

## Annexure-I

(Refer paragraphs 1.3, 1.4 and 1.5)

Statement showing particulars of up-to-date paid-up capital, budgetary outgo, loans given out of budget and loans outstanding as on 31 March 2007 in respect of Government companies and Statutory corporations

(Figures in columns 3(a) to 4(f) are Rupees in lakh)

Sr. No.	Sector and name of the company/corporation	Paid-up capital as at the end of 2006-07					Equity/loans received out of Budget during the year		Other loans received during the year@	Loans **outstanding at the close of 2006-07			Debt equity ratio for 2006-07 (Previous year) 4(f)/3(e)
		State Government	Central Government	Holding Companies	Others	Total	Equity	Loans		Government	Others	Total	
1	2	3(a)	3(b)	3(c)	3(d)	3(e)	4(a)	4(b)	4(c)	4(d)	4(e)	4(f)	5
<b>A Working Government companies</b>													
<b>AGRICULTURE AND ALLIED</b>													
1	Himachal Pradesh Agro Industries Corporation Limited	984.08	196.00	-	-	1180.08	-	-	-	150.87	-	150.87	0.13:1 (0.13:1)
2	Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited	1023.50	150.00	-	607.00	1780.50	-	-	-	1212.92	104.00	1316.92	0.74:1 (0.68:1)
3	Agro Industrial Packaging India Limited	1675.00	-	-	97.00	1772.00	-	-	-	2212.83	-	2212.83	1.25:1 (1.25:1)
	<b>Total</b>	<b>3682.58</b>	<b>346.00</b>	<b>-</b>	<b>704.00</b>	<b>4732.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3576.62</b>	<b>104.00</b>	<b>3680.62</b>	<b>0.78:1 (0.76:1)</b>
<b>INDUSTRY</b>													
4	Himachal Pradesh State Small Industries and Export Corporation Limited	246.08	-	-	-	246.08	-	-	-	-	-	-	-
5	Himachal Pradesh General Industries Corporation Limited	703.96	-	-	12.31	716.27	-	-	-	297.46	-	297.46	0.42:1 (0.42:1)
	<b>Total</b>	<b>950.04</b>	<b>-</b>	<b>-</b>	<b>12.31</b>	<b>962.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>297.46</b>	<b>-</b>	<b>297.46</b>	<b>0.31:1 (0.31:1)</b>

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1	2	3(a)	3(b)	3(c)	3(d)	3(e)	4(a)	4(b)	4(c)	4(d)	4(e)	4(f)	5
<b>ELECTRONICS</b>													
6	Himachal Pradesh State Electronics Development Corporation Limited	371.67	-	-	-	371.67	-	-	-	194.66	-	194.66	0.52:1 (0.52:1)
	<b>Total</b>	<b>371.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>371.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>194.66</b>	<b>-</b>	<b>194.66</b>	<b>0.52:1 (0.52:1)</b>
<b>HANDLOOM AND HANDICRAFTS</b>													
7	Himachal Pradesh State Handicrafts and Handloom Corporation Limited	411.16	3.00	-	-	414.16	-	-	-	197.61	-	197.61	0.48:1 (0.48:1)
	<b>Total</b>	<b>411.16</b>	<b>3.00</b>	<b>-</b>	<b>-</b>	<b>414.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>197.61</b>	<b>-</b>	<b>197.61</b>	<b>0.48:1 (0.48:1)</b>
<b>FOREST</b>													
8	Himachal Pradesh State Forest Corporation Limited	1208.06	-	-	-	1208.06	-	-	-	-	16075.00	16075.00	13.31:1 (13.31:1)
	<b>Total</b>	<b>1208.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1208.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16075.00</b>	<b>16075.00</b>	<b>13.31:1 (13.31:1)</b>
<b>DEVELOPMENT OF ECONOMICALLY WEAKER SECTIONS</b>													
9	Himachal Pradesh Mahila Vikas Nigam	287.32	9.60	-	-	296.92	40.00	-	-	-	-	-	-
10	Himachal Backward Classes Finance and Development Corporation Limited	749.59	-	-	-	749.59	120.00	-	-	-	724.18	724.18	0.97:1 (1.19:1)
11	Himachal Pradesh Minorities Finance and Development Corporation	332.62	-	-	18.42	351.04	46.15	-	-	-	-	-	
	<b>Total</b>	<b>1369.53</b>	<b>9.60</b>	<b>-</b>	<b>18.42</b>	<b>1397.55</b>	<b>206.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>724.18</b>	<b>724.18</b>	<b>0.52:1 (0.64:1)</b>
<b>PUBLIC DISTRIBUTION</b>													
12	Himachal Pradesh State Civil Supplies Corporation Limited	351.50	-	-	-	351.50	-	-	-	46.61	-	46.61	0.13:1 (0.15:1)
	<b>Total</b>	<b>351.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>351.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46.61</b>	<b>-</b>	<b>46.61</b>	<b>0.13:1 (0.15:1)</b>

1	2	3(a)	3(b)	3(c)	3(d)	3(e)	4(a)	4(b)	4(c)	4(d)	4(e)	4(f)	5
<b>TOURISM</b>													
13	Himachal Pradesh Tourism Development Corporation Limited	1229.86	-	-	-	1229.86	-	-	-	-	62.79	62.79	0.05:1 (0.07:1)
	<b>Total</b>	<b>1229.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1229.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62.79</b>	<b>62.79</b>	<b>0.05:1 (0.07:1)</b>
<b>FINANCE</b>													
14	Himachal Pradesh State Industrial Development Corporation Limited	2959.40***	-	-	-	2959.40***	-	-	-	-	-	-	-
	<b>Total</b>	<b>2959.40***</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2959.40***</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>POWER</b>													
15	Himachal Pradesh Power Corporation Limited	0.30	-	-	40.00*	40.30*	0.30	-	-	-	-	-	-
	<b>Total</b>	<b>0.30</b>	<b>-</b>	<b>-</b>	<b>40.00*</b>	<b>40.30*</b>	<b>0.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CONSTRUCTION</b>													
16	Himachal Pradesh Road and Other Infrastructure Development Corporation Limited	2500.00	-	-	-	2500.00	-	-	-	-	45058.69	45058.69	18.02:1 (26.82:1)
	<b>Total</b>	<b>2500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2500.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45058.69</b>	<b>45058.69</b>	<b>18.02:1 (26.82:1)</b>
	<b>Total-A (All Sector-wise Government Companies)</b>	<b>15034.10#</b>	<b>358.60</b>	<b>-</b>	<b>774.73</b>	<b>16167.43#</b>	<b>206.45</b>	<b>-</b>	<b>-</b>	<b>4312.96</b>	<b>62024.66</b>	<b>66337.62</b>	<b>4.10:1 (1.58:1)</b>
<b>B Working Statutory corporations</b>													
<b>POWER</b>													
17	Himachal Pradesh State Electricity Board	28211.18	-	-	-	28211.18	-	-	22056.07	2013.04	209830.18	211843.22	7.51:1 (9.30:1)
	<b>Total</b>	<b>28211.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28211.18</b>	<b>-</b>	<b>-</b>	<b>22056.07</b>	<b>2013.04</b>	<b>209830.18</b>	<b>211843.22</b>	<b>7.51:1 (9.30:1)</b>

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1	2	3(a)	3(b)	3(c)	3(d)	3(e)	4(a)	4(b)	4(c)	4(d)	4(e)	4(f)	5
<b>TRANSPORT</b>													
18	Himachal Road Transport Corporation	26166.31	1544.45	-	-	27710.76	1230.00	793.00	-	-	15996.06	15996.06	0.58:1 (0.09:1)
	<b>Total</b>	<b>26166.31</b>	<b>1544.45</b>	<b>-</b>	<b>-</b>	<b>27710.76</b>	<b>1230.00</b>	<b>793.00</b>	<b>-</b>	<b>-</b>	<b>15996.06</b>	<b>15996.06</b>	<b>0.58:1 (0.09:1)</b>
<b>FINANCING</b>													
19	Himachal Pradesh Financial Corporation	2197.79	-	-	659.32	2857.11	-	-	2780.00	-	19508.77	19508.77	6.83:1 (6.06:1)
	<b>Total</b>	<b>2197.79</b>	<b>-</b>	<b>-</b>	<b>659.32</b>	<b>2857.11</b>	<b>-</b>	<b>-</b>	<b>2780.00</b>	<b>-</b>	<b>19508.77</b>	<b>19508.77</b>	<b>6.83:1 (6.06:1)</b>
	<b>Total-B (All sector-wise Statutory corporations)</b>	<b>56575.28</b>	<b>1544.45</b>	<b>-</b>	<b>659.32</b>	<b>58779.05#</b>	<b>1230.00</b>	<b>793.00</b>	<b>24836.07</b>	<b>2013.04</b>	<b>245335.01</b>	<b>247348.05#</b>	<b>4.21:1 (4.90:1)</b>
	<b>Grand Total (A+B)</b>	<b>71609.38</b>	<b>1903.05</b>	<b>-</b>	<b>1434.05</b>	<b>74946.48#</b>	<b>1436.45</b>	<b>793.00</b>	<b>24836.07</b>	<b>6326.00</b>	<b>307359.67</b>	<b>313685.67</b>	<b>4.19:1 (4.28:1)</b>
<b>C Non-working companies</b>													
<b>INDUSTRY</b>													
20	Himachal Worsted Mills Limited	-	-	47.00	45.00	92.00	-	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>47.00</b>	<b>45.00</b>	<b>92.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ENGINEERING</b>													
21	Nahan Foundry Limited	387.00	-	-	-	387.00	-	-	-	-	-	-	-
	<b>Total</b>	<b>387.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>387.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Grand Total-C</b>	<b>387.00</b>	<b>-</b>	<b>47.00</b>	<b>45.00</b>	<b>479.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Grand Total (A+B+C)</b>	<b>71996.38</b>	<b>1903.05</b>	<b>47.00</b>	<b>1479.05</b>	<b>75425.48#\$</b>	<b>1436.45</b>	<b>793.00</b>	<b>24836.07</b>	<b>6326.00</b>	<b>307459.67</b>	<b>313685.67</b>	<b>4.16:1 (4.98:1)</b>

**Note:-** Except in respect of companies and corporations which finalised their accounts for 2006-07 (Sr. No.5,6,7,12,14,15,16,17,18,19 & 21) figures are provisional and as given by the companies/corporations

@ Includes bonds, debentures, inter corporate deposits, etc.

\*\* Loans outstanding at the close of 2006-07 represents long-term loans only

\*\*\* Includes share application money of Rs. 2.00 lakh

\$ State Government's investment in all PSUs was Rs783.22 crore (others: Rs3108.89 crore). Figure as per Finance Accounts 2006-07 is Rs.742.92 crore. The difference is under reconciliation

# Includes share application money of Rs. 41.80 lakh

\* includes share application money of Rs.39.80 lakh

## Annexure-II

(Refer paragraphs 1.6, 1.7, 1.13 and 1.19)

**Summarised financial results of Government companies and Statutory corporations for the latest year for which accounts were finalised**  
**(Figures in columns 7 to 12 & 15 are Rupees in lakh)**

Sr. No.	Sector and name of company/corporation	Name of Department	Date of incorporation	Period of accounts	Year in which accounts finalised	Net Profit (+)/ Loss(-)	Net impact of Audit comments	Paid-up capital	Accumulated profit(+)/ loss(-)	Capital employed (A)	Total Return on capital employed	Percentage of total return on capital employed	Arrears of accounts in terms of years	Turn over	Man-power (No. of employees)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
<b>A Working Government companies</b>															
<b>AGRICULTURE AND ALLIED</b>															
1	Himachal Pradesh Agro Industries Corporation Limited	Horticulture	September 1970	2005-06	2006-07	(-)194.51	General Comments	1180.08	(-)799.57	25.81	(-)167.01	-	1	2106.50	244
2	Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited	Horticulture	June 1974	2005-06	2006-07	(-)480.27	Nil comments	1780.50	(-)3275.67	175.14	(-)475.55	-	1	3415.08	484
3	Agro Industrial Packaging India Limited	Horticulture	February 1987	2005-06	2006-07	(-)643.61	Nil comments	1772.00	(-) 5729.14	(-)1607.70	(-) 138.46	-	1	488.93	188
<b>Total</b>						<b>(-)1318.39</b>		<b>4732.58</b>	<b>(-)9804.38</b>	<b>(-)1406.75</b>	<b>(-)781.02</b>	-	-	-	-
<b>INDUSTRY</b>															
4	Himachal Pradesh State Small Industries and Export Corporation Limited	Industries	October 1966	2005-06	2006-07	(+)56.02	Nil comments	246.08	(-)128.44	215.10	(+)56.02	26.04	1	928.97	27
5	Himachal Pradesh General Industries Corporation Limited	Industries	November 1972	2006-07	2007-08	(-)85.24	Under audit	716.27	(-)132.20	641.99	(-)66.49	-	-	1503.62	220
<b>Total</b>						<b>(-) 29.22</b>		<b>962.35</b>	<b>(-)260.64</b>	<b>857.09</b>	<b>(-)10.47</b>	-	-	-	-

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
<b>ELECTRONICS</b>															
6	Himachal Pradesh State Electronics Development Corporation Limited	Industries	October 1984	2006-07	2007-08	(+)127.54	Under audit	371.67	(-)214.84	545.44	(+)127.97	23.46	-	1509.77	74
<b>Total</b>						<b>(+)127.54</b>		<b>371.67</b>	<b>(-)214.84</b>	<b>545.44</b>	<b>(+)127.97</b>	<b>23.46</b>	-	-	
<b>HANDLOOM AND HANDICRAFTS</b>															
7	Himachal Pradesh State Handicrafts and Handloom Corporation Limited	Industries	March 1974	2005-06	2006-07	(-) 112.72	Nil comments	414.16	(-)1084.97	(-)449.75	(-)84.73	-	-	1000.01	
				2006-07	2007-08	(-)44.07	Under audit	414.16	(-)1129.05	(-)565.79	(-)21.55	-	-	923.61	143
<b>Total</b>						<b>(-)44.07</b>		<b>414.16</b>	<b>(-)1129.05</b>	<b>(-)565.79</b>	<b>(-)21.55</b>	-	-	-	-
<b>FOREST</b>															
8	Himachal Pradesh State Forest Corporation Limited	Forest	March 1974	2002-03	2006-07	(-)1990.35	Understatement of loss by Rs.87.12 lakh	1208.06	(-)2918.14	53635.03	(-)1758.88	-	-	11682.78	
				2003-04	2007-08	(-)1144.63	Under audit	1208.06	(-)4062.78	38941.46	(-)883.83	-	3	12614.37	3973
<b>Total</b>						<b>(-)1144.63</b>		<b>1208.06</b>	<b>(-)4062.78</b>	<b>38941.46</b>	<b>(-)883.83</b>	-	-	-	-
<b>DEVELOPMENT OF ECONOMICALLY WEAKER SECTIONS</b>															
9	Himachal Pradesh Mahila Vikas Nigam	Welfare	April 1989	2005-06	2007-08	(-)8.37	Not reviewed	256.92	(-)14.68	145.40	(-)8.37	-	1	9.53	6
10	Himachal Backward Classes Finance and Development Corporation	Welfare	January 1994	2004-05	2007-08	(+)54.81	Not reviewed	579.59	(+)227.95	1683.29	(+)95.97	5.70	2	128.18	22
11	Himachal Pradesh Minorities Finance and Development Corporation	Welfare	September 1996	2005-06	2006-07	(-)29.65	Not reviewed	293.11	(-)176.31	752.72	(-)17.37	-	1	27.70	14
<b>Total</b>						<b>(+)16.79</b>		<b>1129.62</b>	<b>(+)36.96</b>	<b>2581.41</b>	<b>(+)70.23</b>	<b>2.72</b>	-	-	-
<b>PUBLIC DISTRIBUTION</b>															
12	Himachal Pradesh State Civil Supplies Corporation Limited	Food & Supplies	September 1980	2006-07	2007-08	(+)113.09	Nil comments	351.50	(+)1236.02	2004.90	(+)137.60	6.86	-	56865.96	743
<b>Total</b>						<b>(+)113.09</b>		<b>351.50</b>	<b>(+)1236.02</b>	<b>2004.90</b>	<b>(+)137.60</b>	<b>6.86</b>	-	-	-

