



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest

**Report of the
Comptroller and Auditor General of India
on Social (including Local Governments Audit),
Economic, General and Revenue Sector
for the year 2022-23**



**Government of Arunachal Pradesh
Report No. 2 of 2025
Civil & Commercial**

**Report of the
Comptroller and Auditor General of India
On Social (including Local Governments Audit),
Economic, General and Revenue Sectors
for the year 2022-23**

**Government of Arunachal Pradesh
Report No. 2 of 2025**

TABLE OF CONTENTS

Particulars	Reference to	
	Paragraph(s)	Page(s)
Preface		vii
Executive Summary		ix
CHAPTER I INTRODUCTION		
About this Report	1.1	1
Profile of the Office of the Principal Accountant General, Arunachal Pradesh	1.2	1
Planning and conduct of Audit	1.3	2
Significant Audit Observations	1.4	3
CHAPTER II SOCIAL SECTOR		
PART-I: Performance and Compliance Audits on Departments under Social Sector		
Introduction	2.1	5
Performance Audit		
LABOUR DEPARTMENT		
Collection of Building and Other Construction Workers Welfare Cess and its utilisation	2.2	7
Subject Specific Compliance Audits		
HEALTH AND FAMILY WELFARE DEPARTMENT		
Public Health Infrastructure and Management of Primary Health Services	2.3	42
SOCIAL JUSTICE & EMPOWERMENT & TRIBAL AFFAIRS DEPARTMENT		
National Social Assistance Programme (NSAP)	2.4	85
SOCIAL JUSTICE & EMPOWERMENT & TRIBAL AFFAIRS AND EDUCATION DEPARTMENTS		
Pre and Post Matric Scholarship Schemes Belonging to Scheduled Tribes Students of Arunachal Pradesh	2.5	113
Compliance Audit Paragraphs		
PUBLIC HEALTH ENGINEERING & WATER SUPPLY		
Extra avoidable expenditure	2.6	143
EDUCATION DEPARTMENT		
Unauthorised expenditure and non-execution of works	2.7	144
PART-II: Local Governments Audit		
Introduction	2.8	149
Devolution of funds, functions and functionaries (3Fs)	2.8.1	149
Budget Allocation and Expenditure	2.8.2	150
Planning and Conduct of Audit	2.8.3	152

Particulars	Reference to	
	Paragraph(s)	Page(s)
Compliance Audit Paragraph		
Functioning of Director of Local Fund Audit	2.8.4	153
CHAPTER III ECONOMIC SECTOR		
Introduction	3.1	155
Performance Audit		
TOURISM DEPARTMENT		
Development of Tourism Infrastructure in Arunachal Pradesh	3.2	157
RURAL WORKS DEPARTMENT		
Implementation of Pradhan Mantri Gram Sadak Yojana (PMGSY) in Arunachal Pradesh	3.3	207
Compliance Audit Paragraphs		
ANIMAL HUSBANDRY AND VETERINARY DEPARTMENT		
Misappropriation of Public Money	3.4	245
PUBLIC WORKS DEPARTMENT		
Wasteful expenditure	3.5	247
RURAL WORKS DEPARTMENT		
Undue favour to contractor	3.6	252
HYDROPOWER DEVELOPMENT DEPARTMENT		
Wasteful Expenditure	3.7	255
Unfruitful Expenditure	3.8	257
POWER DEPARTMENT		
Loss of Revenue	3.9	258
CHAPTER IV GENERAL SECTOR		
Introduction	4.1	261
Planning and Conduct of Audit	4.1.1	262
CHAPTER V REVENUE SECTOR		
Trend of Revenue Receipts	5.1.1	263
Analysis of arrears of revenue	5.1.2	265
Arrears in Assessments	5.1.3	265
Evasion of tax detected by the Department	5.1.4	266
Pendency of Refund Cases	5.1.5	267
Response of the Government/ Departments towards Audit	5.1.6	267
Departmental Audit Committee Meetings	5.1.7	268
Response of Departments to Draft Audit Paragraphs	5.1.8	268
Follow-up on Audit Reports	5.1.9	268
Analysis of mechanism for dealing with issues raised by Audit	5.1.10	269

Particulars	Reference to	
	Paragraph(s)	Page(s)
Position of Inspection Reports	5.1.10.1	269
Recovery of Accepted Cases	5.1.10.2	270
Audit Planning and Result of Audit	5.2	270
Coverage of this Chapter	5.3	271
Subject Specific Compliance Audit		
TAX, EXCISE AND NARCOTICS DEPARTMENT		
Department's Oversight on GST Payments and Returns Filing	5.4	271
CHAPTER VI		
ECONOMIC SECTOR (STATE PUBLIC SECTOR ENTERPRISES)		
Introduction	6.1.1	309
Investment in SPSEs	6.1.2	309
Reconciliation with Finance Accounts	6.1.3	310
Special support and guarantees to SPSEs during the year	6.1.4	311
Accountability framework	6.1.5	312
Arrears in finalisation of Accounts	6.1.6	312
Investment by State Government in SPSEs whose accounts are in arrears	6.1.7	313
Performance of SPSEs as per their latest finalised accounts	6.1.8	314
Rate of Investment on the basis of Present Value of Investment	6.1.9	317
Impact of Audit Comments on Annual Accounts of SPSEs	6.1.10	318
Compliance Audit Paragraph		
ARUNACHAL PRADESH POLICE HOUSING & WELFARE CORPORATION LIMITED		
Avoidable Loss	6.2	319
CHAPTER VII		
FOLLOW UP OF AUDIT OBSERVATIONS		
Follow-up action on Audit Reports	7.1	323
Audit Committee Meeting	7.2	324
Response to Audit Observations	7.3	324

