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Commercial Audit Manual

Part – II

(2024)

OFFICE OF THE DIRECTOR GENERAL OF AUDIT (MINES), KOLKATA

1, Council House Street, Kolkata, West Bengal – 700 001.

PREFACE

During the restructuring of Central and State Audit Offices carried out in March 2020, the Ministries of the Government of India were grouped in accordance with the principles of horizontal coherence and vertical alignment. The Strategic Management Unit (SMU) has allocated the audit (including joint audit) of the Ministry of Mines to this office under the Central Commercial Wing. This resulted in the creation of the Office of the Director General/Principal Director of Audit (Mines) from the erstwhile Office of the Principal Director of Commercial Audit & *ex-officio* Member, Audit Board-I, Kolkata.

This revised and updated version of the Commercial Audit Manual, Part-II deals with the operational aspects, accounting systems and policies, and the auditing methodology relating to individual auditee units under the purview of this office. An attempt has been made in this version to cover a wide range of ground and periodic revisions based on actual experiences gained in field audits to keep up with audit procedures considering the ever-expanding activities of government companies/ departments.

The basic purpose of this manual is to supplement the broad and general principles outlined in the Manual of Commercial Audit Procedure - Part I, published by the Office of the Comptroller and Auditor General (C&AG) of India in 2021. The instructions in this Manual derive their authority and content from guidelines and instructions issued by the office of the C&AG.

The principles and guidelines incorporated in this manual are meant only to guide the officials posted in this office and should not be quoted as an authority for supporting audit observations or audit reports.

Yashodhara Ray Chaudhuri

Director General of Audit (Mines),
(ADAI Level)
Kolkata

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Overview of the office

Introduction

The Regional Commercial Audit Office at Calcutta was formed in 1955 for auditing 8 Central Government and 17 State Government commercial concerns in West Bengal, Bihar, Orissa and Assam. In April 1969 the office was upgraded to Office of the Member Audit Board and *ex-officio* Director of Commercial Audit – 1, Kolkata. The same was re-designated as Office of the Principal Director of Commercial Audit and *ex-officio* Member, Audit Board-I, Kolkata with effect from 28th February 1990. Subsequent to the restructuring of central and state audit offices in March 2020, this office has been re-christened[1] as the Office of the Director General of Audit (Mines), Kolkata.

The office is situated at 1, Council House Street, Kolkata, West Bengal – 700 001. This street runs from the Raj Bhavan up to the old HSBC building, flanked by the offices of the Principal Accountants General (West Bengal) on one side and the grounds of the Raj Bhavan on the other. The street obtained its name from the old Council House that once stood here. According to an entry in the British Library archives, the Council House (erected in 1764) served as the Governor's residence as well as the place of meeting of the East India Company's Council, which ran the affairs of erstwhile Bengal. The office building was constructed during the British era and has been subsequently declared as one of the Heritage Buildings by the Government of India.

Mandate for Audit

2.1 Comptroller & Auditor General's (Duties, Powers and Conditions of Service) Act 1971

The Comptroller and Auditor General (C&AG) of India is entrusted with the responsibility of audit of accounts of the Union and of the States. Further, entities including nationalised industries and State Undertakings, whether of the Central, State or Union Territory Governments, which function on commercial lines and prepare commercial accounts, come under the audit purview of C&AG. Such entities can be broadly grouped into four categories as follows.

i. Government companies – As per Section 2(45) of the Companies Act, 2013, Government Company means a company in which not less than fifty-one per cent of the paid-up share capital is held by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary company of such a Government company. Under Section 19(1) of the

[1] *vide* Notification no. 147a/7-ISW/2020 dated 28.08.2020

Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971 (C&AG's DPC Act), audit of accounts of Government companies is to be conducted by the C&AG in accordance with the provisions of the Companies Act.

As per Section 139(5) and (7) of the Companies Act, 2013, Statutory Auditor(s) of a Government company shall be appointed by the C&AG within a period of 180 days from the commencement of the financial year, who shall hold office till the conclusion of the Annual General Meeting (AGM). Section 139(7) deals with the appointment of the first auditor by C&AG. As per Section 143(5), C&AG shall direct the auditor regarding the manner in which the accounts of a government company are required to be audited. The auditor shall submit a copy of the audit report to C&AG which shall include the directions of C&AG, if any, the action taken thereon and its impact on the financial statements of the company. Under Section 143(6), C&AG may conduct a supplementary audit of the financial statements of a Government Company and also issue comments on the accounts (within 60 days from the date of receipt of the Statutory Auditor's Report) which shall be placed in the Annual General of the Meeting of the company, in the same manner as the Statutory Auditor's report.

As per Section 143(7), C&AG may, in case of any company covered under sub-section (5) or sub-section (7) of section 139, if he considers necessary, by an order, cause test audit to be conducted of the accounts of such company and the provisions of section 19A of C&AG's DPC Act 1971, relating to laying of reports in Parliament, shall apply to the report of such test audit.

ii. Government-controlled other companies - These are companies owned or controlled ('control' as defined under Section 2(27) of the Companies Act, 2013), directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments. Control includes the right to appoint majority of the directors or to control the management or policy decisions directly or indirectly, including by virtue of shareholding or management rights or shareholders agreements or voting agreements or in any other manner. Government of India, Ministry of Corporate Affairs clarified (31 July 2014) that the provisions in the Companies Act 2013 relating to audit of accounts of Government companies also apply to companies directly or indirectly owned or controlled by the Government.

iii. Statutory bodies - These are entities wholly or mainly financed by the Government and set up under Acts of Parliament and/or State or Union Territory Legislature. The Statutory Corporations, Boards, etc. are governed by the respective Acts of Parliament/State or Union

Territory Legislature, which contain detailed provisions in regard to their scope and functions etc. Specific provisions are usually made in the governing Acts for Parliamentary control over certain aspects like budgeting and audit and presentation of an Annual Report to the Parliament/State or Union Territory Legislature on the overall functioning of the entity. By virtue of the provisions of Section 19(2) of the C&AG's DPC Act, audit of the accounts of such Corporations established by or under law made by Parliament is to be conducted by the C&AG in accordance with the provisions of the respective legislation.

iv. Departmental Undertakings - Departmentally managed concerns are directly under a ministry or department of Government and are subject to government rules and procedures, sometimes with minor modifications. Under Section 19(3) of the C&AG's DPC Act, audit of accounts of Corporations established by law made by a State/Union Territory Legislature can be entrusted to the C&AG by the Governor of the State or the Administrator of the Union Territory after consultation with the C&AG and after giving a reasonable opportunity to the Corporation to make representation with regard to the proposal for such audit.

2.2 Regulations on Audit and Accounts (Amendments) 2020

In exercise of powers conferred by Section 23 of the CAG's (DPC) Act 1971, the C&AG published[2] the Regulations on Audit and Accounts, 2007. These Regulations were subsequently[3] substituted by Regulations on Audit and Accounts(Amendments) 2020. These Regulations apply to the officers and staff of the Indian Audit and Accounts Department and all ministries and departments of the Union Government, State Governments and Union Territory Governments as well as bodies, authorities, and enterprises, to which the audit or accounts jurisdictions of the C&AG extend.

2.3 Provision in other Acts

Corporations and Authorities viz. Airports Authority of India (AAI), Inland Waterways Authority of India (IWAI), National Highways Authority of India (NHAI), Damodar Valley Corporation (DVC) require their accounts to be audited by the C&AG, as per their statues. C&AG is the sole auditor in these cases. The C&AG has the right to conduct supplementary audit after Chartered Accountants appointed under the statute have conducted their audit.

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[2] in the Gazette of India, Extraordinary, Part-III—Section 4 dated 20th November 2007 and amended subsequently *vide* Notification No. Audit (Rules)/15-2009 dated 4 June 2010 and No. PPG/35-2012 dated 18th April 2013
[3] published in the Gazette of India, Extraordinary, Part III, and Section 4 on 20th August, 2020

Also, provisions exist in the respective Acts governing the Reserve Bank of India, Export-Import Bank of India, National Bank for Agricultural Rural Development and National Housing Bank for the Central Government to appoint C&AG, at any time, to examine and report upon the accounts of these institutions.

- **Resume of Work**

Subsequent to the restructuring of all audit offices in the Indian Audit & Accounts Department in March 2020, the Ministries of Government of India were grouped in accordance with the principles of horizontal coherence and vertical alignment. Strategic Management Unit (SMU) has allocated[4] the audit (including joint audit) of the Ministry of Mines to this office under the Central Commercial Wing.

In addition, as a field office of the Indian Audit and Accounts Department, this office audits multiple companies across diverse sectors viz., Power, Petroleum and Natural Gas, Chemicals, Shipping, Transportation, Tourism, Textile, Civil Aviation and Mining Sectors as well as Central Autonomous Bodies. The different types of organisations under the audit purview of this office have been summarised in the following Table.

Particulars	***Number of Units***		
	As Principal Auditor	***As Sub-Auditor***	***Total***
Ministry of Mines including its Attached & Subordinate Offices	5	-	5
Central Public Sector	41	10	51
Statutory Corporations	1	2	3
Central Autonomous Bodies	5	12	17
Grants in Aid	48	-	48
Field offices of the Government of India	72	-	72
Entrustment Audit	11	-	11
Total	183	24	207

As evident from the Table above, this office conducts audit of 51 Central Public Sector Enterprises (CPSEs) - out of which in 41 companies as Principal Auditor and in 10 companies as Sub-Auditor, 3 Statutory Corporations (one as Principal Auditor and two as Sub-Auditor),

[4] *vide* Notification no. 147a/7-ISW/2020 dated 28.08.2020

17 Autonomous Bodies, 48 organizations receiving Grants-in-Aid Audit (under Section 14 of CAG DPC Act, 1971) and 72 Field Offices of the Government of India. Further, a comprehensive audit of 11 units of the Institute of Cost Accountants of India (ICoAI) had also been entrusted to this office by the Ministry of Finance, Department of Economic Affairs for the period 2010-11 to 2014-15 under Section 20(1) of the C&AG's (DPC) Act, 1971.

The Director General of Audit (Mines), Kolkata, and two Group officers namely the Director and the Deputy Director along with their subordinate staff, work from this office in Kolkata. This office also supervises one Resident Audit Offices at Damodar Valley Corporation. The auditee organizations and the different sections of this office are distributed between the Director and Deputy Director (as shown in Appendix A) for effective supervision and control.

In addition to Compliance Audit and Supplementary Audit of Annual Accounts of the auditee units, different Thematic/ Performance Audits are also taken up by this office from time to time for submission of materials in respect of the annual Audit Report (Union Commercial) of the C&AG of India.

- **Scope of this Manual**

Commercial Audit of CPSEs is conducted with a view to assist the management in exercising effective control and ensuring true and fair view of accounts of the entity. The different types of audits including their planning, methodology, preparation of audit reports and their follow up have been dealt with in detail Commercial Audit Manual, Part-I (2021) and different manuals, guidance notes, practice guides and checklists available in the C&AG's official website. A list of such resources has also been compiled in **Appendix B** of this Manual.
Furthermore, a compilation of the different formats used while undertaking the different audit assignments from this office have been compiled in in **Appendix C** of this Manual.

Chapter – II

Ministry of Mines

&

it’s attached & subordinate offices

1. Ministry of Mines

➢ Overview

The Ministry of Mines, an integral part of the Union Government of India, is responsible for the formulation of policies of the Union Government concerning the subjects allocated to it under the Government of India (Allocation of Business) Rules, 1961, as amended from time to time. This Ministry is responsible for the survey and exploration of all minerals, other than natural gases, petroleum and atomic minerals, for mining and metallurgy of non-ferrous metals like aluminium, copper, zinc, lead, gold, nickel, etc. The Ministry is responsible for the administration of the Mines and Minerals (Development and Regulation) Act, 1957 and rules made there under in respect of all mines and minerals other than coal, natural gas and petroleum. The Ministry also administers the Offshore Areas Mineral (Development and Regulation) Act, 2002 and rules made thereunder.

➢ Constitutional Framework and Legislative Powers on Mining in India

The Constitution of India is the supreme legal authority that governs the legislative relationship between the Union Government (Parliament) and State Governments (State Legislatures) through Article 246 and the Seventh Schedule. It divides legislative powers into three lists: the Union List grants exclusive authority to Parliament, the State List empowers State Legislatures, and the Concurrent List allows both levels of government to legislate, with Union laws prevailing in case of conflict.

Item 54 of List I (Union List) give the Union Government (the Parliament) an exclusive authority over the regulation of mines and mineral development, as deemed expedient for the public interest by Parliament. Meanwhile, Item 23 of List II (State List) allows the State Government (State Legislatures) to regulate mines and minerals, subject to Union regulations under List I. In practice, the Union Government regulates mining and mineral development, while State Governments grant mining concessions for the extraction of minerals and collect royalties and other applicable fees on minerals extracted from land vested in the State.

➢ Ministry's Mandate

The Ministry is mandated for:-

1. Introducing legislation for regulation of mines and development of minerals within the territory of India, including mines and minerals underlying the ocean within the territorial

waters or the continental shelf, or the exclusive economic zone and other maritime zones of India as may be specified, from time to time by or under any law made by Parliament,

2. Regulation of mines and development of minerals other than coal, lignite and sand for stowing and any other mineral declared as prescribed substances for the purpose of the Atomic Energy Act, 1962 (33 of 1962) under the control of the Union as declared by law, including questions concerning regulation and development of minerals in various States and the matters connected therewith or incidental thereto,
3. All other metals and minerals not specifically allotted to any other Ministry/ Department, such as aluminium, zinc, copper, gold, diamonds, lead and nickel,
4. Planning, development and control of and assistance to all industries related to mineral wealth dealt with by the Ministry,
5. Administration and management of the Geological Survey of India,
6. Administration and management of the Indian Bureau of Mines, and
7. Metallurgical grade silicon.

- **Organisation Structure**

The Ministry of Mines is headed by the Minister of Mines. The Secretariat of the Ministry of Mines is headed by the Secretary, assisted by one Additional Secretary, three Joint Secretaries, one Joint Secretary and Financial Adviser (common for the Ministry of Coal, and Ministry of Mines), one Economic Adviser and nine Directors/Deputy Secretaries, one Director (Indian Economic Service), one Deputy Director (Official Language), one Assistant Director of Indian Economic Service (IES) and one Assistant Director (Official Language).

The Principal Accounts Office headed by the Chief Controller of Accounts (CCA) is a subordinate office under the Ministry of Mines. The CCA functions through a principal accounts office at the Ministry of Mines headquarters and several pay and accounts offices at the field level spread all over the country. The office is responsible for releasing payments against sanctions issued by the Ministry of Mines and its accounting. Simultaneously, this office also conducts an internal audit of the expenditure incurred by the Ministry of Mines and its attached/ subordinate offices/ plants as well as subordinate pay and accounts offices.

- **Organizations functioning under the aegis of the Ministry of Mines**

Where the execution of policies of the Government requires decentralization of executive direction and the establishment of field agencies/ subsidiary organisation functioning under its aegis. Category-wise list of organisations function under the aegis of the Ministry of Mines are as below:

A. **Attached Offices**: Attached Offices play a crucial role in providing detailed executive directions necessary for implementing policies set by the Ministry or Department to which they are attached. They serve as repositories of information and provide advisory services on various matters within their purview.

The **Geological Survey of India** (GSI), headquartered in Kolkata, functions as an attached office under the Ministry of Mines. It operates six regional offices in Lucknow, Jaipur, Nagpur, Hyderabad, Shillong, and Kolkata, along with offices across all states. GSI's primary functions include creating and updating national geoscientific data, assessing mineral resources, conducting airborne and marine surveys, and various geological studies such as geo-technical, geo-environmental, natural hazards, glaciology, and seismo-tectonics. It also supports fundamental research and contributes significantly to the development of coal, steel, cement, metals/minerals, and power industries, remaining crucial to national development.

B. **Subordinate Offices**: Subordinate Offices function as field establishments or as agencies responsible for detailed execution of the decisions of the Government. They generally function under the direction of an Attached Office. However, in cases where the volume of executive direction involved is not considerable, there will be no attached office and the subordinate office will not only function directly under a Ministry but also perform all the functions of an 'Attached Office'.

The Indian Bureau of Mines (IBM), headquartered at Nagpur and headed by the Controller General, the Indian Bureau of Mines (IBM) is a subordinate office of the Ministry of Mines. IBM has evolved from its origins as an advisory body to become a leading national organization in the mineral industry. Its current functions include promoting mineral conservation through mine inspections, geological studies, approval of mining plans, environmental studies, and technological advancements for upgrading low-grade ores. IBM also prepares feasibility reports, mineral maps, and the National Mineral Inventory, provides technical consultancy to the industry, serves as a data bank for mines and minerals, and publishes technical and statistical information.

C. **Public Sector undertakings** (PSUs): Public Sector Undertakings (PSUs) are self-governing entities established by the Government either as companies under the Companies Act or as Corporations established through specific legislation. A government company is defined as one where at least fifty-one per cent of the paid-up share capital is held by the Union Government, State Governments, or jointly. Subsidiaries of government companies are also classified as Government Companies. Some PSUs are formed through the nationalization or takeover of existing private entities. The Ministry of Mines administers five Public Sector Undertakings, which are as below:

1. **National Aluminium Company Limited** (NALCO) established on January 7th, 1981, is a Schedule 'A' Navratna CPSE headquartered in Bhubaneswar. It operates one of India's largest integrated Bauxite-Alumina-Aluminium-Power complexes. The Government of India holds 51.28% equity. NALCO runs its Panchpatmali Bauxite Mines with installed capacity of 68.25 lakh Tonnes per annum, 21 lakh tonnes per annum normative capacity alumina refinery in Damanjodi, Koraput, and 4.60 lakh tonnes per annum Aluminium Smelter with a 1200 MW Captive Power Plant in Angul. Committed to sustainability, NALCO has installed 198 MW Wind Power Plants and 850 kWp rooftop Solar Power Plants, aiming for carbon neutrality. Achieving consistent profitability for 36 years since 1987, NALCO is a leading CPSE in foreign exchange earnings.
2. **Hindustan Copper Limited** (HCL), a Schedule-A, Mini Ratna category-I CPSE under the Ministry of Mines, Government of India, was incorporated on November 9th, 1967, under the Companies Act, 1956. Established to manage copper deposits, including Khetri Mines, it nationalized Indian Copper Corporation Ltd., Ghatsila, in March 1972. HCL operates mines and facilities across Rajasthan, Madhya Pradesh, Jharkhand, Maharashtra, and Gujarat. It focuses on expanding its mining capacity from 4.0 to 12.2 million tons per annum in phase-I and aims for 20.2 million tons per annum in phase-II, along with enhancing refining capabilities at plants like Taloja and Gujarat Copper Project (GCP).

3. **Mineral Exploration and Consultancy Limited**[5] (MECL), established in 1972, formerly Mineral Exploration Corporation Ltd., operates under the Ministry of Mines, Government of India, with 100% government ownership as a Mini Ratna category I CPSE.MECL is India's sole entity combining comprehensive mineral exploration capabilities. Headquartered in Nagpur, Maharashtra, it conducts operations nationwide through multiple zonal and project offices. MECL has significantly contributed to updating India's mineral inventory and fostering mineral-based industries. With expertise in exploration technologies and extensive drilling and geological studies, MECL supports sectors including iron, bauxite, copper, lead-zinc, gold, coal, lignite, and limestone, facilitating strategic partnerships and foreign investments in India's mineral industry.
4. **Bharat Gold Mines Limited** (BGML) a public sector undertaking under the Ministry of Mines, Government of India, established to oversee the mining operations of gold in Kolar Gold Fields (KGF) in Karnataka. Prior to incorporation of BGML, Kolar Gold Fields (KGF) mines, which were nationalised on 28th November 1956 were managed departmentally by the Ministry of Mines. Incorporated in 1972, BGML operated several deep mines at KGF, including the Champion, Mysore, Nundydroog, and Bharath mines, which were some of the deepest in the world. When the BGML operations became economically unviable, operations of BGML were closed with effect from 01.03.2001 under Section 25(O) of the Industrial Disputes Act, 1947 in terms of Ministry of Labour's order dated 29.1.2001. The Cabinet had decided in the year 2006 to dispose the assets through a global tender with first right of refusal in favour of the ex-employees society. Due to passage of time various changes had taken place and various issues emerged and the decision of the Cabinet could not be implemented. However, presently Ministry of Mines is exploring future course and other viable options in respect of BGML. Government of India loans and interest liabilities of the company outstanding as on 31.03.2023 stood at ₹219.29 crore and interest accrued on Government loans amounts to ₹1706.21 crore. The Net Worth of the Company as on 31.03.2023 is negative at ₹ (-) 2095.07 crore. The mining lease of BGML at Kolar Gold Field has expired.

[5] Mineral Exploration and Consultancy Limited (MECL)

5. **Khanij Bidesh India Limited** (KABIL) was incorporated on 8th August, 2019, under the Companies Act 2013, as a joint venture among three government enterprises: National Aluminium Company Ltd. (NALCO), Hindustan Copper Limited (HCL), and Mineral Exploration & Consultancy Limited (MECL). The ownership structure is divided among these partners in a 40:30:30 ratio, and the company operates under the Ministry of Mines, Government of India. KABIL's primary mission is to ensure a steady supply of critical and strategic minerals, thereby securing mineral resources for the nation.

   KABIL is specifically tasked with identifying, exploring, acquiring, and developing critical mineral assets overseas or making suitable investments to sustainably source these minerals for the domestic market. The company has an authorized capital of ₹500 crore and a paid-up capital of ₹100 crore, contributed as equity investment by its three promoters.

Apart from the aforementioned five PSUs, the Ministry of Mines maintains significant equity in two companies that were previously PSUs but have since been disinvested and are now non-government entities. Despite their change in status, the Government of India retains substantial ownership in these companies, allowing the Ministry of Mines to nominate directors to their respective boards. These companies are:

1. **Bharat Aluminium Company Limited** (BALCO): BALCO was incorporated in 1965 as India's first Public Sector Undertaking in the aluminium sector, playing a pivotal role i n the country's industrial growth. In 2001, the Government of India disinvested 51% of BALCO's equity to Sterlite Industries (India) Limited, now known as Vedanta Limited, while retaining 49%. BALCO operates primarily from Korba, Chhattisgarh, where its smelter capacity of 345 KTPA utilizes modern Prebake Technology. Established in 2004, a smelter with a capacity of 245 KTPA supports its operations. With a 1740 MW power generation facility, BALCO not only powers its operations but also contributes to the state's energy requirements. It is known for producing high-quality ingots, wire rods, busbars, and rolled products, sourcing alumina from its Lanjigarh refinery and imports. BALCO has achieved several milestones in the industry, including pioneering integrated aluminium production, captive power plants, and innovative product lines for sectors like aerospace and power transmission.

2. Hindustan Zinc Limited (HZL) stands as India's largest and the world's second-largest integrated zinc producer, boasting over 50 years of operational excellence. Hindustan Zinc Limited (HZL) was incorporated on January 10, 1966, as a public sector undertaking under the Ministry of Mines, Government of India. The company was subsequently disinvested in phases, with the Government of India reducing its stake over time. As of now, Vedanta Limited holds a majority stake (64.9 per cent) in HZL, with the Government of India retaining a 29.5 per cent equity share in the company. With a robust reserve and resource base of 456.3 million tonnes and an average zinc-lead grade of 6.8%, the company ensures a mine life exceeding 25 years. HZL commands a dominant 75% market share in India's primary zinc industry and ranks third globally in silver production with a capacity of 800 metric tonnes annually. Listed on both the NSE and BSE, HZL's operations span lead-zinc mines, hydrometallurgical and pyrometallurgical zinc smelters, lead smelters, sulphuric acid plants, and captive power plants in northwest India. Its production facilities are strategically located across Rajasthan (Udaipur, Chittorgarh, Bhilwara, Rajsamand, Ajmer) and Uttarakhand (Pantnagar), encompassing renowned mines like Zawar Group, Rajpura Dariba, Sindesar Khurd, Rampura Agucha, and Kayad, alongside state-of-the-art processing and refining facilities.

D. **Autonomous Bodies** are Bodies or Authorities with a distinct legal existence and established by the Government through the Acts of Parliament or registered under various Central or State/Union Territory, Statutes pertaining to Societies, Trusts etc. or in any other manner. These Bodies or Authorities are independent in their day-to-day functioning and operate at arm's length from the Government even though the Ministries/Departments have significant control over them in matters of general direction and supervision. While, the overall thrust is dedicated by the vision and the policy perspective of the Ministry concerned, they are entrusted with specific functions or executing specific programs or policies of the government or proving the public utility services.

There are two Research institutions which are Autonomous Bodies under Ministry of Mines

1. **Jawaharlal Nehru Aluminium Research Development and Design Centre** (JNARDDC) established in 1989 under the Ministry of Mines as a premier autonomous body, plays a crucial role in advancing India's aluminium industry through comprehensive research and development (R&D). It is registered under the Societies Registration Act and Bombay Public Trust Act. The centre's objectives include assimilating global and domestic technologies for alumina and aluminium production, developing technical expertise across engineering processes, and promoting a circular economy in non-ferrous metal sectors. Noteworthy contributions encompass beneficiation, Bayer process modelling, energy efficiency in smelting, and recycling initiatives using industry residues like red mud and scrap. JNARDDC also serves as a designated sector expert for various national authorities, facilitating policy frameworks, standards development, and supporting initiatives like resource efficiency and metal recycling.

   Jawaharlal Nehru Aluminium Research Development & Design Centre
   Autonomus Body Under Ministry of Mines, Government of India

2. **National Institute of Rock Mechanics** (NIRM is an autonomous research institute under the Ministry of Mines, Government of India, established in 1988 under the Societies Act, 1860. Headquartered in Bengaluru with a registered office in Kolar Gold Fields, Karnataka, NIRM is dedicated exclusively to advancing the field of rock mechanics in South Asia. Over the past 30 years, NIRM has provided specialized expertise to central and state government agencies, as well as public sector undertakings, spanning mining, hydroelectric projects, nuclear power, oil and gas, and infrastructure development including railways, roads, airports, and hospitals. Recognized as a Centre of Excellence for Rock Engineering, NIRM focuses on designing mine workings, optimizing rock excavations, developing support systems for safety and stability, and conducting comprehensive site characterizations and monitoring using advanced techniques. It offers in-situ and laboratory-based tests conforming to ISRM standards, explores rock deformability characteristics, and disseminates knowledge through training programs and short-term courses. NIRM also facilitates postgraduate and doctoral research in applied rock mechanics, supported by modern equipment and a team

   National Institute of Rock Mechanics
   राष्ट्रीय शिला यांत्रिकी संस्थान

of dedicated scientists committed to innovation and delivering high-quality solutions across various rock engineering challenges.

Nonferrous Materials Technology Development Centre (NFTDC) was established in the early 1990s as one of four R&D institutions under the Ministry of Mines, Government of India. The other three are Jawaharlal Nehru Aluminium Research Development and Design Centre, National Institute of Rock Mechanics and National Institute of Miners' Health.

NFTDC

Unlike traditional government-funded R&D institutions, NFTDC was not established using funds from the Government of India and does not receive any annual budgetary support in any form since its inception. It operates independently as a self-financing entity, relying solely on revenues generated through its activities rather than grants-in-aid from public funds

NFTDC operating under the Ministry of Mines, focuses on Advanced Materials, Engineering Design, Electronics, and Control systems. Its research spans sectors like Aerospace, Automotive, Energy, Metallurgical Engineering, Biomedical, and Environmental sciences. Core competencies in Design, Advanced Materials, Manufacturing, and Controls are integral to all projects, enabling comprehensive technology solutions from concept to product development. The centre houses state-of-the-art facilities in design, manufacturing, product development, and testing, supporting its status in Electric Vehicle Drives, Materials & Energy Systems, and Advanced Manufacturing Technologies under the National Mission on Electric Mobility).

- **Major Sections and allocation of work amongst the Sections**

The Ministry of Mines operates through a structured framework comprising several key sections, each tasked with distinct responsibilities crucial to the development, regulation, and policy implementation within India's mineral and metal sector. These Sections are:

- **MINES - I (Exploration Matters)**: This section focuses on various responsibilities. The Geological Survey of India (GSI) oversees exploration, surveys, budgeting, procurement, land acquisition, technical programs, and the monitoring of related meetings. The Mineral Exploration Corporation Limited (MECL) handles director appointments, fund releases, performance monitoring, and ministry correspondence. Additionally, this section represents in meetings, addresses parliamentary questions, manages awards, disaster response, budget allocation, data repositories, heritage preservation, and advisory committees.

- **MINES - II (GSI Establishment)**: This section deals with the establishment matters of the Geological Survey of India (GSI). It covers recruitment, promotions, cadre reviews, examination management, financial delegation, medical reimbursements, legal cases, training, and staff-related issues.
- **MINES - III (IBM Matters)**: This section manages the establishment matters of the Indian Bureau of Mines (IBM), including recruitment, training, legal cases, property management, and parliamentary questions. It also oversees UNDP programs, joint ventures, technical committees, and the Mineral Development Board.
- **MINES - IV (Auctions & State Coordination)**: This section monitors state auctions, operationalization, development fund monitoring, meeting coordination, and parliamentary questions related to these activities.
- **MINES - V (Mining & Mineral Policy)**: This section is responsible for national mineral policies, environmental issues, sustainable development, and commission inquiries.
- **MINES - VI (Legislations)**: This section manages Acts, Rules, and Regulations related to the mineral and metal sector, such as the MDR Act 1957 and OAMDR Act 2002. It provides clarification and interpretation of these Acts and handles legal matters challenging their provisions. Other responsibilities include revising royalty rates, handling matters related to Beach Sand Minerals, and managing court cases and legal issues related to these Acts.
- **METAL - I (Aluminium, Bauxite, and Related Matters)**: This section oversees matters related to NALCO, including director appointments, project proposals, and performance reviews. It also deals with the production, promotion, and distribution of aluminium, alumina, and bauxite, disinvestment of government shareholding in BALCO, and the appointment of government nominee directors in BALCO.
- **METAL - II (Other Metals and Related Issues)**: This section manages matters related to Bharat Gold Mines Limited (BGML), Hindustan Zinc Limited (HZL), and magnesium. It oversees the development of zinc, lead, gold, silver, tungsten, and related metals, and coordinates international conferences on lead and zinc.
- **METAL - III (Copper and Related Matters)**: This section handles all matters related to Hindustan Copper Limited (HCL), including new projects, director appointments, board reconstitution, and fund releases. It focuses on the development of copper in the country, excluding trade and taxation matters.
- **METAL - IV (Science and Technology Projects)**:This section manages Science and Technology institutions such as JNARDDC and NIRM. It handles grant releases,

committee constitution, project reviews, and monitoring. It also focuses on promoting a circular economy in the non-ferrous metal sector and manages UNDP projects.

- **National Mineral Exploration Trust (NMET)**: The NMET funds regional and detailed mineral exploration, special studies, sustainable mining projects, strategic mineral exploration, consultation with the Central Geological Programming Board, brownfield exploration projects, geophysical and geochemical surveys, national core repository establishment, and capacity-building programs. It uses the Trust Fund for mineral resource conservation, development, and exploitation.
- **Economic & Statistical Section**: This section focuses on Vision 2029 and Vision 2047, resource analysis, production and trade data on minerals and non-ferrous metals, FTAs, technical regulations, industry representations, public procurement, and state mining sector readiness index and rankings.
- **Integrated Finance**: This section prepares budgets, reviews financial proposals, manages audits, releases funds, generates resources, and provides financial advice. It also works on SC/ST welfare, audit review, and monitoring.
- **Revision Cell**: This section handles revision applications under Section 30 of the MMDR Act 1957. It checks application completeness, admits applications, calls for comments, conducts hearings, and passes final orders. Records of final orders are kept for reference, and disposed applications are listed on the Ministry's website.
- **International Cooperations**: This section handles the signing of government and business MoUs with foreign countries, processing bilateral and multilateral agreements, coordinating international mining events, and managing work related to Khanij Bidesh India Ltd. (KABIL) and critical minerals. It involves continuous engagement with other countries for potential cooperation, convening the Inter-Ministerial Committee (IMC) for exploration and mining industry events abroad, coordinating Indian delegations to international mining events, and overseeing critical minerals-related work.
- **Vigilance Cell**: This section examines complaints with a vigilance angle and handles disciplinary proceedings for officials of the main secretariat, Group-A officials of GSI and IBM, and presidential appointees of CPSUs under the Ministry of Mines. It also reviews and revises petitions related to vigilance cases, manages court cases, appoints CVOs, and provides vigilance clearance for employees and officials.

- **Pay and Accounts**: This section consolidates accounts, conducts internal audits, maintains loan registers and GPF accounts, processes payments, prepares budgets, and handles reconciliation.
- **Rajbhasa/ Official Language**: This section ensures compliance with official language policies, manages advisory committees, implements language measures, and handles translation work.
- **Cash**: This section processes payments for employees and vendors, prepares salaries, manages contingency bills, advances/loans, medical claims, tax deductions, and coordinates audits.
- **Establishment**: This section handles service and personnel matters, SC/ST grievances, reservation policies, training, and contractual appointments.
- **Administration**: This section manages office maintenance, provides logistic support, settles travel bills, handles accommodation, welfare activities, and library management.
- **Co-ordination**: This section examines Cabinet notes, prepares annual reports, organizes senior officers' meetings, sets procurement policies, and oversees special campaigns.
- **Parliament**: This section supplies information, coordinates consultative committee meetings, monitors government assurances, and liaises with parliamentary secretariats.
- **Public Information & Grievance**: This section processes RTI requests, handles public grievances, prepares reports, and updates the website.
- **Information Technology**: This section maintains the Ministry of Mines website, coordinates with NIC for e-Governance and e-Office, and implements IT directions from MeitY and other organizations.

- **Financial Highlights**

  Budgetary support under Revenue and Capital is obtained for different schemes implemented by Geological Survey of India (GSI), Indian Bureau of Mines (IBM), and the S&T programme. Revenue provision is also obtained for GSI, IBM, Secretariat (Proper), NMET Secretariat, Grants-in-Aid to Autonomous bodies, etc. A brief summary of Demands for Grants (2022-24) is given in the following Table.

Sl No	Name of the organisation	2023-24		2022-23		2021-22	
		BE[6]	RE[7]	BE	RE	BE	RE
1	Secretariat (Proper)	43.64	43.64	45.00	46.20	46.20	70.48
2	Geological Survey of India	1205.17	1251.91	1308.60	1345.58	1345.58	1300.00
3	Indian Bureau of Mines	113.00	105.25	122.48	113.84	113.84	135.00
4	Grants to MECL (for KABIL)	10.00	0.00	0.00	0.00	0.00	0.00
5	Bharat Gold Mines Limited - Grants	6.00	6.70	6.70	5.58	5.58	8.00
6	S&T Programme/ Other Programme	30.19	32.45	28.82	28.82	28.82	27.58
7	NIRM[8]	9.42	9.17	6.38	6.38	6.38	3.50
8	JNARDDC[9]	12.70	11.60	11.37	11.37	11.37	11.00
9	IC	0.35	0.35	0.37	0.37	0.37	0.38
10	NMA	0.70	1.33	0.70	0.70	0.70	0.70
11	Other Research Programme	7.02	10.00	10.00	10.00	10.00	12.00
12	NMET[10]	100.00	250.00	400.00	1296.50	1296.50	400.00
Total		1538.19	1722.40	1940.42	2865.34	2865.34	1968.64

➢ **Audit Mandate**

The audit of Finance and Appropriation accounts of the Government of India is entrusted to the Office of the Director General of Audit (Finance and Communications), New Delhi. Hence, this office conducts the audit of Finance and Appropriate Accounts relating to the Ministry of Mines is undertaken by this Office in the capacity of the Sub Auditor. The final observations after incorporating the reply of the Ministry is forwarded to the Lead Auditor for the finalisation of the C&AG Report. For all other matter, this Office conducts the audit of the Secretariat, Ministry of Mines, Government of India in the capacity of the Principal Auditor. The Secretariat has no branches, there are no sub-Auditors for the purpose of audit.

[6] Budget Estimate
[7] Revised Estimate
[8] National Institute of Rock Mechanics
[9] Jawaharlal Nehru Aluminium Research Development and Design Centre, Nagpur
[10] National Mineral Exploration Trust

As on date audit of the above 25 sections of the Secretariat, Ministry of Mines, Government of India is conducted through a single Inspection Audit Report and is considered as a single unit. For the purpose of Audit Plan, it is classified as an APEX Unit.

Audit of the entire Secretariat, i.e all 25 Sections, is majorly undertaken under section 13 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service), 1971. However, sections like METAL - II Section (Other Metals and Related Issues), METAL - IV (Science and Technology Projects), International Cooperations etc are involve in activities relating to disbursement of Grants in Aid from the Consolidated Fund of India, this attracts audit under section 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service), 1971.

Moreover, as NMET Section involves levy, collection of MNET Levy from the mines through the respective State Government and deposition of the same in the Consolidated Fund of India, audit under Section 16 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service), 1971 is also to be conducted by this office.

Apart from the audit of the Secretariat, this Office also has to ascertain the list of organisations who have received Grants in Aid from the Ministry of Mines, Government of India. Audit has to ascertain whether audit under section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service), 1971 is to be conducted in the above organisations, if any.

Applicable Statutes, Regulations and Policies

1. Mines and Minerals (Development and Regulation) Act, 1957
2. Mines and Minerals (Development and Regulation) Act 2015
3. National Minerals and Exploration Trust Rule 2015
4. Mineral Auction Rule 2015
5. Minerals (Auction) Amendments Rules 2017
6. Minerals (Evidence of Mineral contents) Rules 2015
7. Mineral Concession Rule 1960
8. Mineral Concession Rule 2016
9. Mineral Conservation and Development Rules, 2017
10. Offshore Mineral Concession Rule 2006
11. National Mineral Exploration Trust Rules, 2015
12. Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016

13. The Offshore Areas Mineral (Development and Regulation) Act, 2002
14. National Mineral Exploration Policy (Non-Fuel and Non-Coal Minerals) 2016
15. National Mineral Policy 2019
16. Mines & Minerals (Contribution to District Mineral Foundation) Rules, 2015

➢ Brief about IT Systems

The following are the IT Services that NIC is providing to Ministry of Mines-

Management Information System (MIS) for the Ministry - Ministry of Mines with the help of NIC is implementing various decision support system required for better planning, monitoring and decision making. The key advantage for the MIS websites/ applications is to reduce the Ministry's workload and increase overall transparency in its function. The computerization has been done in the area of Science and Technology Schemes, Registration under Rule 45 of MCDR, Revision Applications, e-indent, Conference Hall Booking. A dashboard depicting production, performance and other relevant information of Ministry and its offices is developed. NIC in the Ministry has re-engineered Ministry's website (https://mines.gov.in) using latest state of art CMS-driven technology in open source. The following MIS are operational:

a) Satyabhama - a Web Portal for Science and Technology Schemes (https:// research.mines.gov.in) to promote research in mining sector.
b) Dashboard of Ministry of Mines (http:// dashboard.mines.gov.in)
c) Revision Application System (RAS) (https://ras.nic.in)
d) Registration under Rule 45 of MCDR Rules 2017 (https://ibmreg.nic.in) e) Intra-mines Web portal (Covers e-Indent of various stationary items and cleaning material, online booking of Conference Rooms, Service Request and also to facilitate financial support through Canteen Bill Processing System to officer for hospitality management as per Govt. of India rule). This service is operational on Local Area Network of the Ministry.
f) Non-Ferrous Metal Import Monitoring System (NFMIMS).
g) IBM Registration System under Rule 45 of MCDR Rules 2017 based on Form "K".
The following e-Governance applications have been implemented and supported by NIC in the Ministry:
• Public Financial Management System
• e-Office (e-File, Enhanced Note-to-Correspondence Referencing, e-HRMS 2.0)

• SPARROW
• e-Visitor System
• ACC Vacancy Monitoring

e-Samiksha is a real-time online system for monitoring of follow-up action on the decisions taken during the presentations made by different Ministries/Departments to the Prime Minister, Centre-State-Coordination issues, observations made by Cabinet, recommendations made by Committee of Secretaries etc. The follow-up action in respect of all issues concerning other Ministries/ Departments and State Governments is to be updated by the concerned Ministry/ Department/Agency on the eSamiksha portal and replies to the issues raised by the Ministries/ Departments and State Governments are taken up on priority basis and status is uploaded on e-Samiksha portal every month. Ministry of Mines has been regularly monitoring the follow-up action in respect of e-Samiksha portal.

➢ **Audit Focus Area**

- Mines - I (Exploration Matters):

1. Exploration and Survey Activities
2. Administration of GSI in such a manner that exploration activities are being conducted efficiently and effectively as envisaged by the Ministry.
3. Auditing the budgeting process within Mines - I, particularly how budgets are planned, allocated, and utilized by both GSI and Mineral Exploration Corporation Limited (MECL).
4. Administration of National Airborne Geophysical Mapping Program
5. Administration of National Geochemical Mapping
6. Administration of National Geophysical Mapping
7. Review of explorations in Obvious Geological Potential (OGP) Areas.
8. Review of probing deep seated/concealed mineral deposits
9. Creation and administration of National Geoscience Data Repository
10. Procurement Practices: Reviewing procurement processes and contracts management within GSI, ensuring compliance with procurement policies and regulations.
11. Administration of Mineral Exploration Corporation Limited (MECL) including assessing how effectively MECL monitors its performance in mineral exploration projects, including the accuracy of performance metrics, the achievement of targets, and the utilization of exploration funds released by the Ministry.

- MINES - II (GSI Establishment)

1. Recruitment processes and procedures
2. Promotions and cadre reviews
3. Examination management systems
4. Financial delegation and expenditure control
5. Medical reimbursement claims and processes
6. Handling of legal cases and their outcomes
7. Training programs and their effectiveness
8. General staff-related issues and grievances

- MINES - III (IBM Matters)

1. Recruitment and training procedures
2. Management of legal cases
3. Property management and maintenance
4. Parliamentary questions and responses
5. Oversight of UNDP programs and joint ventures
6. Activities of technical committees
7. Operations of the Mineral Development Board

- MINES - IV (Auctions & State Coordination)

1. Monitoring of state auctions and their processes
2. Development fund allocation and usage
3. Coordination of meetings and their outcomes
4. Parliamentary questions and related documentation

- MINES - V (Mining & Mineral Policy)

1. Formulation and implementation of national mineral policies
2. Management of environmental issues related to mining
3. Promotion of sustainable development in mining
4. Handling of commission inquiries and their resolutions

- MINES - VI (Legislations)

1. Management of Acts, Rules, and Regulations (e.g., MDR Act 1957, OAMDR Act 2002)
2. Clarification and interpretation of legislative provisions
3. Legal matters challenging the provisions of these Acts
4. Revision of royalty rates
5. Issues related to Beach Sand Minerals
6. Court cases and legal issues management

- METAL - I (Aluminium, Bauxite, and Related Matters)

1. Oversight of NALCO, including director appointments and project proposals
2. Production, promotion, and distribution of aluminium, alumina, and bauxite
3. Management of government shareholding in BALCO
4. Representation of Government on the Board of BALCO and protection of Government interest within the scope of the Companies Act.

- METAL - II (Other Metals and Related Issues)

1. Management of matters related to Bharat Gold Mines Limited (BGML).
2. Representation of Government on the Board of HZL and protection of Government interest within the scope of the Companies Act.
3. Development of Industries relating to mining and manufacturing of zinc, magnesium, lead, gold, silver, tungsten, and related metals
4. Representation of the Government in the International Conferences on lead and zinc and bringing good global practices in India.

- METAL - III (Copper and Related Matters)

1. Management of affairs relating to the governance of Hindustan Copper Limited
2. Development of copper mining and copper processing Industry in the country

- METAL - IV (Science and Technology Projects)

1. Management of Science and Technology institutions (JNARDDC, NIRM), I including grants in aids, project reviews and monitoring etc.
2. Promotion of a circular economy in the non-ferrous metal sector
3. Management of UNDP projects in India

- NATIONAL MINERAL EXPLORATION TRUST (NMET)

1. Funding for regional and detailed mineral exploration
2. Management of special studies and sustainable mining projects
3. Coordination with the Central Geological Programming Board
4. Management of brownfield exploration projects
5. Conducting geophysical and geochemical surveys
6. Establishment of national core repositories
7. Capacity-building programs

- ECONOMIC AND STATISTICAL SECTION

1. Vision 2029 and Vision 2047 analysis
2. Resource analysis and production/trade data management
3. Free Trade Agreements (FTAs) and technical regulations
4. Industry representations and public procurement policies
5. State mining sector readiness index and rankings

- INTEGRATED FINANCE

1. Budget preparation and
2. Review of financial proposals as a part of internal control

- REVISION CELL

1. Handling of revision applications under Section 30 of the MMDR Act 1957
2. Application completeness checks and admission
3. Collection of comments and conducting hearings
4. Passing final orders and maintaining records

- INTERNATIONAL COOPERATIONS

1. Signing of government and business MoUs with foreign countries
2. Processing bilateral and multilateral agreements
3. Coordination of international mining events
4. Management of Khanij Bidesh India Ltd. (KABIL) and critical minerals

5. Engagement with other countries for cooperation
6. Convening the Inter-Ministerial Committee (IMC) for international events
7. Coordination of Indian delegations to international mining events

- PAY & ACCOUNTS

1. Consolidation of accounts and internal audits
2. Maintenance of loan registers and GPF accounts
3. Payment processing and budget preparation
4. Reconciliation of accounts

- CASH

1. Payment processing for employees and vendors
2. Salary preparation and contingency bill management
3. Advances/loans and medical claims processing
4. Tax deductions and audit coordination

- ESTABLISHMENT

1. Management of service and personnel matters
2. Handling SC/ST grievances and reservation policies
3. Training programs and contractual appointments

- ADMINISTRATION

1. Office maintenance and logistic support
2. Travel bill settlements and accommodation management
3. Welfare activities and library management

2. Geological Survey of India

➢ **Overview**

Geological Survey of India (GSI) was set up in 1851 primarily to find coal deposits for the Railways. The arrival of Sir Thomas Oldham, Professor of Geology at Trinity College Dublin and the Chief of Irish Geological Survey at Calcutta on 4th March 1851, marked the beginning of the continuous period of the GSI. Over the years, it has not only grown into a repository of geo-science information required in various fields in the country but has also attained the status of a geoscientific organisation of international repute. Presently, GSI is an attached office to the Ministry of Mines.