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
<b>TOURISM</b>															
13	Himachal Pradesh Tourism Development Corporation Limited	Tourism and Civil Aviation	September 1972	2005-06	2006-07	(+)37.51	Nil Comments	1229.86	(-)807.20	1964.85	(+)49.75	2.53	1	3602.61	1683
<b>Total</b>						<b>(+)37.51</b>		<b>1229.86</b>	<b>(-)807.20</b>	<b>1964.85</b>	<b>(+)49.75</b>	<b>2.53</b>	-	-	-
<b>FINANCING</b>															
14	Himachal Pradesh State Industrial Development Corporation Limited	Industries	November 1966	2006-07	2007-08	(+)617.35	Understatement of current liabilities and current assets by Rs 2.46 crore	2959.40	(-) 211.36	3668.34	(+)617.35	16.83	-	1317.75	198
<b>Total</b>						<b>(+)617.35</b>		<b>2959.40</b>	<b>(-) 211.36</b>	<b>3668.34</b>	<b>(+)617.35</b>	<b>16.83</b>	-	-	-
<b>POWER</b>															
15	Himachal Pradesh Power Corporation Limited	MPP & Power	December, 2006	2006-07	2007-08	(-)5.31	Under audit	40.30	(-)5.31	13.99	(-)5.31	-	-	-	-
<b>Total</b>						<b>(-)5.31</b>		<b>40.30</b>	<b>(-)5.31</b>	<b>13.99</b>	<b>(-)5.31</b>	-	-	-	-
<b>CONSTRUCTION</b>															
16	Himachal Pradesh Road and Other Infrastructure Development Corporation Limited	Public works	June 1999	2006-07	2007-08	**	Nil comments	2500.00	-	48002.81	-	-	-	-	-
<b>Total</b>								<b>2500.00</b>		<b>48002.81</b>					
<b>Total-A (All sector-wise Government companies)</b>						<b>(-)1629.34</b>		<b>15899.50</b>	<b>(-)15222.58</b>	<b>96607.75</b>	<b>(-)699.28</b>	-	-	-	-
<b>B Working Statutory corporations</b>															
<b>POWER</b>															
17	Himachal Pradesh State Electricity Board	MPP & Power	September 1971	2006-07	2007-08	(+)188.14	Under audit	28211.18	(-)23728.36	264190.60	(+)14009.37	5.30	-	191770.30	25969
<b>Total</b>						<b>(+)188.14</b>		<b>28211.18</b>	<b>(-)23728.36</b>	<b>264190.60</b>	<b>(+)14009.37</b>	<b>5.30</b>	-	-	-

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
<b>TRANSPORT</b>															
18	Himachal Road Transport Corporation	Transport	October 1974	2005-06	2006-07	(-)3821.71	Overstatement of loss by Rs. 52.96 lakh	26480.76	(-)40534.43	(-)1347.26	(-)3034.06	-	-	21649.33	
				2006-07	2007-08	(-)3260.76	Under audit	27710.76	(-)43795.19	6526.39	(-)2810.64	-	-	24227.99	8484
	<b>Total</b>					<b>(-)3260.76</b>	<b>-</b>	<b>27710.76</b>	<b>(-)43795.19</b>	<b>6526.39</b>	<b>(-)2810.64</b>	<b>-</b>		<b>-</b>	<b>-</b>
<b>FINANCING</b>															
19	Himachal Pradesh Financial Corporation	Industries	April 1967	2006-07	2007-08	(-)1266.64	Being finalised	2857.11	(-)10225.86	22247.07	(+)184.20	0.83	-	1526.72	106
	<b>Total</b>					<b>(-)1266.64</b>		<b>2857.11</b>	<b>(-)10225.86</b>	<b>22247.07</b>	<b>(+)184.20</b>	<b>0.83</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total-B (All sector-wise Statutory corporations)</b>					<b>(-) 4339.26</b>		<b>58779.05</b>	<b>(-)77749.41</b>	<b>292964.06</b>	<b>11382.93</b>	<b>3.89</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Grand Total (A+B)</b>					<b>(-)5968.60</b>		<b>74678.55</b>	<b>(-)92971.99</b>	<b>389571.81</b>	<b>10683.65</b>	<b>2.74</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C Non-working companies</b>															
<b>INDUSTRY</b>															
20	Himachal Worsteds Mills Limited	Industries	October 1974	2000-01	2001-02	(-) 0.94	Not reviewed	92.00	(-)544.32	(-)63.82	(-)0.06	-	Under liquidation since 2000	-	-
	<b>Total</b>					<b>(-) 0.94</b>		<b>92.00</b>	<b>(-)544.32</b>	<b>(-)63.82</b>	<b>(-)0.06</b>				
<b>ENGINEERING</b>															
21	Nahan Foundry Limited	Industries	October 1952	2006-07	2007-08	(+)0.67	Not reviewed	387.00	(-)449.35	(-)63.25	(+)0.67	-	-	-	11
	<b>Total</b>					<b>(+)0.67</b>		<b>387.00</b>	<b>(-)449.35</b>	<b>(-)63.25</b>	<b>(+)0.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total C</b>					<b>(-)0.27</b>		<b>479.00</b>	<b>(-)993.67</b>	<b>(-)127.07</b>	<b>(+)0.61</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Grand Total (A+B+C)</b>					<b>(-)5968.87</b>		<b>75157.55</b>	<b>(-)93965.66</b>	<b>389444.74</b>	<b>10684..26</b>	<b>2.74</b>	<b>-</b>	<b>-</b>	<b>-</b>

(A) Capital employed represents net fixed assets (including capital work-in-progress) plus working capital except in cases of finance companies/corporations where the capital employed worked out as a mean of the aggregate of opening and closing balances of paid-up capital, free reserves, bonds and borrowings (including refinance)

\*\*Excess over expenditure is reimbursable by the State Government



## Annexure-III

(Refer paragraph 1.5)

Statement showing subsidy received, guarantees received, waiver of dues, loans on which moratorium allowed and loans converted into equity during the year and subsidy receivable and guarantees outstanding at the end of March 2007

(Figures in columns 3 (a) to 7 are Rupees in lakh)

Sr. No.	Name of the Public Sector Undertaking	@ Subsidy and grants received during the year				Guarantees received during the year and outstanding at the end of the year**					Waiver of dues during the year				Loans on which moratorium allowed	Loans converted into equity during the year
		Central Government	State Government	Others	Total	Cash Credit from banks	Loans from other sources	Letters of credit opened by banks in respect of imports	Payment obligation under agreement with foreign consultants or contracts	Total	Loans repayment written off	Interest waived	Penal interest waived	Total		
1	2	3(a)	3(b)	3(c)	3(d)	4(a)	4(b)	4(c)	4(d)	4(e)	5(a)	5(b)	5(c)	5(d)	6	7
<b>A Working Government companies</b>																
1	Himachal Pradesh Agro Industries Corporation Limited	-	52.00	-	52.00	-	(40.00)	-	-	(40.00)	-	-	-	-	-	-
2	Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited	-	-	-	-	(99.83)	(37.00)	-	-	(136.83)	-	-	-	-	-	-
3	Agro Industrial Packaging India Limited	-	22.00	-	22.00	-	-	-	-	-	-	-	-	-	-	-
4	Himachal Pradesh State Handicrafts and Handloom Corporation Limited	122.71	86.88	-	209.59	60.00 (-)	-	-	-	60.00 (-)	-	-	-	-	-	-
5	Himachal Pradesh State Forest Corporation Limited	-	-	-	-	-	(16075.00)	-	-	(16075.00)	-	-	-	-	-	-

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1	2	3(a)	3(b)	3(c)	3(d)	4(a)	4(b)	4(c)	4(d)	4(e)	5(a)	5(b)	5(c)	5(d)	6	7
6	Himachal Backward Classes Finance and Development Corporation	-	-	-	-	-	(724.18)	-	-	(724.18)	-	-	-	-	-	-
7	Himachal Pradesh Minorities Finance and Development Corporation	-	-	-	-	-	1000.00 (746.02)	-	-	1000.00 (746.02)	-	-	-	-	-	-
8	Himachal Pradesh Tourism Development Corporation Limited	240.54	375.37	-	615.91	-	-	-	-	-	-	-	-	-	-	-
9.	Himachal Pradesh Road and Other Infrastructure Development Corporation	-	88.66	-	88.66	-	(45058.69)	-	-	(45058.69)						
	<b>Total-A</b>	<b>363.25</b>	<b>624.91</b>	<b>-</b>	<b>988.16</b>	<b>60.00 (99.83)</b>	<b>1000.00 (62680.89)</b>	<b>-</b>	<b>-</b>	<b>1060.00 (62780.72)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**B Working Statutory corporations**

10	Himachal Pradesh State Electricity Board	7268.65	270.00	160.87	7699.52	-	20000.00- (168123.15)	-	-	20000.00- (168123.15)	-	-	-	-	-	-
11	Himachal Road Transport Corporation	-	4800.00	-	4800.00	-	-	-	-	-	-	-	-	-	-	-
12	Himachal Pradesh Financial Corporation	-	2.22	3.87	6.09	-	2780.00 (10270.00)	186.73 -	-	2966.73 (10270.00)	-	-	-	-	-	-
	<b>Total-B</b>	<b>7268.65</b>	<b>5072.22</b>	<b>164.74</b>	<b>12505.61</b>	<b>-</b>	<b>22780.00 (178393.15)</b>	<b>186.73</b>	<b>-</b>	<b>22966.73 (178393.15)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Grand Total (A+B)</b>	<b>7631.90</b>	<b>5697.13</b>	<b>164.74</b>	<b>13493.77</b>	<b>60.00 (99.83)</b>	<b>23780.00 (241074.04)</b>	<b>186.73</b>	<b>-</b>	<b>24026.73 (241173.87)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: Except in respect of companies and corporations which finalised their accounts for 2006-07 (Sr. No. 4,9,10 and 12), figures are provisional and as given by the companies/corporations

@ Subsidy includes subsidy receivable at the end of year which is also shown in brackets

\*\* Figures in brackets indicate guarantees outstanding at the end of year

## Annexure-IV

(Refer paragraph 1.7)

## Statement showing financial position of Statutory corporations

(Rupees in crore)

<b>1 Himachal Pradesh State Electricity Board</b>				
	<b>Particulars</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07 (Provisional)</b>
<b>A</b>	<b>Liabilities</b>			
	Equity capital	282.11	282.11	282.11
	Loans from Government	18.71	20.13	20.13
	Other long-term loans (including bonds)	2533.86	2634.93	2098.30
	Reserves and surplus	958.28	1126.12	1261.36
	Current liabilities and provisions	1145.95	1497.16	2341.99
	<b>Total-A</b>	<b>4938.91</b>	<b>5560.45</b>	<b>6003.89</b>
<b>B</b>	<b>Assets</b>			
	Gross fixed assets	2192.58	2322.34	3556.07
	Less: Depreciation	354.38	408.07	464.98
	Net fixed assets	1838.20	1914.27	3091.09
	Capital works-in-progress	1730.61	2070.20	1108.16
	Deferred cost	62.54	65.93	81.92
	Current assets	640.58	849.42	784.64
	Investments	402.62	416.75	695.18
	Miscellaneous expenditure	4.72	4.71	5.62
	Deficits	259.64	239.17	237.28
	<b>Total-B</b>	<b>4938.91</b>	<b>5560.45</b>	<b>6003.89</b>
<b>C</b>	<b>Capital employed<sup>#</sup></b>	<b>3063.44</b>	<b>3336.73</b>	<b>2641.90</b>
<b>2 Himachal Road Transport Corporation</b>				
	<b>Particulars</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07 (Provisional)</b>
<b>A</b>	<b>Liabilities</b>			
	Capital (including capital loan & equity capital)	252.51	264.81	277.11
	Borrowings (Government) (Others)	- 46.60	- 110.78	- 159.96

<sup>#</sup> Capital employed represents net fixed assets (including works-in-progress) plus working capital. While working out working capital the element of deferred cost and investments are excluded from current assets

	Funds <sup>=</sup>	-	16.28	66.14
	Trade dues and other current liabilities (including provisions)	136.70	106.98	93.81
	<b>Total-A</b>	<b>435.81</b>	<b>498.85</b>	<b>597.02</b>
<b>B</b>	<b>Assets</b>			
	Gross block	151.45	158.78	177.80
	Less: Depreciation	108.20	112.38	119.30
	Net fixed assets	43.25	46.40	58.50
	Capital works-in-progress (including cost of chassis)	2.88	4.07	2.00
	Investments	-	-	-
	Current assets, loans and advances	22.55	43.04	98.57
	Deferred cost	-	-	-
	Accumulated losses	367.13	405.34	437.95
	<b>Total-B</b>	<b>435.81</b>	<b>498.85</b>	<b>597.02</b>
<b>C</b>	<b>Capital employed*</b>	<b>(-)68.02</b>	<b>(-)13.47</b>	<b>65.26</b>
<b>3</b>	<b>Himachal Pradesh Financial Corporation</b>			
	<b>Particulars</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07 (Provisional)</b>
<b>A</b>	<b>Liabilities</b>			
	Paid-up capital(including share application money)	28.17	28.57	28.57
	Reserve funds and other reserves and surplus	4.97	4.97	4.97
	Borrowings:	-	-	-
	Bonds and debentures	93.10	89.75	102.70
	Fixed deposits	-	-	-
	Industrial Development Bank of India and Small Industries Development Bank of India	49.44	70.19	85.89
	Reserve Bank of India	-	-	-

<sup>=</sup> Excluding depreciation funds

<sup>\*</sup> Capital employed represents net fixed assets (including works-in-progress) plus working capital

	Loan towards share capital:			-
	(a) State Government	-	-	
	(b) Industrial Development Bank of India			
	Others (including State Government)	24.78	22.03	7.29
	Other liabilities and provisions	70.20	71.12	79.66
	<b>Total-A</b>	<b>270.66</b>	<b>286.63</b>	<b>309.08</b>
<b>B</b>	<b>Assets</b>			
	Cash and Bank balances	7.81	7.86	12.91
	Investments	0.01	0.01	0.01
	Loans and Advances	172.96	185.04	190.08
	Net fixed assets	1.23	1.20	1.09
	Dividend deficit account	0.79	0.79	0.79
	Other assets	2.87	2.14	1.95
	Profit and loss account	84.99	89.59	102.25
	<b>Total-B</b>	<b>270.66</b>	<b>286.63</b>	<b>309.08</b>
<b>C</b>	<b>Capital employed<sup>@</sup></b>	<b>186.05</b>	<b>207.20</b>	<b>222.47</b>

<sup>@</sup> Capital employed represents the mean of the aggregate of opening and closing balances of paid-up capital, loans in lieu of capital, seed money, debentures, reserves (other than those which have been funded specifically and backed by investments outside), bonds, deposits and borrowings (including refinance)

**Annexure-V**

(Refer paragraph 1.7)

**Statement showing working results of Statutory corporations**

(Rupees in crore)