APPENDIX

Appendix No.	Particulars	Page
2.1	Compiled data of labour cess collected by the works division (four sampled districts)	327
2.2	Statement showing excess expenditure on administrative expenses	329
2.3	Statement showing welfare kits received and issued in four sampled districts	330
2.4	Statement showing execution of work without call of open tender (C/o of labour shed)	331
2.5	Statement showing payment details in c/o labour shed-cum-night shelter at Daporijo executed by RWD, Daporijo Division	333
2.6	Statement showing district-wise population per CHC/PHC/HSC	334
2.7	Statement showing district-wise manpower of Health Sub Centres (HSCs)	335
2.8	Statement showing beneficiaries verified under AB-PMJAY and CMAAY schemes in Arunachal Pradesh till March 2023	336
2.9	Statement showing sampled CHCs and PHCs	337
2.10	Statement showing Shortage of manpower in sampled CHCs and Availability of manpower in sampled PHCs	338
2.11	Statement showing availability of specialists in OPD in sampled CHCs	339
2.12	Statement showing pathological investigation facilities in sampled CHCs/PHCs	340
2.13	Statement showing Details of Inpatient Department referral cases from Community Health Centres	341
2.14	Statement on Coverage of Janani Suraksha Yojana (Payment to mothers on delivery) in sampled districts	342
2.15	Statement showing Performance against JSSK Guidelines in Arunachal Pradesh	343
2.16	Statement showing deficiencies in storage of drugs	344
2.17	Statement showing Details of Receipts and Expenditure of COVID Funds	345
2.18	Statement showing status of achievement SDG-3 in the State <i>vis-à-vis</i> all India achievement	346
2.19	Statement showing details of beneficiaries deprived under IGNOAPS/ IGNDPS/ IGNWPS	347

Appendix No.	Particulars	Page
2.20	Aadhaar Integration data for beneficiaries in six sampled districts	349
2.21	Beneficiaries whose details could not be uploaded at the NSAP portals	350
2.22	Details of beneficiaries from outside the approved list paid assistances	351
2.23	Details of beneficiaries who were paid higher rate of pension	352
2.24	Details of short payment of pension	353
2.25	Details of multiple payment of pension under different sub-schemes	354
2.26	Details of deceased beneficiaries paid pension	355
2.27	Details of beneficiaries under NFBS	356
2.28	Details of Beneficiary Survey	357
2.29	Disbursement of scholarship at higher rates to Day Scholars	358
2.30	Number of beneficiaries exceeding the number of enrolment	360
2.31	Disbursement of scholarship at higher rates to Day Scholars	361
2.32	Statement showing scope of work and abstract of cost as per Technical Sanction	362
3.1	Scope & Methodology – List of Projects	363
3.2	Statement showing drawal of money without immediate requirement for disbursal	367
3.3	Statement showing non-submission of Programme Chart	368
3.4	Statement showing loss of Government's money due to non-recovery of mobilisation advance and its interest	371
3.5	Statement showing list of Wasteful Expenditure due to abandoned projects	373
3.6	Statement showing payment made without execution of work	375
3.7	Statement showing idling of assets	377
3.8	Statement showing leased out projects	379
3.9	Statement showing list of projects with no external water supply and electricity	380
3.10	Statement showing details of ineligible works which were upgraded	381
3.11	Statement showing details showing grant of excess mobilisation advance/ equipment advance	382
3.12	Statement showing details of excess expenditure executed in excess or beyond the scope of work	384
5.1	Details of sample for centralised audit, detailed audit and audit of Ranges selected for the SSCA	386

Appendix No.	Particulars	Page
5.2	Cancellation of registration from dates prior to the application date	393
5.3	Statement showing Details of Cases	394
5.4	Details of non-production of records of taxpayer	396
5.5	Details of interest due on delayed payment of tax by taxpayer	399
5.6	Statement showing details of discrepancy of M/s Puna Hinda	400
5.7	Statement showing incorrect opening balance in electronic credit ledger	401
5.8	Statement showing details of ineligible ITC	402
5.9	Details of items as per registration certificates and invoice	403
6.1	Summarised financial position and working results of SPSEs as per their latest accounts as on 30 September 2023	404
6.2	Statement showing rate of Real Return on Government Investment	406
7.1	Statement showing details of Explanatory Notes on Paragraphs of Audit Report as on March 2023	408
7.2	Details of outcomes of Public Accounts Committee (PAC) meeting held during 2022-23	411
7.3	Statement showing details of outstanding paras to be discussed in PAC/ CoPU as on March 2023	412
7.4	Status of outstanding Action Taken Notes (ATNs) on the recommendations of the Public Accounts Committee (PAC) as on March 2023	413

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 performance audit and compliance audit of the Departments of the Government of Arunachal Pradesh under Social (including Local Governments Audit), Economic, General and Revenue Sectors viz. Labour, Health and Family Welfare, Social Justice, Empowerment and Tribal Affairs, Public Health Engineering & Water Supply, Education, Tourism, Rural Works, Animal Husbandry and Veterinary, Public Works, Hydropower Development, Power, Transport, Tax, Excise & Narcotics and Arunachal Police Housing and Welfare Corporation Limited.*
- 3. The cases mentioned in the Report are those which came to notice in the course of test audit during the year 2022-23 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 2022-23 have also been included, wherever necessary. The Report has been finalised after considering the response of the Government Departments, wherever received.*
- 4. Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.*
- 5. The Report of the Comptroller and Auditor General of India containing the observations on State Finances is presented separately.*

© COMPTROLLER AND
AUDITOR GENERAL OF INDIA

www.cag.gov.in

<https://cag.gov.in/ag/itanagar/en/audit-report>