The main functions of GSI relate to the creation and updation of national geoscientific information and mineral resource assessment. These objectives are achieved through ground surveys, air-borne and marine surveys, mineral prospecting and investigations, multi-disciplinary geo-scientific, geo-technical, geo-environmental and natural hazards studies, glaciology, seismotectonic study and carrying out fundamental research. The outcome of the work of GSI has immense societal value. The functioning and annual programmes of GSI assume significance in the national perspective.

➢ **Organisation Structure**

GSI is a pan-India organisation with its Central Headquarters at Kolkata. The six Regional Offices of GSI are located at Lucknow (Norther Region), Jaipur (Western Region), Nagpur (Central Region), Hyderabad (Southern Region), Shillong (North East Region) and Kolkata (Eastern Region). The State Unit offices are in almost all States of the country. GSI is executing its programs through Mission-Region hybrid matrix mode with its five Mission offices and three Support Systems. Activities of GSI function around Missions and Support Systems are as follows

Mission/ Support System	**Schemes**	**Components/Activities**
Mission I – Baseline Geoscience Data generation	Survey & Mapping	Specialised Thematic Mapping, Geochemical Mapping, Geophysical Mapping, Systematic Geological Mapping, Airborne and Marine Surveys.

Mission II – Natural Resources Assessment	Mineral Exploration	Exploration for coal (including lignite), Ferrous, Non-Ferrous, Precious and Strategic and Industrial minerals.
Mission III – Geoinformatics	Information/ Dissemination	Map compilation and publication on various earth science subjects, Information Technology, GSI portal
Mission IV – Fundamental & Multidisciplinary Geosciences and Special studies	Specialised Investigation	Geo-technical, environmental, landslide studies, earthquake geology and seismology, glacial, geothermal and desert geological studies
	Research & Development	Research work on fundamental geo-science and Arctic and Antarctic studies
Mission V – Training & Capacity building	Human Resource Development	Training
Science & Technology Support System (STSS)	Modernization	Analytical Chemistry and the Chemical Laboratory Network, Laboratory Network (Other than Chemical), Capital Assets Procurement and Management, Drilling & Workshop, Transport, Survey and Core Library.
Administrative Support System (AdSS)		Finance, Personnel, Legal Cell, HRD Information and Publications, Libraries, Parks and Museums, Estates.
Policy Support System (PSS)		Science Policy & Coordination, Planning & Monitoring, CGPB Secretariat, International cooperation, Commercial Operations and Geoscience partnerships.

- **Financial highlights**

Financial information (Budget/Expenditure) of GSI, CHQ for the last three years are summarised below (₹ in crore)

Sl No	Particulars	2019-20		2020-21		2021-22	
		Budget Estimate	Actual Expenditure	Budget Estimate	Actual Expenditure	Budget Estimate	Actual Expenditure
1	Revenue	1221.53	1061.85	1242.91	1059.76	173.51	171.96
2	Capital	101.40	79.75	108.30	51.71	22.03	21.80
	Total	1322.93	1141.60	1351.21	1111.47	195.54	193.76

- **Brief about IT Systems**

1. Online Core Business Integrated System (OCBIS) is the flagship programme of the Geological Survey of India (GSI). Aligned with the Digital India programme, OCBIS empowers GSI to share its wealth of knowledge in a structured manner in the public domain. OCBIS allows users to access and download GSI data, reports and maps, thus enabling all stakeholders to get the right information in the right time. OCBIS also empowers leadership with effective monitoring and decision-making interfaces leading to good governance.
2. E-office

- **Applicable statutes, rules and regulations**
    1. General Financial Rule 2017
    2. Central Civil Service (Classification, Control and Appeal) Rules
    3. Fiscal Responsibility and Budget Management Act, 2003
    4. Guidelines of Rolling Contingent Advances/ Non-Rolling Contingent Advances and Drilling
    5. Receipt & payment rules
    6. Norms of Geological Survey of India
    7. Procurement Manual
    8. Competition Act
    9. GSI's self-framed instructions.

- **Audit Focus Area**

The primary objectives of audit of expenditure are to check whether:

i. funds have been authorised by the competent authority prescribing the limits within which expenditure can be incurred;
ii. the expenditure conforms to the relevant provisions of the Act and the Constitution and of the laws made thereunder and is also in accordance with the financial rules and regulations framed by the competent authority;
iii. either a special or general sanction of the competent authority authorising the expenditure is available; and
iv. all financial transactions have been correctly recorded in the accounts under examination and have been allocated to the appropriate heads of account.

3. Indian Bureau of Mines

- **Overview**

The Indian Bureau of Mines (IBM) established in 1948, is a multi-disciplinary government organisation under the Department of Mines, Ministry of Mines, engaged in the promotion of conservation, scientific development of mineral resources and protection of the environment in mines[11]. It is a subordinate office under the Ministry of Mines, engaged in the promotion of scientific development of mineral resources of the country, conservation of minerals, protection of environment in mines, other than coal, petroleum and natural gas, atomic minerals and minor minerals.

IBM performs regulatory functions with respect to the relevant provisions of Mines and Minerals (Development and Regulation) Act, 1957 and enforcement of the rules framed there under, namely Mineral Conservation and Development Rules, 1988/2017 and Mineral Concession Rules, 1960/2016 and Environmental (Protection) Act, 1986 and Rules made there under. It undertakes scientific, techno-economic, research-oriented studies in various aspects of mining, geological studies and ore beneficiation studies.

The objective of IBM are -

i. To work as National Technical Regulator operating at national-level designing systems, processes and guidelines for regulation of the mineral sector;

ii. To function as a facilitator for creation and improvement of state-level regulatory mechanisms and to facilitate state agencies to ensure adherence to standards and parameters for scientific and systematic mining in the sector;

iii. To work as catalytic agent for development of mineral sector by evolving capability & proficiency in beneficiation techniques; dissemination of knowledge and skills in mining and allied areas through its training facilities; consultancy services.

iv. To play crucial role of that of facilitator to the Government in matters and issues relating to the mineral sector in areas of short-medium and long-term mineral-wise strategies, mineral taxation and legislative processes.

v. To play the role of National Repository of mineral data through maintaining a data bank of mines and minerals in the country by developing advanced IT based Mineral Information System enabling the industry to report and access information online, and

[11] other than coal, petroleum & natural gas, atomic minerals and minor minerals

vi. To broaden its interactive base and reach out to overseas counter parts through consultations and exchange programmes and to build capacity, skill & expertise through academic and training programmes at institutes of international repute.

In the wake of liberalization of the policy regime governing mineral sector and increasing need for adequate environment management as part of systematic and scientific mining, the mandated functions for IBM, as given for notification in Official Gazette[12] are given below:-

i. Collect, collate and organize into a database, all information on exploration, prospecting, mines and minerals in the country in the shape of a National Mineral Information Repository and take steps to publish and disseminate the same;
ii. Function as the National Technical Regulator in respect of the mining sector, and lay down regulations, procedures and systems to guide the State Governments (first tier of regulation);
iii. Build up capacity in the system, both for regulatory as well as the developmental work, at the central level as well as at the level of the States;
iv. Establish institutional mechanisms of coordination between the centre, the States, mineral industry, research and academic institutions and all stake holders, so as to proactively develop solutions to the demands and problems faced by the industry;
v. Promote research on all aspects of practical relevance to the Industry and to act as bridge between research institutions on the one hand and user industry on the other;
vi. Provide Technical Consultancy Services;
vii. Participate in International collaborative projects in the area of regulation and development of the mineral sector;
viii. Advise Government on all matters relating to the mineral industry; and
ix. Undertake any such other activity as has become necessary in the light of developments in the field of geology, mining, mineral beneficiation and the environment.

In light of the role and charter of IBM, the key functions being performed by IBM can be broadly classified as (1) Regulatory Functions, and (2) Developmental Functions.

[12] *vide* Resolution No. 31/ 49/ 2014 – M. III, dated 3rd November, 2014

❖ **Regulatory Functions** –

i. Mining Plan, Review of Mining Plan & Modification in the Approved Mining Plan - Inspections and Approval (Rule 13 to 17 of Chapter V of M (OAHCEM) CR 2016; Rule 9, 10, 11 & 12 of MCDR 2017);

ii. Mining Regulations for ensuring implementations of Mining Plan, review of mining plan, Mine Closure Plan and other statutory provisions of MCDR 2017and launching of prosecutions and compounding thereof (Section 22 & 24 of MMDR Act 1957);

iii. Inspections and grant of permissions to carry out 'stoping' operations in underground mines (Rule 26 of MCDR1988/ Rule 30 of MCDR 2017);

iv. Monitoring of Environmental Impact Assessment (EIA) and Environmental Management Plan (EMP) aspects of mining operations (Rule 13 and 31 to 41 of MCDR 1988/ Rule 11 and Rule 35 to 44 of MCDR 2017 and Section 10 of EP Act 1986);

v. Facilitating in calculations of State-wise, mineral-wise and month-wise royalty on ad valorem basisby regulating the submission of monthly and annual returns by the mining lease holders (Rule 64D of MCR 1960/ Rule 38 to 47 of M(OHEM) CR Rules, 2016 and Rule 45 of MCDR 1988/ 2017);

vi. Mine Closure Plan - Inspections, Approval and monitoringof Progressive and Final Mine Closure Plans (Rule 23A to 23F of MCDR 1988/ Rule 22 to 27 of MCDR 2017);

vii. Co-ordination with State Governments for curbing illegal mining activities (intimation of violation of Section 4(1) of MMDR Act 1957 to State Government agencies and monitoring of submission of quarterly return and compliance thereof, of illegal mining by various State Governments)

viii. As prescribed under Section 9(C) of the Act, IBM will discharge a pro- active role in NMET by furnishing inputs on mineral-wise conservation strategies, exploration gaps etc. keeping in view of the national interest.

ix. IBM administer the framework for sustainable development of the mining sector, as prescribed under section 20A (2) of the Act, through star rating of mines.

x. IBM will continue to publish the Average Sale Price (ASP) of all the major minerals through its MMS division. This information is required as per the Rule 8 of Mineral (Auction) Rules, 2015 for calculating the "Value of estimated Resources" and "Value of the Mineral Dispatched" and that of 'Reserve Price' of the deposit to be put to auction. Further, based on the ASP as declared by IBM every month, assessment of *ad valorem* royalty is also carried out by the State Governments.

- **Developmental functions**

i. R&D in Mineral Processing - To play a role of a catalytic agency to promote & develop the much-needed R&D in mineral processing in the field of mineral beneficiation, mineral characterization, chemical analysis of ores and minerals and analysis of environmental samples;

ii. Information Support and Facilitator Services- To function as a facilitator to the government in formulation of mineral policy, lending technical guidance & support for framing Mineral Acts and in articulating provisions, rules & regulations thereof and lend it the credentials to formulate strategies, articulate policy requirements and oversee their implementation at both national and State levels;

iii. National Mineral Inventory – Periodical Updation of National Mineral Inventory reflecting the micro-level status and possession of various mineral resources of the country as per the international standards of UNFC13;

iv. Repository on Mines & Minerals – To shoulder the responsibility for collection, processing and storage of statistical data in respect of all major minerals through statutory and non-statutory basis;

v. Publications on topical interest – To assort process and analyze mines and mineral information generated on account of statutorily and non-statutorily collected information and supply them as important inputs for policy interventions, and

vi. Training and Capacity Building – To provide training facilities for human resource development and to develop required technical expertise and skill in the personnel manning the mineral industry.

The National Mineral Policy 2008 (NMP) has envisioned diverse mineral development programmes and has formulated policy frameworks and strategies for providing a roadmap to achieve sustainable mineral development in the country. Indian Bureau of Mines prominently figures in the assemblage of schemes that require to be dovetailed and has a discernible role to play in realizing the objectives as laid out in the NMP.

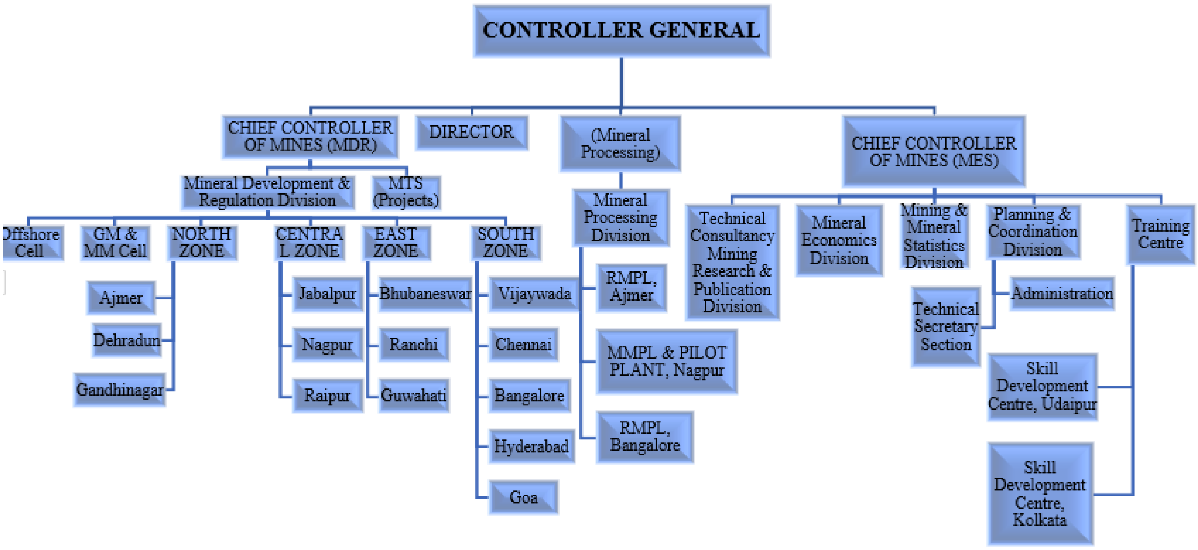
[13] United Nations Framework Classification for Resources

➢ Organisation Structure

IBM is organized to discharge the functions assigned to it through six technical divisions, which are as follows-

1. Minerals Development & Regulation Division (MDRD)
2. Mineral Processing Division (MPD)
3. Mineral Economics Division (ME)
4. Technical Consultancy Division (TC)
5. Mining and Mineral Statistics Division (MMS)
6. Planning and co-ordination Division with two sub-divisions viz. (1) Planning and Co-ordination and (2) Administration.

The existing set-up is shown in the following organisation chart



UNDP aided Modern Mineral Processing Pilot Plant[14] and Analytical Laboratory of IBM is located at MIDC Hingna, Nagpur. The Bureau has two Regional Ore Dressing Laboratories and Pilot Ajmer and Bangalore to cater to the mineral beneficiation needs of the neighbouring areas.

➢ Schemes under implementation

All activities of IBM are being conducted through the following Schemes.

[14] Regional Mineral Processing Laboratory (RMPL) and Modern Mineral Processing Laboratory (MMPL)

A. Scheme No 1: Inspection of Mines for scientific and systematic mining, mineral conservation and mine environment
B. Scheme No 2: Mineral Beneficiation Studies, utilization of low grade and sub grade ores and analysis of environmental samples.
C. Scheme No 3. Technological Upgradation and Modernization
D. Scheme No 4. Collection, processing, dissemination of data of mines and minerals through various publications
E. Scheme No.5. Mining Tenement System(under implementation)
F. At the beginning of the 15th Finance Commission period, the IBM schemes were evaluated by a third Party namely Administrative Staff College of India (ASCI). Ministry of Mines, Government of India has approved15 for engagement of Administrative Staff College ofIndia (ASCI) for evaluation of the ongoing schemes of IBM. Evaluation Report submitted by ASCI along with Scheme wise inputs in SFC Formats have been submitted to the Ministry. The Ministry also conveyed16 approval for continuation of IBM Schemes in the period of 15th Finance Commission, with a direction to take suitable action on relevant provisions on Mining Technology furnished under Para No.6.3 to 6.5 and 9.2 to 9.4 of NMP 2019 and formulate appropriate Schemes for implementation of the provisions of NMP 2019. Accordingly, action is in progress.

- **Financial highlights**

The financial position (₹ in Lakh) of IBM for the period from 2019-20 to 2022-23 has been shown in the following table

Expenditure Type	2019-20		2020-21		2021-22		2022-23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenue	11814.00	9463.93	12225.00	8691.23	10757.00	9129.90	10929.00	9345.58
Capital	617.00	156.73	606.00	7.00	243.00	188.31	371.00	235.70
Total	12431.00	9620.66	12831.00	8698.23	11000.00	9318.21	11300.00	9581.28

- **Brief about IT Systems**

1. Mining Surveillance System (MSS) - a satellite-based monitoring system that aims to establish a regime of responsive mineral administration by curbing instances of illegal mining activity through automatic remote sensing detection technology.

[15] *vide* letter No.37/11/2017- Mines III dated 1.2.2021
[16] *vide* letter No.37/11/2017-M.III dated 31.8.2021

2. Mining Tenement System and
3. Drone Data Management System

- **Applicable Statutes, Rules and Regulations**

1. Mines & Minerals (Development & Regulation) Act, 1957
2. Mineral (Auction) Rules, 2015
3. Mineral Conservation and Development Rules, 2017 (The Minerals (Evidence of Mineral Contents) Rules, 2015
4. Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016
5. Mineral (Mining by Government Company) Rules 2015
6. Mineral (Non-exclusive Reconnaissance Permits) Rules 2015
7. Mines & Minerals (Contribution to District Mineral Foundation) Rules, 2015
8. National Mineral Exploration Trust Rules (amended upto 07.03.2018)
9. National Mineral Exploration Policy, 2016
10. National Mineral Policy, 2019

- **Audit Focus Area**

1. Establishment matters
2. Regulatory functions of the organisations
3. High value procurement for the different laboratories of the organisation

Chapter – III

Companies for which this office is the Principal Auditor

Audit Mandate

Comptroller and Auditor General of India (C&AG) is a constitutional authority but audit of Central Public Sector Undertakings (which are corporate entities and not a part of the Government) is not entrusted to him by the constitution. Under a law enacted by Parliament viz. C&AG's (Duties, Powers and Conditions of Service) Act 1971, C&AG is required to audit the accounts of Government Companies in accordance with Companies Act and accounts of Corporations in accordance with the provisions of the laws creating the Corporation. C&AG's reports based on his audit go to the Companies and Corporations and also to the Government, as per provisions of Section 19(1) of C&AG's (DPC) Act, 1971.

The Companies Act provides for audit of Companies Accounts and their certification i.e. the Balance Sheet, Profit & Loss Account by Chartered Accountants appointed by the shareholders. In case of Government Companies, the Chartered Accountant, called Statutory Auditor, is appointed by Government on the advice of the C&AG. The C&AG gives the Statutory Auditor suitable directions, comment on his reports and also issue supplementary audit report based on test audit done by officers of C&AG.

The Chartered Accountants are governed by the provisions in the Companies Act which lays down forms of accounts and some basic principles and concepts on accounting. They are also governed by the Accounting and Auditing Standards formulated by the Institute of Chartered Accountants of India under powers vested in the Institute by the Act creating it. The supplementary audit by officers of C&AG considers all the relevant provision of the Acts and extant Accounting and Auditing Standards.

If the accounts of the Company certified by the Statutory Auditor, have misrepresented any fact(s) or overlooked any material fact(s), they are commented upon by C&AG's Audit. This supplementary audit is aimed at ensuring that the accounts represent a "true and fair view" of the financial position of the company and are in conformity with the provisions of the Companies Act. The deficiencies noticed are issued as comments on the Accounts and/ or the Statutory Auditors Report and are required to be placed before the Annual General Meeting of the Company and, with the reply of the Management, placed in Parliament. Inadequate disclosure of material facts is suitably remedied by comments made in supplementary audit. In case where the accounts are proposed for Non-Review, a system is in place wherein the Annual Financial Statements are reviewed in this office. The differences noticed under Major Heads in the Balance Sheet and Profit and Loss accounts are documented. In case of significant differences, clarifications are obtained from the audit entity. Based on their merit, either Non-Review certificate is issued to Management or audit is taken up even though the company was initially selected for non-review. Further, it is also ensured during Financial audit, that the observations raised by way of Management letters to the audit entities during the previous year are duly addressed/ compiled by the entities.

This chapter gives a brief overview of profile, organisation structure, financial highlights, Information Technology (IT) Systems, applicable statutes as well as relevant Audit Focus Areas in respect of those auditee organisations for which this office is the Principal Auditor.

As on 31st March 2024, 18 out of the 41 CPSE[17]s for which this office is the Principal Auditor, are functional. The status of all 41 auditee units has been given in **Appendix D**. A brief profile, organisation structure, financial highlights, applicable statutes and Audit Focus Areas of some of the companies have been discussed in the subsequent pages.

[17] including Subsidiaries and Joint Ventures

1. Andrew Yule Group

- **Profile**

In 1863, Andrew Yule, a young entrepreneur from Scotland arrived in Calcutta, the then imperial capital of India. He founded the Andrew Yule Company as a managing agency at a time when the railways, telegraph and postal services made a beginning in the country. By 1875 the Company established a substantial business interest in jute, tea, cotton, coal and insurance.

George Yule, the elder brother of Andrew Yule, took the reign of the Company in 1875. He was a typical exponent of the liberal school of thought and took a leading part in public affairs. He became the Sheriff of Calcutta in 1886 and was elected as the President of the Indian National Congress in 1888, one of the only two Europeans who have the said honour.

Sir David Yule assumed the full control of the business of the Company after George Yule's death and by 1902, the Company managed more than 30 businesses which included Jute Mills, Cotton Mills, Tea Companies, Coal Companies, Railway Company, Printing Press and even a Zamindari Company in Midnapur District of West Bengal where the Company promoted agriculture, forestry, fisheries, roads, schools, hospitals and dispensaries.

Sir David Yule continued to expand the business to sectors like power, paper, engineering, shipping etc., and by 1913 Andrew Yule was the largest managing agency house in the country with 37 companies under its fold.

In 1919, Andrew Yule & Company Private Limited, was incorporated and subsequently in 1946 it was converted into a Public Limited Company. At the time of independence in 1947, the Company was at the zenith of its prosperity and influence. The Group managed about 57 Companies, provided employment to about 86 thousand people and in addition indirect employment to many more. The turnover of the Group in 1947 was ₹23 Crore, but what is more remarkable is the fact that the amount paid to the exchequer of ₹1.80 Crores was one-sixtieth of the Government's total current revenue at that time.

The Company was converted into a Public Limited Company in 1948. With the acquisition of 49% equity share in 1974 and 2% in 1979 by the Government of India, the Company became a Central Public Sector Enterprise in 1979. The Company functions under the administrative control of the Ministry of Heavy Industries & Public Enterprises, with its Registered Office and Head Office in Kolkata and regional offices at Delhi and Chennai. Andrew Yule & Company Limited (AYCL) has one associate company i.e., Tide Water Oil Company (India)

Limited and three subsidiary Companies - Hooghly Printing Company Limited., Yule Engineering Limited and Yule Electrical Limited. Presently Hooghly Printing Company Limited has been merged with Andrew Yule & Company Limited (effective on 04th June, 2021) and closure of the two other wholly owned subsidiaries has been proposed by the parent company.

➢ **Organisation Structure**

Presently, AYCL is a multi-product, multi-unit, multi-location Company with 3 (three) operating divisions/units namely - Tea Division, Electrical-Chennai Operation and Engineering Division and 1 (one) service division viz. General Division. Each of the Divisions works as a separate Profit Centre.

i. Tea Division - AYCL is the only Central Public Sector Enterprises (CPSEs) having Tea Gardens and manufacturing Tea. Turnover of the Division had decreased to ₹166.63 crore in FY 2023-24 from ₹213.72 crore in FY 2022-23. Production had also reduced by 16.99 lakh kg in FY 2023-24 due to crop loss in Dooars gardens in West Bengal as a result of severe pest attack. Profit before interest and tax stood at ₹(-)87.52 crore in FY 2023-24 compared to ₹(-)3.23 crore in FY 2022-23. With various certification, market penetration by AYCL teas (both domestic and international) and e-commerce outlets, the division is endeavoring to enhance its brand equity as well as business margin. In the financial year 2023-24, Company exported Tea to United Kingdom (UK) valuing Rs. 5.07 crore.

ii. Electrical – Chennai Operations (E-CO): Electrical Chennai Unit made history by surpassing turnover of ₹100 crore during the financial year 2022-23 and has continued with the good performance. The unit had achieved a turnover of ₹80.78 crore during FY 2023-24. Profit before interest and tax increased to ₹6.05 crore in FY 2023-24 from ₹4.94 crore in FY 2022-23. Products of E-CO are known for better quality. This unit is expected to do well in the coming years considering improvement in in- house higher production, cost control etc. Unit has stepped up marketing effort to increase customer base across several states and participated in various tenders for getting more job orders.

iii. Engineering Division: The division has a product range in its line of operation, i.e Industrial Fans -both in Axial and centrifugal type. Turnover of wthe Division had increased to ₹61.79 crore during the FY 2023-24 from ₹55.72 crore in FY 2022-23. Profit before interest and tax increased to ₹12.52 crore in FY 2023-24 from ₹8.73 crore in FY 2022-23, which was the best performance of the division till date.

The Company has 2 (two) wholly-owned subsidiaries viz. Yule Engineering Limited and Yule Electrical Limited and one Associate Company viz. Tide Water Oil Company (I) Limited. as on 31st March, 2024.

- **Financial highlights**

The Company ceased to be a Sick Industrial Company within the meaning of Section 3(1)(o) of SICA, as its net worth had turned positive in 2008-09. Key highlights of standalone and consolidated financial performance (₹ in lakhs) of the Company for the financial year ended 31st March, 2024 are summarized as under

Particulars	2023-24	2022-23	2021-22
Turnover	30,985.38	37,403.60	41,439.28
Total Income	34,852.66	40,578.87	47,098.14
Profit Before Taxes	-7,318.10	898.23	1,120.17
Taxes	-957.16	780.76	1,209.88
Profit After Taxes	-6360.94	117.47	-88.71
Other Comprehensive Income	219.3	-184.56	73.3
Total Comprehensive Income	-6202.79	-67.09	-16.41
Net worth[18]	12,423	18,660.54	18,720.93

- **Brief about IT Systems**

The Company does not possess an Enterprise Resource Planning (ERP) accounting system or a fully integrated IT system among its units and Head Office. As such, necessary accounting integration is being done through separate data entry mode and by applying Consolidated IT software. The method adopted by the Company leaves a scope of absence of data integrity, thereby increasing the risk.

- **Applicable Statutes**

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. Indian Accounting Standards;
3. The Securities Contracts (Regulation) Act, 1956 (`SCRA') and the rules made thereunder
4. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

[18] (does not include the Share Application money pending allotment)

5. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
6. The Securities and Exchange Board of India Act, 1992 (`SEBI Act') and all Regulations/ Guidelines prescribed thereunder
7. Factories Act,1948
8. The Payment of Wages Act, 1936
9. The Minimum Wages Act, 1948
10. Employees State Insurance Act, 1948
11. The Employees Provident Fund and Miscellaneous Provisions Act, 1952
12. The Payment of Bonus Act, 1965
13. The Payment of Gratuity Act, 1972
14. Industries (Development & Regulation) Act,1951
15. Plantation Labour Act,1951 and Rules made thereunder
16. Tea Marketing Control Order, 2003
17. Food Safety and Standards Act,2006
18. Tea Act,1953
19. Industrial Disputes Act,1947
20. Employees' Pension Scheme 1995
21. Trademarks Act,1999
22. Copyright Act,1957
23. Patents Act,1957
24. The Environment (Protection) Act,1986
25. Goods and Services Tax – Acts, Rules and Regulations thereunder.

➢ **Audit Focus Areas**

For Corporate, Engineering and Electrical Division

1) To examine Tender Register, Job Register/ File, Sales Challan & Invoice Service/complaint Register, Collection Register, Customer Advance Details,
2) To examine Debtors Register and observe lapses, if any, in follow-up and realization, leniency in the matter of adequate safeguards e.g. absence of letter of credit security etc.
3) To examine Sales Indent Register, Planning Programme/Works Order Indent Register, e Works Order Register, Testing Register, Job card/ Labour Booking Card to see whether

there is any escalation of cost due to delay, Indent Register, Bin Card (Computerised), Material Log Register, Inspection Note, Rejection Note, Stores Receipt, Issue Documents and observe the adequacy of procurement.

4) To examine Payment Voucher, Debtors/Creditors/Stores/Supplier Advance/ Customer Advance Ledger, Cash/Bank/Petty Cash Vouchers/Job wise Consumption Register.
5) To examine basic Excise Documents such as Personal Ledger Accounts (PLA), Modvat Register, RG 23 Register, Excise Invoice and Stock Register.
6) To examine Management Information System, Budget/Flash Report/Job costing /Labour Hour Analysis and also examine the adequacy of Costing system and Budgetary Control.
7) To examine Supplier's Details, Purchase Indent, Procurement File (Job wise) Purchase Master File, Rejection Note Register, and Creditor's Register, Vendor Rating.
8) To check the liquidated damages and penalty deducted by customers.
9) To examine Employees Details, Leave Register, Monthly Payroll, Provident Fund & other deductions register, Incentive Documents.
10) To verify the adequacy of sales price estimates vis-à-vis marginal cost of products and analyse the unrealistic cost estimates leading to shortfall in contribution.
11) To verify fund management and observe avoidable interest and blocking up of fund, if any.
12) To examine Medical, Hospitalization, LTC /Leave Encashment, Bill Passing, Conveyance, Advance Registers.
13) To examine the Minutes Book of the meetings of the Committee/ Board of Directors
14) To check the avoidable extra expenditure due to delay in paying taxes, duties, port charges and delay in clearing from bonded warehouse.
15) To examine Register/Files maintained by HRD Department such as Personnel files Rules & Regulation files (Personnel Rules), Circular Register/File containing various Administrative Circulars., Release under Retirement/Resignation/VRS Register/Files.
16) To check the capital and revenue budgets.
17) To examine the Internal Audit System and its Report.
18) To examine the provision and payment of gratuity, leave encashment, superannuation fund.
19) To examine the deferred tax liability and provisions for current income tax.
20) To examine the segment information and related party transaction.
21) To Review the expenditure of Research & Development and investigate cases, if any, of infructuous expenditure on R&D schemes.
22) To examine the various legal files maintained in Legal Division.

23) To verify the debts of erstwhile Belting Division recovery of which remain doubtful

24) To check the claim and counterclaims of various abandoned projects e.g. aquaculture, mushroom etc.

25) To examine the possible loss on investments and external commercial borrowings

For Tea Division-

1) To examine Daily Production, Sales and Stock records with reference to estimates and examine the shortfall, if any and reason for shortfall.
2) To examine Excise/ CENVAT Record, Despatch Record, Stores Ledger, Bin Card., Monthly Garden Accounts & Ledger.
3) To verify Cess on green tea leaf.
4) To examine Indent file, Tender file, Purchase order book, Bill & G.R. Note Register, Goods Received Note, Advance Register.
5) To examine Crop book, Garden wise Marketing Register, Daily Counter Sales Register, Complementary Register (Tea), expenses relating to day-to-day operations of Tea Estate
6) To examine the adequacy of the production planning and material management particularly in respect of excess purchase, holding of excess stock, non-disposal of non-moving stock e.g. packet tea.
7) To check the valuation of the closing stock of bulk tea.

1A. Yule Electrical Limited

➢ **Profile**

Yule Electrical Ltd is a fully owned subsidiary of Andrew Yule & Company Limited (a Govt. of India Enterprise) incorporated as per the Sanctioned Rehabilitation Scheme (SRS). It is under the administrative control of the Ministry of Heavy Industries, Government of India.

➢ **Financial highlights**

The recent summarized stand-alone financial results (₹ in Thousand) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	0	0	0
Other Income	0	0	0
Total Income	0	0	0
Total Expenses	66.68	47.93	73.98
Profit/ (Loss) before taxation	(66.68)	(47.93)	(73.98)
Profit/ (Loss) for the year	(66.68)	(47.93)	(73.98)

➢ **Brief about IT Systems**

Accounts are maintained by the Company in Tally accounting software through computer.

Presently, the Company is non-functional and the Holding company has proposed for its closure, subject to the approval of the Ministry of Heavy Industries, Government of India

1B. Yule Engineering Limited

➢ **Profile**

Yule Engineering Limited is a fully owned subsidiary of Andrew Yule & Company Limited (a Govt. of India Enterprise) incorporated as per the Sanctioned Rehabilitation Scheme (SRS). It is under the administrative control of the Ministry of Heavy Industries, Government of India.

➢ **Financial highlights**

The recent summarized stand-alone financial results (in ₹) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	0	0	0
Other Income	1800	0	8260
Total Income	1800	0	8260
Total Expenses	64580	52,480	84,480
Profit/ (Loss) before taxation	(62,780)	(52,480)	(76,220)
Profit/ (Loss) for the year	(62,780)	(52,480)	(76,220)

➢ **Brief about IT Systems**

Accounts were maintained by the Company in Tally accounting software (Silver edition).

Presently, the Company is non-functional and the Holding company has proposed for its closure, subject to the approval of the Ministry of Heavy Industries, Government of India

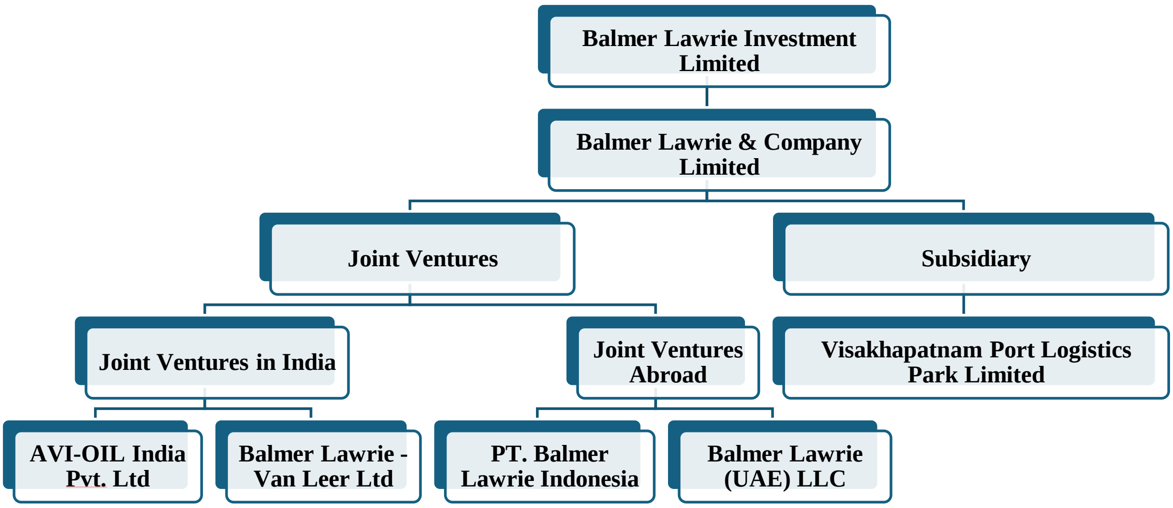
2. Balmer Lawrie Group

➢ **Profile**

Driven by the spirit of entrepreneurship, two enterprising Scotsmen Stephen George Balmer and Alexander Lawrie sowed the seeds of this company at Kolkata on 1st February 1867. History goes that a coin was tossed, Balmer won and hence Balmer's name preceded in the Firm incorporated and thus was born Balmer Lawrie.

In 1960 the company was incorporated as a private limited company under the name Indian Flange & Manufacturing Company Private Limited. It was a wholly owned subsidiary of American Flange & Manufacturing Company (AFMC) Inc., USA. The name was changed to Tri-Sure India (Private) and subsequently it was converted into a public limited company on 24th February, 1975. After the public issue of capital, the non-resident holding in the company reduced from 100% to 49% whereupon the Company ceased to be a subsidiary of (AFMC). There was hardly any business where Balmer Lawrie did not delve into in its formative years, whether it was from Tea to Shipping, Insurance to Banking or Trading to Manufacturing. The company has left a mark of its own at every step of its remarkable corporate journey.

Traversing the 157 years gone by, presently Balmer Lawrie is a Miniratna - I Public Sector Enterprise under the Ministry of Petroleum and Natural Gas, Govt. of India. Along with its four Joint Ventures and one subsidiary as shown in the following Figure, it is a transnational diversified conglomerate with a presence in both manufacturing and service sectors spread across the country and abroad.



2A. Balmer Lawrie Investments Limited

➢ **Profile**

Balmer Lawrie Investments Limited was incorporated on 20^{th} September 2001 under the Companies Act, 1956 as a special purpose vehicle to hold the shares of Balmer Lawrie and Company Limited offloaded by Indo-Burma Petroleum (IBP) Limited. The Government of India in view of its planned deregulation of the oil and globalization of the economy, decided to disinvest 33.58% of its total equity holding of 59.58% in IBP to a strategic partner with management control. Consequent to such disinvestment, the shareholding of IBP Co. Limited in its erstwhile subsidiary, Balmer Lawrie & Company Limited, was decided to be demerged in favour of Balmer Lawrie Investments Limited in which the President of India holds 59.67% of its total paid-up equity capital.

Balmer Lawrie Investments Limited is a non-banking financial Company as defined under section 45-I (f) of the Reserve Bank of India Act, 1934. On the basis of application given by the Company the RBI in exercise of their power conferred under section 45-NC of the Reserve Bank of India Act, 1934, has exempted the Company to comply with the formalities of registration and minimum net owned funds subject to the Compliance of the following provisions:

a. The Company shall not conduct any business of financial institution as specified in section 45-I(c) and (f) of the RBI Act, 1934, other than acquiring shares of Balmer Lawrie & Co. Ltd., from IBP Co. Limited and subsequent disinvestment of these shares;

b. The Company shall not deal with or transact in any other securities;

c. The Company shall divest its shareholding and wind up its business on completion of disinvestment of shares of Balmer Lawrie & Co. Ltd & the exemption granted hereunder stands cancelled in the event breach of any of the above conditions by the Company.

➢ **Organisation Structure**

Balmer Lawrie Investments Limited is presently under the administrative control of the Ministry of Petroleum & Natural Gas, Government of India. The total strength of its Board is three and all are non-executive directors and out of which two are government nominee directors. The Company has three subsidiaries namely, Balmer Lawrie & Co. Ltd., Visakhapatnam Port Logistics Park Limited (VPLPL) and Balmer Lawrie (U.K.) Ltd. (BLUK), since VPLPL and BLUK are the subsidiaries of Balmer Lawrie & Co. Limited.

- **Financial highlights**

The recent summarized consolidated financial results (in ₹) of the Company are as follows

Particulars	2023-24	2022-23
Revenue from Operations	2,34,819.36	2,32,839.24
Other Income	5,124.26	3,682.33
Total Income	2,39,943.62	2,36,521.57
Total Expenses	2,11,639.82	2,19,442.89
Profit/ (Loss) before taxation	34,112.82	23,154.78
Profit/ (Loss) for the year	26,375.49	17,236.27

- **Brief about IT Systems**

The Company uses SAP-ERP to record all its transactions.

- **Applicable Statutes**

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder

(iii) The Depositories Act, 1956 and the Regulations and Bye-laws framed thereunder

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

(v) The Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the relevant Regulations and Guidelines prescribed

(vi) Corporate Governance Guidelines issued by the Department of Public Enterprise

(vii) Foreign Trade Development and Regulation Act, 1992

(viii) Secretarial Standards issued by the Institute of Company Secretaries of India which came into effect from 01.07.2015

(ix) The Listing Agreements entered into by the Company with The BSE Limited and The National Stock Exchange of India Ltd. which were applicable up to 30.11.2015 and thereafter SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

(x) Goods and Services Tax – Acts, Rules and Regulations thereunder.

- **Audit Focus Areas**

1. Verify whether there is any erosion in the value of the security held by the Bank.
2. Verify the One Time Settlement (OTS) proposals sanctions by the company.
3. Valuation of securities on the basis of stock market value or the latest available balance sheet.
4. Examine compliance of relevant IndAS with respect to Revenue Recognition.
5. Examine the resource mobilization strategy aimed at minimizing cost and replacing high-cost funds with low-cost ones.
6. Review of financial and risk management policies
7. Interoperate loans and investments

2B. Balmer Lawrie & Company Limited

➢ **Profile**

Balmer Lawrie is a market leader in Steel Barrels, Industrial Greases & Specialty Lubricants, Corporate Travel and Logistics Services. It also has a significant presence in most other businesses it operates, viz, Chemicals, Logistics Infrastructure, etc.

➢ **Organisation Structure**

Balmer Company and Company Limited (BL) is the subsidiary of Balmer Lawrie Investments Limited by virtue of its acquiring 61.8% Equity Shares of BL from Indo-Burma Petroleum Company Limited (IBP) through a scheme of Arrangement and Reconstruction between IBP Co. Ltd, Balmer Lawrie Investments Limited and their respective Shareholders and Creditors. The Registered Office of the Company is located in Kolkata.

The manufacturing and service sector business of the Company is organised around nine Strategic Business Units (SBUs) as follows-

1. Industrial Packaging (SBU: IP) - Balmer Lawrie is the largest manufacturer of Steel Barrels in India and is the trendsetter in the industry in terms of quality and technology. The company has six[19] state-of-the-art barrel manufacturing plants, all ISO certified and strategically located across the country for rendering world class service to customers. The Company has a long list of loyal clientele, both domestic and multinational companies, who are themselves leaders in their respective segments like lubricants, speciality chemicals, agrochemicals, food, and fruit processing, etc. The loyalty has been developed over years of dedicated services and innovative packaging solutions meeting the ever-changing requirements of customers. The SBU continuously works on the design and development of new products and packaging solutions to stay ahead of the competition. Its major products include Plain Steel Drums, Lacquer Lined Drums, Composite Drums, Galvanized Drums, Aseptic Drums, Tall Barrels, Conical Drums, Necked-in Drums etc.
2. Refinery and Oil Field Services (SBU: RoFS) - : Balmer Lawrie provides a range of Refinery & Oil Field Services with access to state-of-the-art technology in mechanized sludge cleaning hydrocarbon recovery. The focus is on providing environment-friendly services centred on prevention and recovery of hydrocarbon wastes. Other services include

[19] Asaoti, Silvassa, Taloja, Chennai, Chittoor and Vadodara

composite repair of pipelines & tankages and storage tank services including designing of special tanks, inspection and testing of tanks, vapour recovery from tanks etc. Major Services offered by this business include Mechanised Tank/Lagoon/Lagoon Sludge cleaning.

3. Grease and Lubricants (SBU: G&L) - Balmer Lawrie has been a market leader in specialty greases and lubricants. A pioneer in grease manufacturing, its pan India manufacturing facilities including the state-of-the-art plant at Silvassa produce the "Balmerol" brand lubricants, which cater to the core sectors of the economy including Railways, Defence, Steel, Mining and Automotive. Its research and development Centre also known as the "Applications Research Laboratory" (ARL) located at Kolkata is amongst the best in India. The focus of ARL has not only been to provide tribological solutions but also to develop new generation lubricants, especially bio-degradable and environment friendly products. Balmer Lawrie has strengthened its focus on the retail market and has a robust pan India distribution network. Major Products of this business include Automotive, Industrial and Speciality Lubricants and Greases
4. Chemical (SBU: Chemicals) - : Based on indigenous technology, Balmer Lawrie anufactures and markets a wide range of chemicals under the brand "Balmol" for the Leather, Agro and Textile Industry at its modern manufacturing facility at Chennai. All its products meet the REACH norms. A highly competent team of Leather Technologists with support of the Product Development Centre provide customized solutions to the Leather Industry. Balmer Lawrie has done pioneering work in indigenizing the manufacture of leather chemicals which were hitherto imported, thereby providing cost effective end-to-end solutions to the Leather Industry. Today Balmer Lawrie is the leader in Synthetic Fat liquor and has a major presence in Syntans, Beamhouse and Finishing Chemicals. As a part of strategic growth initiative, the SBU has forayed into textile, agro and speciality chemicals. The Company is a member of the Leather Working Group, which promotes sustainable and environment-friendly business practices within the leather industry. Major Products of this business include Synthetic and Semi-Synthetic Fat liquors, Synthetic Tanning Agents, Leather Auxiliaries and Finishing Chemicals.
5. Logistic Infrastructure (SBU:LI) - The Logistics Infrastructure (LI) business of the Company comprises two major segments viz., Container Freight Stations (CFS) and Warehousing & Distribution (W&D). Presently, the Company has three state-of-the art CFSs located at Nhava Sheva, Chennai and Kolkata. The Company’s Warehousing and

Distribution facilities are presently fully operational at Kolkata & Coimbatore locations. The Company had undertaken initiatives for expansion of its warehousing facilities during the last financial year in CFS - Kolkata and CFS – Chennai, which are now being optimally utilized. In addition to this, SBU: LI is in the process of expanding its open yard area in CFS - Chennai to cater to the increasing demands on the export front. Balmer Lawrie has set up a Multi Modal Logistics Hub in association with Visakhapatnam Port Authority at Visakhapatnam and the subsidiary is known as Visakhapatnam Port Logistics Park Limited (VPLPL). All the activities related to clearance of goods for domestic use, warehousing, temporary admissions, re-export, temporary storage for onward transit and outright export, transhipment, etc. are being carried out in a CFS at VPLPL. Backed by state-of-the-art logistics assets, SBU: LI continuously collaborates with SBU: Logistics Services and SBU: Cold Chain to offer comprehensive Integrated Logistics Solutions to our customer base across India. The Rail linked facilities at Kolkata and Visakhapatnam provide cost effective and environmentally friendly solutions to the export import trade with options for multiple connectivity with various ports in the Eastern and Western Regions.