1	Himachal Pradesh State Electricity Board			
		2004-05	2005-06	2006-07 (Provisional)
	Particulars			
1	(a) Revenue receipts	1282.45	1694.09	1962.19
	(b) Subsidy/Subvention from Government	–	76.85	96.08
	<b>Total</b>	<b>1282.45</b>	<b>1770.94</b>	<b>2058.27</b>
2	Revenue expenditure (net of expenses capitalised) including write off of intangible assets but excluding depreciation and interest	1170.29	1539.54	1784.34
3	Gross surplus (+)/deficit (-) for the year (1-2)	(+)112.16	(+)231.40	(+)273.93
4	Adjustments relating to previous years	(+)20.14	(-)35.24	(-)76.70
5	Final gross surplus(+)/deficit(-) for the year (3+4)	(+)132.30	(+)196.16	(+)197.23
6	Appropriations:			
	(a) Depreciation (less capitalised)	44.05	53.84	57.14
	(b) Interest on Government loans	1.88	2.23	2.33
	(c) Interest on others, bonds, advances etc. and finance charges	233.41	241.14	233.01
	(d) Total interest on loans and finance charges (b+c)	235.29	243.37	235.34
	(e) Less: Interest capitalised	109.79	121.53	97.13
	(f) Net interest charged to revenue (d-e)	125.50	121.84	138.21
	(g) Total appropriations (a+f)	169.55	175.68	195.35

7	Surplus(+)/deficit(-) before accounting for subsidy from State Government {5-6 (g)-1(b)}	(-)37.25	(-)56.37	(-)94.20
8	Net surplus(+)/deficit(-) {5-6(g)}	(-)37.25	(+)20.48	(+)1.88
9	Total return on capital employed*	88.25	142.31	140.09
10	Percentage of return on capital employed	2.88	4.27	5.30
<b>2</b>	<b>Himachal Road Transport Corporation</b>			
	<b>Particulars</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07 (Provisional)</b>
	<b>Operating</b>			
	(a) Revenue	251.84	272.09	301.65
	(b) Expenditure	274.68	303.64	331.57
	(c) Surplus(+)/Deficit(-)	(-)22.84	(-)31.54	(-)29.92
	<b>Non-operating</b>			
	(a) Revenue	1.03	1.95	1.82
	(b) Expenditure	10.08	8.62	4.50
	(c) Surplus(+)/Deficit(-)	(-)9.05	(-)6.67	(-)2.68
	(a) Revenue	252.87	274.04	303.47
	(b) Expenditure	284.76	312.26	336.07
	(c) Net profit (+)/Loss (-)	(-)31.89	(-)38.22	(-)32.60
	Interest on capital and loans	9.63	7.87	4.50
	Total return on Capital employed	(-)22.26	(-)30.35	(-)28.10
	Percentage of return on capital employed	-	-	-

\* Total return on capital employed represents net surplus/deficit plus total interest charged to profit and loss account (less interest capitalised)

<b>3 Himachal Pradesh Financial Corporation</b>				
	<b>Particulars</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07 (Provisional)</b>
1	<b>Income</b>			
	(a) Interest on Loans	18.05	18.70	15.48
	(b) Other income	0.62	0.24	0.27
	<b>Total-1</b>	<b>18.67</b>	<b>18.94</b>	<b>15.75</b>
2	<b>Expenses</b>			
	(a) Interest on long-term and short-term loans	13.32	15.12	14.51
	(b) Other expenses	7.85	9.86	13.91
	(c) Provision for non-performing assets	2.24	-	-
	<b>Total-2</b>	<b>23.41</b>	<b>24.98</b>	<b>28.42</b>
3	Profit(+)/loss (-) before tax (1-2)	(-)4.74	(-)6.04	(-)12.67
4	Provision for tax	-	-	-
	Profit(+)/Loss(-) after tax (3-4)	(-)4.74	(-)6.04	(-)12.67
5	Other appropriations (special reserve for the purpose of Section 36 (I) (viii) of the Income Tax Act, 1961 and general reserve)	-	-	-
6	Amount available for dividend	-	-	-
7	Dividend paid/payable	-	-	-
8	Total return on Capital employed <sup>@</sup>	8.58	9.08	1.84
9	Percentage of return on Capital employed	4.61	4.38	0.83

<sup>@</sup> *Total return on capital employed represents profit (+)/loss (-) after tax and provision for non-performing assets, plus interest on long-term and short-term loans*



## Annexure-VI

(Refer paragraph 1.12)

## Statement showing operational performance of Statutory corporations

<b>1</b>	<b>Himachal Pradesh State Electricity Board</b>			
	<b>Particulars</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07 (Provisional)</b>
	Installed capacity	<b>(MW)</b>		
	(a) Thermal	-	-	-
	(b) Hydro	329.20	328.95	466.95
	(c) Gas	-	-	-
	(d) Other (Diesel and Micro Hydel)	0.13	0.13	0.13
	<b>Total</b>	<b>329.33</b>	<b>329.08</b>	<b>467.08</b>
	Normal maximum demand	671.00	768.00	611.00
	Power generated:	<b>(MKWH)</b>		
	(a) Thermal	-	-	-
	(b) Hydro	1295.41	1332.37	1432.37
	(c) Gas	-	-	-
	(d) Other	-	-	-
	<b>Total</b>	<b>1295.41</b>	<b>1332.37</b>	<b>1432.37</b>
	Less: Auxiliary consumption			
	(a) Thermal (Percentage)	-	-	-
	(b) Hydro (Percentage)	4.30 (0.33)	5.02 (0.38)	6.08 (0.42)
	(c) Gas (Percentage)	-	-	-
	(d) Other (Percentage)	-	-	-
	<b>Total (Percentage)</b>	<b>4.30 (0.33)</b>	<b>5.02 (0.38)</b>	<b>6.08 (0.42)</b>

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	Net power generated	1291.11	1327.35	1426.29
	Power purchased:	4763.53	4918.95	5056.95
	Total power available for sale	6054.64*	6246.30*	6483.24*
	Power sold:	5062.67	5291.22	5555.70
	Transmission and distribution losses	991.97**	955.08**	887.07**
	Load factor (Percentage)	45.20	46.24	42.55
	Percentage of transmission and distribution losses to total power available for sale	16.38	15.29	13.77
	Number of villages/town electrified	16897	16915	17169
	Number of pump sets/wells energised	9196	10010	11659
	Number of sub-stations (distribution)	16931	18255	18319
	Transmission/distribution lines (in Kms)			
	(a) High/medium voltage	26638.00	28012.17	25678.14
	(b) Low voltage	49213.00	50435.09	48350.66
	Connected load (in MW)	3249.09	3531.30	2948.33
	Number of consumers	1710818	1755751	1799263
	Number of employees	31365	31204	25969
	Consumer/employees ratio	55:1	56:1	69:1
	Total expenditure on staff during the year (Rs. in crore)	372.91	412.76	471.69
	Percentage of expenditure on staff to total revenue expenditure	27.63	23.59	26.43

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\* Sale and purchase of power include 449.52 MUs (2004-05), 306.72 MUs (2005-06) and 562.30 MUs (2006-07) which actually was neither purchased nor sold but was wheeled through HPSEB transmission system

\*\* Transmission and Distribution losses worked out to 17.70 per cent (2004-05), 18.05 per cent (2005-06) and 14.98 per cent (2006-07) instead of 16.38 per cent, 15.29 per cent and 13.77 per cent, if the power wheeled on the Board's system is excluded from sale and purchase of power

	Units sold	MKWH		
	(a) Agriculture (Percentage share to total units sold)	25.27 (0.55)	24.73 (0.47)	26.40 (0.48)
	(b) Industrial (Percentage share to total units sold)	1762.37 (38.20)	2284.41 (43.17)	2878.40 (51.81)
	(c) Commercial (Percentage share to total units sold)	224.00 (4.86)	218.23 (4.12)	225.80 (4.06)
	(d) Domestic (Percentage share to total units sold)	809.79 (17.55)	866.59 (16.38)	948.30 (17.07)
	(e) Others (Percentage share to total units sold)	1791.72 (38.84)	1897.26 (35.86)	1476.81 (26.58)
	<b>Total</b>	<b>4613.15</b>	<b>5291.22</b>	<b>5555.71</b>
		<b>(Paise per KWH)</b>		
	(a) Revenue (excluding subsidy from Government)	259.00	335.00	370.00
	(b) Expenditure*	267.00	331.00	369.00
	(c) Profit(+)/Loss (-)	(-)08.00	(+)04.00	(+)1.00
	(d) Average subsidy claimed from Government (in Rupees)	-	-	-
	(e) Average interest charges	24.79	23.02	24.88
<b>2</b>	<b>Himachal Road Transport Corporation</b>			
	<b>Particulars</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>
	Average number of vehicles held	1718	1652	1645
	Average number of vehicles on road	1696	1678	1627
	Percentage of utilisation of vehicles	99	98	99
	Number of employees	8394	7973	7628
	Employee vehicle ratio	5:1	5:1	5:1
	Number of routes operated at the end of the year	1767	1824	1829
	Route kilometres (in lakh)	2.11	2.11	2.14
	Kilometres operated (in lakh)			
	(a) Gross	1433.61	1421.34	1495.14

\* Revenue expenditure includes depreciation but excludes interest on long-term loans

	(b) Effective	1410.29	1396.88	1470.42
	(c) Dead	23.32	24.46	24.72
	Percentage of dead kilometers to gross kilometres	1.63	1.72	1.65
	Average kilometres covered per bus per day	231	240	252
	Average operating revenue per kilometre (Paise)	1663	1744	1756
	Increase in average operating revenue per kilometre over previous year income (Paise) (per cent)	(-)3 {(-)0.18}	81 (4.87)	12 (0.69)
	Average expenditure per kilometre (Paise)	1855	1972	2020
	Increase in operating expenditure per Km over previous years expenditure (Paise) (per cent)	(-)21 {(-)1.12}	117 (6.31)	48 (2.43)
	Profit (+)/Loss (-) per kilometer (Paise)	(-)192	(-)228	(-)48
	Number of operating depots	23	23	23
	Average number of break-down per lakh kilometres	0.03	0.03	0.02
	Average number of accidents per lakh kilometres	0.12	0.10	0.08
	Passenger kilometres operated (in crore)	648.73	642.56	676.39
	Occupancy ratio (percentage)	50	51	51
	Kilometres obtained per litre of:			
	(a) Diesel Oil	3.63	3.64	3.60
	(b) Engine Oil	1408	1425	1600

(Amount: Rupees in crore)

3	Himachal Pradesh Financial Corporation						
	Particulars	2004-05		2005-06		2006-07 (Provisional)	
		Number	Amount	Number	Amount	Number	Amount
	Applications pending at the beginning of the year	13	7.29	24	43.21	33	33.60
	Applications received	179	217.83	130	193.44	93	109.94
	<b>Total</b>	<b>192</b>	<b>225.12</b>	<b>154</b>	<b>236.65</b>	<b>126</b>	<b>143.54</b>
	Applications sanctioned	99	95.52	52	45.51	43	41.95
	Applications cancelled/with-drawn/rejected/reduced	69	69.56	69	149.99	72	92.13
	Applications pending at the close of the year	24	43.21	33	33.60	11	9.46
	Loans disbursed	-	45.37	-	36.19	-	41.45
	Loans outstanding at the close of the year	-	172.98	-	185.05	-	190.08
	Amount overdue for recovery at the close of the year						
	(a) Principal	-	28.37	-	24.59	-	20.59
	(b) Interest	-	55.82	-	36.93	-	37.85
	<b>Total</b>	<b>-</b>	<b>84.19</b>	<b>-</b>	<b>61.52</b>	<b>-</b>	<b>58.44</b>
	Amount involved in recovery certificate cases	129	13.78	141	17.83	133	17.39
	<b>Total</b>	<b>129</b>	<b>13.78</b>	<b>141</b>	<b>17.83</b>	<b>133-</b>	<b>17.39</b>
	Percentage default to total loans outstanding	-	48.67	-	33.25	-	30.74

**Annexure-VII**

**(Refer paragraph 1.28)**

**Statement showing resume of major recommendations/comments made by Statutory Auditors on possible improvement in the internal audit/internal control system**

Sr. No.	Name of the Company	Area for improvement
1..	<b>Himachal Pradesh State Forest Corporation (2002-03)</b>	(a) Internal control with regard to purchase of timber from Government and private parties needs to be strengthened. (b) There was no system of obtaining balance confirmation from the debtors. (c) There was no system of monitoring claims with outside parties. (d) The fixed assets register was not maintained properly.
2.	<b>Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited (2005-06)</b>	(a) There was no system of monitoring timely recovery of outstanding dues. (b) There was no system of obtaining balance confirmation from the debtors. (c) The fixed assets register was not maintained properly. (d) The Company has not prescribed maximum and minimum limits of stores and spares and economic order quantity for procurement of stores. (e) Internal audit system was not commensurate with the size and nature of business.
3.	<b>Himachal Pradesh Agro Industries Corporation Limited (2005-06)</b>	a) There was no system of timely monitoring of outstanding dues. (b) There was no system of obtaining balance confirmation from debtors. ( c ) No norms have been fixed for storage losses.
4.	<b>Himachal Pradesh State Electronics and Development Corporation Limited (2005-06)</b>	(a) Property and assets register was not maintained. (b) There was no system of obtaining balance from debtors. (c) No maximum and minimum limit of inventory was fixed. (d) Internal Audit reports were submitted after 4-5 months after the close of financial year.
5.	<b>Himachal Pradesh State Handicrafts and Handloom Corporation Limited (2005-06 and 2006-07)</b>	(a) There was no system of obtaining balance confirmation from debtors. (b) The fixed assets register has not been maintained in most of the units. (c) Internal audit is conducted at the end of the year which defeats the very purpose of the internal audit. (d) No maximum, minimum and economic order quantity level of stores and spares was fixed.

6.	<b>Himachal Pradesh Minorities Finance and Development Corporation 2005-06</b>	(a) The fixed assets register has not been maintained. (b) The system of monitoring and recovery of outstanding loans was not adequate. (c) There was no system of obtaining confirmation from the parties.
7.	<b>Himachal Pradesh Tourism Development Corporation Limited (2005-06)</b>	(a) The fixed assets register was not maintained properly. (b) Internal audit coverage and scope of work needs to be enlarged. (c) Internal control with regard to purchases of provision and repairs of vehicles needs to be strengthened. (d) There was no system of obtaining balance confirmation from the debtors. (e) No economic order quality for procurement of stores was prescribed.
8.	<b>Himachal Pradesh State Civil Supplies Corporation Limited (2005-06 and 2006-07)</b>	(a) There was no system of obtaining balance confirmation from debtors. (b) The fixed assets register has not been maintained properly. (c) No maximum, minimum and economic order quantity for stores and spares were fixed. (d) The scope of internal audit needs to be enlarged and strengthened.
9.	<b>Himachal Pradesh Mahila Vikas Nigam(2005-06)</b>	(a) There was no system of obtaining confirmation from the debtors. (b) The Company has no internal audit system (c) There was no system of identifying loans and advances.

