance Management System (PMS) and Management Information System (MIS). It was to be supported by extensive communication and training of employees. Clarity about objectives and deliverables at multiple levels, starting with Ministry/Department and cascading down the line up to individual level was to be developed through a structured process. Clarity about reporting and monitoring channels, work activities and deliverables (job-descriptions and performance indicators), delegation and accountability charts and work processes flow/government business processes also needed to be developed. The periodicity of payment of PRIS was to be linked to work processes and the frequency of performance measurement and assessment. Within the Ministry/Department/other offices, clear individual and/or group (organisational) targets needed to be set at the beginning of the PRIS cycle and communicated to all parties involved. PRIS was only to be awarded when targeted performance levels were exceeded by the individual or group at the end of cycle (generally one year). PMS and MIS would capture the extent of target achievement.

Audit scrutiny of the records relating to incentives paid by DOS under PRIS revealed that the structured monitoring and evaluation mechanism envisaged by SCPC for monitoring and evaluation of the performance linked incentive scheme was not put in place by DOS, as

- PMS and MIS as envisaged were not constituted.

- There was no structured process of determining and communicating objectives, activities and deliverables.
- Clear targets were not set at the beginning of the reference period.

In the absence of monitoring and evaluation structures to evaluate performance, adherence to principles of 'differential reward for differential performance' envisaged under PRIS could not be ascertained in audit.

DOS stated (June 2015) that there was a rigorous monitoring and evaluation mechanism for achievement of targets under its space missions. However, the reply was silent on the issue of a structured monitoring and evaluation mechanism for the purpose of PRIS.

(iii) Violation of DOS guidelines on PRIS

DOS issued (February 2009) guidelines for payment of organisational incentive schemes. At the instance of MoF (January 2010), DOS revised its guidelines and issued the same (July 2010) with the approval of MoF.

Audit observed instances of violations of these guidelines as discussed below:

(a) Payment of PRIS without assessment

Up to July 2010, PRIS was paid concurrently along with monthly salary. After July 2010, based on revised guidelines, it was to be paid on six monthly basis in the months of January and July every year based on the performance of the preceding six months. However, Audit observed that in respect of 451 cases in 10 DOS centres, payment of ₹ 1.39 crore was made towards PRIS to retiring officials who had retired/left DOS in the middle of the reporting period, at the time of final settlement without waiting for completion of six monthly periods and without assessing their performance through completed Annual Performance Appraisal Report (APAR). This was against the guidelines of PRIS.

DOS accepted the audit observation and stated (July 2015) that disbursement of organisational incentive under PRIS in respect of personnel who cease to be employee on account of superannuation/voluntary retirement/resignation, etc. will be made only at the time of disbursement of the same to the serving officers/employees subject to fulfilment of all the conditions.

(b) Non-recovery of Non- Productivity Linked Bonus

As per DOS guidelines of July 2010, employees of DOS/ISRO were not eligible for payment of Non- Productivity Linked Bonus (NPLB) from the year 2008-09 and NPLB

for 2008-09 already paid to the eligible employees of DOS/ ISRO during 2009 was to be recovered from the payment of organisational incentive due to be paid in July 2010. An amount of ₹ 71 lakh was paid by DOS towards NPLB for 2008-09, which was to be recovered. Although DOS stated (June 2015) that there were no cases of recovery of bonus, it was yet to obtain certification to that effect from its various units in confirmation of the same.

5.1.2.3 Irregularities in Adhoc Launch Campaign Allowance

Audit observed irregularities in payment of ALCA, which are discussed in the succeeding paragraphs.

(i) Enhancement of ALCA without Government approval

DOS enhanced (November 2007) the amount of ALCA from ₹ 3,000 to ₹ 5,000 and further to ₹ 6,250 (April 2012) and made payment of ₹ 20.93 crore to its employees during the period from 2006-07 to 2013-14. However, DOS did not obtain approval of Space Commission for enhancement in rates of ALCA. Therefore, expenditure of ₹ 20.66 crore incurred towards payment of ALCA to administrative staff during 2006-07 to 2013-14 and ₹ 27.20 lakh to S&T staff from 2006-07 to 2007-08⁶² was irregular.

DOS replied (June 2015) that ALCA was initially approved for ₹ 5,000 per annum in September 1999 but Department sanctioned only ₹ 3,000 per annum during the period 1999-2000 to 2005-06, which was enhanced to the originally approved amount of ₹ 5,000 per annum from 2006-07 onwards.

Reply of DOS is not acceptable, as the Space Commission in its 95th meeting (October 2000) had directed for payment of ALCA of ₹ 3,000 per annum only. Subsequently, DOS did not take approval of Space Commission for enhancing ALCA to ₹ 5,000 (November 2007) and further to ₹ 6,250 (April 2012).