6. Logistic Services (SBU: LS) - With a strong network of partners and agents across the globe, Balmer Lawrie offers endto-end logistics solutions, including air freight, sea freight and road transportation for all types of cargo. The SBU has not only been able to retain business from major customers but has also been successful in significantly increasing its business share in the private segment. The SBU now aspires to focus and increase its market share in private business by strengthening its Sales and Marketing capability through proactive brand positioning, event participation and enhancement of its social media platforms to reach the next higher level. Volatile freight costs, a highly competitive market, high sensitivity towards global and geo-political scenario, supply and demand imbalance and mergers & acquisitions of bigger players in this segment have been the challenges faced by this SBU. The business is taking adequate steps to mitigate the challenges through its established and growing global associate network, rich technology solutions and offering the clients a single window logistics solution by collaborating with SBU: Logistics Infrastructure.
7. Cold Chain (SBU – CC) - Balmer Lawrie is one of the leading Cold Chain Logistics companies in India offering one-stop-shop solution under brand “LOGICOLD” to the temperature-controlled supply chain requirements of the nation. LOGICOLD has the expertise in handling all products between the range of -25°C to +25°C. There are four

LOGICOLD units operating out of Hyderabad, Rai (Haryana), Patalaganga (Maharashtra) and Bhubaneshwar (Odisha) along with 24 reefer vehicles of various capacities on pan India basis. There has been a rising demand for the organised cold chain industry to offer services through state-of-the-art Temperature-Controlled Warehouses (TCWs) along with value added services like pre-cooling, pre-conditioning, ripening, packaging, blast freezing, etc. and primary and secondary logistics through Temperature-Controlled Vehicles (TCV). The market has benefitted significantly from the stringent regulations governing the production and supply of temperature-sensitive products. The industry is poised for growth owing to the surge in demand of organised retail sectors, quick service restaurants and e-commerce. The Pharma segment in India has also witnessed rapid growth over the years. Food and pharma both the industries are highly sensitive and demands state-of-the-art TCWs and TCVs to fulfil their storage and distribution needs and the stringent standards offer a widening space for LOGICOLD to grow in the industry. The SBU is well poised to take advantage of Balmer Lawrie's other Logistics vertical and offer integrated and value-added solutions to its customers.

8. Travel (SBU – Travel) - Balmer Lawrie is one of the largest Corporate Travel Management Companies in India and provides end-to-end domestic and international travel, ticketing and tourism services. Balmer Lawrie enjoys the privilege of being a Government of India authorised travel agent has been catering to prestigious customers including the Ministries and various Government organisations and CPSEs. Our strength is based on a flexible and scalable digital architecture that perfectly complements service from a dedicated staff spanning more than 70 locations across the country. These attributes are further supported by deep relationships with Airlines and innovative product offerings. Balmer Lawrie was the first to launch a dedicated Self Booking portal for Government employees, which has been a great success and has been able to achieve a significant mind and market share amongst its target customer base. The company's tailored product for Defence personnel, Defence Travel System (DTS) has also seen a substantial growth in the number of tickets and users as new units & establishments from Defence services are being brought under the ambit of this portal. As an initiative towards technology, the SBU was successful in onboarding various corporate clients on Standard Self Booking Tool (SSBT) and is now poised to bring more services (hotels, cabs) to drive non-ticketing revenue.
9. Vacations (SBU: Vacations) - The Vacations vertical is a one-stop-shop for all travel and holiday needs, offering a wide range of services to various customer segments and has a

strong presence in the market with a large network of branch locations. The company provides integrated travel and holiday solutions including International Group (and Customised) Tour packages, Domestic leisure holidays and the booking of standalone services such as Air, Hotel, Rail Europe Travel, Car, Cruises, Sightseeing, Visa processing, Travel insurance, etc. The SBU also serves Corporates (MNCs, Private and Public Limited Companies), PSUs and various other Government departments for their end-to-end MICE (Meetings, Incentives, Conferences and Exhibitions) movements. The Vacations vertical has taken initiatives to strengthen the internal operations, enhance brand visibility through social media and upgrade technology to offer better customer service. It launched a dedicated call centre and introduced new products in GIT/ domestic segments, which is expected to contribute to the overall growth of the vertical. The vertical is now focusing on domestic and international leisure travel, including inbound tourism as a new segment of business.

- **Financial highlights**

The recent summarized stand-alone financial results (₹ in lakhs) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Share Capital	17,100	17,100	17,1
Reserves and Surplus	125,621	118,524	114,886
Current Assets	148,353	133,223	121,006
Current Liabilities	68,457	62,876	51,467
Net Turnover	240,417	238,309	210,485
Profit Before Taxation	27,865	21,130	17,014
Provision for Taxation	7,518	5,744	4,734
Dividend (including tax thereon)	14,535	12,825	11,115

- **Brief about IT Systems**

The Company records all its transactions in SAP-ERP System. In addition, the Business verticals use different application software customised to meet their specific needs.

- **Applicable Statutes**

1. The Companies Act, 2013 (the Act) and the Rules made there under
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder
3. The Depositories Act, 1956 and the Regulations and Bye-laws framed thereunder

4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
5. The Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) and relevant Regulations and Guidelines prescribed thereunder
6. Legal Metrology Act, 2009
7. Customs Act, 1962
8. Explosive Act, 1884 and Explosive Rules, 2008
9. Foreign Trade Development and Regulation Act, 1992
10. Secretarial Standards issued by the Institute of Company Secretaries of India which came into effect from 01.07.2015
11. The Listing Agreements entered into by the Company with The BSE Limited and The National Stock Exchange of India Ltd. which were applicable upto 30.11.2015 and thereafter SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) from 01.12.2015 to 31.03.2016
12. Factories Act and Rules.
13. Workmen’s Compensation Act.
14. Provident Fund Rules.
15. Petroleum Act, 1934 (30-1934) and the rules made thereunder.
16. The Oilfields (Regulation and Development) Act 1948
17. The Petroleum pipelines (Acquisition of Right of User in land) Act, 1962
18. Kerosene (Restriction on use and fixation of price) Order, 1993.
19. Kerosene (Fixation of Ceiling prices) Order, 1970.
20. Paraffin Wax (supply, Distribution and Price Fixation) Order, 1972.
21. Light Diesel Oil (Fixation of Ceiling Price) Order, 1973,
22. The ESSO (Acquisition of Undertaking in India) Act, 1974 (4 of 1974)
23. The Oil Industry (Development) Act, 1974 (47 of 1974) and Rules 1975.
24. Furnace Oil (Fixation of Ceiling Price and Distribution) Order, 1974.
25. Lubricating Oils & Greases (Processing, Supply and Distribution) Regulation Order 1987.
26. Liquefied Petroleum Gas (Regulation of supply and Distribution) Order, 1993.
27. Motor Spirit and High-Speed Diesel (Prevention of Malpractices in Supply and Distribution) Order, 1990

28. Goods and Services Act and relevant rules made thereunder.

- **Audit Focus Areas**

1. Examine the performance of the company in respect of manufacturing activities pertaining to steel Barrel & Drum, Greases and Specialty Lubricants, Marine Freight Containers, Chemicals, and Specialties with reference to the utilisation of rate capacity, orders received and executed, estimated and actual cost of production, targets vis-à-vis actual production, utilisation of raw materials, technological deficiencies, profit & loss position.
2. Examine the trading and services rendered by the company in the light of sales budget and actual there against, reasons for actual variances, marketing network of the company including market survey system, terms and conditions with the joint ventures and associates and profit & loss position.
3. Examine energy audit system, steps taken for conservation of energy and achievement there against.
4. Examine material management and inventory control system particularly in the light of the non-moving, slow moving and obsolete items.
5. Examine pricing policy, period of credit allowed and system existing for collection of debts.
6. Examine budgetary control system and its effectiveness.
7. Examine foreign collaboration agreements, achievements there against and absorption of technology.

2C. Vishakapatnam Port Logistics Park Limited

- **Profile**

Visakhapatnam Port Logistics Park Ltd. (VPLPL) is a joint venture of Balmer Lawrie & company Limited and Visakhapatnam Port Authority[20]. Visakhapatnam Port Logistics Park Limited, having its Registered Office at Balmier Lawrie House, 21, Netaji Subhas Road, Kolkata-700001(India), is a Multimodal Logistics Hub operating as a Container Freight Station (CFS) as its core activity supplemented by the other facilities like Temperature Controlled warehouse (TCW), Railway Siding, Open Yard, and Ambient Warehouse storage facilities.

The Company operates a dynamic Multimodal Logistics Hub (MMLH) in Visakhapatnam, which serves as a cornerstone of its operations. This state-of-the-art facility, includes, a Container Freight Station (CFS), which is designed to handle export-import (EXIM) cargo efficiently, an open yard storage facility that provides ample space for diverse cargo types, two warehouses (EXIM and Domestic) that enhances operational efficiency through automation and a temperature-controlled storage solution offering frozen and chilled chambers capable of handling 3,780 pallets for both EXIM and Domestic cargo. The MMLH facility is well connected with a 1.36 km Rail Siding, allowing it to handle up to 4 rakes per day, thus ensuring seamless transportation logistics. The MMLH caters to both bonded and nonbonded cargo and offers value-added services such as customs clearance, sorting, grading, aggregation, disaggregation, and freight handling.

The Company had received its CFS license on 27th January 2023 and commenced its CFS operations from 2nd March 2023. The ground capacity of its CFS is 932 TEUS slots. It is completely under 24/7 CCTV surveillance with compound walls and adequate security personnel. It has an in-house customs office for quick and speedy EXIM cargo clearance. Out of 35 acres of developed areas, 24 acres of paved yard is earmarked for CFS operation, to handle only EXIM cargo. It has a covered warehouse of 58,125 sq. ft., for exclusive use of EXIM cargo. The Company's CFS offers varied services, like, cargo handling & warehousing, container repairing and servicing, transportation, logistics and liaison services. It caters to a wide range of industries, like Rice, Ferro, Project Cargo, Refractory items, Aluminium, Steel, and Agricultural Products. Our facility has 21 reefers plug points for charging of the reefer containers.

[20] Erstwhile Vishakapatnam Port Trust

➢ **Organisation Structure**

The paid-up Equity Share Capital of the Company as on 31st March 2024 was ₹135,06,49,630 consisting of 13,50,64,963 Equity shares of ₹10 each. During the year under review, the Company has not issued and allotted any Equity or Preference shares.

The composition of the Board is guided by the Articles of Association of VPLPL, which is based on the Agreement dated 29th March 2014 entered into between the above two joint venture partners. Pursuant to clause 3.12 1(b) of the Agreement, only those persons holding specific positions in the joint venture partner companies can only be nominated on the Board of VPLPL. As of 31st March, 2024, the Board of Directors of the Company comprises of 5 non-executive directors. Since the Company is still in its nascent stage of its overall projected operations, it is yet to make a requisition to the Department of Public Enterprises through its administrative ministry for appointment of independent Directors on its Board.

➢ **Financial highlights**

The recent summarized stand-alone financial results (₹ in lakhs) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	2159.55	1235.72	1395.09
Current Assets	898.97	463.86	1178.50
Current Liabilities	3,059.26	2,125.29	2367.10
Total Income	2190.91	1256.29	1405.37
Net Profit/ (Loss) for the year	(1038.55)	(1054.31)	(896.71)

➢ **Brief about IT Systems**

Logstar software is used at the site. It is eventually supposed to be integrated with the main SAP-ERP.

➢ **Applicable Statutes**

1. The Companies Act, 2013
2. Indian Accounting Standards
3. The Secretarial Standards issued by The Institute of Company Secretaries of India
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable during the Audit Period); (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder (Not applicable

to the Company); (iv) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder (Not Applicable during the Audit Period);

5. Securities and Exchange Board of India Act, 1992 and relevant Regulations and Guidelines prescribed thereunder
6. Goods and Services Tax Acts, 2017 and rules made thereunder

➢ **Audit Focus Areas**

1. Turn Around Time [TAT] – TAT can be defined as the total time taken by the company for loading and unloading the material. E.g. In case of dispatch TAT is the difference between arrival time of the vehicle at company and departure time from the company after loading of material and invoice procedure. Less turnaround time reflects high proficiency and optimal use of resources
2. Unusual hike should be highlighted after discussion of the causes with the concerned department.
3. Capacity utilization should be verified to identify the actual scenario
4. Control over bill passing process of transports. For having a better control, invoice of transporter should be linked with GRN in case of inward and with Sale Invoice of the company in case of Outward.
5. Charging of Penalty: Whether the penalties for delay in delivery/ space occupation for long period of time, are recovered or not.

3. Brahmaputra Cracker and Polymer Limited

- **Profile**

Brahmaputra Cracker and Polymer Limited (BCPL) has set up a Petrochemical Complex at Lepetkata. The complex is spread over 3000 Bighas of land at Lepetkata and is situated at approximately 15 km away from the Tea City Dibrugarh, Assam. Engineers India Limited (EIL) was the Engineering and Project Management Consultant for this prestigious project. The plant came as a part of the historic Assam Accord signed on 15th August, 1985 with the motive of overall socio-economic development of the region. It was approved by the Cabinet Committee on Economic Affairs (CCEA) on 18th April, 2006. Subsequently, a Joint Venture Company, BCPL, was incorporated on 08th January, 2007 as a Central Public Sector Enterprise under the Department of Chemicals & Petrochemicals, Govt. of India. GAIL (India) Limited is the main promoter having 70% equity participation and the rest 30% is equally shared equally by Oil India Ltd (OIL), Numaligarh Refinery Limited (NRL) and Government of Assam. The plant was successfully commissioned on 2nd January 2016.

Brahmaputra Cracker and Polymer Limited

BCPL comprises of four work stations –

i. Gas Dehydration Unit (GDU) Duliajan where Feed Natural Gas is received from Oil India Limited (OIL),

ii. Railway Siding where Naphtha received from NRL is unloaded,

iii. Lakwa Gas Sweetening Unit (GSU) cum C2+ Hydro Carbon Recovery Unit where Feed Natural Gas supplied by ONGC is processed, and

iv. the Main Petrochemical Complex at Lepetkata, Dibrugarh where Polymers are produced after processing the feed stocks.

Unit-wise capacity may be seen from the following table

Unit details		Capacity
Lepetkata		
1	Gas Sweetening Unit	6.0 MMSCMD[21]
2	C2+ Liquid Recovery Unit	6.0 MMSCMD
3	Ethylene Cracker Unit	220 KTPA[22]
4	LLDPE/HDPE Swing Unit	220 KTPA
5	Polypropylene Unit	60KTPA
6	Steam & Power Plant	56 MW

[21] Million Metric Standard Cubic Meters per Day
[22] Kilo Tonne Per Annum

7	Utilities & Offsite Facilities	–
Lakwa		
1	Gas Sweetening Unit	1.00 MMSCMD
2	Modification of LPG Unit	As required
3	Utilities & Offsite Facilities	–
Duliajan		
1	Gas Dehydration Unit	6.0 MMSCMD
2	Rich/Lean Gas Dispatch/Receipt Terminal	As required
Pipelines		
1	C2+ Liquid Pipeline	4" 45 KM
2	Rich & Lean Gas Pipeline	18" 55 KM, 18" 55

The principal end products of the complex are High-Density Polyethylene (HDPE) and Linear Low-Density Polyethylene (LLDPE) totaling 2, 20,000 Tonnes per Annum (TPA) and 60,000 TPA of Poly-Propylene (PP). The other products include Hydrogenated Pyrolysis Gasoline and Pyrolysis Fuel Oil.

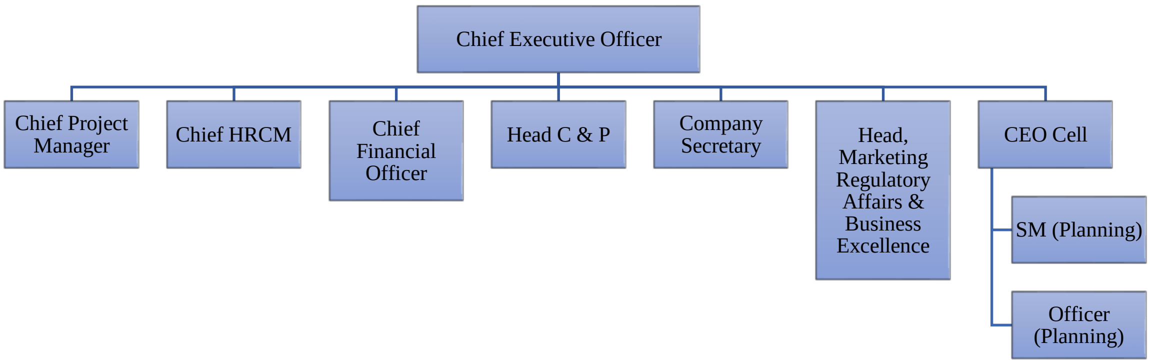
- ***Cracker Unit*** is based on the technology licensed by Lummus, USA. It is a dual feed cracker with C2+ liquid and naphtha as feed stock. The unit is designed to produce 2, 20,000 TPA of polymer grade Ethylene and 60,000 TPA of polymer grade of Propylene.
- ***LLDPE/HDPE Swing unit*** is based on gas phase process technology which is licenced by INEOS Technology, UK. This technology can manufacture Polyethylene grades having MI value in the range of 0.05 to 21.0 g/10 min and density value in the range of 0.920 to 0.960 g/cc.
- ***Poly-Propylene Plant*** is based on Gas Phase Lummus Novolen Technology GmbH (NTH), Germany. It is designed to produce 60,000 TPA of various grades of polypropylene. The product range of the PP plant covers various grades of homopolymer and random copolymer manufactured by gas phase polymerisation in one vertically stirred bed reactor.

BCPL has entered into an agreement with GAIL (India) Limited for marketing of its products. The retail marketing of petroleum products in India is done by the Public Sector Oil Marketing Companies (OMCs) i.e. Indian Oil Corporation Ltd (IOCL), Hindustan Petroleum Corporation Ltd (HPCL), Bharat Petroleum Corporation Ltd. (BPCL), Numaligarh Refinery Ltd. (NRL), Mangalore Refinery & Petrochemicals Ltd. (MRPL) and Private Companies such as Reliance, Essar, and Shell.

There are 320 Terminal/Depots, 186 LPG Bottling Plants, 52248 Retail Outlets, 13896 LPG Distributorships, and 6582 SKO/LDO Dealers in the country. The prices of sensitive petroleum products such as SKO, LPG and Diesel (HSD) is controlled by the Union Government. All other products are deregulated and are subject to market forces. The Ministry regulates the distribution policies of sensitive petroleum products including petrol (MS).

- **Organisation structure**

  As of 31st March 2024, the Company's Board of Directors consisted of twelve Directors including the Chairman and Managing Director, GAIL being the *ex-officio* Chairman of the Company, two functional Directors, one Government Director, seven promoter Directors, and one Independent Director. The Nominee Directors are appointed in accordance with the Joint Venture Agreement and the Articles of Association of the Company. The overall organisation structure of the Company is as follows.



- **Financial highlights**

The financial position (₹ in Cr) of the Company for the last three financial years was as follows

Description	2020-21	2021-22	2022-23
Revenue from Operation	2902.62	3243.36	3486.62
Other Income	3439.51	230.11	240.63
Capital Expenditure	63.35	49.63	152.12
Revenue Expenditure	2429.06	2540.17	3534.77
Paid-Up Capital Corpus	1417.67	1417.67	1417.67
Long Term Borrowings	1935.81	109.24	184.60
Inventory Changes	357.39	406.40	507.16
Grants from Government amortised	211.64	211.65	208.90
Profit Before Tax	1010.45	933.30	192.96
Profit After Tax	739.90	690.53	134.23

- **Brief about IT Systems**

BCPL implemented a computerised system in 2007. The activities include the compilation of accounts, maintenance of ledgers and other financial accounting, preparation of bills and other calculations, recording of information about Plant Performance Parameters related to Projects, maintenance and operation of station through SAP with FI, MM, HR, SD and CO modules. SAP has become operational since April 2016 at a project cost of ₹23.35 crore.

- **Applicable Statutes**

1. The Companies Act (2013) and the Rules made thereunder,
2. The following industry-specific laws and rules, regulations, directions, guidelines, circulars, and instructions framed thereunder –
   - i. The Petroleum Act, 1934
   - ii. Legal Metrology Act, 2009
   - iii. Indian Boilers Act, 1923
   - iv. Explosives Act, 1884
   - v. The Industries (Development and Regulation) Act, 1950
   - vi. The Electricity Rules, 2003
   - vii. Plastic Waste Management Rules, 2016
   - viii. Petroleum and Natural Gas Regulatory Board Act, 2006
   - ix. DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010
   - x. Instructions and Orders from the Ministry of Petroleum and Natural Gas.
   - xi. Goods and Services Tax Acts, 2017 and rules made thereunder

- **Audit Focus Areas**

To examine whether-

1. Production planning was done effectively considering the volatile prices of finished products alongwith prices/ shortage of feedstock
2. Payments made to the feedstock suppliers (NRL, ONGC, OIL) was in line with their respective agreement
3. Payments made to employees of BCPL were in line with DPE guidelines
4. Performance of various process plants
5. Sale of products/upliftment of stock and commission paid to major promoting company GAIL
6. Availability of different feeds including Gas and Naphtha
7. Records related to Capital and Revenue grants
8. Inventory Management System
9. Trade receivables

4. Braithwaite Burn and Jessop Construction Company Limited

- **Profile**

The ever-increasing traffic movement between the twin cities of Calcutta (now Kolkata) and Howrah demanded a wider and stronger bridge in replacement of the then existing pontoon bridge. The authorities accordingly decided to build a cantilever bridge across the river Hooghly. The job undoubtedly called for greater expertise. So, the three engineering giants - Braithwaite, Burn & Jessop - came together with their vast experiences and floated a new company namely the Braithwaite Burn and Jessop (BBJ) Construction Company Limited on 26th January 1935. Subsequently, it became a Government Company under erstwhile section 619(B) of the Companies Act, 1956 with effect from 25th March 1977[23].

BBJ became a subsidiary of Bharat Bhari Udyog Nigam Limited (BBUNL) in the year 1987 through the transfer of its entire shareholding in the name of the President of India, through BBUNL. The Braithwaite Burn and Jessop Construction Company Limited (A Govt. of India Undertaking) stands amalgamated with Bharat Bhari Udyog Nigam Limited (A Govt. of India Enterprise) with effect from 10th July, 2015. The Ministry of Corporate Affairs, Govt. of India by certificate dated 18th November, 2015 issued by the office of the Registrar of Companies, Kolkata, West Bengal, has changed the name of the company Bharat Bhari Udyog Nigam Limited to "The Braithwaite Burn and Jessop Construction Company Limited" with effect from 18th November, 2015 pursuant to Rule 29 of the Company Incorporation rule - 2014. On 17th September, 1986 the Company was incorporated as a Central Public Sector Undertaking (CPSU), President of India through the Ministry of Heavy Industries (MHI) having its registered office in Kolkata. The Government of India holds its entire 100% equity share capital. The Company is a Schedule 'C' CPSE under MHI.

The Company is engaged in the business of:

i Engineering Procurement & Construction (EPC) business – steel bridges,

ii Project Management Consultancy (PMC) business – civil construction job,

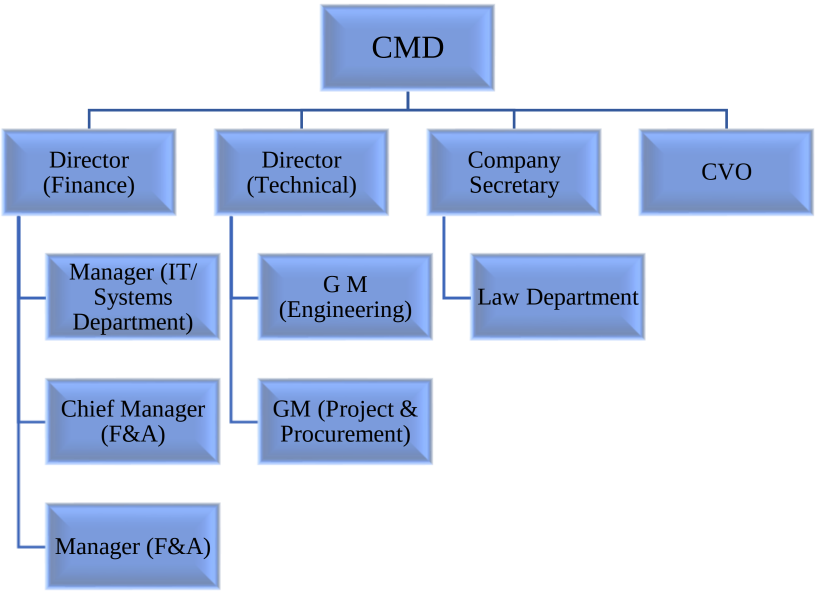
iii Industrial Structures,

[23] Presently Section 139(5) of Companies Act, 2013

The Authorized Capital as on 31st March 2024 is ₹34810 Lakh and the paid-up share capital was ₹12086.05 Lakh. The Company does not have any Holding Company or Ultimate Holding Company. Consequent to Capital Restructuring Schemes sanctioned by Board for Industrial and Financial Reconstruction (BIFR) in respect of Braithwaite & Co. Ltd. ('BCL'), Burn Standard Co. Ltd. ('BSCL'), Bharat Brakes & Valves Ltd. ('BBVL') and RBL Ltd. ('RBL') and pursuant to approval of the Government of India for financial restructuring allowing conversion of loans & interest into equity share capital & Zero Rated Debentures in respect of BSCL, BCL and BBJ and in consideration of the direction of Department of Investment and Public Asset Management for the aforesaid amount, the company has issued equity shares to President of India on 28th April, 2017.

The Company is engaged in Engineering, Procurement & Construction (EPC) jobs for Construction & Erection of Steel Bridges for the Railways. This single customer dependence has resulted in high variability in financial performance in the past.

- **Organisation Structure**



- **Financial highlights**

The summary of financial performance (₹ in Lakh) of the Company during the last three financial years are as follows

	2023-24	2022-23	2021-22
Revenue from Operations (net of GST)	25010.37	30,178.97	13,701.36
Other income	1064.61	643.90	482.74

Profit/ (Loss) before Depreciation, Finance Costs, Exceptional items and Tax Expense	3014.33	1,522.20	609.92
Depreciation/ Amortisation/ Impairment	149.72	122.14	97.51
Profit/ (Loss) before Finance Costs, Exceptional items and Tax Expense	2864.61	1,400.06	512.41
Finance Costs	69.29	90.63	18.28
Profit/ (Loss) before Tax Expense	2795.32	1,309.43	494.13
Tax Expense	732.29	423.57	178.71
Profit/ (Loss) for the year	2063.03	885.85	315.42

The Company has been exempted from MoU process *vide* OM No. M-03/0021/2022-23-DPE(MoU) dated 25-10-2022. However, an Internal MoU had been formulated following DPE Guidelines and ratified by the Board.

Bhagirathi Bridge Construction Company Private Limited (BBCCPL) is the Joint Venture Company, jointly promoted by BBJ and Gammon India Limited (GIL). BBCCPL is virtually defunct Joint Venture Company, with its substratum lost after completion of the purpose of Construction of Second Hooghly Bridge, for which it was incorporated. Presently, there is no employee on the role of BBCCPL.

Bharat Process and Mechanical Engineers Ltd. (BPMEL), a subsidiary, is under liquidation upon passing of winding-up order by Hon'ble High Court at Kolkata. The Process of liquidation is yet to be completed.

The management of the affairs of the Company is vested in the Board of Directors headed by a Chairman and managing director(C&MD). The day-to-day affairs are looked after by the C&MD who is assisted by Director (Project Management), and Director (Finance) and other two government nominated Directors and top-level executives.

- **Brief about IT Systems**

The company uses accounting software named Tally Prime and processes all the accounting transactions through it, except Stock which is being accounted for manually.

➢ Applicable Statutes

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (`SCRA') and the rules made thereunder
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The Securities and Exchange Board of India Act, 1992 (`SEBI Act') and regulations/ guidelines made thereunder;Factories Act, 1948
6. The Payment of Wages Act, 1936
7. The Minimum Wages Act, 1948
8. Employees State Insurance Act, 1948
9. The Employees Provident Fund and Miscellaneous Provisions Act, 1952
10. The Payment of Bonus Act, 1965
11. The Payment of Gratuity Act, 1972
12. Industries (Development & Regulation) Act, 1951
13. Industrial Disputes Act, 1947
14. Employees' Pension Scheme 1995
15. The Environment (protection) Act, 1986
16. Central Excise Act, 1944
17. Goods and Services Tax Acts, 2017 and rules made thereunder

➢ Audit Focus Areas

To examine whether/ how-

(i) Rates were quoted and any deficiency in the matter leading to subsequent losses due to escalation in prices/costs.

(ii) Job contracts in depth to ascertain:

(a) Wrong estimation of the costs.

(b) Delayed execution of the jobs and reasons thereof.

(c) Loss due to wrong estimation/ avoidable time and cost over-run.

(d) Liquidated damage payment.

(iii) Avoidable wastage in the matter of execution of contracts.

(iv) Terms as settled with foreign collaborators/ technicians and actual additional burden beyond the agreed terms and authorisation thereof.

(v) Purchases with reference to the requirement as to quality specification, quantity, tender evaluation, etc.

(vi) The utilisation of fund received from Government through the holding company.

(vii) The adequacy of the coverage of Internal Audit with reference to Internal Audit Manual and Reports and their effectiveness in plugging lapses for improving efficiency in Management.

(viii) examine costing system and analysis of cost.

(ix) Examine budgetary control system and its effectiveness.

(x) Examine whether there is any rise in price of material etc and whether the company got reimbursement of such rise in price of material etc.

5. Bridge and Roof Company (India) Limited

➢ **Profile**

Bridge & Roof Co. (India) Limited was set up in 1920 as a subsidiary of Balmer Lawrie & Company (BLL) and it became a Government Company in 1972 on nationalisation of IBP Company limited which was holding company of BLL under the administrative control of the Ministry of Petroleum & Natural Gas. On further investment of Capital by Govt. of India (GoI), the company ceased to be the subsidiary of BLL from December 1978. The Administrative control of Bridge & Roof Co. (India) Ltd. was shifted to the Ministry of Department of Heavy Industry with effect from 23.06.1986 and it became a subsidiary of M/s Bharat Yantra Nigam limited (BYNL) from 01.04.1987. Consequent, the decision taken by GoI on 30.04.2008 to wind up BYNL, the company ceased to be subsidiary company of BYNL and became an independent Company under the Ministry of Department of Heavy Industry with effect from 06.05.2008.

Presently the company is a versatile construction organisation capable of taking up all types of Civil and Mechanical Projects, encompassing entire industrial and infrastructure sectors in India as well as abroad. It also undertakes EPC and Turnkey contracts. The Company owns a fleet of modern construction equipment and has unique human resource of highly qualified and experienced manpower committed to on-time completion of the projects, maintaining the highest quality standards. It is a one-source multi-discipline engineering enterprise with project locations all over the country and overseas, serving all major public and private sectors in diverse fields. The company also has a workshop at Howrah, West Bengal which is engaged in fabrication &manufacturing mainly: Railway wagons, Bailey Type Unit Bridges, Bunk Houses, Bridge Girders, Pot Structures for aluminium smelter plant. The company has zonal offices at Mumbai and Chennai.

The principal business activities of the company of the company are

- Construction of Utility Projects (35% of total turnover)
- Construction of other Civil Engineering Projects (54% of total turnover)

➢ **Organisation Structure**

The management of the affairs of the Company is vested in the Board of Directors headed by Chairman-cum-Managing Director (C&MD). The C&MD is assisted by the Director (Project Management) and the Director (Finance).

➢ **Financial highlights**

As on March 31, 2024, the paid-up equity share capital of the Company stood at ₹60 Crore comprising of 6,00,00,000 equity shares of face value of ₹10 each. The shareholding of the Promoter of the Company i.e. the President of India stood at 99.35% of the total paid-up equity share capital of the Company, as on March 31, 2024. Paid-up capital of the Company as on March 31, 2024, stands at ₹54.99 Crore comprising of 5,49,87,155 equity shares of ₹10/- each, of which 5,46,27,155 equity shares comprising 99.35% of the total paid-up capital, are held by the President of India.

The financial performance of the company during the last three years was as under:

Particulars	2023-24	2022-23	2021-22
Total income (₹ in Cr)	4014	3328	3215
EBITDA (₹ in Cr)	191	130	95
Profit Before Tax (₹ in Cr)	101	57	30
Net Worth (₹ in Cr)	491	429	396
Earnings Per Share (%)	13.62	7.44	3.87
Return on Equity (%)	16.29	9.92	5.51

➢ **Brief about IT Systems**

The accounting transactions of the Company are processed through the IT system *vide* ERP (Oracle EBS) of Accounts and Finance Module, Payroll and HR module. The Company is in the construction business spreading all over the India where Inventory records are manually maintained. Further, aging details of Trade Receivables and Trade Payables are also computed manually as a result of the limitation of the IT system.

➢ **Applicable Statutes**

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (`SCRA') and the rules made thereunder
3. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The Securities and Exchange Board of India Act, 1992 and Regulations and Guidelines made thereunder,
6. Factories Act, 1948
7. The Payment of Wages Act, 1936
8. The Minimum Wages Act, 1948
9. Employees State Insurance Act, 1948
10. The Employees Provident Fund and Miscellaneous Provisions Act, 1952
11. The Payment of Bonus Act, 1965
12. The Payment of Gratuity Act, 1972
13. Industries (Development & Regulation) Act, 1951
14. Industrial Disputes Act, 1947
15. Employees' Pension Scheme 1995
16. The Environment (protection) Act, 1986
17. Central Excise Act, 1944
18. Labour Laws
19. Goods and Services Tax Acts, 2017 and rules made thereunder.

- **Audit Focus Areas**

1. Critically examine the performance against individual order or fabrication items with reference to Job statement, consumption of materials, norms of raw materials consumption *vis-à-vis* actual consumption, generation of scrap, incidence of rejection, delays along with the reasons for such delay and financial impact etc.
2. In case of marine freight container, the performance against the installed capacity, order book position etc.
3. Critically examine the contracts executed by the Project Divisions with reference to detail estimates, tenders showing the material and labour requirement *vis-à-vis* the actual performance there against.
4. Examine the sub-contract agreements with reference to supply of materials to contractors and recovery of cost.

5. Examine the system of accounting of Project site accounts and return of imprest accounts by the project site authority.
6. Review the overseas activities of the company with reference to estimates, actual cost and reason for variation between estimates and actual cost component-wise and profit and loss position.
7. Examine R&D activities.
8. Examine costing system and analysis of costs.
9. Examine Budgetary Control System.
10. Examine internal control and internal audit system.
11. Examine cash management system.
12. Examine the system of energy audit introduced by the company vis-à-vis the consumption pattern.
13. Examine the foreign collaboration agreement achievement there against and absorption of technology over the years.
14. Examine material management and inventory control system.
15. Examine the system of accounting of scrap generated and disposal of scrap.
16. Examine TA, LTC & Medical Rules and settlement of claims relating thereto.
17. Examine the House Building Advance Scheme introduced by the company particularly with reference to the interest subsidy granted *vis-à-vis* the instructions of Government of India.

6. Creative Museum Designers

➢ **Profile**

Creative Museum Designers (CMD) was formed in December 2011 as a company registered under section 25 (non-profit making company) of the Companies act 2013, wholly owned by the National Council of Science Museums (NCSM), Ministry of Culture, Government of India. Being a company formed under Section 25 of Companies Act, 1956 (Section 8 of Companies Act, 2013) it ensures that its profits and all other incomes are utilised only for the purpose of promoting its objectives and not for any other purpose, which was enshrined in it Memorandum of Association. The Company provides one stop solution for all museum needs, be it a science museum or a science centre or an archaeology/history museum or a panorama, planetarium, Science Park or any other edutainment facility. The Company takes up all kinds of museums/ science centre projects on turn-key basis, including conceptualisation, design & development of exhibits, exhibition galleries and travelling exhibitions, preparation of DPR, revival of old relics/heritage body and similar works.

CMD
CREATIVE MUSEUM DESIGNERS
A wholly owned company of National Council of Science Museums
Ministry of Culture, Govt of India
(Registered under Companies Act 1956 under section 25)

Initially, the Company started its operation with financial assistance of ₹20 lakhs in the form of soft loan from its promoter, National Council of Science Museums (NCSM). The same has been returned (01.03.2014) by CMD to NCSM. Besides this, it has been supported by various infrastructural facilities from NCSM. The Company depends on National Council of Science Museums, its promoter, for the expertise and well-trained human resources.

➢ **Organisation Structure**

The company is managed by Board of Directors. Director General of NCSM is *ex-officio* by Chairman of the Board. The day-to-day affairs of the company is managed by the Managing Director.

➢ **Financial highlights**

The Financial performance of the Company during the last three years ending 31st March 2022 was as under:

Particulars (in ₹)	2019-20	2020-21	2021-22
Turnover (Value)	22,62,77,367.00	10,24,77,023.00	13,08,66,000.00
Capital Expenditure	14,97,821.00	11,96,335.70	11,61,945.00

Revenue Expenditure	21,41,25,915.00	9,54,16,288.00	11,47,44,000.00
Long term borrowings	NIL	NIL	NIL
Inventory (Closing)	38,55,028.00	41,49,859.00	38,79,000.00
Grant received from Government	NA	NA	NA
Profit before Tax (Surplus)	2,93,83,687.76	3,40,21,823.00	4,15,87,000.00
Profit after Tax	2,93,83,687.76	3,40,21,823.00	4,15,87,000.00

➢ **Brief about IT Systems**

The Company maintains all its financial records in Tally Software.

➢ **Applicable Statutes**

1. Companies' Act 2013 and rules made thereunder
2. The Building and Other constriction workers welfare Cess Act 1996
3. The employee's provident funds and miscellaneous provisions Act 1952
4. Industrial Dispute Act, 1947
5. Minimum Wages Act, 1948
6. Payment of Gratuity Act, 1972
7. Payment of Wages Act, 1936
8. Trade Unions Act, 1926
9. Workmen's Compensation Act, 1923
10. Contract Labour (Regulation and Abolition) Act, 1970
11. Employees State Insurance Act, 1948
12. Foreign Exchange Management Act, 1999
13. Goods and Services Tax Acts, 2017 and rules made thereunder

➢ **Audit Focus Areas**

1. Examine whether objectives for which the Company was incorporated has been achieved.
2. Examine the services actually rendered by the Company to its clients and improvement made on that basis.
3. Review the overall utilization of funds received from the Government / (NCSM) from time to time to ensure optimal utilization thereof.
4. Review foreign collaboration agreements/arrangements and implication thereof on the overall performance of the company

5. Examine the reimbursement of expenditure of LTC, TA, medical claims, and entertainment expenses, perquisites of the CMD, Directors and other top officials in providing staff car, flat or house and cost of maintenance of the same.
6. Review the contracts obtained by the company
7. Fund management i.e. persuasion for Govt. fund and its utilisation.
8. Grants-in-aid
   (i) To verify the grants-in-aid the following documents/papers need to be looked into:
   (ii) Sanction Order of Govt. and the conditions of the sanctions.
   (iii) Date of receipt of fund by the company and disbursing the same to its subsidiaries.
   (iv) Treatment in accounts for such Grants-in-aid
   (v) Treatment of grant for planned and unplanned expenditure
   (vi) Interest on un disbursed amount collected by company and its treatment in accounts.
   (vii) If the Grant appears to be in excess of requirements it is to be seen that the same is refunded to GOI/or treated as per advice of GOI.
   (viii) Treatment of assets purchased from the grants.
9. Examine the sub-contract agreements if any with reference to the project
10. Examine the system of accounting of Project site accounts
11. Examine the foreign collaboration agreement achievement there against and absorption of technology over the years.
12. Examine the system of accounting of scrap generated and disposal of scrap.
13. To review the cases of Earnest money / Security deposit paid / made by the lying unrealized.
14. Examination of Fixed Assets Register along with physical verification.
15. Examination of expenditure under Capital- work- in- Progress.
16. Examination of physical verification of inventories.
17. Examination of slow moving, non-moving and obsolete stores.
18. Examination of loans and advances.
19. Examination of Cash Book, Bank Book, Bank Reconciliation Statement and paid vouchers.
20. Examination of purchase files
21. Examination of valuation of raw materials and other stores
22. Examination of electricity and local taxes files.

7. Hindustan Copper Limited

➢ **Profile**

Hindustan Copper Limited (HCL), a Miniratna Category-I, Government of India (GoI) enterprise under the administrative control of the Ministry of Mines, was incorporated in November 1967 under the Companies Act, 1956. It was established as a Government of India Enterprise to take over all plants, projects, schemes and studies about the exploration and exploitation of copper deposits from National Mineral Development Corporation Limited in November 1967. It is the only company in India engaged in the mining of copper ore. The Company owns all the operating mining leases of copper ore and is also the only integrated producer of refined copper (vertically integrated company). Some of the important events in the history of the Company are as follows-

November 1967	Incorporated to take over from National Mineral Development Corporation Ltd.
March 1972	M/s Indian Copper Corporation Limited, Private Sector Company, located at Ghatsila, Jharkhand having facilities of Smelter and Refinery was Nationalized and made part of HCL.
February 1975	Fully integrated Copper complex from mining to refining came on stream at Khetri (capacity 31,000 tonnes of refined copper)
November 1982	The largest hard rock open pit mine in the country came into stream at Malanjkhand in Madhya Pradesh with capacity 2 million tonnes ore
December 1989	Continuous Cast Wire Rod plant of South Wire Technology of a capacity 60,000 MT was commissioned at Taloja in Maharashtra.
June 2015	Secondary Copper Smelter and Refinery Unit at Jhagadia, Gujarat (50,000 TPA of Copper Cathodes Conforming to LME-A grade) was acquired

The Company has the facilities for the production & marketing of copper concentrate, copper cathodes, continuous cast copper rod and by-products, such as anode slime (containing gold, silver, etc.), copper sulphate and sulphuric acid. Presently, company is focusing on mining & beneficiation operation and is primarily selling copper concentrate as the main product. The key products manufactured by the Company include Copper Cathode, Continuous Cast Copper Wire Rod and Metal in Concentrate.

HCL's mines and plants are spread across five operating Units, one each in the States of Rajasthan, Madhya Pradesh, Jharkhand, Maharashtra and Gujarat as follows

i. Malanjkhand Copper Project (MCP) at Malanjkhand, Madhya Pradesh
ii. Khetri Copper Complex (KCC) at Khetrinagar, Rajasthan
iii. Indian Copper Complex (ICC) at Ghatsila, Jharkhand
iv. Taloja Copper Project (TCP) at Taloja, Maharashtra
v. Gujarat Copper Project (GCP) at Jhagadia, Gujarat

The comparative physical performance of production and sales for the year 2023-24 *vis-a-vis* 2022-23 is as follows

Particulars	Unit	2023-24	2022-23
Ore	Lakh Tonnes	37.82	33.47
Metal in Concentrate	Tonnes	27,404	24,760
Cathode	Tonnes	Nil	7
CC Wire Rod – Tolling Production	Tonnes	27,833	6,558
Sales Cathode MIC	Tonnes	Nil 25,630	79 24,640
Total Sales		25,630	24,719

The company has its corporate office at Kolkata and four regional sales offices at Delhi, Mumbai, Bangalore and Kolkata.

- **Organisation Structure**

The company is headed by the Chairman cum Managing Director (CMD) who is assisted by the Director (Mining) , government nominated directors and three independent directors.

- **Financial highlights**

The recent summarized financial results (₹ in lakhs) of the Company are as follows

	2023-24	2022-23	2021-22
Share Capital	48351	48351	48351
Other Equity	180158	159854	142774
Net Worth (Excluding Capital Reserve, Currency Fluctuation Reserve, CSR Fund)	207363	187452	170483
Borrowings	22246	15639	40832

Net Block of Assets (including Mining Properties & CWIP)	234737	205736	185828
Current Assets	58687	61840	92152
Current Liabilities	55870	65747	81479
Net Turnover / Net Sales	168651	166063	181221
Profit / (Loss) before Taxation (PBT)	41043	39566	38172
Tax Expenses	11502	10035	794
Profit / (Loss) after Taxation	29541	29531	37378
Dividend including Dividend Tax (Dividend Tax is not applicable from FY 2020-21 onwards	8897	8897	11217

➢ **Brief about IT Systems**

The Group has system in place to process all the accounting transactions through IT System.

➢ **Applicable Statutes**

1. The Companies Act, 2013 (the Act) and the rules made there under,
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under,
3. The Depositories Act, 1996 and the Regulations and bye-laws Framed there under,
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings,
5. Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable
6. Corporate Governance Guidelines issued by the Department of Public Enterprise *vide* their OM. No. 18(8)/2005-GM dated 14th May, 2010
7. The Mines Act, 1952
8. Explosive Act,1884 and Explosive Rules, 2008
9. Mines & Minerals (Development & Regulation) Act, 1957
10. The Metalliferous Mines Regulations, 1961
11. Goods and Services Tax Acts, 2017 and rules made thereunder

- **Audit Focus Areas**

1. Examine in detail the operation of Mines with reference to the excavation plan originally contemplated, revised mine plan, mining method, selective mining technique, quality of originally envisaged, fall in the quality of ore, impact on the cost of mining per ton due to changes affected at the implementation stage necessitating additional equipment as well as residual life of the mine
2. Mining agreement with contractor(s) and its performance
3. Examine the performance of the primary crusher, mechanical workshop for repair & maintenance of the equipment attached to the mine
4. Examine the performance of the plants with reference to the utilisation of rated capacity, quality of the products, consumption of raw materials, cost of production, target *vis-a-vis* actual production and cost & variances particularly attributable to fall in the quality of the ore and problems of operation of the sand separation section and red mud separation section of the plant
5. Leased area actually available for mining *vis-a-vis* the area actually developed and brought under operation over the years. Huge area if left unutilised including areas which have been abandoned without any mining over the years, results not only in wastage of natural resources but also involves infructuous expenditure on payment of lease rent. This, therefore, should be examined
6. The grade of ore mined has fallen in quality over the years due to deficient mine planning coupled with old technology and equipment deployed having a serious adverse impact on cost of production. This calls for examination.
7. State of existing facilities for repair and maintenance of the mining equipment causing a considerable loss in machine and man hours. This should be critically examined highlighting its impact on loss of production and cost of production as well.
8. Examine the norms set for the industry *vis-a-vis* by the experts and by the company itself for the input and output ratio in each process of production with actual and impact of variances.
9. Examine the targets set for labour productivity i.e. output per man shift (OMS) *vis-a-vis* the actual variances, reasons for low OMS etc.
10. The reasons and impact on the lack of expertise of shaft sinking, mine development and construction and continued dependence on the foreign consultants in all critical activities including basic operations should be examined thoroughly

11. At the different mining levels room and pillar, horizontal cut and fill and post fill stopping methods which are neither high tonnage nor low cost have been employed. The impact of mining with these methods should be critically examined along with the improvements attempted, if any, with its outcome.
12. Production performance of each of the process plants should be examined keeping in view the size of the plant installed vis-a-vis the capacity required, technological gap, design deficiencies, norms of input-output ratio, poor quality of input such as concentrates processed in the smelter, target of production set vis-a-vis actual production, cost of production, pattern of material consumption, quality of the product produced etc.
13. Examine the generation and commercial utilisation of different types of wastes in the process of production as well as the material management and inventory control system.
14. Examine in depth the new projects set up, modernization and expansion scheme under implementation and /or implemented taking into account the approved detailed project report, cost estimates, time and cost overrun, achievements etc.
15. Examine the performance of the Smelter plant with reference to utilisation of rated capacity, production target, actual production, cost of production, variances particularly due to non-availability of required quantity and quality of ore.
16. Examine energy audit report
17. Examine the extraction & sale of precious metals from the ore.
18. Examine pricing policy vis-a-vis credit system and debt collection system.
19. The mines has life span which varies from 15 years to 40 years. After the mine has exhausted its reserve, it is necessary for the company who has taken the mines from the government on lease to put it on the same way it was handed over to the company. Mine closure is an important and strict compliance to be ensured.
20. Examine the impact of cost of power to products, its impact on production and readiness for the future requirements.
21. Examine metal content in material after producing copper concentrate.
22. Examine the ageing of stock in Taloja and Jhagadia.
23. Examine copper content in materials procured, if any, for Jhagadia.