**Annexure-VIII**

(Refer paragraph 1.31)

**Statement showing paid-up capital, investment and summarised working results of 619-B companies as per their latest finalised accounts  
(Figures in column 5 to 19 are in Rupees in lakh)**

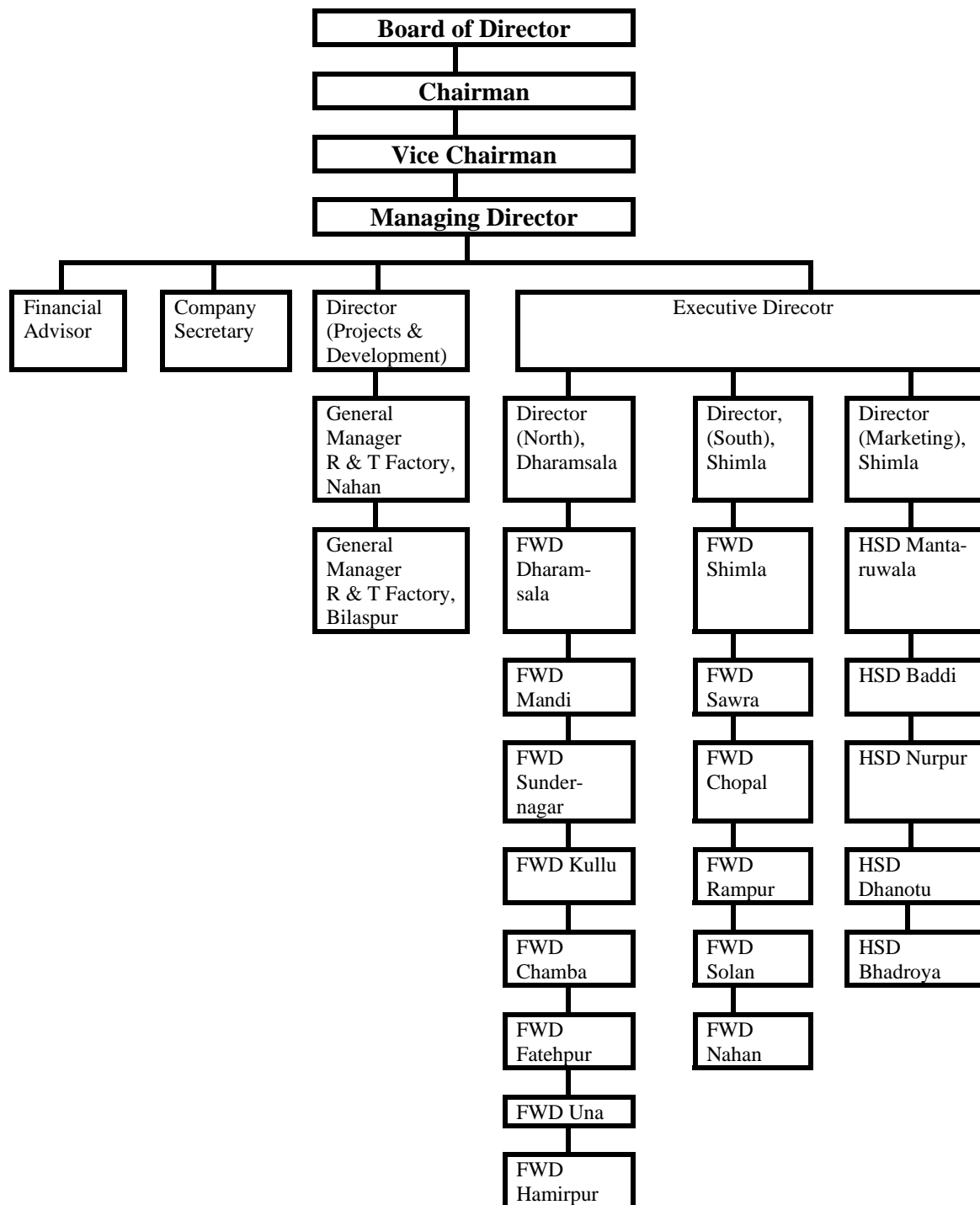
Sr. No.	Name of company	Status (working/non-working)	Year of account	Paid-up capital	Equity by			Loans by			Grants by			Total investment by way of equity, loans and grants			Profit(+)/loss (-)	Accumulated profit (+)/accumulated loss (-)
					State Govt.*	State Govt. companies/corporation*	Others*	State Govt.	State Govt. companies	Central Govt. and their companies/Corporation	State Govt.	State Govt. companies	Central Govt. and their companies	State Govt.	State Govt. companies/corporation	Others		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
1	Beas Valley Power Corporation Limited (Previously Himachal Pradesh Jal Vidyut Vikas Nigam Limited)	Working	2004-05	1582.76	-	1582.76 (100)	-	-	2338.67	-	-	-	-	-	4321.43	-	**	**
2	Pabbar Valley Power Corporation Limited	Working	2005-06	1277.85	-	1277.85 (100)	-	-	-	1500.00	-	-	-	-	2777.85	-	**	**
3.	Kinner Kailash Power Corporation Limited	Working	First Accounts awaited															

\* Figures in brackets indicates percentage

\*\* Statement of pre-operative expenditure prepared



**Annexure-IX**  
**(Refer paragraph 2.1.1)**  
**ORGANISATIONAL CHART**



**Annexure-X**

**(Refer paragraph 2.1.9)**

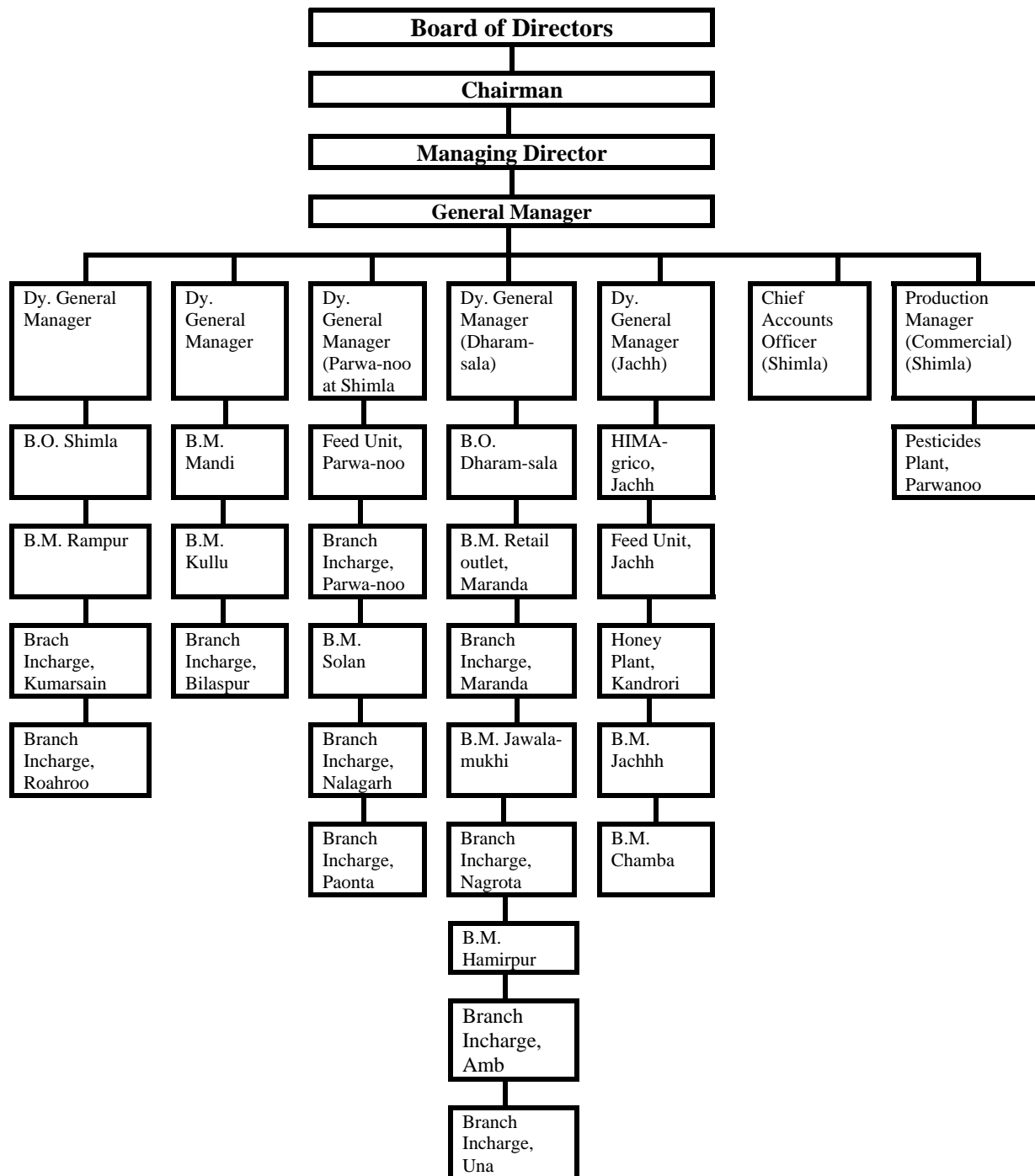
**Working results of timber extraction works**

**(Rupees in lakh)**

<b>Year</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2003-04</b> (Provisional)	<b>2004-05</b> (Provisional)	<b>2005-06</b> (Provisional)
<b>Expenditure</b>					
I. Direct Expenditure					
Royalty & Sales Tax	3273.76	5344.55	2346.58	4353.25	5227.82
Extraction, carriage & Transportation	2594.17	2945.08	2680.11	2809.37	3183.09
<b>Sub Total</b>	<b>5867.93</b>	<b>8289.63</b>	<b>5026.69</b>	<b>7162.62</b>	<b>8410.91</b>
II. Indirect Expenditure					
Employees remuneration	2576.81	2752.55	2908.68	3251.32	3381.10
Administration expenses	548.93	510.44	986.10	500.45	631.13
Trade discount	359.67	377.20	427.50	423.02	386.87
Interest	108.63	247.82	407.16	184.84	194.82
Depreciation	45.68	43.71	49.42	44.33	43.22
<b>Sub total-II</b>	<b>3639.72</b>	<b>3931.72</b>	<b>4778.86</b>	<b>4403.96</b>	<b>4637.14</b>
III Increase (+)/Decrease(-) in stock	(+)90.90	(-)175.66	(+)2342.78	(-)389.46	(-)1566.16
<b>Other expenses</b>					
Cost of production (I+II+III)	9598.55	12045.69	12148.33	11177.12	11481.89
<b>Sale</b>	<b>9132.60</b>	<b>9640.02</b>	<b>10528.25</b>	<b>11025.42</b>	<b>10543.76</b>
<b>Loss</b>	<b>465.95</b>	<b>2405.67</b>	<b>1620.08</b>	<b>151.70</b>	<b>938.12</b>
Percentage by which cost of production was higher than sales	5.10	24.96	15.39	1.38	8.90
<b>Profit(+)/Loss(-) of the Company as a whole</b>	<b>(+)20.87</b>	<b>(-)1990.34</b>	<b>(-)1144.63</b>	<b>(-)129.01</b>	<b>(-)87.92</b>

**Annexure-XI**  
**(Refer paragraph 2.2.1)**

**ORGANISATIONAL CHART**



**Annexure-XII**

(Refer paragraph 2.2.11)

**Statement showing financial position of the Company for the last five years ending 2006-07**

(Rupees in crore)

		2002-03	2003-04	2004-05	2005-06	2006-07 (Provisional)
	<b>Liabilities</b>					
(a)	Paid up capital (including share application money)	11.80	11.80	11.80	11.80	11.80
(b)	Reserve and surplus	0.68	0.77	0.78	0.73	0.68
(c)	Borrowings	3.19	3.23	3.17	3.24	3.89
(d)	Trade dues and other current liabilities and provisions <sup>#</sup>	15.73	18.35	20.03	26.37	19.09
	<b>Total</b>	<b>31.40</b>	<b>34.15</b>	<b>35.78</b>	<b>42.14</b>	<b>35.46</b>
	<b>Assets</b>					
(a)	Gross block	4.37	4.64	4.61	4.59	4.60
(b)	Less depreciation	2.94	3.05	3.14	3.23	3.36
(c)	Net fixed assets	1.43	1.59	1.47	1.36	1.24
(d)	Capital work-in-progress	0.20	0.01	-	-	-
(e)	Investments	7.46	7.46	7.44	7.44	7.45
(f)	Current assets, loans and advances	17.65	20.28	20.76	25.27	17.48
(g)	Intangible assets:	0.05	0.10	0.06	0.07	0.04
	(i) Miscellaneous expenditure					
	(ii) Accumulated loss	4.61	4.71	6.05	8.00	9.25
	<b>Total</b>	<b>31.40</b>	<b>34.15</b>	<b>35.78</b>	<b>42.14</b>	<b>35.46</b>
(a)	Working capital <sup>*</sup>	1.92	1.93	0.73	(-)1.10	(-)1.61
(b)	Capital employed <sup>**</sup>	3.55	3.53	2.20	0.26	(-)0.37
(c)	Net worth <sup>***</sup>	7.82	7.76	6.47	4.46	3.19

<sup>#</sup> Grant and subsidies of Rs.30.38 lakh (Rs.22.38 lakh in 2002-03 and Rs.8.00 lakh in 2003-04) have been shown under trade dues and other current liabilities

<sup>\*</sup> Working capital represents current assets, loans and advances minus trade dues and other current liabilities and provisions

<sup>\*\*</sup> Capital employed represents net fixed assets (including capital work-in-progress) plus working capital

<sup>\*\*\*</sup> Net worth represents paid-up capital plus reserve less intangible assets

## Annexure –XIII

(Refer paragraph 2.2.14)

Statement showing the working results of the Company for the last five years ending 2006-07

(Rupees in crore)

		2002-03	2003-04	2004-05	2005-06	2006-07 (Provisional)
	<b>A- Income</b>					
(i)	Sale	19.12	17.75	16.58	21.06	24.94
(ii)	Interest	0.29	0.22	0.23	0.25	0.14
(iii)	Rent	0.16	0.20	0.23	0.22	0.21
(iv)	Other revenues	1.99	2.86	1.31	1.71	1.83
(v)	Accretion (+) Decretion (-) in stock	(-0.31)	(-0.12)	(+)0.24	(-)0.24	(+)0.29
	<b>Total-A</b>	<b>21.25</b>	<b>20.91</b>	<b>18.59</b>	<b>23.00</b>	<b>27.41</b>
	<b>B- Expenditure</b>					
(i)	Raw material consumed (including trading)	16.32	15.09	14.28	18.66	23.50
(ii)	Other expenses	1.51	1.39	1.01	1.02	0.10
(iii)	Establishment and administrative expenses	3.43	4.00	4.14	4.83	4.59
(iv)	Finance charges	0.28	0.27	0.27	0.28	0.30
(v)	Selling and distribution expenses	0.13	0.26	0.23	0.16	0.18
	<b>Total -B</b>	<b>21.67</b>	<b>21.01</b>	<b>19.93</b>	<b>24.95</b>	<b>28.67</b>
	Profit (+)/Loss (-)	(-0.42)	(-0.10)	(-)1.34	(-)1.95	(-)1.26
	Less grant *	0.03	0.08	-	0.15	-
	Operating loss (-)	(-0.45)	(-0.18)	(-)1.34	(-)2.10	(-)1.26
	<b>Total operating loss during the five years:</b>					<b>5.33</b>

\* Represents grant received from the State Government for voluntary retirement scheme

**Annexure -XIV**

**(Refer paragraph 2.2.19)**

**Statement showing the installed capacity, actual production there against, percentage utilisation of installed capacity of Implements factory and targeted and actual sales during the last five years**

<b>Particulars</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07 (Provisional)</b>
Installed capacity/single shift (MT)	525	525	525	525	525
Actual production (MT)	169.125	100.735	48.107	38.683	37.444
Percentage utilisation	32.21	19.19	9.16	7.37	7.13
Sales	<b>(Rupees in lakh)</b>				
Target	90.00	90.00	90.00	90.00	50.00
Actual (including transfer to own units)	53.97	40.93	29.44	18.81	26.64
Short fall	36.03	49.07	60.56	71.19	23.36
Percentage of shortfall	40.03	54.52	67.29	79.10	46.72
Sales to :					
Govt departments	21.60	7.64	1.96	1.51	3.56
Private	2.43	4.72	1.31	2.28	1.61
Transfer to trading units	29.94	28.57	26.17	15.02	21.47
Expenditure on					
Pay and allowances	9.77	16.07	15.71	13.23	16.26
Other (Rev. expenditure)	7.63	6.84	5.83	4.98	6.11
<b>Total loss of the unit</b>	<b>16.45</b>	<b>32.59</b>	<b>34.36</b>	<b>32.59</b>	<b>35.29</b>