(ii) Payment of ALCA to ineligible personnel

Security of DOS premises and that of its units were looked after by the Central Industrial Security Force (CISF) of the Ministry of Home Affairs of Central Government. Security personnel of CISF, therefore, were not direct employees of DOS. Audit observed that Satish Dhawan Space Centre, Sriharikota, a unit of DOS, paid an amount of ₹ 18.27 lakh towards ALCA to CISF employees working on its premises. As ALCA was approved for the employees of DOS and its units only, payment of ALCA to CISF staff was irregular.

⁶² After approval of SCPC recommendation to grant STA to S&T staff, ALCA was discontinued since 2008-09 and replaced with STA.

DOS accepted (June 2015) the audit observation.

5.1.2.4 Irregular award of gifts/gold coins to ISRO/ DOS employees

Space Commission (December 2008) approved a proposal for presenting a gift of value not exceeding ₹ 10,000 to each employee of DOS/ ISRO, including its Autonomous Bodies as a token of appreciation of their contribution towards the success of Chandrayaan I mission (launched in October 2008). DOS incurred an expenditure of ₹ 18.57 crore during the period 2006-07 to 2013-14 (₹ 5.37 crore after the implementation of PRIS up to March 2014) towards procurement and distribution of gold coins and other gifts.

Audit noticed that whereas DOS implemented its other incentive schemes such as PUA and annual award schemes with the approval of Government of India, the gift scheme was implemented only with the approval of Space Commission.

Further, one of the targets/objectives for grant of organisational incentive/ PRIS set by Department was realisation of Chandrayaan mission. Audit observed that three incentives viz. PRIS, gold coin and ALCA were granted/ distributed to employees for achievement/performance of the same target.

DOS stated (June 2015) that the Space Commission had approved the gift to all employees as the success of Chandrayaan mission was the biggest achievement in the history of DOS which was largely on account of the unstinted efforts of all the employees.

Reply of DOS should be considered in the context that three incentives viz. PRIS, gold coin and ALCA were granted/distributed to employees for achievement of the same target and without approval of the Government of India.

5.1.3 Conclusion

Prior to Government's approval to implementation of Sixth Central Pay Commission (SCPC) report, Department of Space (DOS) had various incentives for different categories of staff such as Ad-hoc Launch Campaign Allowance (ALCA), Professional Update Allowance, awards and gifts. The SCPC, in its report, recommended a comprehensive incentive scheme combining individual, team and organisational achievements, by discouraging across the board special incentives. When DOS introduced Performance Related Incentive Scheme (PRIS), it also continued to grant other special allowances in addition to PRIS, such as ALCA, gifts and Overtime Allowance by incurring expenditure of ₹ 22.41 crore (as of March 2014) towards these incentives, which resulted in grant of multiple incentives for similar achievements.

DOS implemented PRIS without submitting the proposals to Ministry of Finance for vetting and approval. A structured mechanism envisaged by SCPC for monitoring and evaluation of PRIS was not put in place by DOS. Audit observed instances of irregular payments of PRIS and other incentives such as ALCA, and additional increments.

5.2 Irregular payment of Service Tax

Master Control Facility, Hassan paid ₹ 1.33 crore during the period July 2012 to June 2014 towards Service Tax on the cost of security services provided by Central Industrial Security Force, which was not required under rules. Of this, refund of ₹ 44.68 lakh was secured after the matter was raised by Audit. The remaining amount of ₹ 88.05 lakh stood forfeited as it became time barred.

Under clause 44, Section 65 B of Service Tax Act⁶³ 'service' is defined as any activity for consideration carried out by a person for another and includes a declared service. As per Section 66 D (a) of the Service Tax Act, services by Government other than support services provided to business entities are included in the negative list of services i.e. services that do not attract Service Tax. The Para 2.4.11 of Taxation of Services-An Education guide published by Central Board of Excise and Customs, Department of Revenue, Ministry of Finance, effective from 1 July 2012, further explains that a service given by one Department of the Central Government to another Department of the Central Government would not be taxable as it would amount to self-service.

Master Control Facility, Hassan (MCF) is a unit under Department of Space (DOS) which monitors and controls all the geo-stationary satellites of Indian Space Research Organisation (ISRO⁶⁴). Security for premises of MCF is provided by Central Industrial Security Force (CISF), a unit under the Ministry of Home Affairs, Government of India, against payment of pay and allowances, leave salary contribution, pension contribution, etc. in respect of the staff deployed.