8. Hooghly Cochin Shipyard Limited

➢ Profile

Cochin Shipyard Limited (CSL), a "Mini Ratna Company" under the Ministry of Ports, Shipping and Waterways, is the largest Ship Building and Ship Repair facility in India. The firm, incorporated in 1972 as a Government of India company, builds Aircraft carriers, Tankers, Bulk carriers, Platform supply vessels, Patrol Boats, Diving support vessels, etc. CSL is also one of the leading shipbuilding companies for the Indian Navy for building many complex vessels.

As part of its business expansion strategy, CSL formed a joint venture (JV) company with Hooghly Dock & Port Engineers Limited (HDPEL), Kolkata - one of the oldest shipyards in India established in 1819. HDPEL built Tugs, Floating dry dock, Passenger vessel, Oil Tanker, Container Vessel etc. The JV Company registered in October 2017 as per Companies' Act 2013 is called Hooghly Cochin Shipyard Limited (HCSL). As part of the JV conditions, HCSL received assets of HDPEL including the two shipbuilding/ repair units located at Nazirgunge and Salkia at Howrah. Presently the company is engaged in manufacturing and repair of commercial ships, barges and tugs for domestic and international clients.

The company is working in a leased premises, the lessor being Government of India, with a land area of 23.57 acres held at two locations[24]. At present, only the Nazirgunge facility has undergone major restructuring and the yard has commenced its commercial operation from August 2022.

According to the approval of the Union Cabinet in October 2019, HCSL became a wholly owned subsidiary of Cochin Shipyard Limited (CSL) with effect from November 01, 2019. Further, pursuant to the said approval, the land assets of HDPEL were transferred to the Government of India (GoI) in February 2020, consequent to which the Government of India has replaced HDPEL as the Lessor. As HCSL was incorporated as a joint venture between CSL and HDPEL, the above events have resulted in the cessation of the joint venture partnership between CSL and HDPEL.

In the first phase of modernisation, CSL under the Jal Marg Vikas project of Ministry of Port, Shipping and Waterways has refurbished and restructured the unit into a modernized state of

[24] i. 15.76 acres at Nazirgunge and ii. 9.91 acres at Salkia

the art shipbuilding facility. With the technical and design support from CSL, which is one of the fastest growing shipyards in the country, HCSL is confident of meeting the demands of Inland, Costal and Sea going segment for very type of customers including the defence sector. This unit meets the latest shipbuilding norms with in-house Quality Assurance/ Quality Control, Non-destructive Testing (NDT), Fire & Safety and is equipped with sophisticated equipment and experienced work force to complete every task in a time-bound manner. The Company was Department of Promotion of Industry and Internal Trade (DPIIT) Certification by the Ministry of Industries for Construction of Warships and IMS Certification (ISO 9001-2015-Quality Certification, ISO 14001-2015-Environment safety & ISO 45001-2018-Health and Safety Certification) from IRS. The Company's facility has an added advantage due to the strategic location supporting both end launching and side launching facility due to the extended riverfront.

Hooghly Cochin Shipyard Limited offers a flexible range of Ship Building products such as Ro-Ro, Ro-Pax, Water Metro, Ambulance Boat, Survey Class, OPV Class, Bangaram Class, FAC Class, FBOP, Tuna Liner etc. HCSL can provide a comprehensive support by not only developing the most cost-effective design and ships for the customers but also providing support for the entire life cycle of the vessel by conducting defect analysis and maintenance schedules on periodic real-time feedback from ships and thereafter slotting refits and repair as per schedule.

After getting acquired by Cochin Shipyard Limited (CSL), the company went on to modernize its shipbuilding facility at Nazirgunge, West Bengal at an estimated project cost of ₹169.76 crore, as per a document of the Ministry of Shipping. The modernised facility of Nazirgunge has been made well equipped for the construction of various types of vessels like Ro-Ro vessels, river-sea cargo vessels for bulk, liquids, containers, passenger vessels and other watercraft for the inland waterways. CSL at a later stage has plans to take up the modernisation of the facility at Salkia and turn it into a repair and refurbishment unit for river vessels

- **Organisation Structure**

The organisation is run by Chairman who is assisted by four non-executive directors.

- **Financial highlights**

The recent summarized financial results (₹ in lakhs) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Gross Income	2404.47	1761.33	41.78
Profit/ (Loss) before Finance Cost, Depreciation and Tax	(922.80)	(166.63)	(286.03)

Finance Cost	718.94	889.98	56.82
Depreciation and Amortisation	843.45	723.64	39.62
Profit/ (Loss) before Tax	(2485.19)	(1780.25)	(382.47)
Tax Asset/ (Liability)	(520.62)	(253.34)	(98.86)
Net Profit/ (Loss)	(3005.81)	(2033.59)	(283.61)

The authorised share capital of the Company as on March 31, 2024 is ₹2,00,00,00,000/- (Rupees Two Hundred Crores only) divided into 14,40,00,000 (Fourteen Crore Forty Lakhs) equity shares of ₹10/- (Rupees Ten only) each aggregating to ₹1,44,00,00,000/- (Rupees One Hundred and Forty Four Crores only) and 5,60,00,000 (Five Crore Sixty Lakhs) preference shares of ₹10/- (Rupees Ten only) each aggregating to ₹56,00,00,000/- (Rupees Fifty Six Crores only). The paid-up share capital of the Company as on March 31, 2024 is ₹1,96,00,00,000/- (Rupees One Hundred and Ninety-Six Crores only) divided into 14,00,00,000 (Fourteen Crores) equity shares of face value of ₹10/- (Rupees Ten only) each aggregating to ₹140,00,00,000/- (Rupees One Hundred and Forty Crores only) and 5,60,00,000 (Five Crore Sixty Lakhs) preference shares of face value of ₹10/- (Rupees Ten only) each aggregating to ₹56,00,00,000 (Rupees Fifty Six Crore only). The entire paid-up share capital is held by Cochin Shipyard Limited (CSL).

➢ **Brief about IT Systems**

The Company's accounting records are maintained in IT system.

➢ **Applicable Statutes**

The Companies Act, 2013 ('the Act') and the rules made thereunder;

(i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(iv) The Securities and Exchange Board of India Act, 1992 and relevant Regulations and Guidelines prescribed thereunder

(v) The Environmental Protection Act, 1986;

(vi) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;

(vii) The Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder;

(viii) The Air (Prevention & Control of Pollution) Act, 1981;

(ix) Indian Electricity Act, 2003 (amended later on as Indian Electricity Act, 2005) and rule made thereunder

(x) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprises (DPE);

(xi) Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises.

- **Audit Focus Areas**

1. Contract Management
2. Turnaround time
3. Inventory Management
4. Key ratios.

9. Indradhanush Gas Grid Limited

➢ **Profile**

To bolster the North-East's gas economy, aligned with the Hydrocarbon Vision 2030 for the region, Indradhanush Gas Grid Limited (IGGL) was incorporated on 10th August 2018 as a Joint Venture Company of Indian Oil Corporation Limited (IOCL), Oil and Natural Gas Corporation Limited (ONGC), GAIL (India) Limited (GAIL), Oil India Limited (OIL) and Numaligarh Refinery Limited (NRL). IGGL is implementing the prestigious North East Gas Grid (NEGG) project, an approx. 1656 Km long natural gas pipeline grid spanning across all the eight North Eastern states, at an estimated cost of ₹9,265 crores. The pipeline will traverse through challenging terrains of the North East and would connect Guwahati to capital cities/ major cities of the region like Itanagar, Dimapur, Kohima, Imphal, Aizwal, Agartala, Shillong, Silchar, Gangtok, and Numaligarh. Cabinet Committee on Economic Affairs (CCEA), has already approved the Viability Gap Funding/ Capital Grant of ₹5,559 Crore (60% of the estimated total cost of the Project i.e., ₹9,265 Crore) for the NEGG project.

In August 2018, a pivotal milestone was achieved in bolstering the North-East's gas economy, aligned with the Hydrocarbon Vision 2030 for the region. This was marked by the establishment of Indradhanush Gas Grid Limited (IGGL), a joint venture between five public sector titans—ONGC, OIL, IOCL, GAIL, and NRL, each contributing equally to the venture. The foremost goal was to create the North-East Gas Grid (NEGG), a 1656 km-long natural gas pipeline network with a capacity of 4.75 MMSCMD, aimed at interconnecting the eight North-Eastern states: Assam, Arunachal Pradesh, Meghalaya, Tripura, Nagaland, Manipur, Mizoram, and Sikkim. In recent years, with steadfast support from the Central & State Governments and Promoter companies,

The North East Gas Grid (NEGG) project is advancing steadily, with all phases operating at maximum capacity. The NEGG has achieved a Physical progress of 80.40% out of the scheduled 83.27% upto March'24 and a Physical progress of 81.70% out of the scheduled 84.69% upto June'24 signifying a significant step towards ensuring a steady and sustainable natural gas supply to the Northeastern states. The concrete progress showcases substantial achievements in Engineering, Planning & Scheduling, Tendering, Procurement, Inspection, Expediting, Manufacturing & Delivery, Detailed Engineering including Grading, Welding, Lowering, Hydrotesting, Terminal Infrastructure, Surveys, Statutory Approvals &

Permissions, Right of Use (ROU) & Land Acquisition, and Pre-commissioning & Commissioning tasks. A cumulative 967 Km of welding and 847 Km of lowering have been completed up to March’24 and a cumulative 1003 Km of welding and 886 Km of lowering have been completed up to June’24. A noteworthy milestone is the completion of 516 Km of Hydrotest up to March’24 and the completion of 523 Km of Hydrotest up to June’24. Another remarkable feat is the completion of Horizontal Directional Drilling (HDD) for the eight major rivers including the mighty Brahmaputra. These river crossings pose unique engineering challenges, but IGGL’s commitment to employing advanced technologies and expertise is evident in their progress. The mechanical completion of the Guwahati-Numaligarh section marks a significant milestone, paving the way for the imminent introduction of gas.

The phasing of various sections of North-East Gas Grid (NEGG) was as under:

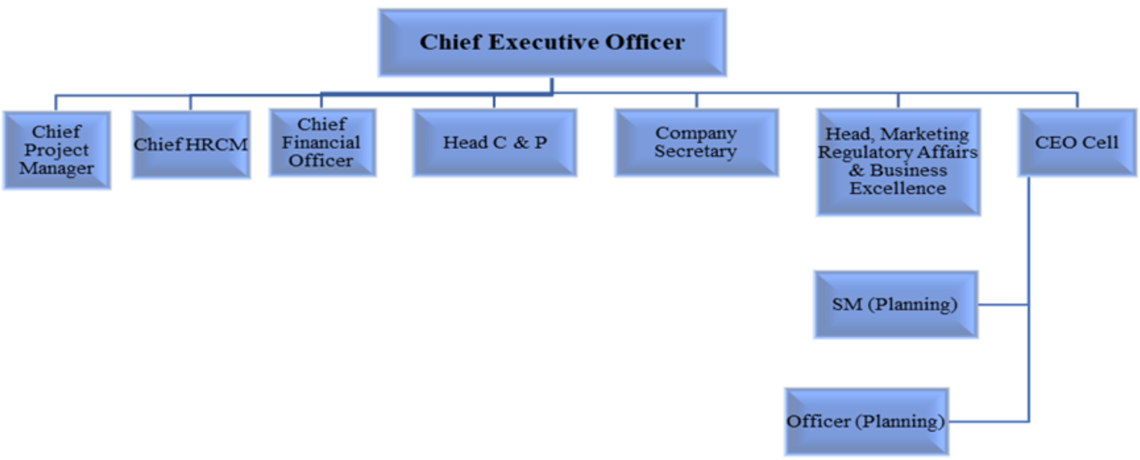
Phase -I		Length (In Km)	Scheduled Date of Implementation as Per DFR	Scheduled date of Commissioning as per PNGRB	Revised Scheduled date of commissioning as per PNGRB
a	Guwahati-Numaligarh with branch line to Itanagar & Spur line to Numaligarh	568	September 2022	November 2023[25]	March 2025[26]
b	Numaligarh/Dergaon (Jorhat) - Dimapur section and 5 feeder lines from ONGC fields				

[25] *Vide* letter No. PNGRB/Monitoring/2/NGPL-NEPL/(1)/2019 dated 17th October 2023

[26] *Vide* letter No. PNGRB/Auth/2-NGPL(04)/2018 (P-III) dated 17 November 2020

Phase-II					
a	Guwahati- Shillong- Silchar – Panisagar and Banaskandi feeder line	728	September 2022		
b	Panisagar-Agartala and feeder lines (2 No.) and spur line to NEEPCO				
c	Panisagar-Aizawl branch line				
Phase-III					
a	Dimapur-Kohima Section	360	November 2023		
b	Kohima- Imphal Section				
Total		**1656**			

➢ **Organisation Structure**



➢ **Financial highlights**

The summarized financial results (₹ in lakhs) of the Company for the year under review are given below

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	NIL	NIL	NIL
Other Income	598.46	909.82	284.92
Total Income	598.46	909.82	284.92
Total Expenses		208.03	39.87
Profit/ (Loss) before taxation	73.76	701.79	245.05
Less: Tax Expenses including Deferred Tax Income	45.34	-32.88	(50.29)
Profit/ (Loss) for the year	28.02	734.67	194.76
Earnings per share (in ₹)	0.01	0.21	0.06
Net Worth	1,10,597.67	98,389.64	41,154.97

➢ **Brief about IT Systems**

IGGL is continuously pursuing digital transformation to enhance operational efficiency, enable data-driven decision-making, and maintain industry leadership. Following systems have been implemented to leverage technology and improve both user and system efficiency

• Material Master Management and Vendor Master Management Systems have been deployed to streamline inventory procurement and vendor relations.

• A Bank Account Management System has been introduced for efficient management of vendor and employee bank accounts

• A Tour Management System has been implemented to streamline employee travel claims.

• The IGGL Intranet has been established to enhance internal communication and collaboration

- A Bill Tracking System has been introduced to prevent payment delays.
- Banking operations have been integrated with SAP for seamless financial transactions directly from SAP
- A BG module has been developed in SAP to enhance payment validation processes
- API integration of IGGL SAP with Canara Bank.
- E-Bank Guarantee with NeSL and Axis Bank.
- A Biometric System has been implemented for enhanced security and attendance management
- In recent fiscal years, several key digitization initiatives have been undertaken, including the implementation of Rise with SAP S/4 HANA across multiple modules, the launch of

the IGGL website to enhance online presence, the deployment of a Domain Name Server for streamlined web operations, and the fortification of cybersecurity through Firewall and Antivirus solutions

- Another notable achievement during the last fiscal year was IGGL obtaining the IP-I license. This license, which stands for Infrastructure Provider Category-I, enables the company to establish and maintain the infrastructure necessary for telecommunications networks

➢ **Applicable Statutes**

i. The Companies Act, 2013 (the Act) and the rules made thereunder
ii. The Memorandum and Articles of Association of the Company
iii. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder
iv. The Petroleum and Natural Gas Regulatory Board Act, 2006
v. The Petroleum Act, 1934
vi. The Petroleum Rules, 2002
vii. The Petroleum and Natural Gas Rules, 1959
viii. The Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962

➢ **Audit Focus Areas**

1. Whether the provisions of the applicable laws, rules and regulations are being complied with.
2. Examination of the rules, regulations, orders and instructions for their legality, adequacy, transparency, propriety, prudence and effectiveness.
3. Review of aspects of financial records indicating the level of economy and efficiency in the major transactions were also considered.
4. Examining the transactions from the principle of propriety, Company's policies, terms of contract or agreement and other documents available with audited entity.

10. Inland and Coastal Shipping Limited

➢ **Profile**

Inland and Coastal Shipping Limited (I&CSL) was incorporated (September 2016) as a wholly owned subsidiary of The Shipping Corporation of India Limited for undertaking/providing transport services through Inland waterways, coastal shipping, and end-to-end logistics to harness business potential in the area of inland and coastal Shipping. Inland waterways transport is not only an environment friendly and fuel-efficient mode of transport, but would also help reduce overall logistics costs, providing affordable transport solutions connecting country's vast hinterland.

The company entered (January 2021) into a MoU with Inland Waterways Authority of India (IWAI) whereby the company has been entrusted with the operation and management of 3[27] containerized/ break bulk and 2 Roll-on/ roll-off (RORO) vessels plying in the inland waterways of India on bare boat charter basis. The Company has so far taken hand over and engaged in the operation and management of 1 containerized, 1 break bulk and 1 RORO vessel.

ICSL is in the process of establishing scheduled liner services in NW1 (Haldia/Kolkata to Varanasi). Subsequently, ICSL intends to connect Inland waterways with coastal shipping.

➢ **Financial highlights**

The recent summarized financial results (₹ in lakhs) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	49.13	5.95	4.59
Other Income	1.21	50.32	33.65
Total Income	50.33	56.27	38.24
Total Expenses	147.45	124.36	127.21
Profit/ (Loss) before taxation	(97.11)	(68.08)	(88.97)
Profit/ (Loss) for the year	(97.11)	(68.08)	(88.97)

➢ **Brief about IT Systems**

The Company has only one accounting system, i.e. SAP ERP.

[27] MV Rabindranath Tagore, MV Lal Bahadur Shastri and MV Homi Bhabha

11. MSTC Limited

➢ **Profile**

MSTC Limited is a listed, Schedule-B, Mini Ratna Category-1 Central Public Sector Enterprise (CPSE) under the administrative control of the Ministry of Steel (MOS), Government of India (GOI) primarily engaged in providing e-commerce-related services across diversified sectors. Presently, GOI has 64.75% shareholding in the company.

The company was incorporated as "Metal Scrap Trade Corporation Limited" under the Companies Act, 1956, on September 9, 1964, in Kolkata. The name was later changed to "MSTC Limited" following a special resolution passed by shareholders at the general meeting on September 26, 1994, with a new certificate of incorporation issued by the Registrar of Companies (RoC) on November 9, 1994.

Initially incorporated to engage in the export of ferrous scrap, the company became a subsidiary of Steel Authority of India Limited (SAIL) in 1974, and a canalizing agent for the Government of India for importing metal scrap. In 1982, it became an independent Government of India company. Post-decanalization in 1992, the company diversified its business, evolving into a multi-product, multi-functional organization, and began conducting auctions and tenders for industrial scrap and surplus materials for its government clients.

In 2002, MSTC developed and launched an e-Auction platform and ventured into the Business to Business (B2B) e-Commerce sector and subsequently established itself as one of the leading e-commerce service providers in the country. The company also entered the recycling business through a joint venture with Mahindra Accelo Limited and established country's first Registered Vehicle Scrapping Facility. In synopsis, the company operates mainly in three business verticals: (i) e-Commerce, (ii) Trading, and (iii) Recycling via MMRPL.

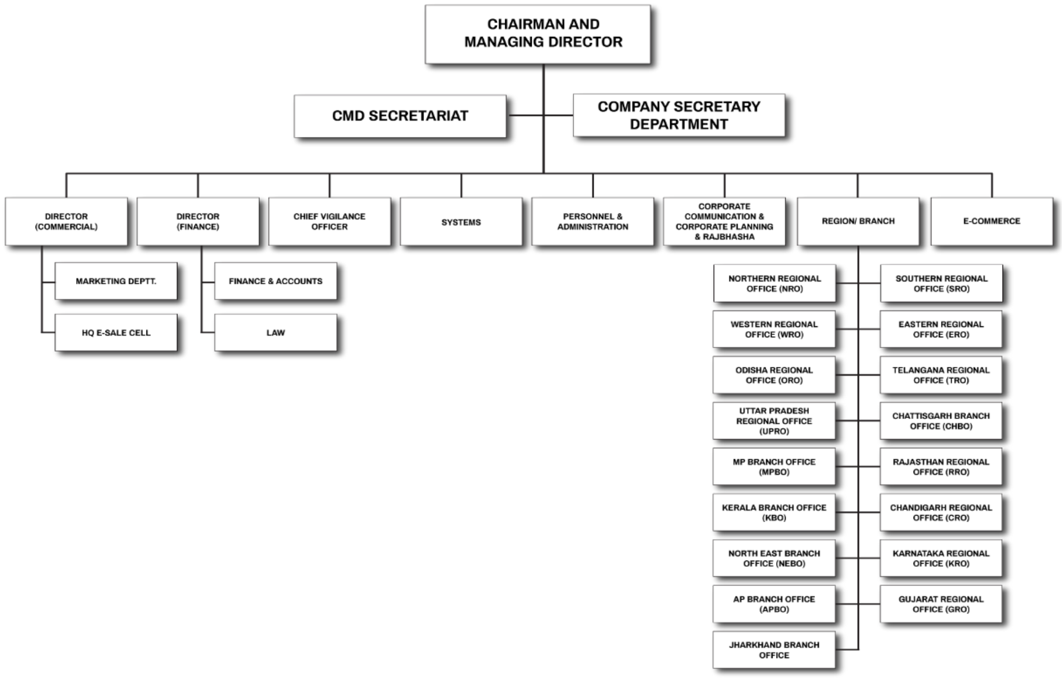
Currently, MSTC has two core business segments namely e-Commerce and Trading. MSTC plays a very important role as a service provider in e-Commerce and is a market leader in this sector. It has the distinction of serving majority of Central/ State Government Departments, PSUs and a few leading Private institutions for providing transparent, fair and seamless e-Commerce services to its clients.

A. **e-Commerce Business** – MSTC is the major standalone e-Commerce service provider in the country focussing on Price Discovery, e-Bidding and Transparent Public Sale & Procurement processes. MSTC had introduced e-Commerce in various commodities such as Sale of Scrap and Surplus stores, plant & machinery, Coal, Iron ore & other minerals, Agro/ Forest produce, properties, Fly-ash etc. in India. In addition to this, MSTC has also commenced e-auction of land, buildings, apartments, Bank NPAs, assets under Debt Recovery Tribunal (DRT) etc. In recent years, UDAN (Regional Connectivity Scheme), Spectrum e-Auctions, Coal and Coal Mine auctions, e-Auction of Sand Mining blocks in UP, e-Auction of RCC/ ERCC contracts in Rajasthan for Minor mineral blocks, e-Auction of Long-term property leases, Export-Import portals of IOCL and ONGC Group (through MRPL), Liquor shop license in Rajasthan, NPAs of Banks and e-procurement of Power (DEEP) have been the signature events.

B. **Trading business** which constituted 0.08% of the total volume of business transactions during 2022-23. MSTC acts as a facilitator for procurement of raw material on behalf of buyers and charge mark-up on percentage basis against a bank guarantee as security. This business contributed 6.60% of the total revenue from operations of the company during 2022-23. This division is currently engaged in the business for procurement of industrial raw materials, projects, equipment etc., against bank guarantee to the tune of 110% from the customer. Customers who have sanctioned BG limits can use the same to book raw materials/ commodities for their projects or for trading. In this model MoU is signed with the customer after following the led down process. Procurement is done on behalf of the customers backed by 110% BG opened on any scheduled commercial bank. The payment is released to the supplier by way of LC/ RTGS in facilitator mode for domestic procurement. The material is directly shipped to the customer thereby eliminating the need for storage results in saving on account of warehouse and custodian charges.

C. **Recycling** – MSTC has set up India's first authorised collection and dismantling centre at Greater Noida for scientific recycling of end-of-life vehicles (ELVs) and white goods through its joint venture Mahindra MSTC Recycling Private Limited with Mahindra Intertrade Limited wherein the ELVs are purchased for de-polluting, dismantling and converting metallic parts into bales in an environmentally friendly manner. MMRPL has further operationalized collection and dismantle centres in Chennai, Pune, Indore, Ahmedabad, Hyderabad and Guwahati. One more dismantling centre at Bangalore is likely to be operational shortly. Total 25 collection centres are operational currently.

➢ Organisation Structure



➢ Financial highlights

The recent summarized stand-alone financial results (₹ in lakhs) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	31,624.91	32,471.84	47,063.91
Other Income	20,303.73	17,328.68	27,892.68
Total Income	51,928.64	49,800.52	74,956.59
Total Expenses	23,484.77	18,452.62	52,952.48
Profit/ (Loss) before taxation	28,443.87	31,347.90	22,004.41
Profit/ (Loss) for the year	17,191.41	23,922.75	20,004.91

➢ Brief about IT Systems

1. MSTC e-Commerce Systems was certified for ISO 27001:2013 by (Information Security Management Systems Certification).
2. Security in place with 2 different OEM checkpoint and CISCO next general firewall at two levels (Perimeter and servers side)

3. ISO 9001:2015 certification is also maintained as per standards
4. Imperva Write-once management device is in place for better management and monitoring of activities related to data.
5. MSTC in house Java team has developed and implemented many customised ecommerce solutions like Spectrum 5G auction, ELV portal, Red Sander auctions with dollar wallet facility for Orissa forest Development Corporation, OCPL coal auction portal, Shakti B2 Round V auctions, Bank API integration with different banks, Portal for MMB Odisha, Single window coal agnostic auction for CIL, DEEP PPICP (Power procurement from ICB plants during crunch period) portal, post auction data integration through web service for UP MMB etc
6. MSTC in-house dot NET team developed and implemented many customer solutions like online system for recruitment of OSD, implementation of full-fledged multilingual functionality with dynamic content for Jaivikheti portal, New Bill track system with contract management with automatic PO Number generation, Pay roll application for FSNL, Rajbhasha. Procurement, Development of portal/ dashboard for retired employees, development of bank reconciliation module for accounting software etc.

➢ **Applicable Statutes**

1. The Companies Act, 2013 ('the Act') and the rules made there under, as applicable
2. The Securities contract (Regulation) Act, 1956 ('SCRA') and the rules made there under
3. The Depository Act, 1996 and the regulation and Byelaws framed there under.
4. Sales Tax Act
5. Income Tax Act, 1961
6. Indian Accounting Standards
7. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing
8. Acts relating to Environment management
9. Factories Act, Workmen's Compensation Act, Minimum Wages Act etc.
10. Guidelines/circulars issued by the Corporate Centre
11. Goods and Services Tax Acts, 2017 and rules made thereunder

➢ **Audit Focus Areas**

1. Scrutiny of agreements with customers for domestic business of supply of materials or marketing of their products with reference to:

(a) System of tendering along with selection of customers and finalisation of contract;

(b) System of acceptance, custody and refund of EMD from and to customers;

(c) System of receipt from customers and payments to steel plants/ principals including settlement of accounts;

(d) Systems of regular reviews and follow up of debtors. Precedence of various lapses in this regard may be obtained by verifying the status of disputes with customers, suppliers etc. and various court cases. Knowledge of such drawbacks would help in suggesting steps to avoid recurrence of such lapses in future. The mechanism for collection of outstanding debts, policy for extending credit terms and adequacy, mode and periodicity of persuasion for recovery of dues should be verified.

2. Scrutiny of agreements with customers for foreign business with reference to: -

(a) System of tendering for selection of supplier and finalisation of purchase contract;

(b) Procedure of selection of customers *vis-à-vis* the method of sale of imported materials;

(c) Procedure for settlement of demurrage, dispatch and quality complaints;

(d) System of raising provisional invoice and final invoice;

(e) Procedure for settlement of customer accounts along with realisation of amount due and interest;

(f) Maintenance and system of Bank Guarantee, performance guarantee bond, inland letter of credit etc.

(g) Settlement of customer accounts contract-wise after quantity reconciliation with respect to bill of lading quantity and sold quantity;

(h) Settlement of customer accounts after taking into account interest for the credit period enjoyed by the customer and furnishing statement of accounts to the customers.

3. Scrutiny of terms of agency business and the validity and prudence of such terms (including basis of calculation of commission);
4. Scrutiny of Tendering/auctioning process in agency services, whereby the company can ensure the satisfaction of customers as well as principals, and at the same time, earn best amounts of commission;
5. Verification of whether Special care has been given to due compliance of Customs/excise/sales tax laws so as to (a) avoid penal consequences for non-

compliance, and (b) take maximum lawful advantage of beneficial provisions by way of export incentives, exemptions, concessions, deductions, deferment of tax outgo etc.;

6. Scrutiny of Forward exchange contracts entered into (with respect to international transactions) from the viewpoint of their relevance/utility, cost involvement and risk factors in the prevalent market conditions;
7. Analysis of the capital budgets, fund requirement estimates and fund flow statements in order to assess the efficiency of fund management. A proper fund planning through cost benefit analysis of borrowing funds while investing surplus funds at lower rates of interest can significantly reduce the net borrowing cost of the company Periodical reconciliation of bank accounts shall be verified for ensuring proper and timely remittance/deposit of cheques, drafts etc. into the bank and their swift clearance;
8. Review of new projects contemplated by the company for implementation during the previous five-year period, with regard to their technical, economic and operational feasibility. Proper care should be taken to examine the reasons and consequences of time overrun, cost overrun and loss of production/revenue due to such time overrun in implementing capital projects.

12. National Aluminium Company Limited

➢ **Profile**

National Aluminium Company (NALCO) Limited is a public limited company domiciled and incorporated in India on 7th January, 1981. The Company is a Navaratna Central Public Sector Enterprise (CPSE) under Ministry of Mines, Government of India, limited by shares which are listed and traded on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) in India. The registered office of the Company is at NALCO Bhawan, Bhubaneswar in Odisha.

The Company is engaged in the business of manufacturing and selling of Alumina and Aluminium. The Company is operating a 22.75 lakh MT per annum Alumina Refinery plant located at Damanjodi in Koraput district of Odisha and 4.60 lakh MT per annum Aluminium Smelter located at Angul, Odisha. The Company has a captive bauxite mine adjacent to the refinery plant to feed the bauxite requirement of Alumina Refinery and also a 1200 MW captive thermal power plant adjacent to the Smelter plant to meet the power requirement of the Smelter. The Company has captive coal mines at Angul to meet the coal requirement of the power plant. Besides, the Company is also operating four wind power plants with total capacity of 198.40 MW located in the state of Andhra Pradesh (Gandikota), Rajasthan (Ludherva & Devikot) and Maharashtra (Sangli) to harness renewable energy and to comply with its Renewable Purchase Obligation.

The Company has undertaken projects for capacity addition both in Refinery and Bauxite mines as an integrated project. The project includes 5th stream addition (capacity 1 million MT per annum) to the existing Alumina Refinery (having four streams of 2.1 million MT) and operationalisation of Pottangi Bauxite Mines with total estimated capital outlay of ₹8,254.40 crore. As on date, about 65% physical progress of the 5th Stream brown field Alumina Refinery expansion has been completed. The Company has executed the mining lease of Pottangi Bauxite Mines (having mineable reserve of 75 million MT) with the State Government of Odisha on 13.06.2024 for a period of 50 years. Steps to obtain statutory clearances such as forest land handover, surface right transfer, obtaining mining opening permission etc., as required for development and operationalisation of the said mine are in progress.

Sourcing of bauxite for the 5th Stream expansion of Alumina Refinery has been envisaged from Pottangi Mines. However, measures taken to have alternate sourcing of bauxite from existing

Panchpatmali Mines South Block has been planned through setting up of a crushing and conveying system having estimated capital outlay of ₹483 crore. M/s. DCPL has been engaged as the EPCM consultant for the project. Order for major packages such as Over Land Conveyor, Crusher Plant, Water System, Electrical System and Site and Infrastructure packages have been completed. Site construction activities are under progress. The project is scheduled to be completed by May, 2025.

- **Organisation Structure**

The company is headed by Chairman cum Managing Director (CMD) who is assisted by the two part-time official Directors from the Ministry of Mines, 4 Directors (Finance, Commercial, Production, Project &Technical & Human Resource) and 8 part-time non-official (Independent) Directors.

- **Financial highlights**

The recent summarized stand-alone financial results (₹ in Crore) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	13,149.15	14,256.85	14,214.58
Other Income	250.71	233.64	264.09
Total Income	13,399.86	14,490.49	14,478.67
Total Expenses	11,043,10	12,535.50	10,523.80
Profit/ (Loss) before taxation	2,356.76	1,954.99	3,954.87
Profit/ (Loss) for the year	2,059.95	1,544.49	2,951.97

- **Brief about IT Systems**

NALCO Limited has a fully computerized work environment. NALCO implemented SAP ERP with functional Finance, Human resource and Marketing modules.

- **Applicable Statutes**

1. The Companies Act, 2013 (the Act), and Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The Securities and Exchange Board of India Act, 1992('SEBI Act') and Agreement, Regulations and Guidelines made thereunder;
6. The Mines Act, 1952;
7. Mines & Minerals (Development & Regulation) Act, 1957;
8. The Explosives Act, 1984;
9. Environment Protection Act, 1986;
10. The Forest Conservation Act,1980;
11. The Water (Prevention & Control of Pollution Act), 1974;
12. The Air (Prevention and Control of Pollution) Act, 1981;
13. Indian Boilers Act, 1923;
14. BPE/DPE Guidelines
15. Other miscellaneous orders issued by the top management of the Company from time to time on diverse matters.
16. Income Tax Acts & Rules.
17. Sales Tax-State/CST
18. Goods and Services Tax Acts, 2017 and rules made thereunder

➢ **Audit Focus Areas**

1. Examine in detail the operation of Bauxite Mines with reference to the excavation plan originally contemplated, revised mine plan, mining method, selective mining technique, quality of Bauxite originally envisaged, fall in quality of bauxite, impact on cost of mining per ton due to changes affected at the implementation stage necessitating additional equipment as well as residual life of the mine.

2. Examine the performance of the primary crusher, mechanical workshop for repair & maintenance of the equipment and the conveyor belt attached to the mine.

3. Examine the performance of the alumina plant with reference to the utilisation of rated capacity, quality of the products, consumption of raw materials, cost of production, target vis-a-vis actual production and cost & variances particularly attributable to fall in quality of bauxite

and problems of operation of the sand separation section and red mud separation section of the plant.

4. Examine the handling system of alumina, its transportation to the Aluminium plant and also for transportation to Vizag for export along with cost involvement.

5. Verify the export of alumina from Paradip Port vis-à-vis Kolkata Port to Bangladesh.

6. Examine the performance of the steam generation plant attached to alumina plant.

7. Examine the performance of the Smelter plant with reference to utilisation of rated capacity, production target, actual production, cost of production, variances particularly due to non-availability of required quantity and quality of alumina from the alumina plant.

8. Examine the performance of the captive power plant, the cost of generation and distribution transmission loss, cost of maintenance etc. Verify recovery of dues from GRIDCO for sale of power.

9. Check the capitalisation of RPU and marketing of rolled product.

10. Examine the R & D activities e.g. Nickel plant and achievement thereto and the cost Involved.

11. Capitalisation of borrowing cost as per AS-16.

12. Examine the overall costing system and analysis of cost in each segment of the project and also keep in view the cost audit report.

13. Examine the expansion scheme, their objective and achievement with reference to cost and output.

14. Examine the budgetary system and the internal control system as well as reports of the internal auditors.

15. Examine energy audit report and see whether the suggestion made in the report to save energy has been implemented or not. If not, the reasons attributed by Management may be examined.

16. Examine TA rules, medical rules, LTA etc. and examine the bills preferred by the employees in this regard. Ascertain whether the claims were genuine or otherwise

17. Examine CBI/Vigilance report/cases.

18. Examine inventory control and Management system particularly with reference to slow moving non-moving etc.

19. Examine foreign collaboration agreement its terms of payment and implementation in company's activity.

20. Examine pricing policy vis-a-vis credit system and debt collection system.

21. Examine the pending court/arbitration cases and find out whether any award/order has been issued which are detrimental to the interest of the company.

22. See the pending Income tax/Sales tax cases and find out the reasons for pending, amount involved etc.

23. Examine impairment of assets as per AS-28 and verify intangible assets as per AS-26.

24. Examine the provision for current tax and deferred tax as per AS-22.

25. Amendment to AS 2, 4, 6, 10, 13, 14, 21 and 29 issued by the Institute of Chartered Accountants of India, pursuant to issuance of amendments to Accounting Standards by the MCA.

26. The mines has life span which varies from 15 years to 40 years. After the mine has exhausted its reserve, it is necessary for the company who has taken the mines from the government on lease to put it on the same way it was handed over to the company. Mine closure is an important and strict compliance to be ensured by the auditors.

27. Examine the impact of cost of power to products, its impact on production and readiness for the future requirements

13. North Eastern Electric Power Corporation Limited

➢ **Profile**

Incorporated in 1976 to plan, investigate, design, construct, generate, operate & maintain power stations in the North Eastern Region of India under the Ministry of Power, Government of India, North Eastern Electric Power Corporation Limited (NEEPCO) is a Schedule A- Miniratna Category-I CPSE. It presently operates 6 hydro, 3 thermal and 1 solar power stations with a combined installed capacity of 2057 MW. The Company commissioned its largest Hydro Project Kameng (600 MW) in North-eastern India.

Presently the Company has the following hydro power stations under operation-

Sl No	Project	Location	Installed Capacity (in MW)
	Operational		
1	Kopili	Umrongso, Assam	200 + 50 +25
2	Kameng	West Kameng, Arunachal Pradesh	4 × 150
3	Pare	Papum Pare, Arunachal Pradesh	2 × 55
4	Doyang	Wokha, Nagaland	3 × 25
5	Panyor Lower (formerly Ranganadi)	Yazali, Arunachal Pradesh	3 × 135
6	Tuirial	Kolasib, Mizoram	2 × 30
	Under Survey & Investigation		
1	Nafra	Arunachal Pradesh	120
2	New Melling	Arunachal Pradesh	90
3	Wah Umiam Stage-III	Meghalaya	85
4	Wah Umiam Stage-I	Meghalaya	50
5	Wah Umiam Stage-II	Meghalaya	100
6	Naying	Arunachal Pradesh	1000
7	Tato-II	Arunachal Pradesh	700
8	Tawang-I	Arunachal Pradesh	600
9	Tawang-II	Arunachal Pradesh	800
10	Hirong	Arunachal Pradesh	500
11	Pauk	Arunachal Pradesh	145
12	Heo	Arunachal Pradesh	240
13	Tato-I	Arunachal Pradesh	186
14	Talong (Londa)	Arunachal Pradesh	225
15	Saskangrong	Arunachal Pradesh	45
16	Simang-I	Arunachal Pradesh	67
17	Simang-II	Arunachal Pradesh	66
18	Phanchung (Pachi)	Arunachal Pradesh	56
19	Khuitam	Arunachal Pradesh	66

20	Par	Arunachal Pradesh	52

The gas-based thermal power stations of the Company are as follows-

Sl No	Project	Location	Installed Capacity (in MW)
Operational			
1	Agartala	Ramchandra Nagar, Tripura	(4 x 21 + 2 x 25.5)
2	Tripura	Monarchak, Tripura	(1× 65.42) Gas Turbine (1 x 35.58) Steam Turbine
3	Assam	Dibrugarh, Assam	(6 x 33.50) Gas Turbines (3 x 30.00) Steam Turbines

Each Generating Station has a separate tariff. Tariff is determined by the CERC as per the relevant CERC Regulations. Tariff is in terms of Annual Capacity Charges (ACC) and Energy Charge (EC).

The ACC is calculated on the basis of the Annual Fixed Charges (AFC). The ECR for Hydro Stations is calculated on the basis of the AFC and Annual Design Energy, whereas for Thermal Stations it is based on the actual Landed Cost of Fuel.

The Annual fixed Charges (AFC) comprises of the following components:

1. Interest on Loan.
2. Depreciation.
3. Return on Equity.
4. Interest on Working Capital.
5. O&M Expenses.
6.

- **Organisation Structure**

The Company is headed by the Chairman & Managing Director who is assisted by 3 directors (Technical, Finance and Personnel), two nominee directors of NTPC, one nominee director from the Government of India and other non-official part-time directors.

- **Financial highlights**

The recent summarized stand-alone financial results (₹ in Crore) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	4,23,956.74	4,55,655.27	320,684.33
Other Income	2,466.09	1,408.23	9,512.34
Total Income	4,26,422.83	457,063.50	330,196.67
Total Expenses	3,64,204.06	389,212.90	294,811.85
Profit/ (Loss) before tax and regulatory deferral account balances	62,218.77	67,850.60	35,384.82
Profit/ (Loss) for the year	54,812.21	39,690.08	21,229.37

- **Brief about IT Systems**

The Company has migrated from old accounting software MATFIN to ERP SAP.

- **Applicable Statutes**

1. The Companies Act, 2013 (the Act), and Rules made there under;
2. The Companies Act, 2013 and Rules made there under, to the extent for specified sections in the Act, not yet notified;
3. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
4. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
5. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
6. Securities and Exchange Board of India Act, 1992('SEBI Act') including relevant Agreement, Regulations and Guidelines;The Mines Act, 1952;
7. Mines & Minerals (Development & Regulation) Act, 1957;
8. The Explosives Act, 1984;
9. Environment Protection Act, 1986;
10. The Forest Conservation Act`, 1980;
11. The Water (Prevention & Control of Pollution Act), 1974;
12. The Air (Prevention and Control of Pollution) Act, 1981;
13. Indian Boilers Act, 1923;
14. BPE/DPE Guidelines
15. Income Tax Acts & Rules.
16. Sales Tax-State/CST

17. Central Excise Acts & Rules
18. Goods and Services Tax Acts, 2017 and rules made thereunder

➢ **Audit Focus Areas**

1. Examine the performance of the captive power plant, the cost of generation and distribution transmission loss, cost of maintenance etc. Verify recovery of dues from GRIDCO for sale of power.
2. Examine the budgetary system and the internal control system as well as reports of the internal auditors.
3. Examine energy audit report and see whether the suggestion made in the report to save energy has been implemented or not. If not, the reasons attributed by Management may be examined.
4. Examine TA rules, medical rules, LTA etc and examine the bills preferred by the employees in this regard. Ascertain whether the claims were genuine or otherwise
5. Examine CBI/Vigilance report/cases.
6. Examine inventory control and Management system particularly with reference to slow moving non-moving etc.
7. Examine foreign collaboration agreement its terms of payment and implementation in company's activity.
8. Examine pricing policy vis-a-vis credit system and debt collection system.
9. Examine the pending court/arbitration cases and find out whether any award/order has been issued which are detrimental to the interest of the company.
10. See the pending Income tax/Sales tax cases and find out the reasons for pending, amount involved etc.
11. Examine the impact of cost of power to products, its impact on production and readiness for the future requirements
12. Examine Under utilisation of capacity by power stations.
13. Examine whether design energy had been reviewed in terms of CEA (Central Electricity Authority) guidelines. As design energy forms basis for recovery of fixed costs of power station. Design Energy is the key parameter in determining, Techno-Economic viability of a Hydro-Electric Scheme and therefore due care is taken for its realistic assessment.
14. Generation loss due to forced outages during monsoon season Non-review and non-inclusion of CWC guidelines in Disaster Management Plans.

15. Whether frequent shutdown of units is due to unsatisfactory maintenance of the plants, if so, it should be commented upon.
16. Whether a programme for maintenance of the unit is drawn up and adhered to.
17. Whether the percentage of consumption in auxiliaries exceeds the limits specified in the project reports.
18. Whether the metering devices in Power Station indicate the correct reading of energy exported and imported
19. Whether the total units generated and imported in the Power Station tally with the total units exported plus loss in auxiliaries, transformation loss and line loss.
20. Whether damages to plants and equipment's occurred during guarantee period; such cases, if any, to be examined in detail.

a. Whether such damages occurred due to non-observance of operation instructions and faulty operation of unit – in such cases the responsibility for such loss is required to be fixed on the officials at fault.

b. Whether the claims have been lodged with the Insurance Company for such damages - status of realization of such claims as well as its adequacy to meet the cost of replacement/repairs.

c. Whether such issues have been brought to the notice of higher authorities indicating probable financial implications.

d. Whether effective steps have been initiated to stop recurrence of such incidence in future.

For Projects:

1. Feasibility Report/Detail Project Reports of new projects should be studied in detail.

2. Administrative approval/Financial concurrence of a project should be seen and in this respect Delegation of Power of the officials sanctioning the project should also be linked.

3. For new power project, tying up the required sources for funds should be examined since delay in financial closure of the project leads to delay in execution of project with consequential cost overrun.

4. Successful implementation of any project within scheduled time frame and within approved cost is of paramount importance. Any deviation so far as the time of completion of the project is concerned and from the approved cost structure causes various repercussion on the economy both in the micro as well as macro level. So, if there is any time/ cost overrun, it should be thoroughly scrutinised and commented upon.

5. In all major contracts, both the contractors/supplier and the Project Authority are generally liable to fulfil certain obligations (like submission of Bank Guarantee for mobilisation advance, Performance Bank Guarantee (PBG) etc. and making available required work fronts, materials to be supplied free of cost etc.) – whether such obligations were met in time. In case of deviation/non-fulfilment of such obligation, detail analysis in regard to impact of such non-compliance is to be made.

6. Whether possible delay prone areas like land acquisition and Award of Contract are identified in advance and pro-active measures are taken.