## Annexure-XV

(Refer paragraph 2.2.21)

## Statement showing the installed capacity, utilisation of capacity and performance of Honey Processing Plant

	2002-03	2003-04	2004-05	2005-06	2006-07 (Provisional)
Installed capacity (Kgs)	120000	120000	120000	120000	120000
Projected utilisation as per revised TEFR*	96000	96000	96000	96000	96000
<b>Projection made by the Company</b>					
Production (Kgs)	17800	17800	17800	5600	8600
Sales (Rupees in lakh)	26.25	26.25	26.00	8.50	13.50
Percentage of process loss as per revised Project Report	10	10	10	10	10
Profit (+)/Loss (-) (Rupees in lakh)	(-) 13.75	(-) 13.75	(-) 13.75	(-) 4.95	(-)12.69
<b>Actuals</b>					
Production (Kgs)	2047	1568	1869	3687	6488
Sales (Rupees in lakh)	1.79	2.29	2.04	3.45	5.59
Process loss (Kgs)	215	77	199	315	414
Percentage of process loss	9.50	4.68	9.62	7.87	6.00
Profit (+)/Loss (-) (Rupees in lakh)	(-) 11.91	(-) 7.39	(-) 3.81	(-)7.23	(-) 16.00
<b>Plant utilisation (Percentage)</b>					
Against projected in the TEFR	2.13	1.63	1.95	3.84	6.76
Against projected production	11.50	8.81	10.50	65.84	75.44
Against installed capacity	1.71	1.31	1.56	3.07	5.41
Shortfall in sales (Rupees in lakh)	24.46	23.96	23.96	5.05	7.91

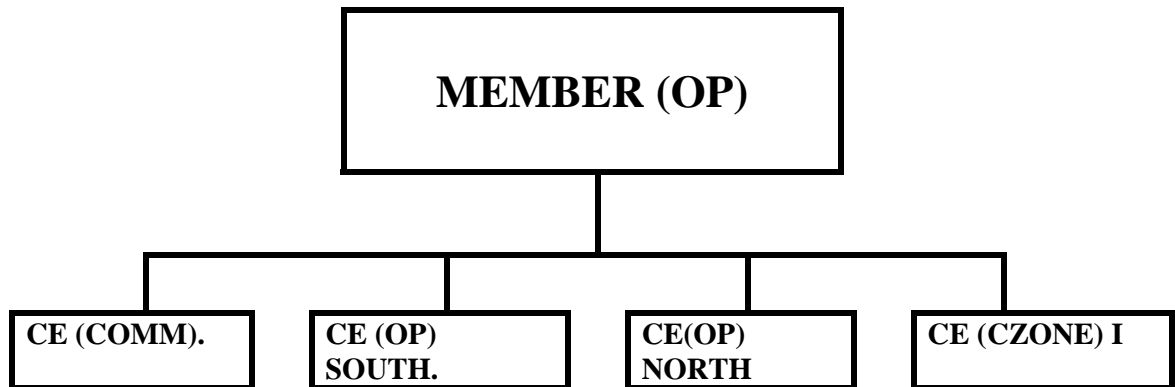
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\* *Techno Economic Feasibility Report*

**Annexure-XVI**

**(Refer paragraph 3.1.1)**

**ORGANISATIONAL CHART**





**Annexure-XVII**  
**(Refer paragraph 3.1.15)**

**Statement showing the details of percentage of energy sold to revenue assessed and positive (+)/negative (-) contribution of consumers during the period 2002-03 to 2006-07**

Description	2002-03		2003-04		2004-05		2005-06		2006-07	
	Percentage of energy sold/revenue assessed	Positive/negative (-) contribution	Percentage of energy sold/revenue assessed	Positive/negative (-) contribution	Percentage of energy sold/revenue assessed	Positive/negative (-) contribution	Percentage of energy sold/revenue assessed	Positive/negative (-) contribution	Percentage of energy sold/revenue assessed	Positive/negative (-) contribution
Domestic	27.97/14.79	(-)13.18	28.22/14.60	(-)13.62	27.41/14.26	(-)13.15	24.28/15.90	(-)8.38	21.79/16.28	(-)5.51
N.D.N.C.	0.45/0.56	0.11	0.55/0.61	0.06	0.69/1.04	0.35	1.31/2.42	1.11	1.51/2.54	1.03
Commercial	7.42/10.77	3.35	7.58/10.73	3.15	7.58/11.17	3.59	6.12/9.37	3.25	5.19/8.44	3.25
Bulk supply	5.22/5.61	0.39	1.27/1.35	0.08	3.33/3.91	0.58	2.97/2.99	0.02	2.93/3.08	0.15
Govt. irrigation and water supply scheme	0.78/0.91	0.13	0.71/0.67	(-)0.04	0.86/0.89	0.03	0.69/1.02	0.33	8.07/8.23	0.16
Public lighting	0.38/1.01	0.63	0.37/0.51	0.14	0.37/0.51	0.14	0.33/0.39	0.06	0.26/0.36	0.10
Others (SM, MS & LS)	57.78/66.35	8.57	58.30/68.53	10.23	59.76/68.22	8.46	64.30/67.91	3.61	60.25/61.07	0.82

**Annexure-XVIII**

**(Refer paragraph 3.1.19)**

**Detail showing non-recovery of peak load exemption/violation charges**

<b>Sr. No.</b>	<b>Name of sub-division</b>	<b>Amount (Rupees in lakh)</b>	<b>Remarks</b>
1	Parwanoo, Kala Amb, Paonta, Daulakuan, Barotiwala	37.72	<p>In case of eight consumers, the energy consumption during peak hours was much higher than the permissible limit based on total sanctioned load during Nov. 2004 to August 2006. Action to detect the violation on the basis of the load survey from meter reading instrument was not taken. This resulted in non-recovery of Rs.37.72 lakh.</p> <p>The Government stated (August 2007) that in one out of eight cases correct bills were raised to the consumer. In seven cases, the peak load consumption was within the peak load allowed. As such, no violation charges were recoverable. The reply is not tenable as no justification for consumption higher than the permissible limit based on total peak hours during the month had been furnished.</p>
2	Kala Amb	44.53	<p>A consumer (Ruchira Paper Mills) was allowed (January 2005) peak load exemption for additional 800 KW load during July 2005 to August 2006 which was physically not found connected with the system. This resulted in non-recovery of Rs.44.53 lakh on account of peak load violation charges.</p> <p>The Government stated (August 2007) that the additional 800 KW load to be used during peak hours did not relate to additional 800 KW load which was sanctioned in September 2006. The reply is not acceptable as the documents collected from CE (Comm) revealed that during December 2004, the consumer himself had disclosed the connected load of 4800 KW against the sanctioned load of 4000 KW. This clearly indicated that the consumer was unauthorisedly using the power till September 2006 when it was actually sanctioned in his favour by the Board.</p>

3	Kala Amb, Nalagarh	38.91	<p>The Board sanctioned peak load exemption to five industrial consumers with retrospective effect date in April and May 2005 just to regularise the load unauthorisedly drawn by these consumers during peak hours. This resulted in revenue loss of Rs.38.91 lakh.</p> <p>The Government stated (August 2007) that the sanction was allowed by the competent authority. The reply is not tenable as the sanction with retrospective effect were given just to regularize the violations for peak hours for which there was no provision in the rules.</p>
4	Satuan	24.35	<p>Consequent upon the revision of minimum power factor from 0.85 to 0.90, the Chief Engineer (Comm.) revised (May 1996) peak load hours exemption from 3.4 MW to 3.6 MW (4 MVA) in favour of CCI. Rajban. Instead of recovering demand charges on 4000 KVA, the Board recovered the same on 3778 KVA (i.e. 3400 KW) which resulted in undercharging of Rs.24.35 lakh during May 1996 to June 2004.</p> <p>The Government stated (August 2007) that the amount of Rs.19.53 lakh would be recovered from the consumers after observing codal formalities.</p>
5	Solan No-1, Barotiwala	195.33	<p>In six cases, the consumers were found using power during peak hours. Since the energy meters installed on their premises were not compatible with meter reading instruments (MRI), they should have been charged at specified rates for 50 <i>per cent</i> consumption. In three cases, the meters were compatible with MRI but action to retrieve that data was not taken. The consumers were billed for violation on average basis instead of 50 <i>per cent</i> of the consumption. This resulted in revenue loss of Rs.195.33 lakh during April 2005 to December 2006.</p> <p>The Government stated (August 2007) that in most of the cases the meters had been replaced and on the basis of MRI data, 25 <i>per cent</i> of the total consumptions was being charged from the consumers. The reply is not tenable as tariff provides for levy of violation at the rate 50 <i>per cent</i> of total energy consumption in cases where meters were not compatible to record peak load consumption instead of 25 <i>per cent</i> being charged by the Board.</p>

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6	Paonta, Damtal, Dhaulakuan, Solan No-1, Nalagarh	83.28	<p>In 17 cases, the consumers who had drawn power in excess of the restricted load without sanction and during peak load hours in anticipation of sanction of load were not billed for violation/infringement. In Dhaulakuan sub-division, a consumer premises was reconnected after a gap of eight months of permanent disconnection order but he was un-authorisedly allowed to draw power during peak hours on the basis of old sanction. Action to recover the peak load violation charges was not taken by the Central billing cell/field units. This resulted in non-recovery of Rs.83.28 lakh.</p> <p>The Government stated (August 2007) that accounts of consumers had been overhauled and the amount stand, recovered. In the case of BCC Fuba, the case is sub-judice in respect of Chambal Agro, peak load sanction was available and the premises of Him Neel Breweries was reconnected after observing all codal formalities. The reply is not tenable as no details of amount recovered after overhauling the accounts were furnished to audit. Further as regards Him Neel, the reconnection was done after a period of eight months. As such it should have been treated as new connection.</p>
	<b>Total:</b>	<b>424.12</b>	

## Annexure-XIX

(Refer paragraph 3.1.21)

## Detail showing non-billing of consumers for consumption recorded at the sub-stations

Sr. No.	Name of circle	Amount of short-billing (Rupees in lakh)	Remarks
1	Nahan	161.85	<p>In two<sup>#</sup> cases under Nahan circle, the orders of the Board to raise bills on the basis of energy consumption recorded at the sub-station were not implemented. In these cases, there was a total variation of 63.50 lakh units between the units recorded by the meter at the sub-station and meter installed at the consumers' premises resulting in short billing of Rs.1.62 crore during October 2002 to September 2006.</p> <p>The Government stated (August 2007) that the readings were being regularly compared with reading of sub-station and higher consumption was taken into account. The condition is applicable to the consumers after 1.4.2003. No extra charges were recoverable from these consumers as these were connected well before 1.4.2003. The reply is not tenable as there can not be different procedure for those who have been connected after 1.4.03 and for those connected before 1.04.2003. Moreover, Audit has noticed that in Kala Amb sub-division under the same circle, the consumers were being billed on the basis of higher consumptions irrespective of period of release of connection to the consumers.</p>
2	Nahan	38.66	<p>In Kala Amb sub-division, due to defective current transformer installed at consumer premises (Pashupati Spinning Mills) during September 2004 to June 2005, the billing was done on the basis of energy consumption recorded in Kwh at 132/33/11 KV sub-station at Kala Amb. In order to implement the Kvah based tariff, the energy recorded in Kwh was converted into Kvah by applying the power factor of .98 against the actual power factor of 0.89 to 0.92 of the sub-station. This resulted in under billing of 17.42 lakh Kvah valued at Rs.38.66 lakh.</p> <p>The Government stated (August 2007) that the power factor of sub-station which was low could not be taken as power factor of consumer premises as various inductive loads were also fed from the sub-station. The reply is not tenable as the billing of the consumer was being done from the sub-station. As such, the Kvah reading should have been calculated by applying the power factor of sub-station.</p>

# C.C.I. Rajban and Malwa Cotton

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3	Solan and Una	84.64	<p>In three<sup>\$</sup> cases under Barotiwala, Amb and Mehatpur sub-stations, huge variation in contract demand recorded through energy meters installed at consumers' premises and the sub-station during normal and peak hours was noticed. The Board neither investigated the reasons for variation nor billed the consumers on the basis of demand recorded at the sub-station resulting in short billing of Rs.84.64 lakh during March 2006 to January 2007.</p> <p>The Government stated (August 2007) that in two cases the maximum demand was taken on the basis of MRI data. The Meter records maximum demand if the same persists for more than five minutes whereas the reading of Amp meter at the sub-station is taken instantly. Moreover the consumer had installed induction furnace which takes load with jerk shooting up the needle of Amp meter at sub-station.</p> <p>The reply is not tenable as no copy of load survey to verify the time of start of furnace was produced to Audit for verification of factual position and in case of SK Manganese, no reduction in demand had been noticed after operation of furnace.</p>
	<b>Total:</b>	<b>285.15</b>	

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<sup>\$</sup> *S.K. Magnise, Him Alloys and R.M. Minerals*

## Annexure-XX

(Refer paragraph 3.1.23)

Detail showing cases where delay/non-issuance of bills in respect of temporary connections resulted in non-recovery of revenue

Sr. No.	Name of sub-division	Amount of revenue not recovered (Rupees in lakh)	Remarks
1	Barotiwala	51.28	In five <sup>@</sup> temporary cases under Barotiwala sub-division, regular readings were not taken during January 2005 to August 2006. The energy bills were issued after a gap of 7 to 16 months. In four cases, the bills were issued after effecting (November 2005 and August 2006) permanent disconnection orders and recovery of energy charges of Rs.51.28 lakh was still awaited (March 2007).
2	Barotiwala	22.90	Out of 15 temporary connections released in Barotiwala sub-division during January 2004 and November 2006, the accounts of three consumers were not found opened in the ledgers. In 13 cases, readings of energy consumption were not found recorded. This resulted in non-recovery of Rs.22.90 lakh as per information collected by the filed unit at the instance of audit.
3	Barotiwala	24.04	Out of 20 connections released by Barotiwala sub-division during August 2004 to October 2006, the bills for demand charges were raised only to five consumers. In remaining 15 cases, though monthly energy consumption was recorded, yet no energy bills were raised as the accounts of consumers were not found opened in the ledgers. The delay in billing ranged between 2 and 29 months. This also resulted in non-recovery of Rs.24.04 lakh.
<b>Total:</b>		<b>98.22</b>	

<sup>@</sup> A/C Number SUR-33, KTC-66, KTC-70, MS-166 and 4HB-1

Annexure-XXI

(Refer paragraph 3.1.24)

Detail showing cases where the Board failed to down load data from Meter Reading Instruments (MRIs)

