

**OFFICE OF THE PRINCIPAL CONTROLLER OF DEFENCE ACCOUNTS**  
**# 107, LOWER AGRAM ROAD, AGRAM POST, BANGALORE – 560007**  
**PH: 080 – 25545101/25549746 FAX: 080 - 25543810**

**Important Circular**

No.E/I/Tech/Gen

Dt: 09/07/15

To

All AO's GE/AAOs BSO  
Under PCDA Bangalore

Subject : Loss due to excess payment and short recovery of electricity charges: Draft Para for the report of C&AG of India, Defence Services(Army) for the year ending 31<sup>st</sup> March-2014

Ref: HQs letter No.18001/AT-X/Draft Para Dt:22.06.2015

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HQs has pointed out in their letter cited under reference that during the recent inspection of GE offices at different military stations, several cases of excess payment of electricity charges and short recovery of revenue on account of electricity consumption has been noticed by the Test Audit authorities and the same has resulted in a Draft Para. It was also pointed out by HQs that this is mainly due to lack of internal control mechanism in MES and AOs GE/AAO BSO are not paying adequate attention while scrutinising and payment of electricity bills and revenue matters. This lapse has been viewed very seriously by HQs office.

2. Also, being an accountant, primary auditor and a financial advisor to GEs., AOs GE and AAO BSO should play a vital role in all types of payments out of Cash Assignment and Revenue matters respectively.

3. The overpayment noticed were mainly due to the following reasons:-

- i) Excess payment due to incorrect application of tariff schedule
- ii) Avoidable payment of demand/fixed charges
- iii) Irregular payment of Electricity Duty
- iv) Irregular payment of Octroi Charges
- v) Avoidable payment of penalty/surcharge
- vi) Non availing of rebate of HT supply
- vii) Loss of rebate due to delay in opening of letter of Credit(LC)
- viii) Additional payment due to non adjustment of interest on security deposit
- ix) Excess payment due to wrong billing
- x) Payment of light and fan charges not covered in tariff
- xi) Non/short recovery of electricity charges
- xii) Delay in floating of bills on paying consumers
- xiii) Non recovery of meter rent

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4. In view of the above, all are enjoined upon to strictly adhere to the guide lines while scrutinising and payment of electricity bills and pay adequate attention to revenue matters to avoid such losses/lapses/irregularities in future.

5. PCDA has seen.

Please acknowledge receipt.

Sd/xx  
(KB Bhattacharjee)  
ACDA(E)

Copy to:

1. RAO(MES)  
LAO/Belgaum  
LAO/Panaji

For information and direction to Step up vigil during local audit also monitor expenditure on the above account with extra care to ensure that such lapses do not occur.

✓ 2. OA Cell-Local

For uploading in our official web site.

Sr Accounts Officer(E)