7. In case of contracts with escalation clause, the escalation part in a contractor's bill may be thoroughly examined so as to determine whether escalation has been paid for works beyond the time allowed for completion.

8. For delay in execution of a job by the contractor- whether Liquidated Damage has been imposed as per contractual terms.

9. Tendering process for awarding of contracts should be looked into. Delay in finalisation in tender may enhance the cost of the work with associated delay in completion of the project.

10. Whether machineries/equipment supplied by vendors are functioning properly-If any defect/damage has been identified within the guarantee period, whether the same has been rectified by the supplier free of cost, if not, the reasons for the same may be examined.

11. Monitoring system for execution of the projects in vogue along with Management Information System (MIS) available for such monitoring should be studied in detail and procedural lapses, if any, need to be commented suitably.

12. On completion of the projects, Contracts Closing Committee Reports or the likes are generally prepared – such documents should be thoroughly examined to identify contracts/works requiring detail scrutiny.

13. Whether Renovation and Modernisation package has been taken up according to RLA Study Report; if not, the deviation may be thoroughly scrutinised.

14. Whether the benefits like increase in station generation, increase in PLF, availability of Plants, decrease in consumption of fuel and auxiliaries as envisaged at the time of taking up of R&M activities have been derived after completion of R&M Package. If not, reasons for poor performance should be examined in detail.

15. Whether extension of life of old Plants as contemplated during R&M has actually been extended as a result of R&M.

4. Numaligarh Refinery Limited

➢ **Profile**

Numaligarh Refinery Limited (NRL) was established as a Company on 22nd April 1993 in accordance with the provisions made in the historic Assam Accord signed on 15th August 1985. NRL is a Schedule- A, Category-I Miniratna CPSE under the Ministry of Petroleum and Natural Gas, Govt. of India.

The 3 MMTPA[28] Refinery was dedicated to the nation by former Prime Minister of India Shri Atal Bihari Vajpayee on 9th July, 1999. NRL has been able to display credible performance since commencement of commercial production in October 2000. With its concern, commitment and contribution to socio-economic development of the state of Assam and North East India, it is considered as one of the glowing manifestations of successful business enterprise in the region, with its footprints across the globe where its products, especially Paraffin Wax continue to be exported.

NRL has embarked on a major integrated Refinery Expansion Project to treble its capacity from 3 MMTPA to 9 MMTPA at an estimated investment of more than Rs. 28,000 Crore, one of the highest in the North East region. The project also includes setting up of a Crude Oil Import Terminal at Pardeep Port in Odisha and laying of about 1640 KM of pipelines for transportation of imported Crude Oil to Numaligarh. NRL is also implementing a 360 KTPA Polypropylene project at an estimated cost of ₹7,231 Crore.

The product range of the Company includes Liquid Petroleum Gas (LPG), Naphtha, Motor Spirit (MS), Aviation Turbine Fuel (ATF) Superior Kerosene Oil (SKO) High-Speed Diesel (HSD), Raw Petroleum Coke (RPC) Calcined Petroleum Coke (CPC), Sulphur, Wax, Nitrogen, Mineral Turpentine Oil (MTO), Special Boiling Point Spirit (SBPS) and Liquid Sulphur.

Aligning itself with the Government of India's target of achieving net zero by the year 2070, NRL has carved a roadmap to attain its net zero goals by 2038. Taking a step further in this direction and in line with National Green Hydrogen Mission, NRL has initiated action to set up a Green Hydrogen plant of capacity 300 kg/hr (18 MW), within the Refinery premises.

An overview of the major units of the Refinery has been given in the following table-

[28] Million Metric Tonnes per Annum

Sl No	Unit	Capacity	Designed by	Commissioned on
1	Crude Distillation Unit	3.0 MMTPA	Engineers India Limited	April 1999
2	Vaccum Distillation Unit	1.32 MMTPA	Engineers India Limited	April 1999
3	Delayed Coker Unit	0.306 MMTPA	Engineers India Limited	September 1999
4	Hydrogen Unit	48600 TPA	HALDOR TOPSOE, Denmark	February 2000
5	Hydrocracker Unit	1.45 MMTPA	Chevron, USA	June 2000
6	Diesel Hydro Treater Unit	0.700 TPA	Haldor Topsoe, Denmark	February 2018
7	Motor Spirit Plant	331 TMTPA	Axens France	June 2006
8	Wax Plant	43.3 TMTPA Paraffin Wax 4.5 TMTPA Micro Crystalline Wax	NRL-EIL-IIP[29] Axens France[30]	March 2015
9	Sulphur Recovery Block	4000 TPA	Engineers India Limited	July 2000
10	Coke Calcination Unit	0.104 MMTPA	SVEDALA, USA	May 2004

NRL has two state-of-the-art Marketing Terminals, one at Numaligarh (NRMT) and the other at Siliguri (SMT) for the distribution of products to its customers. NRL's major Refinery

[29] Solvent De-oiling Unit
[30] Wax Hydro-finishing Unit

products are marketed through PSU Oil Marketing Companies as well as private oil companies.

In addition, NRL is involved in direct sale of products to customers comprising companies like OIL, ONGC, NALCO, HINDALCO, GAIL, Tea Gardens and private companies. NRL has a long-term agreement with Bangladesh Petroleum Corporation (BPC) for exporting Gas Oil (HSD) through the India Bangladesh Friendship Pipeline (IBFPL) which was inaugurated by Prime Ministers of both countries on 18th March 2023.

In an effort to bolster Government Of India's Act East Policy, NRL on its part has been able to establish trade ties with neighbouring SE Asian countries like Myanmar, Bangladesh, Thailand, Vietnam etc. through the export of Paraffin Wax and Diesel.

NRL exported a consignment of Diesel to Northern region of Myanmar bordering Manipur which is at a distance of only around 430 kms from Numaligarh Refinery.

Gas Oil (HSD) is being exported to Bangladesh through the India Bangladesh Friendship Pipeline (IBFPL). The IBFPL is of 1.0 MMTPA capacity and 130 km in length connecting NRL's terminal in Siliguri to the terminal of Bangladesh Petroleum Corporation (BPC) in Parbatipur.

The IBFPL was inaugurated jointly by the hon'ble Prime Ministers of India and Bangladesh on 18th March 2023 and has since been in operation.

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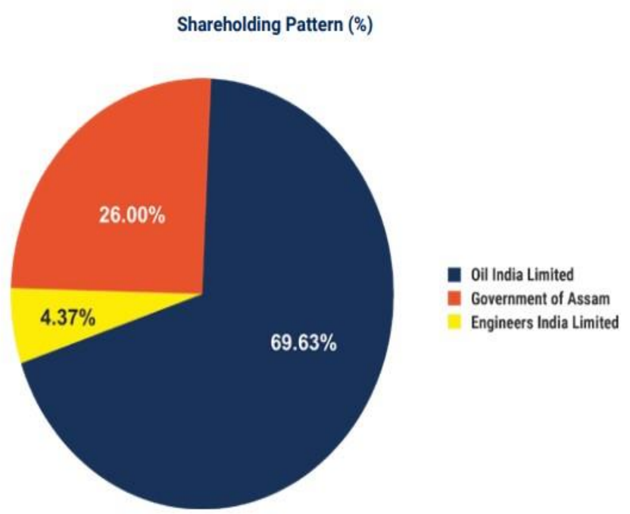


➢ Organisation Structure

Chairman

Managing Director

Director (Technical)

Director (Finance)

Chief General Manager (Corporate Affairs)

Resident Chief Executive

➢ Financial highlights

The recent summarized stand-alone financial results (₹ in Crore) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	23,730.61	29,785.60	23,547.01
Other Income	113.35	114.96	119.72
Total Income	23,843.96	29,900.56	23,666.73
Total Expenses	20,928.75	24,947.33	18,818.88

Profit/ (Loss) before exceptional items and tax balances	2,915.21	4,953.23	4,847.85
Profit/ (Loss) for the year	2,912.37	3,702.79	3,561.56

- **Brief about IT Systems**

The Company implemented an ERP solution of M/s Ramco Systems, first in oil sector PSUs, in October 1998 to integrate all the business functions of the Company. The company had implemented SAP R/3 4.7 ERP suite in August 2005 to cater to the new business processes as well as upgrading the existing processes and also to get the synergistic benefit with the other Group Companies - BPCL and KRL (now BPCL). The NRL SAP System was upgraded to a new version SAP ECC 6.0 ERP in March 2011 along with SAP Enterprise Portal implementation. With the digital transformation of the business activities, the SAP version was migrated to S/4 HANA on February 2022 successfully along with adoption of IBM BAW (Business Automation Workflow) to automate digital workflows across the business functions of Finance, HR, Procurement, Operations, IT and e-Office Approvals.

The company has also implemented B2B (Business To Business) over SAP for seamless integration of exchange of business information with IOCL, BPCL, HPCL, OIL and ONGC, Nayara Energy.

- **Applicable Statutes**

1. The Companies Act, 2013 (the Act) and the rules made thereunder; of Company Secretaries of India.
2. Factories Acts and Rules;
3. The Petroleum Act 1934 and Petroleum Rules, 2002;
4. Gas Cylinder Rules;
5. Indian Boiler Regulations;
6. The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989;
7. The Environment (Protection) Act, 1986;
8. Explosives Acts, 1884
9. Air (Prevention and Control of Pollution) Act, 1981;
10. The Electricity Act, 2003;
11. Guidelines from the Ministry of Petroleum & Natural Gas;

12. Order, Instructions, Guidelines of the Department of Public Enterprises, Government of India and other concerned Ministry including Government of Assam;
13. Other miscellaneous orders issued by the top management of the Company from time to time on diverse matters.
14. Income Tax Act & Rules.
15. Sales Tax-State/CST
16. Central Excise Petroleum Act, 1934 (30-1934) and the rules made thereunder.
17. The Oilfields (Regulation and Development) Act 1948
18. The Petroleum pipelines (Acquisition of Right of User in land) Act, 1962 (
19. Kerosene (Restriction on use and fixation of price) Order, 1993.
20. Kerosene (Fixation of Ceiling prices) Order, 1970.
21. Paraffin Wax (supply, Distribution and Price Fixation) Order, 1972.
22. Light Diesel Oil (Fixation of Ceiling Price) Order, 1973,
23. The ESSO (Acquisition of Undertaking in India) Act, 1974
24. The Oil Industry (Development) Act, 1974 (47 of 1974) and Rules 1975.
25. Furnace Oil (Fixation of Ceiling Price and Distribution) Order, 1974.
26. The Burmah-Shell (Acquisition of Undertaking in India) Act, 1976
27. The Caltex Acquisition of shares of Caltex Oil Refining (India) Limited and of the Undertakings in India Caltex (India) Limited Act, 1977
28. Domestic Gas Pvt, Limited and parcel Investment private Limited takeover of Management Act, 1979.
29. Kosan Gas Acquisition Act. 1979.
30. Lubricating Oils & Greases (Processing, Supply and Distribution) Regulation Order 1987.
31. Liquefied Petroleum Gas (Regulation of supply and Distribution) Order, 1993.
32. Motor Spirit and High Speed Diesel (Prevention of Malpractices in Supply and Distribution) Order, 1990
33.Goods and Services Tax Acts, 2017 and rules made thereunder

➢ **Audit Focus Areas**

1. Examine the overall costing system and analysis of cost in each segment of the project and also keep in view the cost audit report.

2. Examine the expansion scheme, their objective and achievement with reference to cost and output.

3. Examine the budgetary system and the internal control system as well as reports of the internal auditors.
4. Examine energy audit report and see whether the suggestion made in the report to save energy has been implemented or not. If not, the reasons attributed by Management may be examined.
5. Examine TA rules, medical rules, LTA etc. and examine the bills preferred by the employees in this regard. Ascertain whether the claims were genuine or otherwise
6. Examine CBI/Vigilance report/cases.
7. Examine inventory control and Management system particularly with reference to slow moving non-moving etc.
8. Examine foreign collaboration agreement its terms of payment and implementation in company's activity.
9. Examine pricing policy vis-a-vis credit system and debt collection system.
10. Examine the pending court/arbitration cases and find out whether any award/order has been issued which are detrimental to the interest of the company.

15. SJVN Thermal Private Limited

➢ **Profile**

SJVN Thermal Private Limited (STPL), erstwhile Buxar Bijli Company Pvt Ltd. (BBCPL), was incorporated (May 2007) to develop a 1,320-MW super-critical thermal power project in Buxar, Bihar. SJVN signed an MoU with Bihar State Power Holding Company Limited (BSPHCL) and Bihar Infrastructure Company (BPIC) in January 2013 wherein the project was transferred to SJVN. SJVN took over BBCPL in July 2013 and the name of the company was changed to STPL (a wholly-owned subsidiary of SJVN Ltd) in October 2013. The Cabinet Committee of Economic Affairs approved (March 2019) the investment proposal of ₹10,439.09 crore for the project.

The project was to be funded in debt: equity ratio of 70:30. The Power Purchase Agreement has been signed with North Bihar Power Distribution Company Limited (NBPDCL) and South Bihar Power Distribution Company Limited (SBPDCL) and the subsidiaries of Bihar State Power Holding Company Limited[31] for a term of 25 years from the start of commercial operations with tariff based on the prevailing CERC regulations and will include capacity charge, energy charge, incentives, taxes, levies etc. But the company is still in construction stage of implementing coal based thermal power plant at Chausa, Buxar district in Bihar.

➢ **Financial highlights**

The recent summarized stand-alone financial results (₹ in lakh) of the Company are as follows

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	0	0	0
Other Income	0	5	39
Total Income	0	5	39
Total Expenses	91	121	120
Profit/ (Loss) before exceptional items and tax balances	(91)	(116)	(81)
Profit/ (Loss) for the year	(91)	(116)	(114)

➢ **Brief about IT Systems**

SAP-ERP has been installed by the Company to process all accounting transactions.

[31] BSPHCL, 85% allocated to Bihar discoms, 15% available with Ministry of Power, Government of India, as unallocated quota

- **Applicable Statutes**

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. Secretarial Standards issued by the Institute of Company Secretaries of India –
3. Compliance to the Department of Public Enterprises (DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 as amended from time to time
4. Compliances/processes/systems under any other Law specifically applicable to the Company
5. National Policy on Hydro Power Development 2008
6. Electricity Regulatory Commissions Act, 1998
7. Electricity (Supply) Act, 1948
8. Indian Electricity Act, 1910
9. Electricity Act, 2003
10. Prevention and Control of Pollution Act, 1981
11. Environment (Protection) Act, 1986
12. Water (Prevention and Control of Pollution) Act, 1974
13. Boilers Act, 1923
14. Central Excise Act, 1944
15. Central Sales Tax Act, 1956
16. Customs Act, 1962
17. Income Tax Act, 1961
18. Wealth Tax Act, 1957
19. Contract Act, 1872
20. Sale of Goods Act, 1930
21. Contract Labour (Regulation and Abolition) Act, 1970
22. Employees State Insurance Act, 1948
23. Employees Provident Funds and Misc. Provision Act, 1952
24. Information Technology Act
25. Foreign Exchange Management Act, 1999
26. Minimum Wages Act, 1948
27. Payment of Gratuity Act, 1972
28. Goods and Services Tax Acts, 2017 and rules made thereunder

- **Audit Focus Areas**

1. Capitalisation of assets including borrowing cost, if any
2. Proper accounting of foreign exchange rate variation in case of foreign loan taken for the purpose of acquisition of assets
3. Physical Verification Certificates for assets.
4. Present status of Capital WIP and its proper capitalisation
5. Bank Reconciliation Statement.
6. Recoverability of Loans and Advances and provisions made there against
7. Accounting of liabilities for expenditure incurred during the accounting year.
8. Provision of gratuity, bonus etc.
9. Charging of depreciation as per CERC Notification wherever applicable;
10. Capitalisation of assets including borrowing cost, if any.
11. Proper accounting of foreign exchange rate variation in case of foreign loan taken for the purpose of acquisition of assets
12. Physical Verification Certificates of assets
13. Treatment of Insurance Spares
14. Present status of Capital WIP and its proper capitalisation
15. Treatment of capital expenditure on assets not owned by the company
16. Acknowledgement of contractors in respect of construction stores issued to them
17. Advice received from ERHQ in respect of debtors and its proper accounting
18. Physical Verification Certificates in respect of Inventory
19. Entries in Priced Stores Ledger (PSL) in respect of different items of inventory, special attention is to be given to Coal
20. Treatment of Missing and Unconnected wagons of coal
21. Treatment of Escalation and settlement of claims in coal PSL
22. Entries in respect of Stone content and Shortages (normal & abnormal) in coal PSL
23. Proper adjustment of stock in transit
24. Bank Reconciliation Statement
25. Confirmation from parties in respect of Loans and Advances
26. Realisability of Loans and Advances and provisions made there against Accounting of liabilities for the expenditure incurred during the accounting year
27. Proper disclosure of Contingent Liabilities and whether any actual liability is included in it

28. Monthly advice received from ERHQ in respect of Sales and its proper accounting
29. Justification of provision written back, if any
30. Provision of incentive to employees, if any
31. Provision of gratuity, bonus etc.
32. Accounting of taxes, duties, cess etc.
33. Provisions in coal agreement with coal supplying companies like quantum of coal required to be supplied etc.
34. Timely lodging of claims with coal supplying companies in respect of missing wagons etc.
35. Timely payment of freight bills of railways and timely return of wagons to avoid penal charges and demurrage;
36. Acceptance of escalation as per the strict terms of the coal agreement
37. Contracts for the procurement of stores, spares and other materials with particular attention as to the utility and timeliness, storage period and carrying cost of the same;
38. Terms of advances to suppliers of revenue/capital items and construction activities, mode of recovery/adjustment of interest & principal;
39. Agreements with contractors for the construction / supply of assets, inclusion of performance guarantee clause with proper bank guarantee
40. Proper justification for not going through the system of open tender, if any
41. Proper justification for not awarding the contract to L1 bidder
42. Proper follow up of Legal / Arbitration cases
43. Proper maintenance of records relating to construction stores supplied to contractors and collection of hire charges
44. Loss of revenue due to forced outage for reasons attributable to the project, i.e., lack of proper maintenance, short supply of essential stores/materials etc.

16. The Jute Corporation of India Limited

➢ Profile

The Jute Corporation of India Limited (JCI) was incorporated (1971) as a Central Public Sector Enterprise, under the administrative control of the Ministry of Textile, by the Government of India. It acts as a price support agency with a clear mandate for the procurement of raw jute/ mesta without any quantitative limit from the growers at the Minimum Support price (MSP) declared in each year by the Government of India based on the recommendations made by the Commission for Agricultural Cost & Prices (CACP). JCI operates through its 110 Departmental Purchases Centres (DPCs) and 14 Regional offices/ Regional Lead DPCs with Head office at Kolkata, West Bengal.

JCI is responsible for executing the Minimum Support Price operations for jute procurement and serves as a stabilizing agency in the raw jute market. JCI's price-support operation involves procuring raw jute from farmers, usually small and maginal farmers, at MSP without any quantitative limit, as and when the prevailing market price of jute is at or below the MSP. These operations help to create a notional buffer in the market by siphoning off excess supply, in order to arrest inter-seasonal volatility in raw jute prices. It also denotes the floor price at which a jute farmer can sell his produce.

Besides MSP operations, JCI also takes commercial operation of raw jute, trading in diversified jute products and distribution of certified jute seeds and acts as the export inspection agency appointed by the Government of India and it inspects the jute just before being exported.

JCI has been provided with an authorised and paid up Capital of Rs. 5 crores. As per authorization of the Government of India, Reserve Bank of India has allowed a special credit line for MSP operation by hypothecation of jute purchased by the Corporation. The margin money required to be mobilised for the Corporation for such credit has been dispensed with by giving a Government guarantee. The loss is determined after the sale of jute and the amount of loss is claimed by the Corporation for reimbursement through budgetary support.

➢ Organisation Structure

The Company is headed by a Chairman and Managing Director who is assisted by a Director (Finance) and four government nominee directors and one non-official independent director.

➢ **Financial highlights**

The recent summarized stand-alone financial results (₹ in lakh) of the Company are as follows

Particulars	2022-23	2021-22	2020-21
Revenue from Operations	14,231.73	5,584.24	14,925.59
Other Income	966.79	1,025.73	570.25
Total Income	15,198.52	6,609.97	10,239.33
Total Expenses	14,010.92	5,514.18	13,898.40
Profit/ (Loss) before tax	1,187.60	1,378.21	1,599.44
Profit/ (Loss) for the year	1,000.60	1,378.21	1,215.23

➢ **Brief about IT Systems**

The Company maintains its books of accounts on IT System – Tally ERP 9.

➢ **Applicable Statutes**

1) The Companies Act 2013 rules and orders thereunder.
2) Income Tax Act.
3) West Bengal Sales Tax Act.
4) Gratuity Act.
5) Bengal Raw Jute Taxation Act 1941 for purchase of tax on raw jute.
6) Jute Packaging Materials (Compulsory use of Packing Commodities) Act, 1987 (JPMA),
7) Micro, small and medium enterprise development act, 2006
8) Workmen's Compensation Act
9) Provident Fund Rules
10) Factories Act.
11) Income Tax
12) The Minimum Wages Act, 1948
13) Employees State Insurance Act, 1948
14) The Employees Provident Fund and Miscellaneous Provisions Act, 1952
15) The Payment of Bonus Act, 1965
16) The Payment of Gratuity Act, 1972
17) Industrial Disputes Act,1947
18) Employees' Pension Scheme 1995
19) Central Excise Act,1944

20) The Jute Companies (Nationalisation) Act, 1980
21) Jute Packaging Materials (COMPULSORY USE) Act, 1987
22) National Jute Board Act, 2008
23) Jute Manufactures Development Act,1983

- **Audit Focus Areas**

1. Board Minutes, Agenda Papers, and Audit Committees Report will give valuable information relating to events, activities or plans involving significant financial involvement.

2. The company has guideline for procurement and for disposal of raw jute. The procedure actually followed for procurement and disposal of raw jute should therefore be thoroughly examined and the loss incurred if any, due to system deficiency should be quantified.

3. The company confines mainly to price support operations which is to be examined keeping in view the price actually given to the growers and the subsidy received from the Govt. of India. (Relevant records: file relating to minimum Support Price and consequential losses thereon).

4. Operations regarding domestic procurement of raw jute through the company's purchase centres and co-operatives bringing out the reasons and financial implications on account of underutilisation of the company's own infrastructure i.e., DPC and simultaneous procurement through co-operatives on payment of commission.

5. System followed for marketing of raw jute, accumulation of stock, loss incurred due to high inventory etc. (Relevant records: marketing register, inventory register).

6. Examine the system for raising bills on the buyers, collection of cheques from them, deposit of such cheques with Bank, delay in such operation and consequential loss of interest. (Relevant records: schedule of cheques, cases of dishonour of cheques) utilisation of the fund received from Govt. of India from time to time out of Jute Special Development Fund for implementation of the scheme for creation of infrastructural facilities in jute procurement Centres. (Relevant records: file relating to utilization of funds from the said Funds)

7. The company enters the market for procurement and sale of jute when the other traders actually sale and purchase jute. This aspect is to be examined and financial implications are to be highlighted. (Relevant records: file relating to minimum Support Price and consequential losses thereon).

8. Agreements for godown hiring keeping in view the financial terms and conditions, utilisation of space hired, procedure in force for such hiring, quantum of insurance taken with reference to stock holding at different godowns. (Relevant records: files relating to temporary/permanent godowns, whether godown space is being judiciously and profitably utilized).

9. Reasons for losses sustained by the company from year-to-year, steps taken for its viability and actual achievement there against, (Relevant records: Profit & Loss Accounts, Balance Sheets, stock register, sales register).

10. Internal control as well as the internal audit systems. (Relevant records: internal audit report of the DP Centres).

11. Examine TA, LTC, and Medical Rules of the company and settlement of claims relating thereto. (Relevant records: Service Books of the employees to find out whether leave is duly sanctioned, pay is properly fixed and leave encashment is properly taken)

12. CBI and vigilance cases. (Relevant records: Court cases, Arbitration cases)

13. Dead stocks register. (Relevant records: dead stock register and physical verification report).

14. IT planning for hardware and software and deploying it rationally. (Relevant records: IT planning and control, purchase register, tender file, records relating to obsolete hardware and software).

15. Examination of Central Accounts records relating to subsidy received from the Government of India.

16. Scrutiny of Provident Fund investment records.

17. Subsidy due from the Government of India.

18. Settlement of various claims and action taken by the occupant.

19. Scrutiny of collection of ‘C’ forms; purchase tax vis-à-vis the extant rules and regulations.

(i) Relevant areas specified under Proprietary Audit are to be verified whenever applicable.

(ii) Items of assets in the Balance Sheet are to be examined as regards their existence, value and ownership right of the Company.

(iii) Items of liabilities in the Balance Sheet are to be examined for the sufficiency of their quantum with reference to the actual or estimated contractual obligations.

(iv) Items of expenditure are to be compared with the previous year's figures for pinpointing significant variations and to ensure that such variations are supported by reasonable clause.

(v) Items of income, sale, and service charges are to be compared with the previous year's figures for pinpointing significant variation and to ensure that such variations are supported by reasonable cause.

(vi) Items of assets, liabilities, expenses and income, disclosures and Notes on Accounts are to be ascertained as per the requirement of Law/Accounting Standards.

17. Bhor Sagar Port Limited

➢ Profile

Subsequent to the Government of India's approval for the formation of a Special Purpose Vehicle (SPV) for setting of new Major Port in the state of West Bengal, Bhor Sagar Port Limited was incorporated (December 2015) as a Joint Venture between Syama Prasad Mookerjee Port Authority[32] and Government of West Bengal under the Companies Act, 2013, to develop, implement and set up deep sea ports at Sagar island and/ or Tajpur, West Bengal and to run and operate the port commercially and to undertake all activities with deep sea ports and setting up of all infrastructural work in relation thereto.

As the Government of West Bengal had moved to carry out the Tajpur Project at its own cost, the Company foreclosed its Tajpur Project (August 2023). Presently commercial activity is not carried out by the Company as it does not have any current project.

The Board of Directors of the Company decided (March 2024) to continue the operations of the Company as going concern as there may be new joint venture projects with State Government which may be taken up by the Company in future.

➢ Financial highlights

The initial authorized capital of the company was ₹5 crore and the paid-up capital of ₹65 lakh at the time of Registration of the Company. The Authorized Capital was subsequently raised to ₹10 crores and paid-up capital was also increased from ₹ 9.90 crores.

The summary of the financial performance (in ₹ in hundred) of the Company during the last three financial years are as follows

Particulars	2023-24	2022-23	2021-22
Revenue from Operations	-	-	-
Other income	45,23,705	34,85,353	29,74,788
Total income	45,23,705	34,85,353	29,74,788
Profit/ (Loss) before Interest, Depreciation & Taxation	45,23,705	34,85,353	29,74,788
Interest	-	-	-
Profit/ (Loss) before Taxation	45,23,705	34,85,353	29,74,788

[32] erstwhile Kolkata Port Trust

Depreciation	-	-	-
Profit/ (Loss) before Taxation	37,48,372	(2,78,16,545)	7,14,914
Provision for Taxation	-	-	-
Less: Tax expenses for earlier years	-	15,278	-
Profit/ (Loss) after Taxation	37,48,372	(2,78,31,823)	19,22,612

Presently, there is no activity of the Company.

18. Chhattisgarh Copper Limited

➢ Profile

Chhattisgarh Copper Limited (CCL) was incorporated (May 2018) as a joint venture Company of Hindustan Copper Limited (HCL) and Chattisgarh Mineral Development Corporation (CMDC) Limited for exploration, mining and beneficiation of copper and its associated minerals in the state of Chhattisgarh. Its registered office is in Bhilai Durg of Chhattisgarh.

➢ Organisation Structure

The shareholding pattern between HCl and CMDC is in the ratio of 74:26 and therefore CCl is also a subsidiary of HCL. The number of Directors nominated by HCL and CMDC on the Board of CCL is in the ratio of 3:2.

➢ Financial highlights

The financial position (in ₹) of the Company is as follows

Sl. No.	Particulars	2023-24	2022-23	2021-22
1	Revenue from Operations	0	0	0
2	Authorized Share Capital	1,00,00,000	1,00,00,000	1,00,00,000
	Equity Shares Issued Subscribed and fully paid up	63,51,350	63,51,350	63,51,350
3	Other Current liabilities	3,24,500	53,984	62,275
4	Non-Current Assets	1,25,790	1,60,342	2,18,590
5	Profit before Tax	(10,41,177)	(10,90,303)	(3,31,483)
6	Profit after Tax	(10,41,177)	(10,90,303)	(3,31,483)

➢ Brief about IT Systems

The Company has in place an IT System to process all the accounting transactions.

The company has not commenced business till March 2024.

19. CIL NTPC Urja Private Limited

➢ **Profile**

Coal India Limited (CIL) National Thermal Power Corporation (NTPC) Urja Private Limited (CNUPL) is a joint venture company between National Thermal Power Corporation Limited (50%) and Coal India Limited (50%). CNUPL was incorporated (April 2010) for development of Brahmini and Chichro-Patsimal Coal Blocks and for supplying coal to NTPC's Kahalgaon and Farakka Power Stations. However, these coal blocks were de-allocated by the Ministry of Coal (MoC) from CNUPL in June 2011.

In its attempt to explore new business areas, CNUPL had signed Memorandum of Understanding (MoU) with Northern Coalfields Limited (NCL) to support as Project Coordinator for the development of 50 MW Solar PV Power Project at NCL Nigahi coal mine in Madhya Pradesh. Further, the Company also signed (August 2022) a Memorandum of Understanding (MOU) with Central Coalfields Ltd. (CCL), a subsidiary of Coal India Ltd. (CIL), at a function held at CIL Headquarters, Kolkata for acting as the Project Coordinator for the 20 MW Solar Power Project to be set up at Piparwar colliery area of CCL. NTPC Ltd. was the Project Management Consultant for this project.

➢ **Financial highlights**

The financial performance of the company is as follows:

(₹)

Particulars	**2021-22**	**2020-21**	**2019-20**
Income	-	-	-
Total Expenditure	62921	66559	51166
Profit/(Loss) before tax	(62921)	(66559)	(51166)
Profit/(Loss) after tax	(62921)	(66559)	(51166)
Earnings per equity share			

The company is yet to commence commercial operation.

20. Kolkata Port Accretion Limited

Profile

Kolkata Port Infrastructure Development Limited (KPIDL) was incorporated (October 2016) as a wholly owned subsidiary of Syama Prasad Mookerjee Port Authority (SPMPA), Kolkata, under the Companies Act 2013. The name of the company was changed to Kolkata Port Accretion Limited (KPAL) with effect from 16th August, 2019. The main objective of the Company is to develop and maintain infrastructure projects and to carry on business pertaining to all port-related infrastructure activities.

The company was incorporated for those projects of Syama Prasad Mookerjee Port Authority[33] (SPMPA), Kolkata where the assistance of Sagarmala funding would be required. One of the projects identified by SPMPA is the Balagarh Project where the pre-feasibility study has been initiated by the SPMPA with the assistance of the Indian Port Association. The company has engaged M/s Tata Consulting Engineers Limited for preparation of the Detailed Project Report (DPR) for the development of the extended Port Gate System at Balagarh.

Financial highlights

The financial position of the Company is as follows

(₹ in hundreds)

Sl. No.	Particulars	2023-24	2022-23	2021-22
1	Share Capital	5,00,000	5,00,000	5,00,000
2	Reserve and Surplus	25,884.58	12,431.97	5,680.85
3	Trade Payables	-	-	-
4	Other Current liabilities	507.00	3,731.00	3,559.50
5	Non-Current Assets	-	2,08,152.00	2,08,152.00
6	Capital Work in Progress	-	2,08,152.00	2,08,152.00
7	Current Investment	-	-	-

[33] erstwhile Kolkata Port Trust

8	Cash and Cash Equivalents	5,883.65	4,052.98	1990.83
9	Other Current Assets	12,217.93	6.337.99	7,523.03
10	Depreciation and Amortisation	-	-	-
11	Other Income	23,707.48	14,567.70	13,805.03
12	Other expenses	5,544.87	5,376.80	5,493.20
13	Profit & Loss	13412.61	6,751.13	6,150.70

Presently, there is no activity of the Company.

21. Loktak Downstream Hydroelectric Corporation Limited

➢ **Profile**

Loktak Downstream Hydroelectric Project is located in the north-eastern state of Manipur. Loktak Downstream Hydroelectric Corporation Limited, Manipur (LDHCL) is a Joint Venture Company of NHPC and the Government of Manipur. Its owners are NHPC and the Government of Manipur with equity participation of 76% and 24%.

It is a run-of-river (RoR) scheme, utilizing primarily the tail race discharge of Loktak Hydroelectric Power Station NHPC in addition to discharge of Leimatak river. The scheme envisages a medium height diversion structure on Leimatak river and river discharge diverted through upstream water conductor system joins Irang river through tail race channel. The project has been proposed with 66 MW, as installed power generation capacity, comprising 2 units of 33 MW each. The construction of the project could usher much needed socio-economic development apart from improving the power supply scenario of the region.

The main objectives of the Company were as follows:

(i) Development of vast hydro-potential at faster pace and optimum cost eliminating time and cost overrun.

(ii) Completion of all ongoing projects within stipulated time frame.

(iii) Ensure maximum utilization of installed capacity and help in better system stability.

(iv) Generation of sufficient internal resources for expansion of setting up new projects.

(v) Corporate development along with simultaneous Human Resource Development.

However, the extension of the Detailed Project Report of the project expired in May 2022 and the Ministry of Power did not extend the same on the plea that the Government of Manipur did not communicate about subsidy to be allowed by them. Further, the investment proposal by the Public Investment Board/ Cabinet Committee on Economic Affairs was also pending for want of communication from the Government of Manipur. In this context, the Ministry of Power directed to drop the ongoing proposal of setting up the hydropower project under the Company.

- **Organisation Structure**

The management of the Company is vested in the Board of Directors. The Chairman of the Board is also the Managing Director who is assisted in various functions by other Executive and non-executive Directors.

- **Financial highlights**

The financial position of the Company is as follows

(₹ in hundreds)

Sl. No.	Particulars	2023-24	2022-23	2021-22
1	Revenue from Operations	-	-	-
2	Authorized Share Capital	23000.00	23000	23000
3	Equity Shares Issued Subscribed and fully paid up	14109.37	14109.37	13809.37
4	Trade Payables	-	-	-
5	Other Current liabilities	0.05	0.20	31.86
6	Non-Current Assets	74.58	79.06	16108.09
7	Profit before Tax	(24.94)	(16128.33)	1.48
8	Profit after Tax	(24.94)	(16128.33)	1.48

Presently, there is no activity of the Company.

22. Nagaland Pulp and Paper Company Limited

➢ **Profile**

Nagaland Pulp & Paper Company Limited (NP&PCL) was incorporated (September 1971) at Tuli, Mokokchung district, Nagaland as a joint venture Company of the Government of Nagaland (GoN) and Hindustan Paper Corporation Limited (HPC), a Government of India Enterprise under the administrative control of DHI, Ministry of HI & PE (Equity participation being 12.5% and 87.5% respectively). The Company was set up to manufacture writing and printing paper with an installed capacity of 100 TPD[34] using bamboo as raw material. The project was implemented at a cost of around ₹83.75 crores in 1981. The main objective of the company was to promote, establish, execute and run industries, projects or enterprises for manufacturing, selling and/or export of pulp, paper, newsprint and various products from pulp and paper.

The commercial production of the Mill had started in July 1982 but subsequently owing to non-availability of grid power from GoN, poor performance of power boiler and lower capacity utlisation due to the non-operational Reed pulping street, poor law and order situation and the exodus of outside experts, the Company started making loss continuously.

The Company was referred to the Board for Industrial and Financial Reconstruction (BIFR) in April 1992 and the Mill operation was suspended from October 1992.

The financial restructuring was approved by the Government of India in 1995 and net worth of the Company became positive. BIFR discharged the company from its purview in November 1995. However, it was once again referred to BIFR in May 1998 when net worth became negative in 1997. Subsequently BIFR issued winding-up order in March 2002.

Parliament Standing Committee on Industry took steps for revival of the Company in April 2002. GoN and the Company appealed before Appellate Authority for Industrial and Financial Reconstruction (AAIFR), New Delhi in April 2002 against BIFR’s winding up order. A detailed project Report (DPR) for revival was submitted to DHI in December 2002. The updated DPR with cutoff date in August 2006 was approved by the Cabinet Committee on Economic Affairs (CCEA) in November 2003 and informed the same to DHI in December 2006. Project Rehabilitation and Revival Scheme submitted by Monitoring Agency (IDBI) was sanctioned by BIFR in June 2007 at an estimated cost of ₹552.44 crores.

Presently, there is no activity of the Company

[34] Tonnes per Day

23. Utkal Ashok Hotel Corporation Limited

➢ **Profile**

Utkal Ashok Hotel Corporation Limited is a subsidiary of The Indian Tourism Development Corporation Limited (ITDC). ITDC holds 91.54 % of the shares of the Utkal Ashok Hotel corporation. It had been the prime mover in the progressive development, promotion and expansion of tourism in the country. To construct, take over and manage existing hotels and market hotels, Beach Resorts, Travellers' Lodges/Restaurants.

The unit was incurring huge loss since its inception and was not even generating enough revenue to meet its operational expenses and had no viability to run as a commercial entity. After reviewing the performance in view of the losses standing at ₹9,46,200 (up to 31st March 2003), the Board of Directors decided (March 2004) to temporarily close down the commercial operation of the unit with effect from March 2004.

Further, the Government of Odisha while granting the permission (May 2007) allowed Utkal Ashok Hotel Corporation, Puri, to sublease the land for a period of 40 years. The Board approved (August 2008) the proposal of leasing out the joint venture hotel property at Puri on lease cum management visits for the period of 40 years. Subsequent to the tendering process, the Letter of intent (LoI) was issued to M/s Paulmech Infrastructure Private Limited (the lessee).

However, due to non-adherence to the terms of the LoI, a dispute arose between the lessee and the company. The matter remained sub-judice till October 2021.

The Company is presently exploring the option of disinvestment of property.

Chapter – IV

Companies for which this office is the Sub-Auditor

Audit Mandate

Post restructuring of Audit offices in 2020, Central Public Sector Enterprises (CPSEs) under the Ministry of Mines have been shifted from Delhi to this office. There is a sub audit system in place for auditing large CPSEs[35] due to their geographical spread across India. A list of CPSEs under the audit control of the Principal Auditors along with their respective sub-auditors has been provided in Appendix IV of the Manual of Commercial Audit Wing of Indian Audit & Accounts Department, Second Edition (1993).

As per the aforementioned delegation, the accounts of those CPSE units are taken up by this office for supplementary audit. The Draft Audit Comments on such accounts, after taking in consideration Management reply thereon, are forwarded to the Principal Auditor for further necessary action at their end.

This chapter gives a brief overview of profile, organisation structure, financial highlights, Information Technology (IT) Systems, applicable statutes as well as relevant Audit Focus Area in respect of those auditee organisations for which this office is the Principal Auditor.

As on 31st March 2024, there are 10 CPSEs for which this office is the Sub Auditor (details in **Appendix E**). A brief overview of these ten units/ companies have been discussed in the subsequent pages.

[35] such as NTPC, PGCIL, AAI, BHEL, NHAI, IOC, HPCL, BPCL etc.

1. Air India Airport Services Limited

➢ Profile

AI Airport Services Limited (Formerly[36] known as Air India Air Transport Services Limited) (AIASL), was formed with an aim to provide unified Ground Handling services (Ramp, Passenger, Baggage, Cargo Handling and Cabin Cleaning) under the brand name 'AI Airport Services'. AIASL was incorporated in 2003 as a wholly owned subsidiary of Air India Limited for providing manpower for the various departments of Air India, including Ground Handling. Consequent to the Cabinet approval, AIASL has been operationalised in February 2013 as a Ground Handling Company and commenced autonomous operation from 2014-15.

From the time the very first aircraft took flight in India, till today, when Jumbos and Dreamliners rule the sky, Air India's Ground Handling Department always existed, albeit under different names. What started off as a section for Ground Handling under Air India Engineering, grew into a department called Ground Services Department with the induction B747 "jumbo" aircraft.

With a view to bring in focus on the core Ground Handling services, the Passenger, Cargo and Ramp Handling activities have been brought together to form the Ground Handling subsidiary AIASL.

From being the first and only Ground Handler in India to handle the Airbus A380 on its maiden flight to India, to handling the futuristic 787 Dreamliners at major Airports in India, AI Airport Services Limited is one of the major Ground Handling Service Provider in Indian airports. AIASL presently provides ground-handling services at 82 airports. Apart from handling the flights of Air India and Air India Express, ground handling is also provided for 51 foreign scheduled airlines, 4 domestic scheduled airlines, 3 regional airlines, 8 Seasonal charter airlines, 23 foreign airlines availing Perishable Cargo handling.

Since 13.01.2022, AIASL has become the wholly owned subsidiary of Air India Assets Holding Limited (AIAHL) by virtue of the transfer of shares from Air India Limited to AIASL. The Eastern Region Regional Office of AIASL, located at the New Technical Area (NTA) of Netaji Subhas Chandra Bose International Airport (NSCBIA), at Kolkata along with its 19 stations[37] is presently under the compliance audit purview of this office.

[36] Name was changed with effect from 15.02.2020
[37] Kolkata, Aizwal, Agartala, Bagdogra, Bhubaneswar, Dibrugarh, Dimapur, Durgapur, Gaya, Guwahati, Imphal, Jharsuguda, Lilabari, Patna, Port Blair, Pasighat, Ranchi, Silchar and Tezpur.

2. Air India Engineering Services Limited

➢ Profile

The Board of Directors of Air India Limited, the then parent company, in the year 2010, approved the hiving off of Air India Engineering Services Limited (AIESL) as wholly owned subsidiary of Air India and a separate Profit Centre to cater the service towards Maintenance, Repair and Overhaul (MRO) activities of the captive load of Air India and its other subsidiaries besides the workload from 3rd Party Customer of domestic and international market. Accordingly, Cabinet Approval was obtained on 06-09-2012, for operationalization of AIESL. After complying with the requirements of the various Statutory and Regulatory Authorities, final approval was obtained[38] from the Directorate General of Civil Aviation (DGCA) to operate as an independent MRO on 01-01-2015. The name of Company was changed from "Air-India Engineering Services Ltd" to "AI Engineering Services Ltd" w.e.f. 03rd August 2020. Earlier, AIESL was the wholly owned subsidiary of Air India Limited (AI), however pursuant to the disinvestment of AI and the decision of Air India Specific Alternative Mechanism (AISAM), the entire shareholding of the AIESL was transferred from AI to AIAHL on 12th January 2022 and consequently, AIESL has become a wholly owned subsidiary of AIAHL from that date.

The authorized Share Capital of the company during 2022-23 was ₹1000 crores divided into 100 crore equity shares of ₹10 each while the Paid-Up Share Capital of the company during the year was ₹166,66,65,000 divided into 16,66,66,500 equity shares of ₹10 each.

➢ Financial Performance

The Company's financial performance (₹ in Crore) in recent years is given hereunder:

Particulars	2022-23	2021-22
Total Revenue	2029.86	1906.52
Total Expenses	1418.81	1345.96
Profit after tax	628.47	822.40

[38] under Civil Aviation Requirements 145 w.e.f 1st January, 2015

3. Bharat Heavy Electricals Limited

➢ Profile

Power Sector Eastern Region (PSER) is one of the four regional offices through which the erection, testing, commissioning activities of hydro and thermal power projects located in Eastern Region and North Eastern Region are operated, monitored and co-ordinated. In respect of power projects located in Eastern Region, functions related to services after sales, repair and maintenance and renovation and modernisation are carried out by PSER. PSER receives its work orders mainly from the Business Groups of the Company and some small orders directly from the customers.

➢ Organisational set up:

BHEL, PSER is headed by the Executive Director who is assisted by GM (Projects), AGMs and Sr. DGMs and other supporting staff.

➢ Projects Information:

The information regarding New Projects started and Project closed during last Three years is as follows: -

<table>
<tr><th colspan="3">Project Started</th></tr>
<tr><th>2016-17</th><th>2017-18</th><th>2018-19</th></tr>
<tr><td>NSPCL, Rourkela</td><td rowspan="3">NIL</td><td>Barh Stage-I & II FGD</td></tr>
<tr><td rowspan="2">Tata Steel, Jamshedpur</td><td>Barh TSL, Kalinganagar</td></tr>
<tr><td>North Karanpura, FGD</td></tr>
</table>

4. Bharat Petroleum Corporation Limited

➢ **Profile**

The Budge Budge Installation which is spread in 39 acres came into existence in early 1900s and was the first Oil Installation in India, which was established by Burmah-Oil Company (BOC),1954. It has been the source of petroleum products in East India and has seen the petroleum industry from its early days. On 24th January 1976, a new era dawned, as a 100% public sector enterprise, Bharat Refineries Limited, acquired complete ownership of Burmah Shell's interests in India, including the largest refinery and a nationwide marketing organisation. Bharat Refineries Limited was later named as Bharat Petroleum Corporation Limited.

The organisational structure of BPCL was oriented towards functions suitable for a relatively stable environment with limited competition. Due to globalization and open competition, such structure suffers from poor customer focus, low responsiveness, low accountability, weak strategic thinking and low cost awareness.

A strong need was, therefore, felt to redesign the organisation to ensure undivided attention to different segments of customers. To become internally competitive in deregulated scenario and to improve operational effectiveness which will result in enhanced profit, the Company has divided its business units into several Strategic Business Units (SBUs) viz. Refinery, Retail, Industrial & Commercial, Lubricants, LPG and supporting service units like Engineering & Project, Materials, HR Department, E&P, Internal Audit, Shared Services, Corporate Office and Legal Department which were kept to support SBUs. The new structure has become operative from June 1998. Due to such change in the overall organisational structure, the Company operates a number of Territory Offices at different strategic locations to give more focus on customer services and enhanced market participations.

BPCL has no refinery, rather only marketing set up in eastern region.

5. Hindustan Petroleum Corporation Limited

EAST ZONE OFFICE

➢ **Profile**

HPCL was formed in 1974-78 by nationalisation of Esso, Caltex and Lube India.