Sr. No.	Name of circle	Amount short recovered (Rupees in lakh)	Remarks
1	Solan and Dalhousie	33.86	<p>In Arki (except in three cases), Nurpur and Damtal sub-divisions, though the meters compatible for MRI were installed (November 2001) yet no efforts were made to download the MRI data/take action on data retrieved in Damtal sub-division. The MRI data was down loaded (March 2007) at the instance of audit in case of 20 industrial/water pumping consumers where L&amp; T and secure make meters were installed. An analytical study of data revealed that all these consumers were involved in drawal of power during peak hours without any sanction. The recovery on this account worked out to Rs.33.86 lakh. The quantum of loss/unbilled revenue during November 2001 to January 2007 could not be worked out in audit due to non-availability of data.</p> <p>The Government stated (August 2007) that after downloading data from MRI recovery of Rs.47.58 lakh had been made from the consumers. No details in support of recovery had, however, been furnished. Thus, it was not clear as to whether the recovered amounts included the consumers pointed out in the para.</p>
2	Nahan and Solan	192.45	<p>An analytical study of load survey in respect of three* consumers under Nahan and Solan operation circles revealed that proper checks to ascertain the drawl of power in accordance with the sanctioned contract demand and infringement, if any, during peak hours were not exercised. In these cases, there was difference of 40 to 71 minutes in actual time and time set in meter watch. The consumers were found using power during peak hours when load survey was studied with actual time on that day. In case of Saboo Ispat under Kala Amb sub-station, the consumer had drawn load in excess of sanctioned load in anticipation of sanction for additional load. The energy meter installed on his premise had recorded drawal of power up to 1919 KVA during the period September 2004 to December 2004 whereas in load survey, the drawal of power was recorded up to 2585 KVA which was indicative of the fact that the maximum demand was reset prior to recording of the readings and load</p>

\* Saboo Ispat, Black Board Rubber and Jai Jawala Alloys



			<p>survey data was not properly scrutinised. This resulted in short recovery of Rs.1.92 crore.</p> <p>The Government stated (August 2007) that Rs.13.43 lakh on account of excess drawal of load during normal hours had been debited to Saboo Ispat. In respect of other consumers the Government stated that the consumers usually run their industries as per real time clock provided in the energy meters. The time difference in the real time clock had, however, been set right. The reply is not tenable as no justification for charging full amount in respect of Saboo Ispat had been furnished. Moreover as per tariff orders the restriction for peak hours during summer and winter months was between 6.00 PM and 9.00 PM and 5.30 PM and 8.30 PM respectively. Since the consumers had run their units during these hours, they were liable to pay PLVC of Rs.192.42 lakh.</p>
3	Una	Not-ascertained	<p>In Una circle, the MRIs on electronic energy meters on the premises of medium supply and water pumping consumers were installed during July 2006 though the two part tariff was implemented from April 2005. On the basis of data of six months from July 2006, penalty charges of Rs.41.93 lakh were levied. The loss for April 2005 to June 2006 could not be ascertained in audit due to non-availability of data. The Government stated (August 2007) that there were 1998 small, medium and large supply consumers. At the time of implementation of two part tariff, only 10 MRIs were with the circle, which were not enough to take data of all connections. Thereafter, more MRIs were arranged, defected MRIs were got repaired and staff was imparted training to use MRIs. This exercise took some time and MRI could be started late. The Government, however, did not reply in regard to loss of revenue suffered by the Board due to delay of 15 months in down loading the data.</p>
	<b>Total:</b>	<b>226.31</b>	

**Annexure-XXII**

**(Refer paragraph 3.1.25)**

**Detail showing cases of un-authorized use of power**

<b>Sr. No.</b>	<b>Name of circle</b>	<b>Amount short recovered (Rupees in lakh)</b>	<b>Remarks</b>
1	Nahan and Solan	1594.89	<p>In case of 32 industrial consumers under Nahan and Solan circles, neither the consumers at their own complied with the condition of sanction order regarding depositing additional security to avail peak load exemption nor was action in this regard taken by the Board. In two cases under Solan circle, the security amount demanded by the Board was not deposited timely by the consumer, which amounted to an infringement of condition of sanction order. As such, in these cases sanctions should have been treated as cancelled. Despite the infringement of condition of sanction order, the consumers were allowed peak load exemption to draw power unauthorisedly during peak hours without levy of infringement charges. This resulted in non-recovery of Rs.15.95 crore.</p>
2	Solan	65.61	<p>Bank Guarantees (BG) of Rs.36 lakh and Rs.59.39 lakh furnished in lieu of security deposits by two consumers (S.R.Forgings and Winsome Textile) under Barotiwala sub-division were valid up to September and November 2006 respectively. Both these consumers failed to renew the BGs which was an infringement of sanction orders issued by the Board for peak hour exemption. As such, the sanction accorded for peak load should have been treated as cancelled. The consumers were, however, allowed to draw power during peak hours without payment of peak load violation charges of Rs.65.61 lakh.</p> <p>In respect of Sr. no. 1&amp;2, the Government stated (August 2007) that the sanction orders provided that non-remittance of ACD would amount to infringement and subsequent intimation of cancellation of load was to pressurize the consumer and guarding the organization. It would not be desirable to resort to the extreme harsh step. The audit was assured that the matter of amending the provision of sanction letters would be considered in the larger perspective. The facts, however, remained that the non-implementation of the provisions of then sanction resulted in revenue loss to the Board.</p>

3	Solan	22.20	<p>Eight<sup>@</sup> industrial consumers under Solan operation circle to whom connections were released with power restrictions to draw load during night hours only and up to some specified quantum of load, had infringed the restrictions imposed by the Board by drawing power during day time and beyond specified quantum of load. Action for levy of enhanced charges for un-authorized use of power and violation charges was not taken resulting in short recovery of Rs.22.20 lakh during April 2005 to January 2007.</p> <p>The Government stated (August 2007) that due to load constraint, load to certain industries were released for running their industrial units from 22.00 hrs to 6.00 hrs. Further, in the case of one consumer, the restriction was wrongly imposed for which necessary amendment was issued. The reply is not tenable as these consumers had run their industries during day time also for which they were not authorised.</p>
4	Nahan and Una	672.75	<p>In nine sub-divisions, the connected load of 23 industrial, water pumping and bulk supply consumers was found extended unauthorisedly. Two consumers (Saboo Ispact and Neelkanth) falling under Kala Amb sub-division were served (March 2005) notices for unauthorised load of 651.600 and 924 KW respectively. One consumer (Him Alloys) under Amb sub-station himself intimated (January 2007) extension of load of 2000 KW. In four cases under Solan circle, the unauthorised extensions detected by meter inspector were stated (January 2006) to have been removed but action under Section 126 ibid (except charging the violation charges for over drawal) was not taken by the field units. This resulted in revenue loss of Rs.6.73 crore during June 2003 to February 2007.</p> <p>The Government stated (August 2007) that the matter was under investigation and the proportionate charges would be debited to the firm.</p>

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*Hindustan quality, Associate Biotech, Airon health, Indian Herbals, Flexolite Product, Foreg India, Emborse Metal and Mohan Mekin*

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5	Dalhousie	40.46	<p>Monthly energy consumption data for June 2003 to February 2007 of street light consumers in three subdivisions under Dalhousie circle revealed that the connected load of street lights was unauthorisedly extended due to addition in number of light points. Action to enter into fresh agreements and charge the consumer under section 126 of the I E Act, 2003 was not taken. This resulted in loss of revenue due to short recovery of lamp renewal, maintenance and enhanced charges of Rs.40.46 lakh.</p> <p>The Government stated (August 2007) that in respect of Municipal Committee,. Chamba, an amount of Rs.6.10 lakh had been recovered and balance amount of Rs.8.51 lakh was not recoverable as load of 95 KW was erroneously entered in the ledger. As regards M.C. Dalhausie, the amount would be charged after receipt of reply of notice and in the case of M.C. Nurpur, the said authority had requested to review the amount in view of provision of Electricity Act, 2003, (Section 126 (5)) which provided for recovery for six months.</p>
	<b>Total:</b>	<b>2395.91</b>	

## Annexure-XXIII

(Refer paragraph 3.1.27)

## Detail showing non/short levy of contract demand/violation charges

Sr. No.	Name of sub-division	Amount (Rupees in lakh)	Remarks
1	Bilaspur No-1, Sataun	166.48	<p>In the case of two industrial consumers (C.C.I.- Rajban and A.C.C.- Barmana the contract demand sanctioned in KW was converted in KVA by taking into account the average power factor instead of required power factor of 0.90 as required under Clause P of General Condition of Tariff Notification effected from July 2005. This resulted in wrong calculation of contract demand and short recovery of demand charges of Rs.166.48 lakh during July 2005 to November 2006.</p> <p>The Government stated (August 2007) that the contention of audit that the contract demands should have been calculated on the basis of power factor 0.90 instead of average power factor was not relevant. The reply is not tenable as the tariff order of July 2005 clearly stipulated that in cases where the consumers had not entered in to contract demand in KVA, the connected load should be computed in KVA assuming 0.90 power factor.</p>
2	Kala Amb, Solan No-1, Barotiwala, Damtal	78.61	<p>Instruction No. 21 (iii) (d) of the Sales Manual provides that during the period of building up of load, the consumer is to be charged for the maximum demand/connected load calculated from month to month. Audit observed that in five cases under three sub-divisions, the required charges were not levied on the basis of contract demand sanctioned and load actually built up by the consumer. This resulted in short recovery of Rs.78.61lakh during June 2005 to November 2006.</p> <p>The Government stated (August 2007) that the demand charges had been levied during the load built up period for the load actually connected.</p>

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3	Parwanoo, Barotiwala, Dhaulakuan	138.93	<p>As per instruction No. 39 of Sales Manual and sale circular of October 2005, the consumer was not to be allowed to revise the contract demand during the 1st year of release of connection. Contrary to above, in six cases under three sub-divisions, the contract demand of the consumers was revised during the first year of release of connection/extension of load resulting in revenue loss of Rs.138.93 lakh during March 2005 to February 2007.</p> <p>The Government stated (August 2007) that the reduction in contract demand in respect of Steel Strips was allowed by the competent authority. The reply is not tenable as the consumer was not entitled for the reduction in contract demand during 1<sup>st</sup> year of release of load.</p>
4	Gagret	25.95	<p>In Gagret sub-division, an industrial consumer (M.B.D. Printographic Ltd.) had failed to built up the sanctioned load with in the stipulated period of six months as provided in Instruction No. 21 (iii) (d) of Sales Manual. The load was retained by the consumer for 16 months from March 2005 to June 2006. Instead of charging the consumer on the basis of proportionate contract demand of 275 KVA and sanctioned contract demand of 809 KVA during the load built up period and thereafter respectively, the billing was done on the basis of revised contract demand of 150 KVA resulting in revenue loss of Rs.25.95 lakh.</p> <p>The Government stated (August 2007) that the field unit had worked out recovery of Rs.3.53 lakh which included an amount of Rs.1.13 lakh on account of load retention charges. The reply is not tenable as there is no authority under which the load could be extended after sixteen months from the date of release of connection. As per instructions in vogue the load should have been treated as cancelled after six months. The authority under which the SDO had revised the contract demand which was otherwise in the competency of Chief Engineer was also not shown to Audit.</p>
5	Parwanoo	17.23	<p>In Parwanoo sub-division, an industrial consumer (Indo Swift Ltd, Unit I and II) was being billed on the basis of contract demand set aside ( August 2002) by the HPERC resulting in under charging of Rs.17.13 lakh during February 2004 to October 2006.</p> <p>The Government stated (August 2007) that Indo Swift Ltd. had extended load/revised contract demand during January 2004 which was sanctioned in October 2003. The reply is not tenable as the contract demand sanctioned during October 2003 was on shift basis which was set aside by the HPERC.</p>

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6	Barotiwala	44.54	As per schedule of tariff applicable from November 2001, demand charges on large supply consumers were to be levied on the actual maximum recorded demand or 80 <i>per cent</i> of the contract demand whichever was higher. A consumer (Vardhaman Spinning & General Mill Ltd., Baddi) was sanctioned (July 2002) connected load of 16472 KW with C D of 18302 KVA after applying 0.90 power factor. Since the actual recorded demand of the consumer during March 2003 to August 2004 was less than 80 <i>per cent</i> of C D, the consumer was required to be billed for 80 <i>per cent</i> of the C D. The Board March 2003 onward billed the consumer on the basis of demand which was sanctioned in September 2004. This resulted in under billing of Rs.44.54 lakh during the period from March 2003 to August 2004.
	<b>Total:</b>	<b>471.74</b>	

**Annexure-XXIV**

**(Refer paragraph 3.1.28)**

**Detail showing short billing of energy charges attributable to various reasons**

<b>Sr. No.</b>	<b>Name of sub-division</b>	<b>Number of cases</b>	<b>Amount (Rupees in lakh)</b>	<b>Reasons</b>
1	Barotiwala, Sataun, Solan No-1	100	15.73	Non -levy of low voltage supply surcharge as required under Section-I.I of Tariff notification effective from July 2005. The Government stated (August 2007) that the amount had been debited to the consumers accounts.
2	Sataun	1	3.75	Non-levy of meter equipment charges as required under Section-II of Tariff notification effective from November 2001. The Government stated (August 2007) that the amount had been debited to the consumers accounts.
3	Sataun, Solan No-1, Paonta, Kala Amb, Dhaulakuan	14700	3.90	Non-levy of stabilisation charges as required under Section-I.M of Tariff notification effective from July 2004. The Government stated (August 2007) that the amount had been debited to the consumers accounts.
4	Barotiwala, Damtal, Sataun, Solan No-1, Una, Nurpur, Dalhousie	44	49.91	Non-levy of demand charges/violation charges as required in Tariff notification effective from time to time. In reply the Government stated (August 2007) that in case of a consumer under Dalhausie Circle a sum of Rs.7.80 lakh had been debited to the consumer.
5	Parwanoo, Solan No-1, Nahan, Dalhousie, Mandi	8	7.54	Non-clubbing of load as required in Sales Circular No. 5/2001 dated 11.4.2001. The Government stated (August 2007) that the consumers had been served notices for clubbing the load and efforts were being made to regularise all these cases.
6	Darlaghat, Kala Amb	2	108.42	Non-recovery of re-validation charges as required in Sales Circular No. 219/95 dated 2.11.1995.