Audit observed that MCF paid Service Tax of ₹ 1.33 crore during the period from July 2012 to June 2014 on the cost of security services provided by CISF, which was not required as both CISF and MCF are central government organisations. Details of payments of Service Tax made by MCF are given in the **Appendix XVIII**.

Audit further verified that for similar services provided by CISF at other units of DOS namely, ISRO Headquarters and ISRO Satellite Centre (ISAC) at Bengaluru, no Service Tax was paid. In response to a reference made (September 2012) by ISAC, Service Tax Commissionerate, Bengaluru clarified (January 2013) that service

⁶³ Chapter V of the Finance Act, 1994

⁶⁴ ISRO is the research organisation of DOS.

activity taking place between same persons being self-service would not be taxable.

Payment of ₹ 1.33 crore by MCF towards Service Tax for the security services rendered by CISF for the period July 2012 to June, 2014 was, therefore, irregular.

The matter was first raised by Audit in September 2014. Subsequently, CISF unit, Hassan submitted (November 2014) a claim to Central Board of Excise and Customs, Hassan (CBEC) for refund of the amount of ₹ 1.33 crore. CBEC sanctioned (March 2015) refund of amount of ₹ 44.68 lakh and rejected the remaining amount of ₹ 88.05 lakh on the ground of limitation of time under Section 11 B of the Central Excise Act, 1944⁶⁵.

Thus, of the irregular amount of Service Tax of ₹ 1.33 crore paid, refund of ₹ 44.68 lakh was secured at the instance of Audit and the remaining amount of ₹ 88.05 lakh stood forfeited.

DOS replied (April 2015) that there were diametrically opposite views exercised by various Central Excise authorities in the matter, as demand for Service Tax was served on Satish Dhawan Space Centre, Sriharikota⁶⁶ in October 2014.

The reply is not acceptable, as a precedent was already available with the Department since ISAC had made a reference to Service Tax authorities as far back as September 2012 and received clarification in January 2013.

5.3 Avoidable payment of electricity charges

Regional Remote Sensing Centre-East, Kolkata incurred avoidable expenditure of ₹ 55.37 lakh towards payment of electricity charges.

According to Article 287 of the Constitution of India, Government of India is exempted from paying tax on electricity consumed and purchased from any State. Government of India, Department of Space (DOS), Indian Space Research Organisation, Bengaluru entered (April 2010) into an agreement with West Bengal State Electricity Distribution Company Limited (WBSEDCL) for supply of maximum of 550 KVA of electricity (contract demand) to the office complex of Regional Remote Sensing Centre-East⁶⁷, Kolkata (RRSC-E) for five years. As per tariff policy of WBSEDCL, for power consumption less than the contract demand, charges for actual demand or minimum demand of 85 *per cent* of contract demand i.e. 468 KVA,

⁶⁵ Section 11B of the Central Excise Act, 1944 read with Section 83 of the Finance Act, 1994 states that an application for refund of service tax may be made within a period of one year from the date of payment of tax.

⁶⁶ A unit of ISRO.

⁶⁷ A unit under National Remote Sensing Centre, ISRO, DOS, Government of India

whichever was higher, had to be paid. Electricity connection was commenced from March 2011 and RRSC-E took possession of the office building in April 2011.

Scrutiny of electricity bills of RRSC-E for the period from March 2011 to October 2014 revealed that RRSC-E paid an amount of ₹ 23.23 lakh towards electricity duty levied by WBSEDCL in the electricity bills, even though it was exempted from the same. This resulted in avoidable extra payment of ₹ 23.23 lakh.

Audit further observed that actual consumption of electricity by RRSC-E during the period March 2011 to October 2014 was in the range of 68 KVA to 366 KVA (12 to 67 *per cent*), which was far below the minimum billing demand of 468 KVA (85 *per cent*) per month. Consequently, RRSC-E paid demand charges for minimum billing demand of 468 KVA every month, which resulted in avoidable payment amounting to ₹ 25.59 lakh towards power not actually consumed by RRSC-E. This also indicated faulty assessment of power needs of RRSC-E.

Audit also observed that RRSC-E, being a public utility type of consumer, paid electricity charges at commercial tariff rates from the period April 2011 to September 2012, which resulted in excess payment of ₹ 6.55 lakh.

Thus, RRSC-E incurred avoidable excess expenditure of ₹ 55.37 lakh towards payment of electricity charges.

The matter was first brought to the notice of RRSC-E in March 2013 and referred to DOS in April 2015. RRSC-E accepted (November 2014) the audit observation and stated that it had taken sincere efforts to settle the amount through personal discussions and written communications with WBSEDCL. Adjustment of excess payment was however, yet to be effected as of January 2015. Reply of DOS was awaited as of June 2015.