Eastern Zone Office, Kolkata of Hindustan Petroleum Corporation Limited controls the following matters related to Eastern Zone:

(a) Operation of Retail Regional Offices and Terminals

(b) Supply and distribution of products

(c) Excise duty, Custom duty and Sales Tax matters

(d) Legal Matters

All the Retail Regional Offices are headed by functionaries who are under the administrative control of Chief General Manager, Eastern Zone.

HPCL has no refinery, rather only marketing set up in the eastern region.

6. Indian Oil Corporation Limited

➢ **Profile**

As a diversified and integrated energy major, Indian Oil spans across oil, gas, petrochemicals, and alternative energy sources. Indian Oil's relentless pursuit of excellence has garnered prestigious accolades across the global stage. The company surged an impressive 48 places to secure the 94th position in the Fortune Global 500 list in 2023. It has maintained its leadership in the 'BW Top 500' for the third consecutive year and has been recognized as the most respected oil and gas company by Business World. Additionally, Indian Oil achieved the third spot for brand strength in the oil and gas sector in the 'Brand Finance' rankings. Its unwavering dedication to sustainable development has also been acknowledged on the global front, with Indian Oil being named the leading Indian oil and gas corporation in the Bloomberg NEF Global Energy Transition Score and topping the S&P Dow Jones Sustainability Indices for the sector.

Every day, Indian Oil processes over 1.6 million barrels of crude oil and delights over three crore Indians through an expansive network of more than 61,000 customer touchpoints, including more than 37,500 fuel stations. It delivers more than 26 lakh LPG cylinders daily, even to the remotest corners of India, and fuels over 2,300 flights, with more than half of the flights in Indian skies being refuelled by Indian Oil. For Indian Oil, every day is an opportunity to power the progress and possibilities for the nation, demonstrating core values of Nation-First, Care, Innovation, Passion, and Trust.

Indian Oil's extensive pipeline network consistently achieved record throughput, expanding to nearly 20,000 kilometer With a commanding market share exceeding 45% and a customer base surpassing 15 crore, Indian Oil remains at the forefront of implementing the Pradhan Mantri Ujjwala Yojna (PMUY), heralding a new era of clean cooking. The company has introduced a range of customer-centric initiatives to further bolster its LPG business.

For nearly six decades, Indian Oil's flagship brand 'Indane' has revolutionized domestic LPG in India, profoundly impacting lives and businesses. The company's commitment to customer safety remains unwavering, with industry-first initiatives designed to ensure safety from its facilities directly to customers' homes.

In addition to its LPG success, Indian Oil's lubricants segment has become a cornerstone of its portfolio, demonstrating impressive growth with a Compounded Annual Growth Rate (CAGR) of 15.3% over the past four years. The company continues to lead in niche areas such as explosives and cryogenics, with a forward-looking strategy focused on expansion and innovation.

- Indian Oil reaches precious petroleum fuels to every nook and corner of the country through its network of over 61,000 customer touch points.
- The marketing network is bolstered by 70.25 MMTPA of Refining Capacity and around 20,000 KM of cross-country pipelines.
- Over 37,500 Fuel Stations spread across India, fuelling the dreams and aspirations of around 30 million Indians every day.
- Indian Oil's LPG brand Indane caters to more than 150 million customers.
- One of the leading Petrochemical players in India with a petrochemical production capacity of nearly 3200 KTA.
- Indian Oil’s pioneering green initiatives, including Hydrogen Mobility, Hydrogen Transportation, Biofuels, Electric Mobility, Solar Cooktop and Minimising Water Footprint are central to our strategic vision for a cleaner energy future.
- In collaboration with Tata Motors, Indian Oil mobilised a fleet of 15 hydrogen fuel cell buses that emit only water vapor, exemplifying our commitment to promote sustainable transportation.
- Indian Oil has established itself as a leading CGD (City Gas Distribution) player in the country.
- The leading promoter of the Govt Of India's SATAT (Sustainable Alternative Towards Affordable Transportation) scheme. First Indian company to start CBG marketing under the brand name "Indi Green".
- As of June 2024, Indian Oil expanded the availability of E20 fuel to over 5,700 outlets across the country.
- In a landmark move in March 2024, the company introduced India’s first ETHANOL 100 fuel, that is now available at 400 outlets in Delhi, Uttar Pradesh, Maharashtra, Karnataka, and Tamil Nadu.
- Indian Oil introduced another revolutionary initiative with the promotion of ‘Surya Nutan,’ our innovative solar cooktop. The Company entered into an agreement with EKI Energy Services to promote and deploy 350 units of ‘Surya Nutan’ in Dhar, Madhya Pradesh, as part of a clean cooking project leveraging carbon financing.
- As of June 2024, Indian Oil commissioned 10,028 EV charging stations, which constitute 59.7% of all EV charging stations in the country. Additionally, battery

swapping services are available at 99 fuel stations, providing flexible and efficient solutions for electric vehicle users.

- Spent nearly ₹457.71 Crore on CSR endeavours during the year 2023-24 across healthcare, education, sanitation, skill development, women empowerment and environmental sustainability.

A. REFINERY

A1. BARAUNI REFINERY

- **Profile**

Barauni Refinery was dedicated to the nation in 1965. Established in 1964, it is on the Northern banks of the holy Ganges, at Barauni, on the periphery of the district town Begusarai, Bihar. Situated 125 km from Patna, it is also the point where two important railways meet – the Eastern Railways and North Eastern Railways. It was built in collaboration with the Soviet Union with limited participation from Romania, at a cost of ~Rs 49.4 Crore, and went on stream in 1964.

The Refinery has gone a long way over the years, starting from a crude processing capacity of 1.0 MMTPA (AVU-I) of sweet crude from Assam oil fields. It has steadily expanded its capacity to 3.0 MMTPA with AVU-II and AU-III. Further, with the revamp of AVU-I & II in 1985 & 1998-99 followed by AU-III revamp in 2000, crude processing capability was increased to the current level of 6.0 MMTPA. In 2002, the processing of high sulphur crudes through Barauni Expansion Project (BXP) was implemented. Residue Fluidized Catalytic Cracker Unit (RFCCU), Diesel Hydro Treating Unit (DHDT), Sulphur Recovery Unit (SRU), Amine Re-generation Unit (ARU), and Hydrogen Generation Unit (HGU) are some of the major units.

Further following units were added to meet the fuel specifications:

- Catalytic Reforming Unit (CRU) was set up in 1997 to produce unleaded gasoline.
- Diesel Hydro-treater Unit (DHDT) was put up in 2002 for supplying BS-II grade diesel. The third reactor was commissioned in May 2009 to meet BS-III diesel specifications. Also, FCC Gasoline Desulphurisation (FCC GDS), Isomerisation Unit, Naphtha Hydrotreater, Hydrogen unit were commissioned in 2010 along with revamp of existing units to meet BS-III MS specifications.
- To produce BS-IV and BS VI compliant MS and HSD, Diesel Hydrotreating Unit (DHDT) revamp, a new FCC Gasoline De-Sulphuration Unit (FCCGDS) and Continuous Catalytic Reforming Unit (CCRU) were implemented. The Project was executed in two phases. Phase-I was completed in August 2017 to meet BS-IV quality while Phase-II was commissioned to meet BS-VI quality. IOCL R&D technology, indJet was commissioned in 2022 for production of ATF.

- **Major products:**

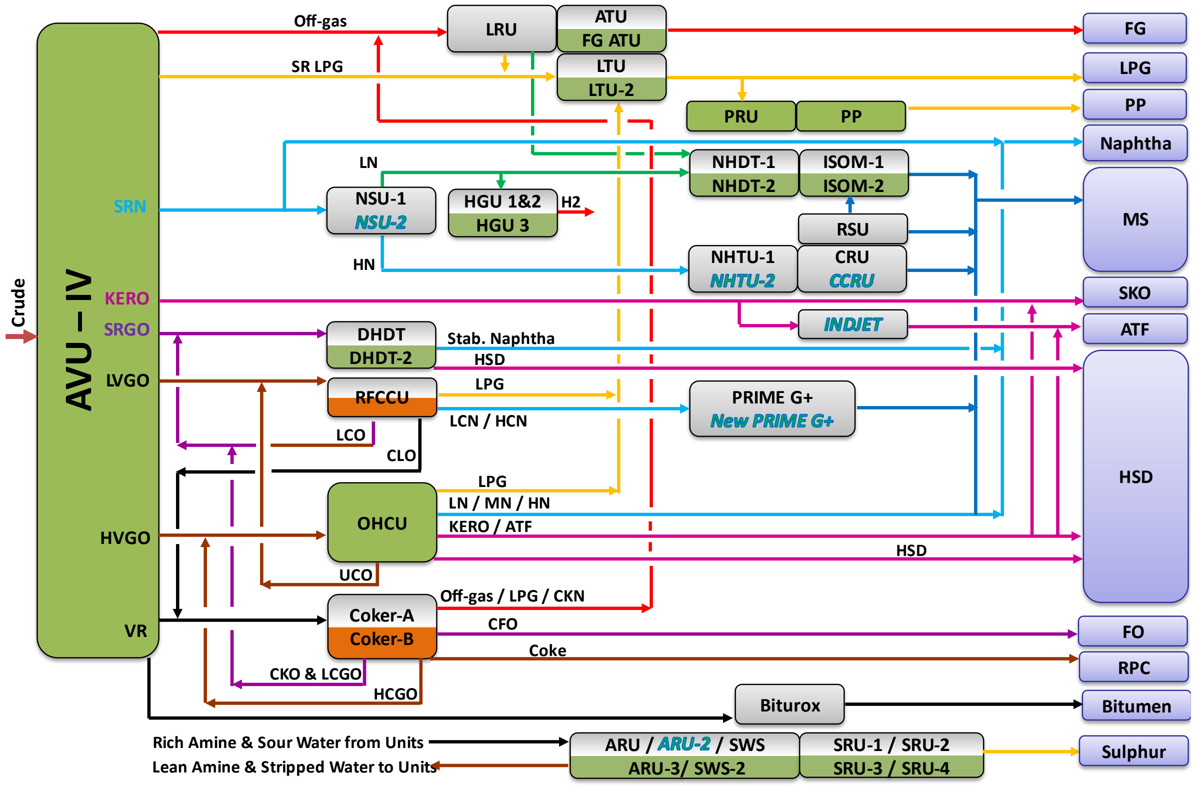
LPG, Naphtha, Motor Spirit, Superior Kerosene Oil, Aviation Turbine Fuel (ATF), High-Speed Diesel, Carbon Black Feed Stock, Furnace Oil, Low Sulphur Heavy Stock, Raw Petroleum Coke, Bitumen, Sulphur.

- **Upcoming Projects:**

Barauni Refinery expansion from 6 to 9 MMTPA is an approved project and is currently under implementation. It includes the expansion of distillation capacity, secondary units along with petrochemical units.

- **Mode of Product Despatch:**
  - Pipeline - BKPL for MS & HSD Haldia Barauni Product pipeline for receipt of MS&HSD PHBMPL for LPG Paradip-Haldia-Barauni Crude Pipeline for receipt of Crude oil
  - Tanker trucks for LPG, RPC, Sulphur
  - Tank Wagons for MS, EBMS, HSD, SKO, LSHS, FO

Process Flow



➢ **Audit Focus Area:**

1. Is there any delay in construction, commissioning of new plant & machinery?
2. If there was any delay, how did it affect the revenue?
3. Is there any unforeseen capital cost/ additional capital cost/ any expenses?
4. Performance of the various plant & machinery of the refinery.
5. Running of the plant.
6. Repair and maintenance of the plant.
7. Crude procurement/ import.
8. Water availability and water charges.
9. Annual Operation Reports/ monthly Operation Reports.

A2. BONGAIGAON REFINERY

- **Profile**

Bongaigaon Refinery & Petrochemicals Limited (BRPL) was incorporated in 1974 as a Government Company. Situated amidst spectacular green surroundings at Dhaligaon in Chirang district of Assam, it is about 200 km west of the state capital Guwahati. The Bongaigaon Refinery (BGR) is the eighth refinery of Indian Oil Corporation Limited (IOCL). It was formed by the amalgamation of Bongaigaon Refinery & Petrochemicals Limited (BRPL) with IOCL on March 25, 2009. The refinery today is part of Indian Oil Corporation and is known as Bongaigaon Refinery (BGR).

The Assam crude is procured from Oil India Ltd. BGR has two Crude Distillation Units (CDU), two Delayed Coker Units (DCU), a Coke Calcination Unit (CCU), a Diesel Hydro Treatment unit (DHDT) unit and a Reformer Unit with a processing capacity of 2.35 MMTPA of crude oil. The first CDU with a capacity of 1 MMTPA was commissioned in the year 1979. The capacity was increased to 1.35 MMTPA in 1986. The capacity was further increased to 2.35 MMTPA in 1995.

To meet the BS-VI specifications some more process units were added during 2020-22 under the 'BS-VI Projects' comprising a new Naphtha Hydrotreater, a new SRU, and revamp projects of DHDT and HGU. INDMAX project was commissioned in 2020 along with an increase in crude processing from 2.35 to 2.7 MMTPA.

Major products are High Speed Diesel, Motor spirit, Ethanol Blended Motor Spirit (EBMS), Superior Kerosene Oil, ATF, LPG, LDO, Sulphur, RPC, CBFS.

- **Mode of Product Dispatch**

  - Guwahati - Siliguri Pipeline (GSPL) for MS, SKO, HSD.
  - Railway Wagon (Single spur rake loading gantry for SK, MS, HSD, Naphtha, LDO, RPC, CPC).
  - Tanker Trucks loading for MS, SKO, HSD.

The Bongaigaon refinery (BGR) has also undertaken special endeavours toward environment protection and conservation. The refinery has developed an ecological park and a pond surrounding it which contains 65,000 cubic meter of water. Through the pond, the storm water draining out of the plant is routed for final discharge. Another natural pond with a capacity of 30,000 cubic meter of water has been developed into an environment-friendly park-cum-pond for migratory birds. In addition, a rain water harvesting system has been installed in the Bongaigaon township complex.

- **Process of Manufacture:**

The present processing capacity of Bongaigaon Refinery is 2.35 MMTPA with a wide range of product mix and various processing units. Crude oil is a mixture of different hydrocarbon compounds and a valuable source for Naphtha, LPG, Gasoline, Kerosene and Diesel. The series of processes by which products are manufactured from Crude oil is collectively known as "refining".

On refining, crude oil is separated into its component parts or fractions, which are then further converted into the required finished products.

The product slate is achieved by carrying out processing of crude in following units:

(A) Crude Distillation Unit

The primary unit of Crude Oil processing in Bongaigaon Refinery is the Atmospheric Crude Distillation Unit (CDU). In the Crude Distillation Unit, the Crude Oil is heated to a temperature of 358°C and then it is fed to the Fractionating Tower. In this tower, the various fractions of Crude Oil are separated as per their boiling range.

The various products obtained from Crude Distillation Unit are Liquefied Petroleum Gas (LPG), Straight Run Naphtha (SRN), Superior Kerosene Oil (SKO), Reformer Feed Naphtha (RFN) and Straight Run Gas Oil (SRGO).

(B) Delayed Coking Unit (DCU)

The Delayed Coking Unit upgrades the heavy atmospheric residue obtained from CDU into various distillate products and other heavy products. It is basically a thermal cracking process. In the Delayed Coking Unit, the heavy residual feed stocks are heated to their coking temperatures (about 500°C) and the resultant mixture is allowed to stand for a longer period of time in insulated coke drums. In the Coke Drums, Petroleum Coke is formed and the other light cracked products are further separated in a fractionating tower by the process distillations.

The various products obtained from the Delayed Coking Unit are LPG, Coker Naphtha, Coker Kerosene (HSD), Light Gas Oil (LGO), Heavy Gas Oil (HGO), Coker Fuel Oil (CFO), Coker Residue and Raw Petroleum Coke (RPC).

(C) Naphtha Pre-treatment & Catalytic Reforming Unit

Naphtha produced from Crude Distillation Unit is passed through the Naphtha Pretreatment unit for removal of impurities like Sulphur, Nitrogen and then processed in CRU at 498°C to 512°C temperature and 20 kg/sq.cm. pressure to produce reformate for blending in Motor Spirit (MS).

(D) Coke Calcination Unit (CCU)

The green Coke is obtained from the Delayed Coking Unit (DCU) when ground can not readily be bound together into an electrode of proper density. During baking, Green Coke gives off its volatile matter thus yielding very poor quality electrode. Green Coke is a poor conductor of electricity having a higher resistivity than the Calcined Coke.

Green Coke from DCU Coke yard with moisture content of about 7.5 wt% is screened, crushed and sent to a silo from where it is fed to Rotary Kiln. The Calcination of coke is carried out in the Rotary Kiln under controlled firing conditions. The necessary heat is supplied by a burner located centrally at the discharge end of the Kiln. It travels towards the discharge end of the Rotary Kiln due to its inclination and rotation. Moisture in the coke is evaporated in the preheat zone of the Kiln by exchanging heat with the outgoing flue gas. The Coke then enters the hotter zone of the Kiln, where the volatile matter is removed partially.

The remaining volatile matter is removed at the Calcination zone at an elevated temperature. The temperature at the fire hood side of the Kiln is maintained at 1250°C and the corresponding feed end temperature is about 850°C.

(E) Diesel Hydrotreater Unit (DHDT)

BGR has implemented the Diesel Hydro Treatment unit for treatment of HSD to meet the Euro-III/IV specifications as per the Auto Fuel Policy of the Government of India. The DHDT unit of capacity 1.2 MMTPA was successfully commissioned on 13.08.2011 and has the associated units HGU, SRU, AAU, ARU, SWSU, HPN, Tankages and Utilities & Off-sites etc. The DHDT unit is based on indigenous technology developed for the 1st time in the country by Research & Development centre of Indian Oil and Engineers India Limited (EIL).

(F) MSQ Unit

BGR has implemented the Motor Spirit Quality improvement (MSQ) project to produce MS to meet the Euro-III/IV specifications as per the Auto Fuel Policy of the Government of India.

The feed-stocks for the MSQ unit are Straight Run Naphtha (SRN) from CDU, C_5 Reformate from the Catalytic Reformer Unit and Coker Naphtha from the DCU. The project consists of two units, i.e. Feed Preparation Unit and Light Naphtha Isomerisation Unit comprising of a Reaction section, a Purification section and an LPG Recovery section. Phase-I of MSQ project was commissioned on 13.03.2010, Phase-IIA of MSQ project was commissioned on 30.09.2011 and MSQ Phase-IIB was commissioned on 15.12.2012.

New Projects:

(a) BS-VI project

As per declaration of GoI (06.01.2016), BS-VI grade fuel is now manufactured in the entire country w.e.f. 1st April 2020 i.e. switching over directly from BS-IV grade fuels to BS-VI grade fuel.

For making the refinery BS-VI compliant, the management envisaged following new process units and revamp of the existing units:

Unit	Capacity
Revamp of Diesel Hydro Treating Unit (DHDT)	1.2 MMTPA to 1.58 MMTPA
Revamp of Hydrogen Generation Unit (HGU)	25 KTPA to 30 KTPA
New Naphtha Hydro-Treater (NHT)	235 KTPA
New Sulphur Recovery Unit (SRU)	1 x 10 MTPD

(b) Indmax Project

INDMAX project has been commissioned in 2020. It has two process units namely, INDMAX FCC unit of 0.740 MMTPA and INDMAX Gasoline desulphurization (IGHDS) unit.

A3. DIGBOI REFINERY (ASSAM OIL DIVISION)

- **Overview:**

The small town of Digboi near Tinsukia, Assam in the remote northeastern corner of the country is the birthplace of the Oil Industry in India. Following the discovery of oil at Digboi in 1889, it was commissioned in 1901, the first in India and known as the "Gangotri of the Indian Hydrocarbon sector.". The refinery is one of the oldest operating refineries in the world. Earlier owned and operated by the Assam Oil Company Limited under/Burmah Oil Company, it came into the fold of the Indian Oil Corporation Limited on October 14, 1981 and became Assam Oil Division of Indian Oil Corporation Limited.

The initial refining capacity of the refinery was 500 bbls/day, which was increased to 0.5 MMTPA in 1940. After nationalization, a massive modernization program was executed, and the capacity of the refinery was augmented to 0.65 MMTPA in 1996. Several new units have been commissioned which include a new Crude Distillation Unit, a new Delayed Coking Unit, a Catalytic Reforming Unit, a new Solvent De-waxing Unit, and a Wax Hydro finishing Unit. The refinery also installed a Hydrotreater Unit in 2003 to improve the quality of diesel. MS quality upgradation project was installed in the year 2010.

Digboi refinery processes High Wax Content Crude and produces Paraffin Wax in addition to distillates and other heavy ends. The paraffin wax produced by the refinery is of the finest quality in the world.

Digboi refinery is situated in the midst of pristine biodiversity. The refinery was the first amongst IOCL refineries to become BS-VI compliant.

- **Upcoming projects:** Refinery expansion project to 1.0 MMTPA has been approved with target for commissioning by October 2025.
- **Major Products of the Refinery:**
    - LPG, Motor spirit, HSD, FO, Raw petroleum coke (RPC)
    - Specialty Products – Paraffin Wax

- **Mode of Product Dispatch:**
    - Pipeline-DTPL (Digboi - Tinsukia pipeline)
    - Tanker trucks
    - Rail.

A4. GUWAHATI REFINERY

- **Profile**

Guwahati Refinery (Noonmati Refinery) located among the picturesque surroundings near Brahmaputra River in Guwahati city in North Eastern part of India. It is the country's 1st Public Sector Refinery as well as IndianOil's, serving the nation since 01.01.1962. Built with Romanian technology available in the late 50s, the initial crude processing capacity of the Refinery was 0.75 Million Metric Tonnes Per Annum (MMTPA). The Refinery was initially designed to process low sulphur Assam crude in CDU along with secondary processing units, Delayed Coker Unit (DCU) of 0.33 MMTPA capacity and Kerosene Treating Unit (KTU) of 0.23 MMTPA capacity. Subsequently capacity of the refinery was enhanced to 1.0 MMTPA in 1986. DCU capacity was enhanced to 0.44 MMTPA in 2000. Further, the Refinery expanded its capacity from 1.0 MMTPA to 1.2 MMTPA in 2023 to further boost the development of energy sector in the region.

INDMAX Unit, a technology developed by IndianOil R&D Centre for upgrading heavy ends to LPG, gasoline and diesel was commissioned in June 2003.

- **Major products:** Liquefied Petroleum Gas (LPG), BS-VI Motor Spirit (MS), Ethanol Blended MS (EBMS), High Speed Diesel (HSD), Aviation Turbine Fuel(ATF), Sulfur, Pipeline Compatible Kerosene (PCK), Reformer Naphtha(RN), Superior Kerosene (SKO), Low Sulfur Low Aromatics(LSLA) and Raw Petroleum Coke (RPC).
- **Upcoming Projects:** A New Semi regenerative CRU unit of capacity of 90 kilo tonnes per annum has been approved and is expected to be completed in 2025. The commissioning of new 90 KTPA Semi-Regenerative CRU will remove the dependency of the Refinery for importing reformate from other IOCL refineries for production of MS.
- **Mode of Product Dispatch:**

    1) Pipeline: GSPL for MS, EBMS, SKO and HSD.

    2) Tanker trucks for LPG, Naphtha, EBMS and ATF.

A5. HALDIA REFINERY

- **Profile**

Haldia Refinery is the 4th refinery of Indian Oil Corporation Ltd. located near Haldia port in the East Midnapore district of West Bengal, at the confluence of rivers Haldi and Hooghly, 136 km away from Kolkata. The refinery was commissioned in 1975 with an installed capacity of 2.5 million metric tons per annum (MMTPA) in technical collaboration with M/s. TECHNIP-ENSA of France for Fuel sector and M/s. Industrial Export of Romania for Lube sector. The Refinery is spread over an area of about 612 acres.

Fuel Oil Block comprises CDU, NHDT, CRU, and KHDS. The initial processing capacity was increased to 2.75 MMTPA in April 1989 and further enhanced to 3.6 MMTPA through in-house de-bottlenecking. In 1997, the second Crude Distillation Unit was added to increase the refinery capacity to 4.6 MMTPA. With the commissioning of the 2nd VDU and secondary processing facilities, the Refinery became capable of processing 6.0 MMTPA of crude oil. Subsequently, Capacity expansion from 6.0 to 7.5 MMTPA along with the addition of a Once-Through Hydro cracking Unit (1.7 MMTPA), Hydrogen Generation Unit, Sulphur Recovery Units, Revamp of Crude Distillation Unit-CDU-II and related Utilities & Offsite facilities was done in the year 2010. Capacity expansion of the refinery was done from 7.5 to 8.0 MMTPA along with the implementation of a new DCU alongwith and Coker GasOil treater in February 2020.

Lube Oil Block (LOB), comprises VDU-I, Propane De-asphalting (PDA), Catalytic De-waxing Units (I & II) and Extraction unit, Hydro-Finishing Unit (LHFU), Visbreaking Unit (VBU). The Catalytic Iso-Dewaxing Unit - I, commissioned in 2003, is the first of its kind in India to produce superior quality API Group II Lube Oil Base Stocks having lower pour point, very low Sulphur content, and higher Viscosity Index as compared to the conventional API Group-I Lube Base Stocks. Haldia Refinery produces eco-friendly Bitumen emulsion and has recently introduced new products viz. API Gr-III LOBS and Low Sulphur Bunker Fuel (MARPOL) in line with the IMO specifications.

Very recently, Haldia Refinery successfully commissioned Catalytic Iso-Dewaxing Unit-II which is a first-of-its-kind installation in India. This 270 TMTPA CIDW-II constructed with a significant investment of approximately Rs 1019 crores will produce advanced Group III Lubes Oil Base Stock (LOBS) in the country which will lead to import-substitution in the spirit of Atmanirbhar Bharat. Newly commissioned Catalytic Iso-Dewaxing Unit-II shall provide flexibility to the refinery by production of superior API Gr-III LOBS products (4 cSt; 6 cSt &

8 cSt) and speciality grade LOBS (like Transformer Oil; Light White Oil; Medium White Oil etc). This special grade LOBS contains less than 10 ppmw Sulphur with a Pour point between minus 15 & minus 18 deg C with excellent low-temperature properties making them ideal for use in automotive formulations. They also possess excellent oxidation characteristics, inherently high Viscosity Index (122-131) & low volatility (6 to 15 % wt) to make them ideal for usage in passenger cars and for heavy-duty diesel vehicles to meet the most stringent specifications of engine oil. API Gr-III products will be used by mainly BS-VI-compliant OEM engine oils for car manufacturers. Haldia Refinery will pioneer the production of API Gr-III LOBS on a larger scale among Indian refineries. The LOBS import dependence will be reduced by around 8%, thereby saving valuable foreign exchange.

Following units were added to meet the fuel specifications:

- Improvement in diesel quality and distillates yield (hydrocracker) project along with refinery expansion from 6.0 MMTPA to 7.5 MMTPA had an objective to produce Euro-III/IV/VI quality HSD, and refinery expansion to improve distillate yield. The project consisted of OHCU (1.7 MMTPA), HGU, SRU, Revamp of CDU-II (2.4 to 4.1 MMTPA). The project was completed in 2010.
- Improvement in quality and distillate yield project along with refinery expansion from 7.5 MMTPA to 8 MMTPA had the objective to improve distillate yield, product quality and capacity expansion from 7.5 to 8.0 MMTPA. CDU-1 capacity revamp (from 3.4 to 3.9 MMTPA), new DCU (1.7 MMTPA), new CGO-T (1.4 MMTPA), DHDT (1.2 MMTPA), and associated facilities were included. The project was implemented in two phases with Phase-I in 2019 and Phase-II in 2020.
- Further to meet the local sulfuric acid demand, India's first Wetgas Sulfuric Acid plant of 375 MTPD was commissioned in 2022. The unit will supply 40 TPH High Pressure Steam to the steam network of the Refinery, thereby contributing to the NetZero goals of IndianOil.

➢ **Major products:**

Finished products from Haldia Refinery include both fuel oil products and lube oil base stocks.

- **Fuel Products:** LPG, Naphtha, Motor Spirit, Superior Kerosene (SKO), Aviation Turbine Fuel (ATF), BS-VI High Speed Diesel, Jute Batching Oil (JBO)
- **Lube Oil products:** API Group II/III Lube Oil Base Stocks of different grades,
- **Residues:** Furnace Oil (FO), MARPOL FO, Bitumen, Petcoke, Sulphur and Sulfuric acid.

- **Mode of Product Dispatch:**
  - **Product pipelines:** HBPL for MS/HSD, HMRPL: for MS, SKO, PHDPL for LPG, PSHPL for MS, HSD, ATF
  - **Tank Wagon:** for MS, HSD, SKO, ATF, FO, Naphtha, LOBS. Packed Bitumen
  - **Tanker trucks:** for LPG, MS, HSD, ATF, LOBS, Bitumen, FO, Sulphur (solid and bagged), Sulphuric acid
  - **Marine ships and Barges:** MS, EBMS, SKO, HSD, ATF, Naphtha, Bitumen, MARPOL, LOBS

A6. PARADIP REFINERY

➢ **Profile**

Paradip Refinery, was commissioned in 2016, is situated at Abhayachandrapur and adjoining villages in Paradip (near Paradip port), Jagatsinghpur district in the State of Odisha. Situated on the Eastern Coast, this Refinery caters to the petroleum products demand & is strategically located for export of petroleum products to South-East Asian countries.

Paradip Refinery is IndianOil's first refinery with single Atmospheric Column for processing 15.0 Million Metric Tonnes Per Annum. The crude receipt is by 3 nos. Single Point Mooring (SPM) located at around 25 kms inside the sea to facilitate Crude delivery by VLCC. The refinery is designed to process 100% High Sulphur Crude and TAN of 0.5.

Several first-time technological features have been installed at Paradip Refinery including Flue Gas Desulphurisation facilities for firing high Sulphur Vacuum Residue & Vapour Recovery system from jetty loading to meet the stringent emission norms of SOx and Volatile organic emissions despite processing heavy high Sulphur Crude. The refinery is in a synergic partnership with the environment as this is a zero effluent discharge refinery and with strictly monitored and controlled stack emissions which are uplinked on real time basis to the server of Central Pollution Control Board.

The refinery consists of an Alkylation unit to produce octane-rich low-benzene MS blend component. The refinery configuration also consists of "INDMAX" unit which is indigenous IOCL technology. It is capable to produce high yield of LPG and propylene. The refinery can produce various petroleum products like gasoline, diesel, kerosene, and aviation turbine fuel, Propylene, Sulphur and Petroleum Coke. The refinery is also designed to produce total Premium quality Gasoline variants for export. Major units are AVU, Coker, CCRU, VGO Hyrdro-treater, Sulfur Recovery unit, Diesel hydro-treater, Sulphuric Acid Regeneration Unit (SARU).

On the petrochemical front Paradip produces various grades of PP from its Polypropylene unit. To expand IOCL's petrochemical footprint a ERU (Ethylene Recovery Unit) and MEG (Mono Ethylene Glycol) unit were installed.

A feasibility study was carried out through Engineers India Ltd. (EIL) for a 15.0 MMTPA refinery-cum-petrochemical project. The Board of Directors accorded in principle approval

(March 2006) for setting up the refinery-cum-petrochemicals at an estimated cost of ` 25646 crore.

Foster Wheeler Energy Ltd. (FWEL), UK was appointed as the Project Management Consultant (PMC) in December 2006 for Front End Loading (FEL), Front End Engineering, Design (FEED) and preparation of cost estimate. FWEL estimated the project cost at ` 52165 crore plus forward period escalation of ` 5053 crore. However, after internal assessment of the cost, Indian Oil project team estimated the project cost at `45153 crore (March 2008 prices) plus forward period escalation cost of ` 4379 crore.

In view of the magnitude of investment as well as the stressed financial condition of the company, the Project Evaluation Committee (PEC) opined that funding of this project under present circumstances would be a huge burden on the financial position and cash flow of the Company. It was, therefore, proposed (August 2008) that only the fuel refinery (15.0 MMTPA) without the petrochemical complex could be built in the first phase of the project at a cost of ` 29,777 crore alongwith product pipeline and marketing facilities at a cost of ` 1,053 crore and ` 414 crore respectively. Board approved the proposal in February 2009 with scheduled date of mechanical completion of First Unit - AVU: January 2012 and Last Unit - Alkylation: May 2012. The scheduled dates of commissioning and commercial production were March 2012 for the primary units and July 2012 for all the units.

Subsequently, an exercise to assess the revised cost estimate due to change in schedule of completion was done in December 2012 and the same was put up to Board for information in March 2014. The project cost was estimated at ` 32710 crore (including FC of ` 2195 crore) considering commissioning from September 2013 to March 2014. With the increase in time schedule from November 2013 and commissioning of the balance project considered in March 2015, the revised cost estimate of the project was worked out to ` 34555 crore with financial cost of ` 3220 crore and approved by the Board on 17.10.2014 which was 16.05% over the cost approved by the Board in February 2009. In this revised cost estimate, profitability improvement scheme for enhanced conversion in VGO/ HDT and data warehousing amounting to ` 60 crore was included which was not part of the originally approved cost. In addition, the Company has set up a polypropylene (PP) project with capacity of 0.70 MMTPA at an estimated cost of ₹3150 crore.

- **Upcoming Projects:**
  - Para-xylene and PTA plants are under implementation stage.
  - Paradip Refinery Expansion from 15 to 25 MMTPA is under conceptualisation.
- **Major products:**

LPG, Propylene, Polypropylene, MEG, High Speed Diesel (BS-VI), Motor spirit (BS-VI), Reformate, ATF, Superior Kerosene Oil, Sulphur, LCO, PetCoke & Bitumen. PTA will be produced from the refinery post commissioning of the new petrochemical units which are under implementation.

- **Mode of Product Despatch:**
  - Pipeline: PRRPL, PHPL, PSHPL, PHBMPL
  - Jetty: A total 12 loading arms consisting of 8 liquid product loading, 3 vapour return and 1 crude unloading arms are provided.
  - Rail
  - Road

B. PIPELINE

B1. EASTERN REGION PIPELINES

➢ **Profile**

The Eastern Region Pipelines Division (ERPL) of Indian Oil Corporation Limited was set up in February 1986. The main function of this office is coordinating and planning operational activities of Eastern Sector Pipeline units with Head Office, Marketing Division, Refineries and other agencies.

In view of expansion of pipeline network, Pipeline network in the ERPL would increase from existing 3404 km to more than 8000 km covering states of Bihar, West Bengal, Assam, Uttar Pradesh, Odisha, Jharkhand, Chattisgarh, Andhra Pradesh and Telangana in the East and South-East parts of India. To effectively manage such a large network of pipelines in the region, re-organisation of Eastern Region Pipelines into ERPL-I and ERPL-II was approved by the Competent Authority (May 2016). The re-organisation has been done based on geographical locations. ERPL-I will operate in the states of Assam, West Bengal, Bihar, Jharkhand and Uttar Pradesh. GSPL, BKPL, HMRBPL, PHBPL (Haldia-Bolpur section) and Construction Office, Kolkata are being looked after by ERPL-I.

1) Guwahati-Siliguri Pipeline (GSPL)

Guwahati-Siliguri Pipeline with an installed capacity of 1.4 MMTPA was commissioned in the year 1964. Designed by Bachtel, USA and constructed by Snam Progetti, Italy, it has the unique distinction of being the first product pipeline to be built on the east of Suez. The 435 km long pipeline originates at Guwahati Refinery and runs through Bongaigaon refinery, transports petroleum products for delivery at Betkuchi, and Siliguri.

2) Haldia-Barauni Pipeline (HBPL)

Commissioned in 1967, the 526 km long Haldia - Barauni Pipeline originates at Haldia in West Bengal and terminates at Barauni in Bihar. This pipeline exemplifies IndianOil's expertise in system modification and pipeline hydraulic engineering. The pipeline was commissioned as a petroleum product pipeline but for some initial years, the pipeline was used to transport imported crude oil to Barauni. After some years, the pipeline started pumping petroleum products from Barauni Refinery to Haldia. After Haldia Refinery came into being, pumping was again reversed and at present, the pipeline is engaged in transportation of indigenous as well as imported petroleum products from Haldia Refinery and coastal input. This pipeline has an installed capacity of 1.25 MMTPA.

3) Barauni - Kanpur Pipeline (BKPL)

1227 km long Barauni - Kanpur Pipeline was commissioned in 1966. It transports petroleum products from Barauni Refinery, Haldia Refinery and Coastal input at Haldia with an installed capacity of 3.5 MMTPA. A branch pipeline was taken out from Gawria to Lucknow. It has a parallel line between Barauni and Patna. Another branch pipeline is originating from Patna for products delivery to Baitalpur in Uttar Pradesh and Amlekhganj in Nepal. Motihari - Amlekhgunj Section of BKPL, commissioned in 2019, is the first trans-national pipeline, 36 km section of the pipeline is inside Nepal. This pipeline can take inputs from Mathura refinery via Mathura-Agra-Gawria Pipeline connected at Gawria.

4) Haldia-Mourigram-Rajbandh Pipeline (HMRPL)

277 km long Haldia-Mourigram-Rajbandh Pipeline was built in early 1972 for transportation of petroleum products from IndianOil's Haldia Refinery to Mourigram (Howrah) and Rajbandh (Burdhman) in West Bengal. This pipeline has an installed capacity of 1.35 MMTPA.

5) Paradip-Haldia-Barauni-Motihari LPG Pipeline (PHBMPL)

Paradip-Haldia- Barauni-Motihari LPG Pipeline is IndianOil's second LPG Pipeline of 1598 Km long. The Pipeline transports LPG from Paradip Refinery, Haldia Refinery, Barauni Refinery and IPPL Haldia to bottling plants at Balasore, Kalyani, Budge Budge, Durgapur, Banka, Patna, Muzzafarpur and Motihari. This pipeline has an installed capacity of 3.5 MMTPA.

6) Kolkata ATF Pipeline

27 km long pipeline commissioned in 2018 transports aviation fuel from Mourigram to Aviation Fuel Station (Gouripur) at the airport in Kolkata. Aviation fuel is received at Mourigram through Haldia-Mourigram-Rajbandh Pipeline. This pipeline has an installed capacity of 0.20 MMTPA.

7) Paradip-Somnathpur-Haldia Pipeline (PSHPL)

341 Km long Paradip-Somnathpur-Haldia Pipeline (PSHPL) with an installed capacity of 4.6 MMTPA is designed to deliver finished petroleum products from Paradip refinery to IOCL terminals at Somnathpur (Balasore) in Odisha and Haldia in West Bengal. This pipeline was commissioned in the year 2023.

B2. SOUTH EASTERN REGIONAL PIPELINE

➢ **Profile**

In view of expansion of pipeline network, Pipeline network in the ERPL would increase from the existing 3404 km to more than 8000 km covering states of Bihar, West Bengal, Assam, Uttar Pradesh, Odisha, Jharkhand, Chattisgarh, Andhra Pradesh and Telangana in the East and South-East parts of India. To effectively manage such a large network of pipelines in the region, re-organisation of Eastern Region Pipelines into ERPL-I and ERPL-II was approved by the Competent Authority (May 2016).

ERPL-II was subsequently renamed as South Eastern Regional Pipeline (SERPL) with its Regional Head Quarter at Bhubaneswar and headed by Executive Director to look after the pipelines network in the states of Odisha, Chattisgarh, Andhra Pradesh, Telengana, Jharkhand (PRRPL only) and part of West Bengal. Based on the geographical jurisdiction, SERPL decided for four base locations at Paradip, Jatni, Sambalpur and Vizag for maintenance and administration purpose.

The main function of this office was coordinating and planning operational activities of Eastern Sector Pipeline units with Head Office, Marketing Division, Refineries and other agencies.

With the coming up of 15 MMTPA Paradip Refinery in Odisha, following pipeline projects originating from Paradip were proposed:

(i) Paradip Raipur Ranchi Pipeline (PRRPL)
(ii) Paradip Haldia LPG Pipeline (PHDPL)
(iii) PHDPL Augmentation
(iv) Paradip Hyderabad Pipeline (PHPL)
(v) PHBPL Augmentation

The latest geographical locations under jurisdiction of SERPL are as under:

Sl. No.	Pipeline unit	Location	State
1.	PRRPL	Paradip Jatni SambalpurJharsuguda	Odisha
		Khunti	Jharkhand
		Raipur and Korba	Chattisgarh

2.	PHBPL	Paradip and Balasore	Odisha
3.	PHDPL	Paradip and Balasore	Odisha
4.	PHPL	Paradip and Behrampur	Odisha
		Vizag, Rajahmundry and Vijayawada	Andhra Pradesh
		Hyderabad	Telangana

For Paradip-Sambalpur-Raipur-Ranchi (PRRPL) Product Pipeline along-with associated facilities, Board of IOCL approved (Aug 2009) an estimated cost of ` 1793 crore including a foreign exchange component of ` 610 crore at March, 2009 price level. Facilities envisaged under the project have been commissioned progressively and put in operation since March 2016. As on March 2017, the following sections have been completed:

Section	Commissioning date
Paradip-Jatni	25.03.2016
Jatni- Sambalpur	09.01.2017
Sambalpur - Jharsuguda	16.01.2017
Sambalpur - Saraipalli	21.01.2017
Saraipalli – Raipur	24.01.2017
Saraipalli – Korba	30.01.2017
Jharsuguda-Ranchi	--

Besides, Pipeline division of IOCL intends to lay 1150 KM Long Paradip-Hyderabad Product Pipeline (PHPL) with intermediate pumping-cum-delivery stations at Behrampur, Visakhapatnam, Rajahmundry and Vijaywada. As on June 2017, survey works like detailed route survey, soil survey, cadastral survey were completed and activities relating to obtaining of permissions from different authority (road, railways, waterbodies, forests, etc.) were under process. An expenditure of ` 47.86 crore was incurred till June 2017 against this project.

Pipelines in Operation

Paradip-Ranchi-Raipur Pipeline, a product pipeline and Paradip-Haldia-Barauni Crude Pipeline (upto Odisha State) are under Operation and Maintenance of this Region as on 31st

March 2017details of which are given below: -

(A) Paradip-Raipur-Ranchi Product Pipeline (PRRPL):

Pipeline section between	Year of commissioning	Length (in KM)	Diameter (in Inch)	Capital cost as on 31.03.2017 (` In lakh)
Paradip-Jatni	25.03.2016	105	18	12754.79
Jatni- Sambalpur	09.01.2017	285.25	18	33284.93
Sambalpur –Saraipalli	21.01.2017	117.10	16	12184.34
Saraipalli – Raipur	24.01.2017	127	14	11211.87
Saraipalli – Korba	30.01.2017	157	10.75	9890.62
Sambalpur –Jharsuguda	16.01.2017	65.6	12.75	4493.60
Jharsuguda- Ranchi	Yet to be commissioned			
			Total	**83820.15**

Paradip-Haldia-Barauni Crude Pipeline (PHBPL):

Pipeline section between	Year of commissioning	Length (in KM)	Capital cost as on 31.03.2017 (` In lakh)
48” Pipeline from 3rd Oil Jetty	01/03/2000	11.00	2224.43
48” Offshore Pipeline	28.12.2008	19.73	21028.07
Transfer Pipeline from North Oil Jetty	30.01.2012	10.00	3951.21
Line 2A (Offshore Pipeline) SPM II	31.12.2012	21.28	20737.11
Line 2B (Offshore Pipeline) SPM-II	31.12.2012	21.30	20459.11
Line 3 SPM-III	31.03.2013	22.02	20369.55
Loop I (SPM-II with SPM-I)	31.03.2013	3.65	4555.56
Loop II (SPM-II with SPM-III)	31.03.2013	4.13	4712.24
Mainline Haldia- Barauni	01.03.1999	498.00	28531.79
Dockline	01.03.1999	8.00	1310.00
Mainline Augmentation (Haldia - Khana& Bolpur - Dumri Loopline)	27.09.2002	437.00	21482.31
Mainline Paradip - Haldia	28.12.2008	328.00	38441.86
PHBPL Augmentation (Khana - Bolpur loopline)	22.09.2015	37.00	3420.01
PHBPL Augmentation (Dumri - Barauni loopline)	31.03.2016	36.00	2634.77
		TOTAL	**193858.02**

C. MARKETING

C1. OFFICE OF THE EXECUTIVE DIRECTOR (EASTERN REGIONAL SERVICES)

- **Profile**

The Office of the Executive Director (Regional Services) of IOCL, Kolkata comprises various functional departments which carry out their functions independent of any supervision or control by the State offices. Aviation department, Finance department along with its constituent wings like Sales Tax, Service Tax, Excise and Customs, DGS&D, Pricing etc. and Regional Supply & Dispatch, Human Resources, Administration as well as Law departments fall under the purview of this office. The ERO office is also responsible for co-ordination with various State Offices and other external agencies/customers.

Formation of new department, Regional Contract Cell (RCC) in IOCL (Marketing Division) was approved (March 2015) by Chairman of IOCL. The RCC, Eastern Region has started functioning since July 2015 after positioning of manpower and infrastructure. The modalities of RCC Eastern Region, inter alia, consisted of contracts for works and purchase over ` 50 lakh pertaining to all the functions in the eastern region except contracts valid for a pan India coverage and global tenders which are being handled at HO.

C2. WEST BENGAL STATE OFFICE

- **Profile**

With the introduction of Strategic Business Units (SBU) concept in the Marketing Division of the Company, Eastern Region Office of the Marketing Division was decentralized and 4 (Four) State Offices were formed in April 1998 in the States of West Bengal, Bihar, Orissa and North East.

The erstwhile Calcutta Empowerment Divisional Office (EDO) was converted into West Bengal State Office (WBSO) in April 1998. All Sales activities including Terminal, depot, Bottling Plant, Area Office Divisional Office etc. of West Bengal and Sikkim are controlled from WBSO.

C3. BIHAR STATE OFFICE

Overview:

The Bihar State Office (BSO) looks after the marketing activities of the Company in the States of Bihar & Jharkhand. The following units are operating under BSO:

(a) *Terminals*

(i) Barauni Terminal, (ii). Jasidih Terminal, (iii). Patna Terminal

(b) *Depots*

(i) Ranchi Depot, (ii) Raxaul Depot, (iii) Tatanagar Depot.