7	Barotiwala, Mandi, Solan No-1, Darlaghat	94	118.96	Non/delay in implementation of two part tariff as required under Tariff notification effective from July 2004. The Government stated (August 2007) that the amount had been debited to the consumers' accounts and in respect of Mandi circle, an amount of Rs.45 lakh out of Rs.78.96 lakh had been recovered. .
8.	Barotiwala, Damtal, Tahliwala, Solan No-1, Paonta, Nurpur, Manali, Mandi	41	138.34	Wrong-application of tariff/categorization of consumers as required under Tariff notifications effective from time to time.
9	Chamba	2	68.93	Non-application of commercial/temporary tariff for power connections released for the operation of Chamera Hydel Project as per tariff notifications issued from time to time.  The Government stated (August 2007) that the supply was being used by NHPC at various residential and non-residential buildings. It admitted that the project was commissioned during March 2004 after completing the major components of the project. Remaining minor works were still under progress. The reply is not based on facts as in the A & A form and details of load requirement, the power was to be used for operation of 300 MW Hydel Project as auxiliary consumption which was not covered under bulk supply tariff. Moreover, the NHPC in May 2007 had conveyed that the period from March 2004 to March 2006 was covered under defect liability period of the project which was under commercial operation and did not involve any construction activities.
<b>Total:</b>		<b>15008</b>	<b>515.48</b>	

**Annexure-XXV**

**(Refer paragraph 3.1.30)**

**Detail showing the targets fixed for checking by the flying squads and achievement there against**

**(In numbers)**

<b>Sr. No.</b>	<b>Particulars</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
<b>1</b>	<b>Total connections</b>	<b>1584558</b>	<b>1646468</b>	<b>1710818</b>	<b>1755751</b>	<b>1799263</b>
2	Targets fixed for checking	3600	3600	3600	3600	3600
3	Connections checked	3503	3759	3786	3714	3796
<b>4</b>	<b>Percentage of connections checked</b>	<b>0.22</b>	<b>0.23</b>	<b>0.22</b>	<b>0.21</b>	<b>0.21</b>
5	<b>Categories checked :</b>					
	Domestic consumers	NA	NA	NA	1558	942
	Commercial consumers	NA	NA	NA	2026	2583
	Industrial consumers	NA	NA	NA	130	271
6	Theft cases detected	21	19	57	35	24
7	Total amount assessed (In lakh)	108.00	20.50	14.47	16.40	22.61
8	<b>Percentage achievement of total connection checked</b>					
	Domestic consumers	NA	NA	NA	41.95	24.82
	Commercial consumers	NA	NA	NA	54.55	68.05
	Industrial consumers	NA	NA	NA	3.50	7.14

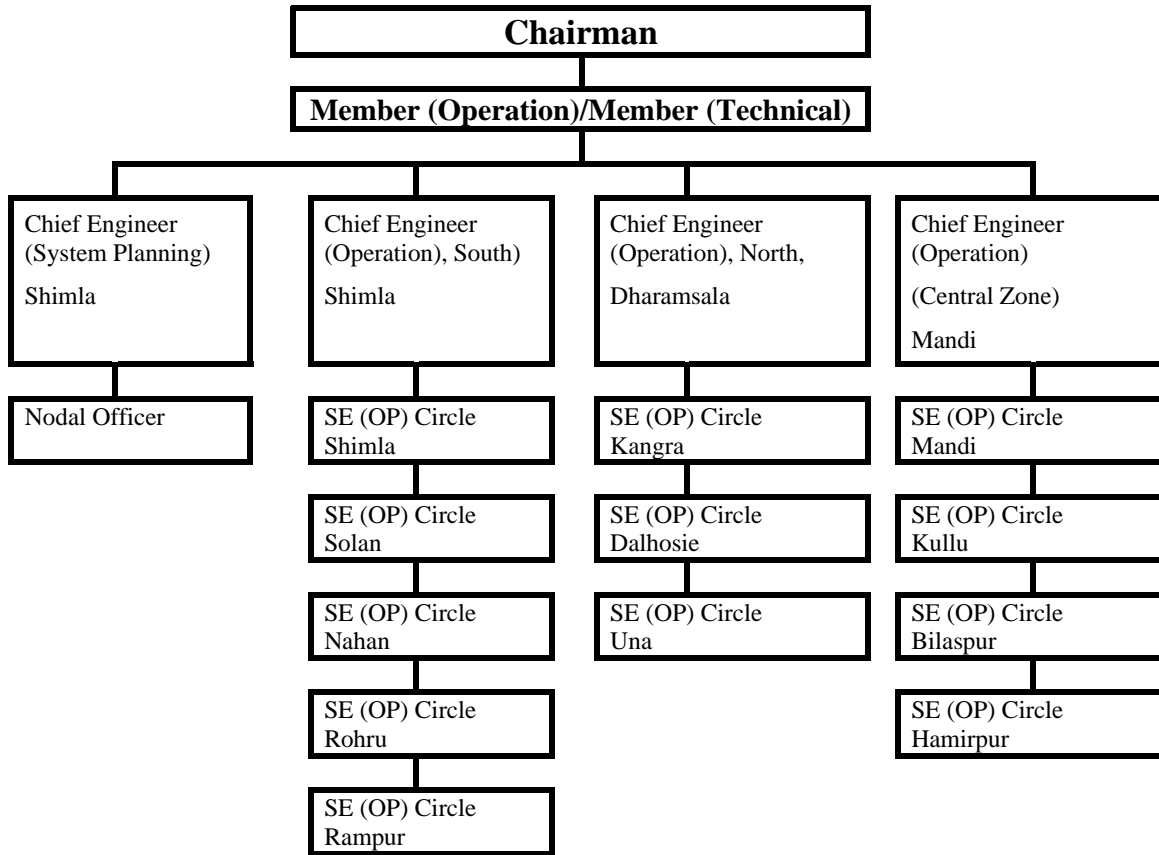
**Annexure-XXVI**  
(Refer paragraph 3.1.32)

**Detail showing the balance outstanding for recovery at beginning of the year, revenue assessed during the year, revenue collected, balance outstanding at the end of the year, etc.**

(Rupees in crore)					
<b>For sale within the State</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
Balance outstanding for recovery at the beginning of the year	151.12	219.22	145.62	129.36	134.73
Revenue assessed during the year	603.22	653.83	797.57	1097.62	1361.45
Adjustment of past years	3.38	1.34	4.21	4.34	4.16
Total amount due for collection during the year	757.72	874.39	947.40	1231.32	1500.34
Amount collected during the year	538.50	728.77	818.04	1096.59	1392.47
Amount outstanding at the end of the year	219.22	145.62	129.36	134.73	107.87*
Percentage of collection to total dues for collection	71.07	83.35	86.35	89.06	92.81
Closing balance in terms of months demand	4.36	2.67	1.95	1.47	0.95
<b>Permanent defaulters</b>	<b>5.70</b>	<b>5.80</b>	<b>5.89</b>	<b>7.06</b>	<b>7.02</b>
Recoverable from IPH Department	184.18	105.35	76.31	65.80	28.82
NAC/MCs	3.74	5.40	7.35	9.23	10.92

\* This includes Rs.18.96 crore pertaining to 143 cases pending for decision in various courts/dispute settlement committees

**Annexure-XXVII**  
**(Refer paragraph 3.2.1)**  
**ORGANISATIONAL CHART**



**Note:** All SEs (CEOs) are assisted by the Executive Engineers in the execution of the schemes

**Annexure-XXVIII**  
(Refer paragraph 3.2.17)

**Detail of cases indicating diversion of APDRP funds**

Sr. No.	Name of circle	Particulars of work done with APDRP funds	Expenditure without provision in the DPR (Rupees in crore)	Remarks
1	Solon	Installation of two 2x3.15 MVA transformers at Nalagarh	0.21	The Board debited (August 2005) Rs.21.08 lakh to the cost of two 2x3.15 MVA transformers to be installed at 33/11 KV sub-station at Subathu as per APDRP scheme. Subsequently, these transformers were diverted to Nalagarh for works not covered under the APDRP scheme and two dismantled 2x2.5 MVA transformer without any value were installed at the sub-station at Subathu. The expenditure was, however, not withdrawn from the APDRP. The Government stated (August 2007) that the power transformers were transferred temporarily and ultimately these would be brought back. The reply is not tenable as the expenditure had been charged to the 13/11 KV sub-station at Subathu, which was constructed under the scheme.
2	Solon	Installation of 150 modems at the premises of consumers at Solon, Kasauli, Dharampur, Parwanoo and Kandaghat	0.22	Solon circle installed 330 modems (remote metering equipments) during January 2006 at a total cost of Rs.48.96 lakh. Out of these, 180 modems valued at Rs.26.71 lakh were installed in the industrial area at Baddi and Barotiwala as per the scheme but 150 modems valued at Rs.22.25 lakh were provided to the industrial consumers of Solon, Kasauli, Dharampur, Parwanoo and Kandaghat not covered in the scheme. Thus, the APDRP funds of Rs.22.25 lakh were diverted to other areas. The Board admitted (August 2007) the Audit observation.

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3	Hamirpur	Installation of one HT shunt capacitor at 33 KV sub-station at Jawalamukhir	0.12	In the approved DPR for Hamirpur circle, there was provision of Rs.41.57 lakh for installation of LT switched capacitors on the distribution transformers. The Board, however, installed (March 2006) one HT shunt capacitor at 33 KV sub-station at Jawalamukhi at a cost of Rs.12.30 lakh without any provision and no capacitor was installed on the LT side as provided in the DPR. The Government admitted (August 2007) the installation of HT capacitor but attributed the same to non-availability of LT capacitors.
4	Hamirpur	Construction of 3 KM line in Electrical Division at Nadaun.	0.09	Electrical Division at Nadaun constructed (October 2006) 3 KM line at a cost of Rs.9.41 lakh out of APDRP funds without any provision in the scheme. The Government stated (August 2007) that the construction of line was necessary to maintain regular supply. The reply is not tenable as there was no provision for the same in the scheme.
5	Solan	Construction of 33 KV double circuit line from Baddi to Malpur	1.87	Electrical Division Parwanoo constructed (September 2006) 33 KV double circuit line from Baddi to Malpur on turnkey basis for Rs.186.52 lakh without any provision.
6	Mandi and Hamirpur	Construction of manned sub-stations in Mandi and Hamirpur Circles	0.76	Against the provision for construction of five un-manned sub-stations at a cost of Rs.2.97 crore, the Board constructed manned sub-stations in Mandi and Hamirpur circle resulting in diversion of APDRP funds of Rs.76.25 lakh. Besides, the Board also incurred recurring liability of Rs.16.57 lakh per annum on account of wages/salary of manpower to be deployed for the maintenance of these sub-stations. The Government stated (August 2007) that the Sub-Transmission Committee had accorded approval for above works. The reply is not tenable as the approval was required from the MOP.

7	Kullu	Construction of un-manned sub-station with SCADA system	1.51	Against the provision Rs.1.62 crore for construction of 33/11 KV 2x3.15 MVA un-manned sub-station at Nagwain (Kullu), the Board constructed un-manned sub-station with SCADA system at a cost of Rs.3.13 crore resulting in diversion of APDRP funds of Rs.1.51 crore). The Government stated (August 2007) that the Sub-Transmission Committee had accorded approval for above works. The reply is not tenable as the approval was required from the MOP.
8	Kullu, Bilaspur, Rampur and Mandi	Replacement of excess LT and HT wooden poles	3.73	The Board replaced 7895 LT and 5647 HT wooden poles in Kullu, Bilaspur, Rampur and Mandi circles during 2004-05 and 2005-06 against the provision of 5300 LT and 2400 HT wooden poles. This resulted in excess replacement of 2595 LT and 3247 HT poles resulting in diversion of APDRP funds to the extent of Rs.3.73 crore. The Government stated (August 2007) that at time of formulation of the scheme, only very damaged poles were identified for replacement and during actual execution, more poles had to be replaced. The reply indicated that the schemes were prepared without adequate study of exiting infrastructure.
9	Una	Construction of 10 KM long 33 KV HT line from Una to Basal	0.25	In Una circle, the Board incurred an expenditure of Rs.75.39 lakh during 2004-05 against the awarded cost of Rs.50.59 lakh on the construction of 10 KM long 33 KV HT line from Una to Basal due to subsequent increase in pole structures from six to 12 not provided in the scheme resulting in diversion of funds of Rs.24.80 lakh. The Government stated (August 2007) that the length of line increased from 10 KM to 11.122 KM and more poles had to be erected for adequate ground clearance as the line passed through plain area. The reply was indicative of the fact that a schemes were prepared without proper study.
	<b>Total:</b>		<b>8.76</b>	

**Annexure-XXIX**

**(Refer paragraph 3.2.29)**

**Detail of cases indicating loss of revenue due to delay/non-execution of works**

<b>Sr. No.</b>	<b>Name of Circle</b>	<b>Name of work</b>	<b>Amount (Rupees in crore)</b>	<b>Remarks</b>
1	Solan	Sub-stations at Kharooni, Ramshehar, Subathu, Dharalghat, Nalagarh	10.78	The work relating to construction of new sub-stations at Kharooni, Ramshehar, Subathu, Darlaghat and Nalagarh included in the annual working programme for 2002-03 to 2004-05 was completed after a delay ranging between 22 and 46 months during the period between June 2006 and January 2007. The delay in completion attributable to delay in awarding the work by the Board and delay in completion by the contractor resulted in loss of potential revenue due to non-achievement of projected energy saving of 36.55 million units (MUs) valued at Rs.10.78 crore as envisaged in the scheme
2	Kullu and Mandi	Sub-stations at Nagwain, Saulikhud, Baggi, Tikken, Makreri, Bhadarwar and Cholthra	3.59	The work relating to construction of new sub-stations at Nagwain, Sauli Khud, Baggi, Tikken, Makreri, Bhadarwar and Cholthra was included in the annual working programme of the Board for 2004-05. The above works were completed after a delay of 16 to 24 months during July 2006 to January 2007. The delay in completion attributable to delay in awarding the work by the Board and delay in completion by the contractor resulted in loss of potential revenue due to non-achievement of additional sale of 12.18 MUs energy valued at Rs.3.59 crore as envisaged in the scheme. The Government admitted (August 2007) the delay in taking decision, calling of tenders and subsequent delay in completion of work by the contractors.
3	Bilaspur	Re-conductoring of 1018.21 KM HT/LT lines	0.95	The work of re-conductoring of 1018.21 KM HT/LT lines in Bilaspur circle was included in the working programme for 2003-04 and 2004-05 but the same could not be executed within the working programme due to non-supply of conductor of required size (7/3.15mm, 7/3.81mm and 7/4.26mm) to the CEO by the Chief Engineer (MM) of the Board even though the requirement of 3292 KM conductor was sent (October 2003 and February 2005) to the Board. Due to non-receipt of conductor, re-conductoring of 106.05 KM HT and 257.97 KM LT lines only could be completed. Thus, due to non-achievement of reconductoring target, the Board was deprived of projected saving of 3.227 MUs valued at Rs.95.20 lakh from April 2005 to January 2007. The Government admitted (August 2007) that the requirement from the CEO Bilaspur was received very late which resulted in delay in awarding and completion of work.
	<b>Total:</b>		<b>15.32</b>	



**Annexure-XXX**  
**(Refer paragraph 3.2.30)**  
**Detail of cases indicating avoidable extra expenditure**

Sr. No.	Name of Circle	Particulars of work	Avoidable extra expenditure (Rupees in crore)	Remarks
1	Rampur	22 KV single circuit transmission line on 66 KV towers from Akpa to Pooh	2.94	The DPR of Rampur circle contained provision for construction of 22 KV single circuit transmission line on 66 KV towers from Akpa to Pooh. On the basis of tenders floated in April 2004 and opened in June 2004, the work was executed on turnkey basis. Though, the per KM cost on the basis of cost data of 2002 was Rs.13.75 lakh and the justified rate for the year 2004 was Rs.19.86 lakh, the lowest offer received from Power Trans. Engineers was for Rs.35.43 lakh per KM. Without considering the justified cost, the above work was awarded (April 2005) for Rs.9.89 crore which was higher by Rs.2.94 crore as compared to the justified cost. The Government stated (August 2007) that offer of the lowest contractor was brought down from Rs.12.40 crore to Rs.9.89 crore, which was quite reasonable. The reply is not tenable as the Director (Design) Transmission (Hamirpur) had justified the rate of only Rs.19.86 lakh per Km. after taking all factors into consideration.
2	All circles	Purchase of material in piecemeal instead of purchase in bulk.	32.33	All the projects under operation in the State were sanctioned between August 2002 and May 2003. The component wise requirement of material was assessed by the units and forwarded to the Chief Engineer (Material Management). On the basis of requirement, the Chief Engineer (Material Management) placed the supply orders. The MOP had released Rs.163.91 crore to the State Government during 2002-03 and 2003-04 out of which the Board could utilise only Rs.33.68 crore during this period. Instead of placing supply orders for purchase of material in bulk, the Board placed supply orders in piecemeal despite availability of funds. This resulted in avoidable extra expenditure of Rs.32.33 crore on the purchase of different material. The Government stated (August 2007) that the material was purchased on the basis of annual requirement, availability of funds and position of inventory. The reply is not tenable as the purchase of material in bulk would have been economical and there was also no shortage of funds.