(c) *Area Offices*

(i) Begusarai AO, (ii) Patna AO, (iii) Ranchi AO

(d) *Divisional Offices*

(i) Begusarai DO, (ii) Dhanbad DO, (iii) Jamshedpur DO, (iv) Muzaffarpur DO, (v) Patna DO, (vi) Ranchi DO.

(e) *Bottling Plants*

(i) Bokaro, (ii) Barauni, (iii) Patna, (iv) Muzaffarpur (v) Jamshedpur

C4. ODISHA STATE OFFICE

- **Profile**

The Odisha State Office (OSO) headed by General Manager regulates and monitors sales and services relating to petroleum products in all the 30 districts of Odisha. Under OSO, there are two divisional offices at Bhubaneswar and Sambalpur to look after the sales and collection of dues and to improve market participation. The Area Office, Bhubaneswar looks after the marketing of LPG. There are three depots viz. Bhubaneswar, Sambalpur and Balasore, two terminals at Paradeep and Jharsuguda, one LPG marketing terminal at Paradeep, two bottling plants at Balasore and Jharsuguda in the State of Odisha.

C5. INDIAN OIL ASSAM OIL DIVISION STATE OFFICE

Indian Oil Assam Oil Division State Office is situated at Bamuni Maidan in Guwahati. It is controlling all sales offices, Depots, Terminals, LPG Bottling Plants of North Eastern states.

D. IBP EXPLOSIVES OF IOCL

- **Profile**

IBP Co. Limited was born in the then undivided British India as “Indo-Burma Petroleum Company Limited” at Burma, at present Myanmar. The developments that followed Second World War forced the Company to change its head quarters to Kolkata. Thereafter, the Company joined hands with the then Indian Oil Company (later formed as Indian Oil Corporation Limited after merger with Indian Refineries Company Limited) and carried out business in petroleum products at Mumbai and Kolkata.

Subsequently, it came under the Ministry of Petroleum and Natural Gas, Government of India as a Public Sector Company in 1974. The Indo Burma Petroleum Company Limited changed its name to IBP Co. Limited in 1983. During 2002, it was once again acquired by the IOCL and became one of its group companies. It was thereafter merged with its parent Company Indian Oil Corporation Limited in May 2007 under the Ministry of Petroleum & Natural Gas, Government of India.

Though predominantly an oil company, IBP also diversified its activities into engineering and chemicals. The venture into explosives by the chemical division was based on a suggestion from the Govt. of India when the country faced acute shortage of explosives for mining industry following an accident and strikes at the only major supplier in India viz IEL in 60’‟s. As the country had to import huge quantities of explosives to meet consumption needs for over six months, severe difficulties were faced in storage, handling and transportation to mining areas. Finally, the Chary Committee, set up for the purpose, strongly recommended a company to be set up in public sector for manufacture of explosives. IBP, waiting for a diversification into chemicals, readily grabbed the opportunity and commenced its business in manufacture and marketing of industrial explosives.

The IBP’s first packaged slurry explosive manufacturing plant was set up in Korba, Chhattisgarh in the year 1976 under the collaboration from Ireco Inc. USA. The unit commenced its commercial production in August 1977. In view of highly uneconomical operations, the Industrial Explosives plant at Korba manufacturing packaged explosives was closed in the year 2008.

Thereafter, it set up a plant at Kudremukh with a capacity of 5000 Tons per annum in 1980. As on date, there are eleven plants set up in India as stated below reaching a peak production volume of more than 183193 MT of bulk explosives.

- **Plant Capacity:**

The Division, at present, has eleven (11) running plants, namely at (i) Singrauli (ii) Talcher (iii) Block-II, Dhanbad (iv) Rajmahal (v) Khottadih (vi) Kathara (vii) Kusmunda (viii) Malanjkhand (ix) Bolani, (x) Rajhara and (xi) Ashoka.

7. NHPC LIMITED

➢ Profile

NHPC Limited is the largest hydropower development organisation in India, with capabilities to undertake all the activities from conceptualization to commissioning of hydro projects. NHPC has also diversified in the field of Solar & Wind energy development etc.

NHPC Ltd. (Formerly known as National Hydroelectric Power Corporation Ltd.) was incorporated in 1975 under Companies Act, 1956. The company is mandated to plan, promote and organise an integrated and efficient development of power in all its aspects through Conventional and Non-Conventional Sources in India and abroad. NHPC is a listed company on NSE and BSE after successfully concluding its IPO in 2009.

NHPC has an authorised share capital of ₹15,000 crores, paid-up share capital of ₹10,045.03 crore and an investment base of ₹78802.59 crore as on March 31, 2024.

NHPC's total installed capacity as on 31 March, 2024 is 7144.20 MW including 1593 MW in Joint Venture, comprising 6971.20 MW from 22 Hydro Power Stations, 123 MW from three Solar Power Project and 50 MW from a Wind Power Project. NHPC's hydro share of 6971.20 MW comes to about 14.85% of the country's total installed Hydro capacity of 46928.17 MW.

NHPC including its JVs/ Subsidiaries is presently engaged in the construction of 15 projects aggregating to a total installed capacity of 10442.70 MW, which includes three hydroelectric projects i.e. Subansiri Lower HEP (2000 MW) & Dibang Multipurpose Project (2880 MW) in Arunachal Pradesh and Parbati-II HEP (800 MW) in Himachal Pradesh and three Solar Projects totalling 1000 MW being undertaken under MNRE, CPSU scheme in Gujarat (600 MW), Rajasthan (300 MW) & Andhra Pradesh (100MW), 40 MW Ganjam Solar Project by NHPC, whereas six Hydroelectric projects and three Solar projects are being executed by Subsidiaries/ JV Companies of NHPC namely Pakal Dul HE Project (1000 MW), Kiru HE Project (624 MW) & Kwar HE Project (540 MW) in UT of J&K by CVPPL, Ratle HE Project (850 MW) in UT of J&K by RHPCL, Teesta-VI HE Project (500 MW) in Sikkim by LTHPL, Rangit-IV HE Project (120 MW) in Sikkim by JPCL, 88 MW Floating solar PV project in the Reservoir of

Omkareshwar Project and Ground Mounted SPP (0.70 MW) in Central University of Rajasthan, Ajmer.

In addition, twelve projects aggregating to a total installed capacity of 4707 MW are Under Clearance Stage which includes four hydro & three solar projects by NHPC on his own and Five projects (2 in hydro & 3 in solar) in JV mode. Further, Four Hydroelectric projects and Six Pumped Storage Project aggregating to a total installed capacity of 10355 MW are in Survey & Investigation Stage being undertaken by NHPC.

- **Initiatives in Renewable Energy:**

Under Ministry of New and Renewable Energy (MNRE) scheme, NHPC has been nominated as a Renewable Energy Implementing Agency (REIA)/Intermediary Procurer. Under this scheme, 700 MW Solar Project (320 MW in Bikaner and 380 MW in Jaisalmer) has been developed and 5360 MW are under development by different agencies.

NHPC has installed 4.08 MW Rooftop Solar (RTS) capacity across 25 locations. Further, addition on Roof top capacity at NHPC locations as available and identified from time to time is also being carried out through respective Projects/Units.

NHPC has also taken initiatives for the development of Green Hydrogen Technology, wherein one 25 KW capacity Pilot Green Hydrogen Project at Leh and 2 Pilot green hydrogen-based e-mobility projects (one at Kargil) and one at Chamba, Himachal Pradesh) are under implementation. These projects are anticipated to be commissioned by F.Y 2024-25.

7A. LOKTAK HYDRO-ELECTRIC POWER STATION

➢ **Profile**

Loktak Multipurpose Project, was conceived by Government Of Manipur (GoM) for economic development and to deal with the unusual and difficult flood phenomenon and for irrigation of 23000 hectares of land in the Manipur Valley & hydro power generation of 105 MW. Loktak Power Station (3 x 35 MW) is an integral part of Loktak Multipurpose Project of GoM. Loktak Power Station (3 x 35 MW) is a multipurpose storage scheme to harness the hydro power potential of Loktak lake fed by Khuga and Imphal river.

The construction of Project was undertaken by Central Government under the erstwhile Ministry of Irrigation and Power in 1970-71. The Project was transferred to NHPC Ltd. on 01.01.1977. The Power Station was commissioned in April-May 1983 and the Power Station is in commercial operation since 1st June 1983. It caters to the need of electricity of 7 states of North-East India. Excess power, if any, is transmitted to the national grid. The Tariff of the Power station is being fixed by CERC as per the prevailing CERC Tariff Regulations for each tariff period. The aim of the project was:

a) Generation of 70,000 KW firm power (at 60% load factor) and annual generation of 448 MU (million Unit);

b) Lift-irrigation of 23,000 hectares of land in Manipur valley;

c) Reduction of flood level around periphery of Loktak Lake by providing drainage capacity through additional channel towards the power station ultimately evacuating at Leimatak River. Loktak power project envisaged diversion of 58.8 Cumecs water from Loktak Lake with a view to utilise 42 Cumecs for power generation with a gross height of 312 Metres and supply of 16.8 Cumecs for lift irrigation.

The LPS equipment completed its useful life in June 2018 as per the norms of defined in CERC Regulations and there is need for Renovation & Modernisation of LPS.

➢ **Audit Focus Area:**

- Is there any delay in construction, commissioning, COD of new plant?
- If there was any delay, how did it affect the tariff order of CERC?
- Is there any disallowance of capital cost/ additional capital cost/ any expenses in CERC's tariff order?
- Performance of the power station.
- Running, Repair and maintenance of the plant.

- Water availability.
- Monthly/ annual performance report.
- Agenda & Minutes of the regional power committee meetings.
- Orders from CEA/ CERC.
- Whether water was controlled properly at Ithai dam.
- Steps taken for renovation and modernisation in time.

7B. RANGIT POWER STATION

➢ **Project details**

Rangit Power Station is located in State of Sikkim. It uses water of the river Rangit for the generation of Power. It is a run-of-the-river (ROR) hydroelectric power project on the Ranjit River, a major tributary of the Teesta River in the South Sikkim district of the Northeastern Indian state of Sikkim. with Pondage Scheme having installed capacity of 60 MW (3x20 MW) with firm power of 39 MW. The Power Station was commissioned on 15.02.2000. Design Energy is 338.61 MU (90% dependable year with 95% machine availability).

7C. TEESTA V POWER STATION

- **Project details**

Teesta V Power Station (3x170 MW) is a run of the river scheme with small pondage to harness the hydropower potential of river Teesta. The Power station was commissioned in the year 2013.

Teesta-V Power Station (3x170 MW) is located in the state of Sikkim. It is a run of the river scheme with diurnal storage to harness the hydro power potential of river Teesta for peaking during the lean season and. It has a concrete gravity dam of 88.6 metres height. The dam has been constructed 2 kms. Downstream of the confluence of Dikchu Nala with Teesta River. It has 3 Pen Stocks of 321 metres height. There is a Head Race Tunnel of 17.2 kms in the left side. It was designed by 197 metre Net Rated Head to generate 2573 MUs annually with 90% dependable with 95% machine availability.

The Unit#2 of Teesta V Power Station was commissioned in February 2008 (COD 01.03.2008). Units# 1 & 3 were commissioned in March 2008 (COD 10.04.2008 & 03.04.2008 respectively).

7D. TEESTA LOW DAM-III POWER STATION

- **Project details**

  Teesta Low Dam III Power Station is a run of the river scheme with small pondage to harness the hydropower potential of river Teesta. The Power station was commissioned in the year 2013 (U#1:19/05/2013 U#2:01/04/2013 U#3:01/04/2013 U#4:01/05/2013).

  The capacity of Teesta Low Dam –III Power Station is 132 MW (4x 33 MW). Design Energy is 594.07 MU (90% dependable with 95% machine availability) annually. The project comprises of a 32 m high dam with 4 penstocks of 44 m length.

7E.TEESTA LOW DAM – IV POWER STATION

- **Project details**

Teesta Low Dam–IV power station is a run-of-the-river scheme with diurnal storage for peaking purposes. It is located at about 350 m upstream of Teesta-Kalijhora confluence on NH-31A and 18.3 Km downstream of Teesta Bridge near Teesta Bazar village in Darjeeling district of West Bengal. 4 Units were commissioned as follows:

U#1 11/03/2016; U#2 31/03/2016; U#3 17/07/2016; U#4 19/08/2016.

The capacity of Teesta Low Dam –IV Power Station is 160 MW (4X40 MW). Design Energy is 717.717 MU (90% dependable with 95% machine availability) annually.

The project comprises of a 45 m high Concrete gravity/ Roller Compacted concrete Dam with 4 penstocks of 45 m length and 7 m diameter each. The state of West Bengal is the sole beneficiary of this power station.

7F. SUBANSIRI LOWER HYDRO ELECTRIC PROJECT

- **Project Detail:**

Subansiri Lower Hydro Electric Project is the 2nd biggest hydroelectric project undertaken in India so far and is a run-of-river scheme on river Subansiri. The project is located at Gerukamukh, Dhemaji District (near North Lakhimpur) on the border of Arunachal Pradesh and Assam. The installed capacity of the project is 2,000 MW (8 x 250 MW) and estimated annual energy generation from the Project is 7,421.59 MU in 90% dependable year. The project was to be completed in June 2024 but that deadline was missed.

Features of the project under construction:

- A concrete gravity dam 116 m high from river bed level.
- Head Race Tunnel - 8 Nos., 9.5m dia, horse shoe shaped, 7102m total length.
- Surge Tunnels - 8 Nos., 9.5 m dia., horse shoe shaped 3545m total length.
- Pressure Shaft- 8Nos.,Circular,9.5/8/7m dia, length 192m to 215m, 8 Nos., Vertical pressure shafts - each 48m deep..
- Surface power house to accommodate 8 units of Francis turbines of 250 MW capacity each.
- Tail race channel, 206 m x 35 m (W x L)

The work of Subansiri Lower Project was started in January 2005 after getting all the requisite clearances from the concerned agencies of Government of India and State Government concerned. The work of the project was at stand still due to agitation by some section in Assam since December 2011 on the pretext of dam safety and downstream impacts and stay on resumption of works by NGT, Kolkata vide order dated: 11/12/2015. In January 2015, Ministry of Power, Government of India constituted a Project Oversight Committee (POC) to resolve the issue and consider early resumption of work. Two separate reports (one by experts of Government of India and other by Expert Group of Assam) have been submitted to MoP. MoP, GoI submitted both the reports of POC to NGT, Kolkata on 05/04/2016. MoP has endorsed the reports submitted by expert group nominated by Government of India. Further, MoP filed an affidavit dated 24/08/2016 in NGT and prayed before the Tribunal to pass orders for resumption of construction of the dam in the larger interest of the nation. So due to agitations, the project construction work was stalled from December 2011 to October 2019. The project construction resumed from October 15, 2019, after the clearance by National Green Tribunal.

As of March 2024, the project is yet to commence commercial operation.

8. NTPC LIMITED

➢ **Profile**

NTPC is India's largest energy conglomerate with roots planted way back in November 1975 to accelerate power development in India. Since then, it has established itself as the dominant power major with presence in the entire value chain of the power generation business. From fossil fuels it has forayed into generating electricity *via* hydro, nuclear and renewable energy sources. This foray will play a major role in lowering its carbon footprint by reducing greenhouse gas emissions. NTPC Ltd. (Company) was incorporated with the objective to plan, promote and develop thermal power in the country.

NTPC became a Maharatna company in May 2010. NTPC is ranked No. 2 Independent Power Producer (IPP) in Platts Top 250 Global Energy Company rankings. NTPC is India's largest power utility with a total installed capacity of 76,074 MW (including JVs), comprising of 51 NTPC owned stations (27 coal based, 7 gas based, 1 hydro, 1 small hydro, and 15 solar PV) and 42 Joint Venture/ Subsidiary stations (9 coal based, 4 gas based, 8 hydro, 1 small hydro, 16 solar PV and 4 wind). NTPC targets to make up nearly 50% of its portfolio by non-fossil fuel-based generation capacity by 2032. The Vision of NTPC is to be the world's leading power company, energizing India's growth.

NTPC is steering ahead to be India's largest integrated power company and targets to become a **130 GW** firm by **2032**.

NTPC has comprehensive Rehabilitation & Resettlement and CSR policies well integrated with its core business of setting up power projects and generating electricity. The company is committed to generate reliable power at competitive prices in a sustainable manner by optimising the use of multiple energy sources with innovative eco-friendly technologies thereby NTPC is contributing to the economic development of the nation and upliftment of the society.

The Company has implemented the ERP-SAP IT system. This web-based system covers the modules such as FICO, operations, projects, logistics, human resources, purchase and contracts and material management.

8A. BARAUNI

- **Profile**

Barauni was originally with Bihar State Power Generation Company. NTPC acquired Barauni Thermal Power Station (720 MW) in District Begusarai, Bihar, from Bihar State Power Generation Company on December 15, 2018. At the time of acquisition, the 720 MW coal-based power station has 2 units of 110 MW each (under renovation and modernisation) and 2 units of 250 MW each (under construction).

The plant comprised of Stage-II (2x250 MW).

Stage-II (Units# 8 & 9) 500 MW (2x250 MW) of NTPC Barauni Thermal Power Station were commissioned in January 2018 and June 2021 respectively.

- **Coal Linkage:**

The project has linked Badam Coal Block, which is also part of the transfer scheme.

- **Water Source:**

Water is sourced from the river Ganges.

- **Audit Focus Area:**

i) Is there any delay in construction, commissioning, COD of new plant?

ii) If there was any delay, how did it affect the tariff order of CERC?

iii) Is there any disallowance of capital cost/ additional capital cost/ any expenses in CERC's tariff order?

iv) Performance of the power station.

v) Running of the plant.

vi) Repair and maintenance of the plant.

vii) Coal procurement/ import.

viii) Water availability and water charges.

ix) Monthly/ annual performance report.

x) Agenda & Minutes of the regional power committee meetings.

xi) Orders from CEA/ CERC.

8B. BARH STPS

- **Profile**

Barh STPP was originally conceived as a coal based Super Thermal Power Plant having an ultimate capacity of 2000 MW (4 X 500 MW). The unit configuration of the project was subsequently revised (February 2000) to1980 MW (3 X 660 MW). The foundation stone of the project was laid by the Prime Minister on 6th March, 1999. This project was proposed for the benefit of states and Union Territories of Northern and Western Region and the state of Bihar. The Techno-Economic clearance for the project was given by CEA in September 2001. MOEF also accorded 1st stage clearance in September, 2001. The Company thereafter planned to enhance the ultimate capacity of Barh Project to 3300 MW by adding two more units of 660 MW each under Stage-II of which the first unit (Unit-4) was commissioned on 15.11.2014 and the second unit (Unit-5) was commissioned on 18.02.2016.

However, Unit# 3 of Stage I is yet to be commissioned. So the installed capacity is 2640 MW.

- **Coal Linkage:**

Stage-I: Mines of CCL &

Stage-II: Chatti-Bariatu Mines NTPC

- **Water Source:**

Water is sourced from the river Ganges.

8C. BONGAIGAON

➢ Profile

Bongaigaon Thermal Power Station is situated at Salakati in the district of Kokrajhar in Assam. NTPC Bongaigaon has 3 generating units of 250 MW each. Presently, all the three Units with the capacity of 250 MW are under operation. Those units were commissioned as follows: Unit-1: 01-Apr-2016 , Unit-2: 01-Nov-2017, Unit-3: 26-Mar-2019 respectively.

➢ Coal requirement, linkage and transportation:

Blended Coal (Assam (NEC) coal for 2 units of 250 MW and coal from ECL mines for one Unit of 250 MW had been proposed to be used as fuel with FGD technology as per the Feasibility Study Report. It had been estimated that the daily maximum coal requirement for the project shall be about 4700 tonnes for Assam coal of gross calorific value of 6440 kcal/kg for 2*250 MW units and 5100 tonnes of coal from ECL mines for gross calorific value 2950 kcal/kg for one unit of 250 MW at 100% plant load factor and 2500 kcal/Kwh unit heat rate.

The envisaged mode of coal transportation from the coal mines to the power plant was by Indian Railways rakes in BOX-N wagons. Accordingly, provision of two numbers Wagon Tipplers had been kept in feasibility report.

NTPC entered into Fuel Supply Agreements with North Eastern Coal Field (NECL) and Eastern Coal Fields (ECL) in August 2013 and July 2013 respectively for supply of coal. Annual contracted quantity for NECL coal was 12.5 lakh tons per year and ECL coal was 4.00 lakh tons per year respectively. As FGD plant was not commissioned as planned, it was decided that the coal linkages of NECL mine will be swapped with NTPC Farakka TPP. Shifting of 0.625 million tonnes of coal from NEC to NTPC Farakka TPP will be over and above 0.2 million ton of coal already linked from NEC to NTPC Farakka TPP. Thus, coal requirement was fulfilled by moving the same from NEC to NTPC Farakka and 0.625 million tonnes of coal was decided to be moved ECL to Bongaigaon over and above the existing linkage.

➢ Water requirements/source:

The source of water for Bongaigaon Thermal Power Station is Champawati river throughout the year without provision of any dam for storage.

8D. DARLIPALI

- **Profile**

NTPC constructed 2 x 800 MW (Stage I) supercritical coal-based thermal power plant at village Darlipali, Lephripara taluk, Sundargarh district in Odisha. Unit 1 was commissioned on December 31, 2019. Unit 2 on September 1, 2021.

- **Coal Source:**

Coal was planned to source from Dulanga and Pakri Barwadih Coal Block. However, coal is also obtained from Mahanadi Coal Fields and ECL.

- **Water Source:**

Water is sourced from the Hirakund Reservoir on the Mahanadi River through a pipeline at over a distance of about 30.0 km from project site.

8E. FARAKKA SUPER THERMAL POWER STATION

- **Profile**

Farakka Super Thermal Power Station is situated in Farakka area of Murshidabad District of West Bengal. It has installed capacity of 2100 MW. The station has been completed in three stages, Stage I: 3 x 200 MW = 600 MW, Stage II: 2 x 500 MW = 1000 MW and Stage-III: 1 x 500 MW = 500 MW. The first stage comprising 3 units of 200 MW each was sanctioned by the Government of India in March, 1979. Unit- I, II and III were, however, commissioned on 01.04.1986, 24.12.1986 and August 1987 respectively. Commercial Operation was declared from 01.11.1986, 01.10.1987 and 01.09.1988. The Second Stage, comprising 2 units of 500 MW each, was approved by the Govt. of India in September 1984. Though the units were synchronised on 25.09.1992 (4^{th} Unit) and 07.03.1994 (5^{th} Unit), commercial operation commenced only on 01.07.1996 and on 01.04.1995 respectively. The third stage of the project (1 x 500 MW) was synchronised on 23.03.2011 and commercial operation started on 04.04.2012.

- **Coal Linkage:**

The linked coal mine is Lalmatia Coal Mines (Rajmahal Coal Field) of Eastern Coalfields Limited transported through Merry-Go-Round (MGR) system with length of 81 KM.

- **Water Sourcing:**

The source of water is Farakka Feeder Canal of the River Ganges.

8F. KAHALGAON SUPER THERMAL POWER STATION

- **Profile**

Kahalgaon Super Thermal Power Station (STPS) is the seventh of the series of Super Thermal Power Stations set up by NTPC Limited and the first of its kind in Bihar and second in the entire Eastern Region of NTPC. Kahalgaon is situated 31 KM east of Bhagalpur district, on the Kiul - Sahibganj - Howrah loop line of Eastern Railway. Existing generating capacity of the plant as on date is 2340 MW (Stage-I: 4 x 210 MW and Stage-II: 3 x 500MW).

- **Coal Source**

Required coal of the Station is transported from Rajmahal coalfields of Eastern Coalfields Limited by Merry-Go-Round (MGR) railway system and Rajmahal Siding through Pirpainti Station. Ultimately, it was proposed to have an integrated transport system for Chhuperbita and Hurra C Blocks including Pirpainti so that coal from any of the blocks could be diverted to either of the Super Thermal Power Stations i.e. Farakka Super Thermal Power Station and Kahalgaon Super Thermal Power Station. Further coal is also imported through contractors due to short supply of indigenous coal as and when required.

- **Water Source**

Water is sourced from the river Ganges.

8G. NORTH KARANPURA SUPER THERMAL POWER PROJECT

- **Profile**

North Karanpura Thermal Power Project (NKSTPP) of NTPC is an upcoming coal-based thermal power plant located in Tandwa in the Simaria subdivision of Chatra district, Jharkhand. The planned capacity of the power plant is 1980 MW (3x660 MW). Among those, 2 units have been commissioned. Unit#01 of this project is Dedicated to the Nation on 01.03.2024. This is country's first Supercritical Thermal Power Project conceived with Air Cooled Condenser (ACC) of such large magnitude which reduces water consumption to 1/3rd in comparison to conventional Water-Cooled Condensers.

- **Coal Source**

NKSTPP is a pit-head project. The coal requirement for the project is estimated as 9.52 Million Tonne/Annum (MTPA). Coal from Magadh block of North Karanpura Coalfields is proposed to be transported to the project site through conveyor belt system. Parallel double stream conventional troughed conveyors of 3000 MTPH rated capacity are envisaged for external coal handling plant. It is proposed to have one internal coal handling plant of 3000 MTPH rated capacity.

- **Water Source:**

The source of water for the project is the proposed reservoir located.

8H. TALCHER KANIHA SUPER THERMAL POWER STATION

- **Profile**

Talcher Kaniha Super Thermal Power Station is located at Deepshikha (Kaniha) near Talcher in Angul district of Odisha. It has six coal-based thermal power generating stations of 500 MW each.

Units I, II, III & IV were commissioned in February 1995, March 1996, January 2003 & October 2003 respectively.

- **Coal Linkage:**

The linked coal mine is Lingraj Block of Talcher Coal Field of Mahanadi Coalfields Limited.

- **Water Sourcing:**

The source of water is Samal Barrage Reservoir Samal Barrage Reservoir on river Brahmani.

8I. TALCHER THERMAL POWER STATION

- **Profile**

Talcher Thermal Power Station is located near Talcher in the district of Angul. It was taken over by NTPC from Orissa State Electricity Board.

It has now been dismantled.

9. NATIONAL SMALL INDUSTRIES CORPORATION

➢ **Profile:**

National Small Industries Corporation (NSIC), is an ISO 9001:2015 certified Government of India Enterprise under Ministry of Micro, Small and Medium Enterprises (MSME). NSIC has been working to promote, aid and foster the growth of micro, small and medium enterprises in the country. NSIC operates through countrywide network of offices and Technical Centres in the Country. In addition, NSIC has set up Training cum Incubation Centre managed by professional manpower. NSIC has been established to carry out the objectives specified in the Memorandum and Article of Association. The main activities of NSIC are to promote and support Micro, Small & Medium Enterprises (MSMEs) sector by providing integrated support services encompassing Marketing, Technology, Finance and other services.

NSIC facilitates Micro, Small and Medium Enterprises with a set of specially tailored scheme to enhance their competitiveness. NSIC provides integrated support services under Marketing, Technology, Finance and other Support service.

The details regarding schemes and services offered by the Corporation can be accessed from its website.

The following units of the Corporation are presently[39] under the audit purview of this office-

1. Branch Office, Guwahati
2. Technical Services Centre, Howrah
3. Branch Office, Kolkata
4. Branch Office, Salt Lake

[39] *vide* O/o The Director General of Audit (Industries and Corporate Affairs), New Delhi letter dated 31.07.2024

10. POWER GRID CORPORATION OF INDIA LIMITED

➢ **Profile**

Power Grid Corporation of India Limited (POWERGRID) was incorporated on 23rd Oct 1989 under the Company Act, 1956. It is a Schedule 'A', 'Maharatna' Public Sector Enterprise of Govt. of India.

Power Grid is India's largest Electric Power Transmission Utility.
It was Consistently rated "Excellent" under Memorandum of Understanding with Ministry of Power since 1993-94.

➢ **Management:**

The company is headed by the Chairman cum Managing Director. He is assisted by Director (Operations), Director (Finance), Director (Finance).

➢ **Capital:**

POWERGRID is a listed Company, with 51.34% holding of Government of India and the balance is held by Institutional Investors and public.

➢ **Audit Scope**

Eastern and North-eastern Regions of POWERGRID are under the audit purview of this office. The following offices of POWERGRID are audited by this office:

1. Eastern region I (Patna)
2. Eastern region II (Kolkata)
3. ED office (Bhubaneswar)
4. North Eastern region (Shillong)

In addition to that, all the sub-stations, other offices in Eastern and North-eastern Regions are audited by this office.

Chapter – V

Statutory Corporations

Audit Mandate

The statutes governing Statutory corporations require that their accounts be either audited or audit report of Statutory auditors supplemented by the C&AG and a report thereon be submitted to the appropriate Legislature. According to Sections 394 and 395 of the Companies Act, 2013, Annual Report on the working and affairs of a Government company is to be prepared within three months of its Annual General Meeting (AGM). As soon as may be after such preparation, the Annual Report must be laid before the appropriate Legislature, together with a copy of the Audit Report and comments of the C&AG upon or as supplement to the Audit Report. Almost similar provisions exist in the respective Acts regulating the Statutory corporations. This mechanism provides the necessary legislative control over the utilization of public funds invested in the companies / Statutory corporations from the Consolidated Fund of the State.

Out of the three statutory corporations (list in **Appendix F**) under its audit purview for which C&AG is the sole auditor, this office is the principal auditor for one (Damodar Valley Corporation) corporation and sub-auditor for two authorities (Airports Authority of India and National Highway Authority of India.

A brief profile of the corporation and authorities has been discussed in the subsequent pages.

1. Damodar Valley Corporation

➢ **Profile**

Damodar Valley Corporation (DVC) emerged as a culmination of attempts made over a whole century to control the wild and erratic Damodar River. The valley has been ravaged frequently by floods at varying intensities. Serious floods occurred in 1730, 1823, 1848, 1856, 1882, 1898, 1901, 1916, 1923, 1935 & 1943.The river spans over an area of 25,000 sq. kms covering the states of Bihar (now Jharkhand) & West Bengal.

The catastrophe caused by the 1943 flood, led to serious public indignation against the Government. As a result, the Government of Bengal appointed a board of Enquiry titled "Damodar Flood Enquiry Committee" with the Maharaja of Burdwan and the noted physicist Dr. Meghnad Saha as members for suggesting remedial measures. Dr. B. R. Ambedkar, as a member of Cabinet of pre-independence, played a pivotal role in the coordinated efforts for development of the Damodar basin by the Central Government. He pursued relentlessly for the development proposal for Damodar Valley.

The Damodar Flood Enquiry Committee suggested creation of an authority similar to the Tennessee Valley Authority (TVA) in the USA and recommended the construction of dams and storage reservoirs at the sites with a total capacity of 1.5 million acre ft. (1.850 millions cu. M) and highlighted the possibilities of multipurpose development in the valley area. The Govt. of India then commissioned the 'Central Technical Power Board' to study the proposal and appointed Mr. W L Voorduin, a senior engineer of the TVA to study the problem at the Damodar and to make his recommendation for comprehensive development of the valley. Accordingly in August, 1944 Mr. Voorduin submitted his 'Preliminary Memorandum on the unified Development of the Damodar River.'

Mr. Voorduin's "Preliminary Memorandum" suggested a multipurpose development plan designed for achieving flood control, irrigation, power generation and navigation in the Damodar Valley. Four consultants appointed by the Government of India examined it. They also approved the main technical features of Voorduin's scheme and recommended early initiation of construction beginning with Tilaiya to be followed by Maithon.

By April 1947, full agreement was practically reached between the three Governments of Central, West Bengal and Bihar on the implementation of the scheme and in March 1948, the Damodar Valley Corporation Act (Act No. XIV of 1948) was passed by the Central Legislature, requiring the three Governments, The Central Government and the State Governments of West Bengal and Bihar (now Jharkhand) to participate jointly for the purpose of building the Damodar Valley Corporation. The Corporation came into existence on 7th July, 1948 as the first multipurpose river valley project of India.

DVC has its Headquarter at Kolkata.

While the main functions of the Corporation are flood control; irrigation; soil conservation; generation, transmission & distribution of power, its subsidiary activities included navigation, soil conservation, and promotion of public health, agricultural, industrial, economic and general progress in the valley.

- **Power Generation**
  - ✓ **Thermal:**

Project	Address	Capacity (MW)
Mejia Thermal Power Station	Durlavpur, Mejia, District – Bankura, State – West Bengal	(4×210+2×250+2×500) = 2340
Durgapur Steel Thermal Power Station	Andal, District – Burdwan, State – West Bengal	(2X500) = 1000
Raghunathpur Thermal Power Station	Raghunathpur, District – Purulia, State – West Bengal	(2X600) = 1200
Bokaro Thermal Power Station-A	Bokaro, District – Bokaro, State – Jharkhand	(1X500) = 500
Chandrapura Thermal Power Station	Chandrapura, District – Bokaro, State – Jharkhand	(2×250) = 500
Koderma Thermal Power Station	Koderma, District – Koderma, State – Jharkhand	(2X500) = 1000
		6540

✓ Hydel:

Project	Address	Capacity (MW)
Maithon Hydel Station	Maithon, River – Barakar, District – Burdwan, State – West Bengal	(2×20+1×23.2) = 63.2
Panchet Hydel Station	Panchet, River – Damodar, District – Dhanbad, State – Jharkhand	(2×40) = 80
Tilaiya Hydel Station	Tilaiya, River – Barakar, District – Hazaribagh, State – Jharkhand	(2×2) = 4
		147.2

✓ Solar PV Project in DVC

Project	Location	Installed capacity (MWp)
MTPS Solar PV Project	Durlavpur, Mejia, District – Bankura, State- West Bengal	1.061
DSTPS Solar PV Project	Andal, District – Burdwan, State- West Bengal	0.428
KTPS Solar PV Project	Koderma, District – Koderma, State- Jharkhand	11.162
RTPS Solar PV Project	Raghunathpur, Dist- Purulia, State – West Bengal	1.117
Maithon Solar PV Project	Maithon, Dist-Dhanbad, State- Jharkhand	0.102
DVC HQ	Kolkata, State- West Bengal	0.053
		13.923 MWp
Grand Total		**6701.123 MW**

➢ Joint Ventures

1 **Maithon power limited (MPL) -** A joint venture between DVC and BSES Limited for construction of 1050 MW (2 x 525MW) plants at Maithon in Jharkhand.. After exit of BSES, TATA Power Company Limited joined the JV. Shareholding is DVC (26%) and Tata power company Limited (74%).

2 **Bokaro Power Supply Company Pvt Limited (BPSCL) -** BPSCL was incorporated on 17.08.2001 and was converted into JV of DVC and SAIL with shareholding of 50% each. BPSCL is having installed capacity of 302MW/1880 Ton Steam PH. BPSCL has also installed new unit with capacity of 36MW /300TPH during 2014-15.

3 **DVC EMTA coal mines limited -** It's a JV of EMTA and DVC to develop the coal mines. A joint venture Company came into existence on 13.04.2005. The Company was incorporated on 05.07.2005. Equity participation of DVC is 26% and of EMTA 74%.

4 **National High Power Testing Laboratories Pvt Ltd. -** It's a joint Venture between DVC and NTPC, NHPC and power grid corporation of India and CPRI (inducted later) with 20% equity contribution by each. JV is incorporated for setting up an online high power test laboratory for short circuits test facilities in the country.

5 **Green Valley Renewable Energy Ltd. -** GVREL is a JV of DVC (49%) and NTPC RE Ltd. (51%) incorporated on 25.08.2022 to implement different RE projects in DVC command area including those approved under UMREPPs scheme.

➢ Capital Structure and Financial highlights

According to Section 30 of DVC Act, 1948, the entire capital requirement of the Corporation is to be provided by participating governments. In addition, the Corporation is ploughing back profit and retained interest to the respective capital accounts.

Balance of Capital Account (₹ in Crore) as on 01.04.2023 was as follows

Particulars	Central Govt.	W.B. Govt	Bihar Govt	Total
Members' Fund	1820	1594	1782	5196

➢ Accounts & Audit:

Section 47 of the **Damodar Valley Corporation Act, 1948** *inter alia* states "The accounts of the Corporation shall be maintained and audited in such manner as may, in consultation with the Auditor General of India, be prescribed."

Rules 28 to 33 of the **Damodar Valley Corporation Rules, 1948** *inter-alia* state that the accounts of the Corporation shall be audited by the officer appointed by the Comptroller and Auditor General of India and the Audit Report shall be countersigned by the Comptroller & Auditor General of India (C&AG). Hence, C&AG not only prescribe the manner in which the accounts are to be maintained by the Corporation but also be is the sole auditor of DVC.

The audit of Damodar Valley Corporation has been entrusted to the Director General of Audit (Mines), Kolkata under C&AG of India. He is the sole auditor of DVC.

➢ Audit Focus area:

i) Is there any delay in construction, commissioning, COD of new plant?

ii) If there was any delay, how did it affect the tariff order of CERC?

iii) Is there any disallowance of capital cost/ additional capital cost/ any expenses in CERC's tariff order?

iv) Performance of the power station.

v) Running of the plant.

vi) Repair and maintenance of the plant.

vii) Coal procurement/ import.

viii) Water availability and water charges.

ix) Monthly/ annual performance report.

x) Agenda & Minutes of the regional power committee meetings.

xi) Orders from CEA/ CERC.

➢ Environment Management & Pollution Control (EM&PC)

Each power station has a Pollution Control Cell and laboratory for testing purposes. Every Power Stations are expected to conduct Environment Impact Assessment Study to identity the adverse Impact of power Station on the environment.

- **Audit Focus area:**

1. Examine documents related to Environment Impact Assessment Study to identity the adverse Impact of power Station on the environment. Further, examine Environment and Disaster Management Plan.
2. Whether the Power Stations are strictly adhering to the pollution control norms issued by Pollution Control Board/Authorities/Ministries.
3. Whether periodical testing to assess the particles/ materials suspended in air and water is done. If so, the level of suspended materials in air and water against the norms fixed by Pollution Control Boards should be looked into.
4. Reasons for fines/ penalties imposed by Pollution Control Boards.
5. Steps taken by the Corporation to maintain stack emission within the permissible limit.
6. Installation and commissioning of on-line monitoring of effluent discharge system.
7. Regular monitoring of Sewage Treatment Plant.
8. Steps taken by the Management to deal with Solid Waste Management (Ash) and utilization of Dry Fly Ash Collection System.
9. Initiatives taken on clean development mechanism.
10. Ash pond capacity and transportation of ash.
11. Steps taken by management for water discharge with minimum effluents.
12. Afforestation and Green belt programme.
13. Contracts relating to Environment and Pollution Cell and related department/ section.

- **Transmission and Distribution of power**

The power generated and purchased by the Corporation is transmitted to State Electricity Boards, Railways, Coal Companies, Steel Plant, other industrial consumers in the state of West Bengal & Jharkhand and other states also through its transmission and distribution system. While auditing offices related to Transmission & Distribution section including commercial departments, the following risk areas should be emphasised along with other area.

1. Examine records related to Assessment of power demand.
2. Delays in construction of transmission lines, sub-stations, installation of new transformers etc.
3. Time taken for obtaining statutory clearance and Right of Way (ROW).

4. Steps taken by the Corporation for Grid Discipline.
5. Maintenance of T&D system.
6. Loadshedding and Load restriction.
7. Contract relating to transmission and distribution sections/ departments
8. Compliance of CERC norms relating to T&D".
9. Action plan for Marketing of Power.
10. Examine bilateral Power Purchase Agreements (medium/ long term period)/ firm consumers for sale of power.
11. Compliance of Renewable Power purchase obligation.
12. Tariff petition by the Corporation and its approval by the CERC.
13. The decision of the Corporation for short term sale through exchange/tendering and its impact on profitability.
14. Contracts relating to Commercial Department.
15. Steps taken for modernisation of effective metering system.
16. Regular reading of meter at both ends (DVC and consumer) and timely reconciliation.
17. Timely rectification/ replacement of defective meters.
18. Timely raising of power bills to all beneficiaries/ consumer.
19. Raising of Fuel Price Adjustment bill within time frame.
20. Disconnection and reconnection for default consumers.
21. Timely installation of meters to LT consumers.

2. Airports Authority of India

➢ **Profile**

Airports Authority of India (AAI) came into existence in April 1995. AAI has been constituted as a statutory authority under the Airports Authority of India Act, 1994. It has been created by merging the erstwhile International Airports Authority and National Airports Authority with a view to accelerate the integrated development, expansion and modernization of the air traffic services, passenger terminals, operational areas and cargo facilities at the airports in the country.

The functions of AAI are as follows:

✓ As an Airport Developer

- Design, Develop, Operate, and Maintain international and domestic airports and civil enclaves in India.
- Expand and strengthen the operational area, viz. Runways, Aprons, Taxiways etc.
- Construct, Modify and Manage the passenger terminals and other airport facilities.
- Develop and manage the cargo terminals (through its subsidiary - AAI Cargo Logistics and Allied Services Company Limited).
- Ensure provision of passenger facilities and information system.

✓ As an Air Navigation Service Provider

- Control and manage the Indian airspace extending beyond the territorial limits of the country, as accepted by ICAO.
- Ensure the safety and efficiency of flights.
- Make provision for cutting edge technology for Communication Navigation and Surveillance of the Indian airspace.

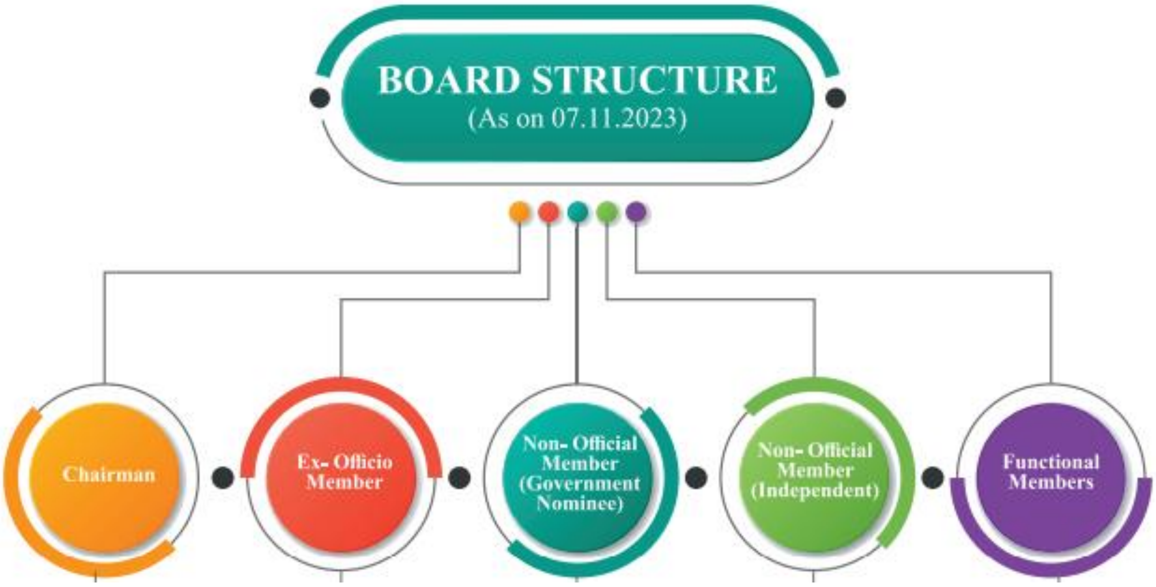
The airports are clustered into the regional headquarters and two metro airports which are at par with the Regional Headquarters:

a. Northern Region
b. Eastern Region
c. North-Eastern Region
d. Western Region
e. Southern Region
f. Two metro airports at Kolkata & at Chennai.

A	TOTAL AAI Operational Airports	110[40]
B	Civil Enclaves (out of A)	28
C	International Operations (out of A)	35
D	Airports under private control (out of A)	08[41]

[40] As per Annual Report (2022-23) of AAI
[41] 2 Joint Venture and 6 Public Private Partnership Airports under Long Term Lease

➢ **Organisation structure**



➢ **Financial Highlights**

FINANCIAL HIGHLIGHTS (FY 2022-23) (Amount in ₹ Crores)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operations (Aeronautical & non-aeronautical revenue)	11424.90	6333.72
Other Income	747.45	507.57
Total Revenue	**12172.35**	**6841.29**
Total Expenditure other than finance costs and Depreciation	6222.62	5670.96
Finance Costs	102.85	69.67
Profit Before Tax & Depreciation	**5846.88**	**1100.66**
Depreciation and Amortisation	1883.13	1904.38
Profit / (Loss) before exceptional items and tax	**3963.75**	**(803.72)**
Exceptional Item (See Note below)	-	(836.48)
Profit Before Tax	**3963.75**	**32.76**
Tax Expenses		
Current Tax	92.68	0.00
Deferred Tax	899.02	24.00
Profit After Tax	**2972.05**	**8.76**
Amount distributed as Dividend:		
(i) Proposed Dividend	891.62	-
Transferred to Reserves:		
(i) Airport Development Reserve	832.17	-
(ii) General Reserve	1248.26	8.76

The Eastern region, North-eastern Region and the metro airport of Kolkata[42] are under the audit purview of this office as sub-auditor. The Principal Auditor of Airports Authority of India is O/o The Director General of Audit (Infrastructure), New Delhi.

[42] Netaji Subhas Chandra Bose International Airport

2A. Airports Authority of India-Eastern Region

➢ **Profile**

The office of the Regional Executive Director, Eastern Region, AAI is located in Kolkata. Regional Executive Director (RED) of Airports Authority of India is the Executive Head of the Eastern Region. He is the overall in-charge of all activities (Operations, Security, Commercial, Safety, Finance & Administration) of the Eastern Region of the Airports Authority of India.

Eastern Region controls 26 Airports (including 12 Non-Operational Airports) and 4 Aeronautical Communications Stations[43]. Eastern Regional Headquarters coordinates and controls the entire activities of all the Airports and Aeronautical Communication Stations listed below.

➢ **Functions & Responsibilities of Eastern Regional of AAI**

1.Communication, Navigation and Surveillance

1.1 Communication

Aeronautical Fixed Service- Aeronautical Fixed Telecommunication service has been established as a unique worldwide network through dedicated landline/satellite media. The end equipment is fully computerized and compatible system switching all types of ICAO formatted messages pertaining to flight operation, Meteorological, NOTAM and Administrative type messages.