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3	Solan	Primary control system for DTRs	0.15	In order to have better control on DTRs, provision of Rs.50.72 lakh for installation of primary control system at an average cost of Rs.4000 per DTR for 1268 DTRs was made in the DPR of Solan circle. Instead of providing primary control system, Electrical Divisions at Nalagarh and Parwanoo provided LT Panel Boards on 10 DTRs only at a total cost of Rs.15.29 lakh against the provision of Rs.40,000 for primary control system on 10 DTRs resulting in extra expenditure of Rs.14.89 lakh. The Government stated (August 2007) that the provision in the scheme was meager and LT Panels were replaced on need basis. The reply is not tenable as it indicated that the provision in the scheme was made without considering the actual requirement.
4	Solan	33 KV line from Baddi to Malpur	0.44	As per APDRP guidelines, use of maximum size of conductor i.e. ACSR Dog, Raccoon or equivalent AAAC 7/4.26mm (100 mm <sup>2</sup> ) for 33 KV lines should be preferred. The Board sanctioned the work of construction of 33 KV line from Baddi (Katha) to Malpur on turnkey basis for which Wolf conductor of higher size (150 mm <sup>2</sup> ) was provided. The rate of 100 mm <sup>2</sup> size AAAC conductor (7/4.26mm) issued to the same work earlier was Rs.48.55 per meter including erection charges whereas the contractual rate including erection charges for Wolf conductor was Rs.135 per meter. Thus, the use of higher size of conductor resulted in excess expenditure of Rs.44.18 lakh on the construction of 51.110 KM line. The Government stated (August 2007) that the extra expenditure had been recovered from the consumers. The reply is not tenable as according to the decision of Sub-Transmission Committee of the Board, 50 <i>per cent</i> of the expenditure was to be recovered from the consumers whereas the Board had recovered only Rs.8.95 lakh resulting in excess booking of Rs.13.14 lakh to the APDRP Scheme.

5	Una	2x3.15 MVA power transformers	0.13	The construction of 33/11 KV 6.30 MVA sub-station at Tahliwal was awarded (July 2005) on turnkey basis to a contractor. After award of work, the Board decided (May 2006) to upgrade this sub-station to 12.60 MVA. The transformers for upgradation were supplied departmentally and the two transformers of 3.15 MVA capacity purchased by the contractor were taken by the Board at the cost of Rs.16.88 lakh per transformer though the Board had purchased the transformers of this capacity for other APDRP works at a cost of Rs.10.48 lakh per transformer. The procurement of two transformers from the contractor at higher rates resulted in avoidable extra expenditure of Rs.12.80 lakh. Out of these two transformers, one transformer was booked to 33/11 KV sub-station at Basal in December 2006 and the other was still lying idle (March 2007). The Government stated (August 2007) that the transformers purchased for turnkey projects were costly as the same were purchased at a later date. The reply is not tenable as the Board itself was responsible for delay in award of turnkey projects.
	<b>Total:</b>		<b>35.99</b>	

**Annexure-XXXI**

**(Refer paragraph 3.2.34)**

**Detail of cases indicating unfruitful expenditure**

Sr. No.	Name of circle	Particulars of work	Unfruitful expenditure (Rupees in crore)	Remarks
1	Shimla	Construction of 33/11 KV 1x1.6 MVA sub-station at Dhami along with 33 KV line (15.260 KM)	0.89	The DPR of Shimla circle contained the provision for construction of 33/11 KV 1x1.6 MVA sub-station at Dhami along with 33 KV line (15.260 KM) at a cost of Rs.36.75 lakh. The tenders for design, manufacture, erection, testing and commissioning of this sub-station were invited in May 2005 and opened in October 2005 but the work has not been awarded to date (March 2007) due to proposed change in the scope of work. Due to non-construction of sub-station, the 33 KV line from Jutog to Dhami constructed (November 2006) at the cost Rs.48.65 lakh could not be commissioned and was lying idle. Further, the Board had also incurred an expenditure of Rs.17.03 lakh on the development of site and Rs.23.50 lakh on purchase of terminal equipment for construction of this sub-station which was also lying idle. Thus, due to improper planning, the investment of Rs.89.18 lakh was rendered unfruitful. The Government stated (August 2007) that the completion had been re-scheduled and the work would be completed as and when the funds would be available.
2	Hamirpur	11 KV express feeder from Chabutra to Patlandhar	0.21	Electrical Division Hamirpur constructed (June 2005) 11 KV express feeder from Chabutra to Patlandhar at a cost of Rs.20.54 lakh. As this feeder was not required for immediate use in view of already existing 11 KV Sujapur-Patlandhar transmission line re-conductoring of which was done at a cost of Rs.9.19 lakh under APDRP, the Board has not put load on this new feeder so far (March 2007) and it was lying idle. The Government stated (August 2007) that the existing 11 KV line was quite old and new feeder would provide alternate source of supply to the consumers. This had also reduced the T & D losses to 3.6 <i>per cent</i> . The reply is not tenable as the old feeder had also been reconducted at a cost of Rs.9.19 lakh. New feeder remained idle for two years and only insignificant load had been put on the feeder in May 2007 which cannot reduce the T & D losses to 3.6 <i>per cent</i> .
	<b>Total:</b>		<b>1.10</b>	

**Annexure-XXXII**  
**(Refer paragraph 3.2.35)**  
**Detail of cases indicating incorrect reporting to the MOP**

Sr. No.	Name of circle	Amount (Rupees in crore)	Remarks
1	Shimla and Una	4.16	Shimla and Una circles debited overhead charges (storage, contingency and establishment charges) at the rate of 21.56 per cent on cost of material against 11 per cent approved (August 2004) by the Board for works undertaken under APDRP. Consequently, overhead charges of Rs.4.16 crore were over charged up to November 2006 and intimated to the MOP. The Government stated (August 2007) that the overhead charges were levied at the rate of 10 and 11 per cent. The reply was not tenable as in the circles test checked in Audit, the overhead charges were levied at the rate of 21.56 per cent.
2	Bilaspur (ED Sundernagar)	0.19	Electrical Division at Sundernagar completed (February 2005 and February 2006) augmentation of two 33 KV sub-stations at Sundernagar and Nerchowk at a cost of Rs.30.58 lakh but in the financial progress reported to the MOP, the same was indicated as Rs.49.53 lakh resulting in overstatement of financial achievement by Rs.18.95 lakh.
3	Hamirpur, Dalhousie, Bilaspur and Kullu	2.32	Electrical Division at Hamirpur, Dalhousie, Bilaspur and Kullu afforded 3 per cent salvage value instead of 25 per cent provided in the DPR resulting in affording of less credit of Rs.2.32 crore in case of re-conductoring of HT/LT lines and replacement of wooden poles. Thus, the expenditure figures and the adjustment of grant were overstated to that extent. The Government stated (August 2007) that the credit of salvage at the rate of 25 per cent was given on the cost of new conductor. The reply is not tenable as the DPR provided for giving credit on the entire cost of re-conductoring.
4	Rampur	4.80	The Board awarded (April 2005) construction of 22 KV Akpa –Pooh transmission line under APDRP and incurred an expenditure of Rs.4.80 crore between May 2005 and March 2007. The CEO concerned failed to monitor the physical and financial progress of this work and consequently the expenditure cases not intimated to the MOP so far (March 2007) The Government Stated (August 2007) that the expenditure of Rs.5.71 crore was incurred out of which Rs.4.80 crore was chargeable to APDRP. The reply is not tenable as the amount had not been charged to the APDRP so far (August 2007).
<b>Total:</b>		<b>11.47</b>	

**Annexure-XXXIII**  
**(Refer paragraph 4.8)**

**Statement showing the impact of merger of ED component in ex-works rates of the firm**

Sr. No.	Purchase order number and date	Type of conductor purchased		Ex-works per Km rates		Difference in rates	Total increase in ex-works rates after merging ED
				before merger of ED	after merger of ED		
		Type	Quantity in Km.	(in rupees)			
1	9337-9374 - 19.7.2004 & RO/23784 -831-3.1.2005	ACSR - Gnat	50.00	8373.16	<b>9581.05</b>	1207.89	60394.50
		ACSR Ant -	158.00	15747.70	<b>18123.89</b>	2376.19	375438.02
2	9490 -9533 - 19.7.2004 & RO /24068-24117-3.1.2005	AAA - Raccoon	1652.50	25679.42	<b>29396.60</b>	3717.18	6142639.95
		AAA - Dog	1355.00	31341.76	<b>35979.55</b>	4637.79	6284205.45
<b>Total</b>			<b>3215.50</b>				<b>1,28,62,677.92</b>

## Annexure-XXXIV

(Refer paragraph 4.9)

## Statement showing avoidable payment due to incorrect fixation of rates

(In Rupees)

Conductor	ACSR									AAAC				
	Name of the Firm	New India Wire and Cable, Jammu (Out side firm)	Ritco, New Delhi (Out side firm)	Durable Conductors, Solan (Local firm)		Nu -Line Industries, Parwanoo (Local firm)			Venketswara, Jaipur (Out side firm)			Durable conductors, Solan (Local firm)		
Type of ACSR conductor	Weasel	Rabbit	Raccon	Weasel	Rabbit	Weasel	Rabbit	Raccon	Squirrel	Weasel	Rabbit	Squirrel	Weasel	Rabbit
Ex works rates	10871	18500	27300	10871.00	18500	10871	18500	27300	6757.04	10509.18	16553.28	6757.04	10509.18	16553.28
ED	1739	1776	2620.80	0	0	0	0	0	1081.13	1681.47	2648.52	0	0	0
CST	0	40.55	59.84	108.71	185.00	217.42	370.00	546.00	156.76	243.81	384.04	67.57	105.09	165.53
F&I	0	0	0	0	0	109	194	292	300	500	800	0	0	0
Unloading	150	664.45	1000.36	0	0	0	0	0	0	0	0	0	0	0
Total cost per Km	<b>12760</b>	<b>20981</b>	<b>30981</b>	<b>10979.71</b>	<b>18685.00</b>	<b>11197.42</b>	<b>19064.00</b>	<b>28138</b>	<b>8294.93</b>	<b>12934.46</b>	<b>20385.84</b>	<b>6824.61</b>	<b>10614.27</b>	<b>16718.81</b>
Actually awarded	<b>12760</b>	<b>20981</b>	<b>30981</b>	<b>12618.54</b>	<b>20794.56</b>	<b>12760</b>	<b>20981.00</b>	<b>30981.00</b>	<b>8294.93</b>	<b>12934.46</b>	<b>20385.84</b>	<b>8185.88</b>	<b>12764.42</b>	<b>20135.38</b>
Difference in rates per Km	nil	0	nil	1638.83	2109.56	1562.58	1917.00	2843				1361.27	2150.15	3416.57
Total Km purchased			187.50	116	225	338	225	187.50				125	312.50	1423.75
E extra payment			Nil	<b>190104.28</b>	<b>474651.00</b>	<b>528152.04</b>	<b>431325.00</b>	<b>533062.50</b>				<b>170158.75</b>	<b>671921.88</b>	<b>4864341.54</b>
Total extra payment														<b>7863716.99</b>

**Annexure-XXXV**

**(Refer paragraph 4.14**

**Statement showing persistent irregularities pertaining to Statutory corporations appeared in the Reports of the CAG of India  
(Commercial)-Government of Himachal Pradesh**

Sr. No.	Gist of persistent irregularities	Year of Audit Report/Para No.	Money value (Rs. in crore)	Gist of audit observations	Actionable points/Action to be taken	Details of actions taken
1	2	3	4	5	6	7
<b>1</b>	<b>Himachal Pradesh State Electricity Board</b>					
(i)	Excess inventory holding	1994-95/ 3A.6.1.3	Between Rs. 0.31 and Rs. 2.39	Inventory holding at the close of each year from 1989-90 to 1993-94 ranged between Rs. 0.31 crore and Rs. 2.39 crore.	COPU had recommended that the Board should not make purchases more than the requirements.	No action has been taken on the recommendations of COPU.
		2000-01/ 3.5.1	Between Rs. 5.99 to Rs. 10.96. Interest loss of Rs. 1.15 crore per year	Board held inventory excess than the norms during 1996-97 to 2000-01 resulting in loss of interest.	Responsibility is required to be fixed because the Board has not complied with the recommendations of the COPU.	The Board has intimated (August 2004) that inventory holding limit has been re-fixed. However, review is to be discussed by COPU.
(ii)	Non-recovery of Advance Consumption Deposit (ACD)	1995-96/ 4B.1.8	0.27	The Board failed to recover advance consumption deposits from consumers	Responsibility for non-recovery of ACD is required to be fixed on the delinquent officials.	One consumer has deposited the enhanced ACD. Compliance by other consumers is awaited.
		1998-99/ 4B.1.5	1.02	By not recovering ACD of Rs. 0.82 crore, the Board has also suffered a loss of interest of Rs. 0.20 crore.	Responsibility for non-recovery of ACD is required to be fixed on the delinquent officials.	Compliance is awaited.



		2003-04/ 3.4	2.55	The Board did not recover ACD of Rs. 2.55 crore resulting in loss of interest of Rs. 0.36 crore per annum.	Responsibility for non-recovery of ACD is required to be fixed on the delinquent officials.	Suo-motu reply has not been received.
(iii)	Loss due to wrong application of tariff	1994-95/ 4B.1.3	0.03	The consumers were not charged for supply of power at commercial rates as applicable. This resulted in short realisation.	Responsibility for wrong application of tariff is to be fixed.	The case is pending with the Dispute Settlement Committee.
		1998-99/ 4B.1.7	0.11	Incorrect categorisation of consumer and application of tariff at the rate applicable to old category resulted in under-charging.	Responsibility for wrong application of tariff is to be fixed.	Compliance is awaited.
(iv)	Short recovery of peak load exemption charges	1998-99/ 4B.1.9	0.29	The Board had short recovered peak load exemption charges leviable for non-adherence to the peak load hour restrictions.	Responsibility for short recovery of peak load exemption charges is to be fixed.	Compliance is awaited.
		2002-03/ 4.8	1.22	The Board did not realise peak load exemption charges from the consumer	Responsibility for short recovery of peak load charges is to be fixed.	Suo-motu reply has not been received.

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(v)	Undue favour to consumer	1996-97 3A.12(ii)	7.16	The Board charged the consumer at lower rate due to splitting up of connected load by releasing two connections in the same premises.	Besides, fixing responsibility for sanctioning two connections in the same premises, action for clubbing the load and making recovery of Rs. 30.09 lakh for April 1997 to April 2000 was to be taken.	Compliance is awaited.
	Loss due to incorrect billing	2005-06 4.8	0.26	The billing for power consumption recorded at the premises of consumers instead of consumption recorded at grid sub-station resulted in a loss.	Besides, fixing responsibility for taking recording at the premises, amount is to be recovered from the consumers.	Compliance is awaited.

## Annexure-XXXVI

(Refer paragraph 4.15)

Statement showing the department wise outstanding Inspection Reports (IRs) and paragraphs

Sr. No.	Name of Department	No. of PSUs	No. of outstanding I.Rs.	No. of outstanding paragraphs	Years from which outstanding
1	Horticulture	3	13	39	1996-97
2	Industries	8	20	57	1992-93
3	Forest	1	6	26	1998-99
4	Health	1	1	1	2006-07
5	Welfare	3	7	12	2002-03
6	Food and Supplies	1	2	11	2003-04
7	Tourism and Civil Aviation	1	2	4	2003-04
8	MPP and Power	2	794	2,925	1995-96
9	Transport	1	98	276	1992-93
	<b>Total</b>	<b>21</b>	<b>943</b>	<b>3,351</b>	

**Annexure-XXXVII**

**(Refer paragraph 4.15)**

**Statement showing the department wise draft paragraphs/reviews replies to which are awaited**

<b>Sr. No</b>	<b>Name of Department</b>	<b>No. of draft paragraphs</b>	<b>No of reviews</b>	<b>Period of issue</b>
1	Forest	1	1	June and August 2007
2	M.P.P. & Power	4	-	May and August 2007
3	Transport	1	1	June and August 2007
4	Finance	2	-	September 2007
5	Tourism and Civil Aviation	-	1	July 2007
	<b>Total</b>	<b>8</b>	<b>3</b>	