Aeronautical Mobile Services (AMS) - Aeronautical Mobile Service is provided to establish communication between aircraft and ground stations on designated Very High Frequency (VHF) and High frequencies (HF). While VHF frequencies have limited range, the HF communication can be established up to a range of 5000nm depending on weather condition. high frequency radio telephony at Kolkata form a part of International Civil Aviation Organisation (ICAO) network and operate on the designated family of frequencies. Kolkata Radio serves the requirement of Kolkata FIC with ATC messages to and from aircrafts flying

in Kolkata FIR and even beyond it. This service is provided by executives who are thoroughly trained at CATC Allahabad as per ICAO standard and recommended practices .

[43] Behrampur, Jamshedpur, Katihar and Jharsuguda

Automatic Self Briefing Services (ASBS) - Automatic Self Briefing system is established at Kolkata airport. This facility provides pre-flight information service to the users. Information pertaining to status of Nav-aids and other Aerodrome related facilities are available in the system which are solely required for safe and efficient flight operation .this system can also be accessed from a remote position like airlines office and even by another aeronautical station through data sharing technology. Timely information can be achieved by interacting with the system which is user-friendly with its on-screen guidance .

1.2 Navigation

Navigation services for over flying and terminal air-traffic are provided as per the ICAO norms at different airports and station. The services provide the direction and range information to the aircrafts through installation of various Navigational Aids such as Doppler Very High frequency Omni Range (DVOR) and distance Measuring Equipments (DME). Landing aids like instrumental Landing system (ILS) a system consists Localizer, Glidepath, Markers, Locatorbecons, DME etc. are installed at Kolkata airport .Kolkata is already having two ILS on reciprocal basis on RWY19L and 01R ,ILS RWY 19R is also in the process of calibration and will commission within short period of time .the systems are installed by the dedicated specialized AAI installation unit and maintained by highly skilled AAI professionals. Periodic Air Calibration is done by the Flight Inspection unit to confirm the performance of these sophisticated system as per the ICAO standards

1.3 Surveillance

Radar surveillance is provided for Kolkata FIR by placing Monopulse Secondary Surveillance Radar (MSSR) and Airport Surveillance Radar (ASR) at the following places

Kolkata: ASR co-located with MSSR.
Berhampur: MSSR (En-route) for South bound traffic.

The Advanced Surface Movement Guidance and Control System (ASMGCS) meant for surface surveillance, is also under installation. In addition to radar facility, ADS/CPDLC presently operational at Kolkata is also used for Oceanic Control as well as non-radar space coverage.

2. Dedicated Satellite Communication Network (DSCN)

Kolkata DSCN is a part of AAI dedicated satellite-based communication network connecting 80 AAI stations throughout India ,having 2 redundant satellite channels with voting facility for selecting the best reception signals. The Kolkata DSCN consists of two 6.3 m antenna, Linkway modem, Memotec multiplexer along with other RF units and interfacing equipments. Since it is commissioning on second March 2009, the Kolkata DSCN is successfully working as a main /alternate means of communication for important CNS facilities like RADAR, RCAG, AFTN, DSC, SAT-NAV etc.

3. Aviation Safety

The following are the key functions of the Aviation Safety Directorate in the region:

1. Guide the various departments for SMS documentation.
2. Co-ordinate safety matters with various departments of AAI
3. Monitor that ATS, Communication, Navigation and Landing Aids, GFS and Fire Services at AAI aerodromes are provided and maintained in conformity with ICAO Standards and Recommended Practices and CARs issued from time to time.
4. Detect weakness in the functions and the practices in activities of all departments of AAI which may affect safety of the system.
5. Carry out annual safety audits of AAI airports, civil enclaves and other facilities in the eastern region with the objective of identifying operational and system deficiencies and hazards at ground level.
6. Conduct Safety Performance Measurements of airports in eastern region through compilation of data on various Aerodrome Safety Indicators and CNS Facilities Performance Indicators.
7. Promote and develop activities that increase knowledge and safety awareness amongst all personnel of AAI and, to the extent possible, amongst all personnel working at airports.
8. Promote safety of Aerodromes and Air Navigation Services.
9. Undertake Safety Assessments of various changes in the aerodrome configuration, operating procedures, equipment acquisition/installation, Communication and Navigation Services (CNS)/ Air Traffic Management (ATM) services system etc. in order to control the processes that could lead to hazardous events and ensure that the risk of harm or damage is limited to an acceptable level by adoption of required mitigation measures and an acceptable level of safety will be maintained.

10. Convene quarterly meetings of RSC, discuss various safety related issues, review and evaluate safety performance of all airports in the region and advise all concerned to take required suitable remedial measures for meeting the target level of safety.

11. Conduct periodic safety review of various Sections, Airports and safety communication.

12. Co-ordinate with CHQ on various safety matters of RHQ and airports in the region and communicate actions.

4. Engineering

Planning and Execution of various civil and electrical works to provide the infrastructural facilities required for ATC/NAV-AIDS as per user requirement, proper Monitoring and control of construction and maintenance of runways / Taxiways /Apron and other buildings and offices as per the requirement.

For security purposes at various airports in the region, CISF personnel have been deployed, whose pay and allowances is reimbursed to CISF.

5. Legal

The following are the key functions of the Legal Department

1. Monitoring all court cases /arbitration matters pertaining to RHQ (ER) Kolkata
2. Attending the different High Courts, Distt. Courts /Tribunals for our cases of Eastern region along with the legal counsel
3. Vetting the replies/counter affidavits etc. to be filed in the court or before the Arbitral tribunal
4. Assisting in conducting the eviction Proceedings/recovery of licence fee etc. under the Airports Authority of India Act, 1994
5. Drafting the M.O.U/Agreement etc.

➢ **Operational Performance**

Airports	TOTAL		
Particulars	**2020-21**	**2021-22**	**2022-23**
Aircraft Movements (Nos.)			
a) International	272	58	1036
b) Domestic	75910	108275	136345
Total	**76182**	**108333**	**137381**
Passenger Movements (Nos.)			
a) International	20064	1584	83006
b) Domestic	8834292	11949326	16880988
Total	**8854356**	**11950910**	**16963994**
Freight (in MT)			
a) International	18	31	0
b) Domestic	40008	49267	49249
Total	**40026**	**49298**	**49249**

➢ **Financial Performance**

Particulars (₹ in Crore)	**2020-21**	**2021-22**	**2022-23**
Income			
I. Airport Navigational Services	114.85	163.13	218.31
II. Airport Services	139.89	214.16	333.51
III. Non-Aeronautical Airport Services	45.35	50.40	82.67
IV. Cargo Revenue	-	-	-
V. Airport Lease Revenue	-	-	-
VI. Other Income	38.36	13.04	33.58
VII. **Total Revenue**	**338.45**	**440.74**	**668.07**
(I+II+III+IV+V+VI)			
Total Revenue Expenditure	735.01	657.15	751.53
Profit/(Loss) before tax	-396.56	-216.41	-83.46
Grant received from Government.	191.96	255.96	96.09
Total Capital Expenditure incurred	548.64	492.28	444.24
Total Revenue Expenditure (Budgeted)	726.31	721.29	844.27
Total Capital Expenditure (Budgeted)	539.57	585.10	535.00

2B. Airports Authority of India-North-eastern Region

➢ **Profile**

The office of the Regional Executive Director, North-eastern Region, AAI is located in Guwahati. The north-eastern region of AAI controls 17 Airports (including 4 Non-Operational Airports). The **operational airports** under the control of Regional Headquarters North-Eastern Region, AAI are as follows:

Sl. No	NAME OF THE AIRPORT
1	MAHARAJA BIR BIKRAM AIRPORT AGARTALA
2	DONYI POLO AIRPORT, HOLONGI ITANAGAR
3	DIMAPUR
4	LOKPRIYA GOPINATH BORDOLOI INTERNATIONAL AIRPORT GUWAHATI-Airports Authority of India executed[44] (19.01.2021) a Concession Agreement with Adani Guwahati International Airport Ltd for operation maintenance & development of the airport under Public Private Partnership for a period of 50 years with effect from 08.10.2021 . However, as per clause 4.1.1 of the Concession Agreement, Airports Authority of India shall provide the Airport's Communication Navigation Surveillance and Air Traffic Control services.
5	IMPHAL
6	JORHAT (Civil enclave)
7	LILABARI
8	DIBRUGARH
9	RUPSI
10	SHILLONG
11	SILCHAR (Civil enclave)
12	TEZU
13	TEZPUR (Civil enclave)
14	AIZAWL AIRPORT AT LENGPUI (This Airport is owned by Mizoram State Government, Airports Authority of India provides ATC, CNS & Fire services).

The **non-operational airports** under the control of Regional Headquarters North-Eastern Region, AAI are Kamalpur, Khowai and Kailsagar.

[44] *vide* notification no. AAI/SIU/06APTS/PPP/GUWAJATI/2020/76 dated 08.10.2021

Being the Chief Administrator of the region ,the Regional Executive Director(NER) coordinates and controls the following activities at Airport of AAI:-

1. Upkeep, maintenance and management of airport ,terminal buildings within the region.
2. Providing and maintaining various passenger facilitation at airport.
3. Ensure safety and security of passengers and aircrafts at airports.
4. Ensure safe and expeditious provisions of air traffic services.
5. Ensure provision of communication and navigation services and their maintenance.
6. Ensure provision of safety and rescue services and maintenance of vehicles at the airport regions.
7. Effective monitoring the ongoing projects at various stations for timely completion and suggests new proposals/schemes for improvements of airports.
8. Financial management so as to achieve corporate mission by monitoring resources and expenditure.
9. Enhancement of revenue and reduction in expenditure.
10. Land management in and around the airports so as to prevent the encroachment and achieve the non- traffic revenue by judicious use of the lands.
11. Maintaining coordination with outside agencies, like state governments , central governments , etc.
12. Human resources development planning , like recruitment , training, promotion, etc.
13. Provide welfare measures for staff and ensures implementation.
14. Implementation of aviation safety parameters and ensures compliance .
15. Industrial relations.
16. General overall vigilance.

➢ **Operational Performance**

Particulars	**2019-20**	**2020-21**	**2021-22**
Aircraft Movements (Nos.)			
a) International	1006	399	8
b) Domestic	81745	4162875	63888
Total	**82751**	**4163274**	**63896**
Passenger Movements (Nos.)			
a) International	35262	18	16
b) Domestic	8237486	5402545	5754061
Total	**8272748**	**5402563**	**5754077**

Freight (in MT)			
a) International	3	18	44
b) Domestic	31615	24017	35429
Total	**31618**	**24035**	**35473**

- **Financial Performance**

Financial data of last three years (₹ in crore)			
Particulars	**2019-20**	**2020-21**	**2021-22**
Income			
I. Airport Navigational Services	38.54	23.36	27.44
II. Airport Services	203.40	89.29	64.63
III. Non-Aeronautical Airport Services	66.18	32.41	23.08
IV. Cargo Revenue	0.00	0.00	0.02
V. Airport Lease Revenue	0.00	0.00	21.20
VI, Other Income	5.51	12.22	8.79
VII. Total Revenue (I+II+III+IV+V+VI)	**313.63**	**157.28**	**145.16**
Total Revenue Expenditure	**486.63**	**423.85**	**300.82**
Profit/(Loss) before tax	**-173.00**	**-266.57**	**-155.66**
Long term borrowings	NA	NA	NA
Inventory (Closing)	0.18	0.17	0.18
Grant received from Government. NEC & MOCA grant for Donyi Polo Airport	22.64	32.06	101.19
Total Capital Expenditure incurred	512.64	358.3	509.6
Total Revenue Expenditure (Budgeted)	506.75	430.79	377.13
Total Capital Expenditure (Budgeted)	417.63	334.46	405

2C. Netaji Subhas Chandra Bose International Airport

➢ **Profile**

Kolkata Airport widely known as Netaji Subhash Chandra Bose International Airport[45], is located in Dum Dum area, approximately 5 Km from newly developing industrial IT hub and 17 km from centre city. It is the fifth busiest airport in the country after Mumbai, Delhi, Chennai and Bangalore and presently handling over 9.0 million passengers annually. The airport is the largest in eastern India and the only international airport operating in West Bengal with huge prospects of becoming an aviation hub of this region.

➢ **Technical Information**

Particulars	Details
Main Runway (M)	Take Off Runway Available (TORA) is 3633M
Secondary Runway with extension on primary runway (M)	Take Off Runway Available (TORA) is 3271M
Number of Hangars	6 (03 nos. of newly constructed hangar on Eastern Side of RWY + 03 nos. old hangars near Gate 1 will be demolished soon due apron expansion work)
No. of Taxiways	30 (A, A1, B, B1, B2, C, D, E, F, F1, F2, G, H, H1, J, J1, K, L, L1, M, N, N1, N2, N3, N4, P, Q1, Q2, R, R1)
Paved apron area (Sq M)	278000 sq. meter
No. of parking bays for aircrafts	72 (02 no. of P/S pending with DGCA for commissioning)
Check-in counters with Common User Terminal Equipment (CUTE) technology	128
Immigration counters	Departure-44
Customs counters	Departure-1, Arrival- 5
Baggage conveyor belts	10 (D) + 6 (I)
Travellators/Walkalators	13
Escalators	19
Elevators	34
Aerobridges	18

[45] renamed in the honour of the great freedom fighter Subhas Chandra Bose

➢ **Operational information**

Operational data of NSCBI Airport Kolkata during last three years			
Particulars	2020-21	2021-22	2022-23
Aircraft Movements (Nos.)			
a) International	5753	8135	17732
b) Domestic	66417	91730	119566
Total	72170	99865	137298
Passenger Movements (Nos.)			
a) International	143081	342665	1965919
b) Domestic	7585825	10693443	15802943
Total	7728906	11036108	17768862
Freight (in MT)			
a) International	36040	45803	43505
b) Domestic	68914	92323	92516
Total	104954	138127	136021

➢ **Financial information**

Financial data (₹ in Crores) of NSCBI Airport during last three years			
Particulars	2020 - 21	2021-22	2022-23
I. ANS Revenue	0	0	0
II. Aeronautical revenue	449.94	540.54	944.65
III. Non-aeronautical revenue	164.55	199.42	251.78
IV. Cargo revenue	0	0	0
V. Airport lease revenue	0	0	0
VI. Other income	28.87	34.32	53.22
Total revenue	643.36	774.28	1249.7
Total revenue expenditure	674.47	409.05	586.51
Profit / loss before tax	**-31.11**	**365.23**	**663.14**
Long term borrowings	CHQ	CHQ	CHQ
Inventory (closing)	2.53	2.34	2.23
Capital grant	nil	nil	nil
Total Capital Expenditure incurred	216.46	289.99	185.00
Total revenue expenditure (budgeted *vis-a-vis* actual)	722.26	745.44	747.07
Actual	674.47	412.95	586.51
Budgeted (re)	671.73	635.32	710.00
Capital expenditure (budgeted vis-à-vis actual)	216.00	234.41	205.00
Actual	233.09	288.43	216.54
Budgeted (re)	216.46	289.99	185.00

- **Applicable statutes for AAI**
  1. The Aircraft Act, 1934
  2. The Airports Authority of India Act, 1994
  3. The Airports Authority of India (Major Airports) Development Fees Rules, 2011
  4. The Airports Authority of India (Manner of Service of Notice on Unauthorised Occupant) Rules, 2004
  5. The Airports Authority of India (Transaction of Business) Regulations, 1995
  6. Rules & Regulations/Manuals - AAI(Lost Property) Regulations 2003
  7. The Civil Aviation Requirements (CARs) issued by the Directorate General of Civil Aviation
  8. The Carriage by Air Act, 1972
  9. Airports Economic Regulatory Authority of India Act, 2008
  10. Aircraft (Security) Rules 2011

- **Audit Focus Area for AAI**
  1. Whether the control and management of the Indian air space user (excluding special user air space) extending beyond the territorial limits of the country as accepted by ICAO are being done effectively.
  2. Whether provision of Communication, Navigation and Surveillance Aids have been made as per guidelines and norms.
  3. Whether expansion and strengthening of operational areas viz. Runways, Aprons, Taxiways, Hangars, Aviation Filling Stations (AFS) etc. and provision of ground-based landing and movement control aids for aircrafts & vehicular traffic in operation area have been ensured.
  4. Whether design, development, operation and maintenance of passenger terminals have been implemented
  5. Whether development and management of cargo terminals have been implemented.
  6. Whether provision of passenger facilities and information system in the passenger terminals have been implemented.
  7. Whether due diligence has been exercised in executing contracts for aeronautical as well as non-aeronautical revenue

3. National Highway Authority of India

➢ Profile

The National Highways Authority of India (NHAI) was constituted by an Act of Parliament namely National Highways Authority of India Act, 1988 for development, maintenance and management of National Highways vested or entrusted to it by the Central Government. The Authority became operational in February 1995 with the appointment of its first Chairman. The National Highways Authority of India (NHAI) is an autonomous agency responsible for development, maintenance and management of National Highways vested or entrusted to it by the Central Government.

National Highways are the arterial roads that facilitate rapid movement of passengers and goods across the country. Spread over the length and breadth of the country, National Highways connect the national and state capitals, major cities, district headquarters, major ports and rail junctions while also providing connectivity to border roads and foreign highways. The total length of NH (including expressways) in the country at present is 1,32,499 kms. While Highways/Expressways constitute only about 1.7% of the length of all roads, they carry about 40% of the road traffic.

NHAI receives its funding through Government support in the form of capital base, cess fund, additional budgetary support, capital grant, maintenance grant, ploughing back of toll revenue, through loan from multilateral agencies and market borrowings. NHAI is mandated to ensure that all contract awarded, and with regards to transparency of process, adoption of bid criteria to ensure healthy competition in award of contracts. It is also mandated to secure implementation of projects to best quality requirements and the highway system is maintained to ensure best user comfort and convenience.

In 2017, Government had announced Bharatmala Pariyojana, India's largest ever highway development program for a network of approx 65,000 km. The program envisions to optimize the efficiency of road traffic movement across the country by bridging critical infrastructure gaps. The first phase of the program entails development of 34,800 km of national highways at a cost of ₹5.35 lakh crore connecting more than 600 districts in the nation. Of this, NHAI is responsible of managing program development of approx 30,257 km length of projects. NHAI also envisages development of new green field corridors under the Bharatmala Pariyojana to connect remote areas and opening of new avenues for the socio-economic development of the country.

One other key initiative of NHAI has been the plan to develop 35 Multimodal Logistics Parks (MMLPs) to improve to enable seamless intermodal freight movement and offer multiple functionalities and services to users. MMLPs shall facilitate the shift from point-to-point to hub and spoke model, which is a much more efficient, cheaper and environment friendly mode of logistics management. These logistics parks shall be developed in a Public Private Partnership (PPP) mode, where the government will be responsible for providing the land and providing external connectivity through road, rail, inland waterways, etc.

NHAI has promoted the adoption of technology across the lifecycle of infrastructure development to drive efficiency, improve the quality of construction and effectively manage and maintain infrastructure. For example, Bhoomi Rashi portal has expedited the land acquisition process and improved transparency through electronic transfer of compensation. Data Lake and PMIS have been used for effective project monitoring while Drone-based surveys and GIS technology has been used to expedite development of Detailed Project Reports. Widespread adoption of ETC across the country has improved logistics efficiency and user convenience. In recent years, NHAI has expanded its vision to improve the overall transportation ecosystem of the nation including a Ropeway development program for improving connectivity in hilly regions and urban areas. There has been an extension of focus from connectivity to convenience by reducing the cost of logistics, providing multimodal and efficient transport, last-mile connectivity and improved existing supply chain infrastructure in the country.

- **Organisation Structure**

NHAI's organogram consists of a three-tier structure – the Headquarters (HQ), Regional Offices (ROs) and the Project implementation Units (PIUs). The PIUs, headed by project directors, have been set-up in various parts of the country for decentralizing and strengthening the field level operations in NHAI. The HQ is responsible for overall supervision of the works assigned to NHAI. While office of The Director General of Audit (Infrastructure), New Delhi, is the Principal Auditor of NHAI, two Regional Offices (ROs) of NHAI, viz., Kolkata RO at West

Bengal[46] and North-east RO[47] at Guwahati, Assam including their subordinate Project Implementing Units are under the audit purview of this office as Sub-auditors.

- **Credit Rating**

The credit rating agencies such as CRICIL, CARE and India Ratings have assigned highest credit rating i.e. "AAA/Stable" for NHAI 54 EC bonds for FY 2022-23.

- **Key Operational Highlights**

A financial year-wise summary of road length awarded and length completed since 2020 is as follows

Financial Year	Length Constructed (in Km)	Length Awarded (in Km)
2020-21	4218	4898
2021-22	4331	6306
2022-23	5544	6003

A financial year-wise summary of land notified and acquired since 2020 is as follows

Financial Year	Land Notified u/s 3D (in Hectare)	Land under possession (in Km)
2020-21	23805	20038
2021-22	16691	14844
2022-23	25751	17568

- **Key Financial Highlights (₹ in Crore) of 2022-23**

Sources of Funds	2022-23	2021-22
Receipts of Cess	1,10,673.92	36,210.00
Plough Back of Toll Revenue	18,005.62	12,670.00
Plough Back TOT Remittance	10,000.00	5,000.00
Additional Budgetary Support	19,785.83	16,142.18
Capital Grant (JICA & WB)	200.00	1,000.00
Capital Gains Tax Exemption Bonds	797.58	5,028.45
InvIT (Projects)	2,849.67	7,350.40
Taxable Bonds	-	17,120.70
Term Loan	-	35,428.57
Other Sources (DME, Interest, Capital Receipts, Maintenance)	10,904.66	35,088.04
Utilization of opening balance	214.22	1,237.68
Total	**1,73,431.50**	**1,72,276.02**

Application of Funds	2022-23	2021-22
Land Acquisition	39,836.17	35,885.14
Project Expenditure	1,00,674.96	81,875.86
Repayment of Loans and Interest thereon	32,476.92	47,271.38
Other Outflow	443.45	7,243.64
Total	**1,73,431.50**	**1,72,276.02**

[46] PIUs under Kolkata at West Bengal RO are Kharagpur, Durgapur, Kolkata, Malda, Krishnanagar and Jalpaiguri)
[47] PIUs under Guwahati RO are Guwahati, Bongaigaon, Nagaon, Silchar and Shillong

- **Key Contracting models for Highway Construction**

1. Build Operate Transfer (BOT) (Toll) - In BOT (Toll) pattern, the private developers/ operators meets the upfront cost and expenditure on annual maintenance and recovers the entire cost along with the interest from toll collections as per toll policy during the concession period. To increase the viability of projects, a capital grant upto a maximum of 40% is provided by NHAI

2. BOT (Annuity) - In BOT (Annuity) projects, the private sector is required to meet the entire upfront cost and the expenditure on annual maintenance. The concessionaire recovers the entire investment through predetermined annuity payments by NHAI. Government is responsible for collecting toll revenue and thereby commercial risk is not transferred to the concessionaire.

3. Engineering, Procurement and Construction (EPC) - In new Engineering, Procurement and Construction (EPC) model, projects are contracted for a fixed term, fixed time and fixed cost. There is a shift from an item rate construction contract to an EPC (lump sum) contract to minimize time and cost overruns. The Government collects toll revenue after construction period. In this model there is no commercial risk for the Contractor, except maintenance for 4 years of defect liability period.

4. Hybrid Annuity Mode (HAM) – This model assures better risk allocation amongst private concessionaires and NHAI. In new Hybrid Annuity Mode (HAM), 40% of bid project cost is payable to the concessionaire by NHAI in ten (10) equal instalments linked to project completion milestones and concessionaires shall have to arrange the balance 60% of the bid project cost. The remaining Bid Project Cost shall be paid in the thirty (30) biannual instalments. Once the project is completed, NHAI collects toll and pay annuities till the end of concession period. For concessionaires, the traffic risk is not associated with them as compared to BOT Toll model. It gives them some comfort level to borrow from the banks.

5. Special Purpose Vehicle (SPV) for Port Connectivity - NHAI has taken up development of port connectivity projects by setting up Special Purpose Vehicles (SPVs) wherein NHAI contributes upto 30% of the project cost as equity. The SPVs also have equity participation by port trusts, State Governments or their representative entities.

- **Applicable statutes**

1. The National Highways Act, 1956,
2. The National Highways Authority of India Act, 1988
3. The National Highways Authority of India (Amendment) Act, 2013
4. The Control of National Highways (Land and Traffic) Act, 2002.

Chapter – VI

Central Autonomous Bodies

Basic authority for Audit of Autonomous Bodies

The functions of the Comptroller and Auditor General of India are derived from the provisions of Articles 149 to 151 of the Constitution of India. Article 149 provides that the Comptroller and Auditor General of India shall perform such duties and exercise such powers in relation to the accounts of the Union and of the States and of any other Authority or body, as may be prescribed by or under any law made by the Parliament. The Parliament, pursuant to the provisions of the said Articles of the Constitution of India, has passed the Comptroller and Auditor Generals (Duties, Powers and Conditions of Service) Act, 1971, as amended in 1976, 1984, and 1987.

Sections 14, 15, 19 and 20 of the C&AG's DPC Act empower the CAG of India to conduct audit of bodies/authorities and perform such other duties and exercise such powers in relation to them as prescribed under the Act. Further, it is clarified in this connection that provisions of Section 18 of the Act apply to audit under Sections 14, 15, 19 or 20 as they are applicable to audit under Sections 13 and 16 of the Act.

The details of audit planning, audit methodology and form of Separate Audit Reports and assurances in connection with the audit of autonomous bodies have been dealt with in a separate Manual of Instructions circulated by the Headquarters office.

This chapter provides a brief overview in respect of those central autonomous bodies for which this office is the Principal auditor (List in Appendix E) in Part-A and a list of units for which this office is Sub-Auditor in Part B (List in Appendix F). Part-C provides a list of units for which this office conducts grants-in-aid audit.

Part – A

Central Autonomous Bodies

for which this office is the Principal Auditor

Audit Mandate

Section 19(2) of the C&AG's DPC Act, 1971 states that the duties and powers of the Comptroller and Auditor General in relation to the audit of the accounts of corporations (not being companies) established by or under law made by Parliament shall be performed and exercised by him in accordance with the provisions of the respective legislations.

On the completion of each audit assignment, the results of such audit are to be communicated in the form of a written report (separate audit report) setting out the audit observations and conclusions in an appropriate form. In respect of audit under Section 19 of the Act, the Separate Audit Report (SAR) should contain only 'Comments on accounts'.

The matters which the auditors have to report upon, could be classified into two categories:- (i) Statements of fact, and (ii) Opinions.

The comments on accounts in SARs proposed by the field offices do not always bring out the impact on accounts i.e. the comments are not linkable with the annual accounts. To overcome this situation, a 'management letter', in addition to the SAR / audit certificate should also be issued. In such cases, the auditor submits a detailed report termed 'management letter' to the management regarding the procedures, systems, weaknesses in the internal control, etc. which would enable the management to exercise a greater degree of control over the operations of the autonomous body.

The details regarding the drafting of Separate Audit Reports and Management Letters have been dealt with in Chapter 9 of the Manual of Instructions for Audit of Autonomous Bodies.

This chapter gives a brief profile, organisation, performance, applicable statutes and Audit Focus Area of the 5 (five) organisations - 3 Central Autonomous Bodies and 2 Major Port Authorities (list in **Appendix G**), for which this office is the Principal Auditor.

1. National Institute of Design, Assam

➢ **Profile**

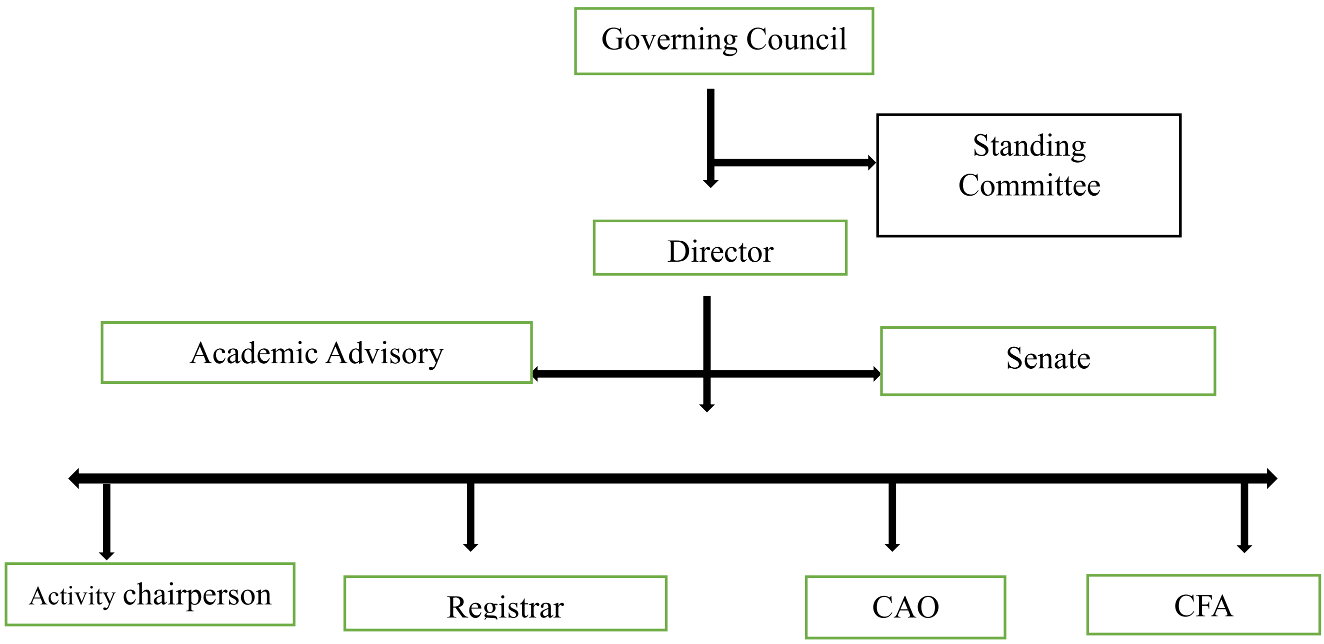
In early 2007, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, Govt. of India had envisioned the National Design Policy aimed at creating a design-enabled innovation economy and strengthening design education in the country. The National Design Policy had recommended setting up design institutes on the lines of NID, Ahmedabad in various parts of India to promote design programmes. Under this Action Plan, 4 new NIDs have been set up in Andhra Pradesh (Amaravati), Assam (Jorhat), Madhya Pradesh (Bhopal) and Haryana (Kurukshetra).

The National Institute of Design (NID), Assam is an autonomous Institution of National Importance under DPIIT, Ministry of Commerce and Industry, Government of India established at Jorhat through the NID (Amendment) Act, 2019 passed by the Parliament of India. It is an Institution established to provide Design Education with the mandate to award the Bachelor's Degree in Design. The Institute commenced its academic session from 29th July 2019. NID Assam's presence in Jorhat gives a great opportunity to young creative talent and design aspirants from North East India and across the country.

The Deputy Commissioner of Jorhat allotted 93 Bigha 1 Katha 17 Lecha of land at Tocklai Chah Bagicha, Garmur Mouja, Jorhat to National Institute of Design, Assam (NID). The land was relinquished by Assam Tea Corporation Limited. Such allotment was approved (28.02.2011) by Sub-Divisional land Advisory Committee of Jorhat East Circle and confirmed by the Assam Government's (GoA) letters dated 31.07.2019 and 27.01.2022. Out of the allotted 30 acres of land for the campus, presently 20 acres built up is complete and functional as part of Phase-1. The construction of the campus was implemented by NBCC (India) Ltd. The institute's infrastructure consists of the Academic Block, Design Studios, IT Lab, Workshops, Library, Administrative Block, Girls' & Boys' Hostels (single wing), Mess, Cafeteria and all other necessary services. The Institute commenced its first academic session from 29th July, 2019 from the campus facility. It started with an Orientation Programme held from 24th to 26th July for the new students of the parents. The institute completed its first semester of the combined Foundation Studies program on 24th January 2020 followed by the commencement of the second semester on 27th January, 2020 of the first batch of students of the B. Des. programme. The design pedagogy at NID, Assam is learner centric, explorative, experimental, inclusive, people centric and collaborative. It strives to hone individuals to build expertise in design, inculcating a sensitive, empathetic, creative, visionary, and innovative thinking approach. The culture of education at NID, Assam is rooted in the Indian ethos with a universal and global outlook and focuses on designers' responsible role in the society. The Bachelor programme in Design begins with a two semester Foundation Programme of skills, design principles, fundamentals, and theories which is followed by 3 years of specialised studies in the disciplines Communication Design (CD), Industrial Design (ID) and Textile & Apparel Design (TAD).

- **Organisation Structure**

The Secretary, DPIIT, Ministry of Commerce & Industry, Govt. of India, is the *ex-officio* Chairperson of the Governing Council National Institute of Design, Assam, constituted as per Section 11 of the National Institute of Design Act 2014. He is assisted by the Members of the council. However, the institute is run on day-to-day basis by its Director. The organogram of the institute is as follows.



➢ Performance highlights

NID, Assam, Jorhat gets Grant-in-Aid from time to time for capital expenditure, Salary and General expenditure. The performance (in ₹) of the Institute during the last three years ending 31.03.2022 was as follows

Sl No	Particulars	2019-20	2020-21	2021-22
(a)	Capital Fund	6,95,836	80,99,729	88,16,76,046
(b)	Depreciation Fund	87,132	6,24,439	12,02,77,204
(c)	Income and Expenditure account	--	--	--
(d)	Fixed Assets (Net Block)	7,82,968	87,24,168	9,83,39,902
(e)	Capital Expenditure	7,82,968	87,24,168	9,83,39,902
(f)	Grant received for Capital	5,40,84,000	1,50,00,000	27,27,00,000
(g)	Grants received for Salary	2,85,68,000	1,50,00,000	4,77,40,000
(h)	Grants received for Recurring Expenses	6,05,68,000	2,73,00,000	2,22,50,000
(i)	Contribution through NID, Ahmedabad	1,50,00,000	--	--
(j)	Income from fees	1,61,29,500	3,84,09,228	2,29,03,050
(k)	Revenue Expenditure (excluding	3,38,19,384	5,95,29,718	9,42,88,946.7
(l)	Depreciation	87,132	5,37,307	12,02,77,204
(m)	Surplus	1,43,22,195	2,92,52,119	4,21,89,737
(n)	Number of students admitted	60	44	61
(o)	Manpower (Faculty)	13	10	14
(p)	Manpower (Administrative)	7	10	16
(q)	Manpower (non-teaching)	2	4	7

➢ Applicable Statutes

1. Policy & Guideline issued by the Ministry/ GoI
2. Internal Audit Report
3. Office Memorandum (OM)/Circulars/Orders issued by Ministry/ GoI

➢ Audit Focus Area

1. Prudence in financial management
2. Adequacy in monitoring and internal control
3. Assessment of strength and weakness of the institute with respect to collection of revenue from the student and proper utilisation of Grant received from Govt. of India

2. National Jute Board

➢ Profile

National Jute Board (NJB) was established (April 2010) under National Jute Board Act, 2008 subsuming the two erstwhile organizations, viz. Jute Manufactures Development Council (JMDC) and National Centre for Jute Diversification (NCJD) with the objective of development of the cultivation, manufacture and marketing of jute and jute products. The Board comprised of 34 members representing cross-section of disciplines and jute interests. The Secretary, Ministry of Textiles, Government of India is the *ex-officio* Chairperson of the Board. NJB has its head office located in Kolkata and during the year 2021-22, it had three different regional offices located in New Delhi, Hyderabad and Chennai.

The National Jute Board is statutorily mandated to undertake measures to:

(i) evolve an integrated approach to jute cultivation in the matters of formulation of schemes, extension work, implementation and evaluation of schemes aimed at increasing the yield of jute and improving the quality thereon;

(ii) promote production of better quality raw jute;

(iii) promote production of better quality raw jute;

(iv) enhance productivity of raw jute;

(v) promote or undertake arrangements for better marketing and stabilisation of the prices of raw jute;

(vi) promote standardization of raw jute and jute products;

(vii) suggest norms of efficiency for jute industry with a view to eliminating waste, obtaining optimum production, improving quality and reducing costs;

(viii) propagate information useful to the growers of raw jute and manufacturers of jute products;

(ix) promote and undertake measures for quality control or raw jute and jute products;

(x) assist and encourage studies and research for improvement of processing, quality, techniques of grading and packaging; of raw jute;

(xi) promote or undertake surveys or studies aimed at collection and formulation of statistics regarding raw jute and jute products;

(xii) promote standardization of jute manufactures;

(xiii) promote the development of production of jute manufactures by increasing the efficiency and productivity of the jute industry;

(xiv) sponsor, assist, coordinate, encourage or undertake scientific, technological, economic and marketing research pertaining to the jute sector;

(xv) maintain and improve existing markets and to develop new markets within the country and outside for jute manufactures and to devise marketing strategies in consonance with the demand for such manufactures in the domestic and international markets;

(xvi) sponsor, assist, coordinate or encourage scientific, technological and economic research in the matters related to materials, equipment, methods of production, product development including discovery and development of new materials, equipment and methods and improvements in those already in use in the jute industry;

(xvii) provide and create necessary infrastructural facilities and conditions conducive to the development of diversified jute products by way of assisting the entrepreneurs, artisans, craftsman, designers, manufacturers, exporters, non- Governmental agencies in the following manner, namely

(a) Transfer of technology from research and development institutions and other organisations in India and abroad;

(b) Providing support services to the entrepreneurs for the implementation of their projects including technical guidance and training;

(c) organizing entrepreneurial development programmes;

(d) planning and executing market promotion strategies including exhibitions, demonstrations, media campaigns in India and abroad;

(e) providing financial assistance by way of subsidy or seed capital;

(f) providing a forum to the people engaged or interested in diversified jute products for interacting with various national and international agencies, engaged in the jute and jute textile sector;

(xviii) organize workshops, conferences, lectures, seminars, refresher courses and set up study groups and conduct training programmes for the purpose of promotion and development of jute and jute products;

(xix) undertake research on jute seed to improve quality and to shorten the gestation period of jute crop;

(xx) incorporate measure for sustainable Human Resource Development of the jute sector and to provide necessary funds for the same;

(xxi) modernization of jute sector and technology development;

(xxii) take steps to protect the interests of jute growers and workers and to promote their welfare by improving their livelihood avenues;

(xxiii) secure better working conditions and provisions and improvement of amenities and incentives for workers engaged in the jute industry;

(xxiv) register jute growers and manufacturers on optional basis;

(xxv) collect statistics with regard to jute and jute products for compilation and publication;

(xxvi) Subscribe to the share capital of or enter into any arrangement (whether by way of partnership, joint venture or any other manner) with any other body corporate for the purpose of promoting the jute sector or for the promotion and marketing of jute and jute products in India and abroad.

- **Organisation Structure**

The Ministry of Textiles, Government of India has constituted the National Jute Board (NJB) in exercise of the powers conferred by Sub-Section (1) of Section 3 of the National Jute Board Act, 2008. The Secretary in charge of the Ministry of the Central Government dealing with textiles, is the *ex-officio* Chairperson of the Board. It further comprises of –

1. Three Members of Parliament of whom two shall be elected from among themselves by the members of the House of the people and one from among themselves by the members of the Council of States,
2. The Additional Secretary and Financial Adviser, Ministry of Textiles, Government of India, *ex-officio*,
3. The Joint Secretary (Jute) in the Ministry of Textiles, Government of India, *ex-officio*

4. Two members of the rank of Joint Secretary nominated by the Central Government to represent respectively the ministries of the Central Government dealing with - Agriculture and Food and public distribution,
5. Three members nominated by the Central Government by rotation in alphabetical order to represent respectively the Governments of the States of Andhra Pradesh, Assam, Bihar, Meghalaya, Orissa, Tripura and West Bengal. The nomination shall be from officials of the State Government holding the rank of Secretary to the State Government and dealing with Jute or Textile matters
6. Three members of jute farmers of which one from State of West Bengal and two from other States on rotational basis to be nominated by the Central Government.
7. Three members of jute workers of which one from State of West Bengal and two from other States nominated by the Central Government on rotational basis.
8. Two experts from the field of jute technology and related field to be nominated by the Central Government.
9. Two members from the "micro enterprises", "small enterprises" and "medium enterprises" dealing in jute industry to be nominated by the Central Government.
10. Two members to be appointed by the Central Government to represent the jute industry in the organized sector.
11. Two members to be appointed by the Central Government to represent the jute industry in the decentralized sector.
12. Two members to be appointed by the Central Government to represent the exporters of jute products.
13. The Director, Indian Jute Industries Research Association, *ex-officio*.
14. The Principal, Institute of Jute Technology, *ex-officio*.
15. The Director, National Institute of Research on Jute and Allied Fibre Technology, Kolkata, ex-officio.
16. The Director, Central Research Institute for Jute and Allied Fibres, *ex-officio*.
17. The Chairman and Managing Director, Jute Corporation of India, *ex-officio*.

18. The Jute Commissioner, *ex-officio*.

19. The Secretary, National Jute Board, who is the *ex-officio* Member-Secretary of the Board.

➢ **Performance highlights**

The financial performance (₹ in lakh) of the organisation was as follows

Parameters	2022-23	2021-22	2020-21
Grants/ subsidies	3,000.00	3,600.00	4,000.00
Interest Earned	816.48	461.30	564.39
Total income	3,816.48	4,061.30	4,564.39
Total establishment/ administrative expenses	1,045.46	1,062.35	914.03
Total scheme expenditure	3,115.69	3,399.98	2,131.85
Total Expenditure	4,161.15	4,462.33	3,045.88

➢ **Applicable Statutes**

(i) Guidelines and Rules of on-going Schemes/Projects issued by Ministry of Textiles.

(ii) National Jute Board Act.

(iii) Notification/circulars issued by the concerned Ministry.

➢ **Audit Focus Area**

(i) Action plan and the implementation of various schemes of NJB viz schemes related to Acquisition of plant and Machinery, Scientific methods of jute cultivation, improving fibre quality and productivity and reducing the cost of jute production and increasing farmers' income, schemes related to trainings to new artisans, Production Linked Incentive (PLI) Scheme etc.

(ii) Examine the implementation of Scheme related to education support to the girl children of the workers of Jute Mills/ MSME-JDP Units in the form of incentives @ Rs.5,000/- on passing out Secondary Examination and Rs.10,000/- on Higher Secondary Examination under the scheme.

(iii) Examine the utilisation of Plan and non-plan grant disbursed by Government of India.

(iv) It is to be checked whether grant is used under the specific head or not.

(v) Whether the data of capital assets created by the grantees out of government grants has been maintained.

(vi) Whether the utilisation certificate has been obtained timely.

3. Paradip Port Authority

➢ **Profile**

Paradip is one of the Major Ports of India. Late Biju Patnaik, the then Chief Minister of Odisha, is the founder father of Paradip Port. It is the only Major Port in the State of Odisha situated 210 nautical miles south of Kolkata and 260 nautical miles north of Visakhapatnam on the east coast on the shore of Bay of Bengal.

Late Jawaharlal Nehru, the then Prime Minister of India, laid the foundation stone of the Port on 3rd January 1962 near the confluence of the river Mahanadi and the Bay of Bengal. Government of India took over the management of the Port from the Government of Odisha on 1st June 1965. INS "Investigator" had the privilege of maiden berthing in the Port on the 12th March, 1966. The Port was declared open by Late Peter Stambolic, the then Prime Minister of Yugoslavia on the same day. Government of India declared Paradip Port as the Eighth Major Port of India on 18th April 1966 making it the FIRST MAJOR PORT in the East Coast commissioned after independence.

Paradip port is strategically situated at mid-point between 210 nautical miles south of Kolkata and 260 nautical miles north of Visakhapatnam. The Port of Paradip, an autonomous body under the Major Port Trusts Act, 1963, functioning under the Ministry of Ports, Shipping & Waterways is administered by a Board of Trustees set up by the Government of India headed by the Chairman. The Trustees of the Trust Board are nominated by Government of India from various users of the Port such as shippers, ship owners, Government Departments concerned and also port labour. The Board was re-named as Board of Paradip Port Authority *vide* Major Port Authorities Act, 2021.

Paradip Port is strategically situated so as to serve a vast hinterland spreading over the states of Odisha, Jharkhand, Chhattisgarh, Madhya Pradesh, Uttar Pradesh, Bihar and West Bengal. Paradip Port enjoys the advantages of soft underwater soil, so that it can be deepened to any depth depending upon the need. At present Paradip Port is handling various cargo like Crude Oil, POL products, Iron Ore, Thermal Coal, Chrome Ore, Coking Coal, Manganese Ore, Charge Chrome, Ferro Chrome, Ferro Manganese, Limestone, Hard Coke, Ingots and Moulds, Billets, Finished Steel, Scrap, Fertilizer, Fertilizer Raw Material, Clinker, Gypsum, Project Cargo and Containers.

The Port is now equipped with 18 berths, 3 (three) Single Point Moorings (SPM), 1 (one) Ro-Ro Jetty, a well-maintained Approach Channel having 18.7 Mtrs depth and Entrance Channel having 17.1 Metres minimum depth to handle a wide range of vessels up to maximum LOA of 300 Mtrs. The Port has 6 (six) nos. of tugs equipped with SRP, 4 of which have a Bollard Pull of 50 Tons, 01 Tug have a bollard Pull of 60 Tons and 1 Tug have a Bollard Pull of 45 Tons. A Vessel Traffic Management System (VTMS) is fully operational in this port for controlling & monitoring of shipping movement (Inward, outward & shifting). One security cum pollution response vessel is made available at SPM location for security surveillance & pollution response (24x7). As per MARPOL[48] requirements, the Port facilitates discharge of Slops & Garbage from vessels berthed in the Harbour.

Paradip Port has its own Railway System having a route length of about 7.4 Kms and track length of 84 Kms with 19 full rake length railway sidings and 5 half rake length railway sidings to handle rail borne traffic efficiency. Paradip Port has excellent facilities of handling a variety of cargoes with modern cargo handling equipment, adequate backup space and storage facilities. Paradip is a customer friendly ISO-9001-2015 certified and ISPS-compliant[49] Port rendering satisfactory services to the importers and exporters with a transparent berthing policy. The Port functions round the clock, 365 days. The Port has a state-of-the-art Mechanized Coal handling Plant to handle Thermal Coal traffic. The plant is designed to handle 42 million tonnes per annum equipped with Stackers, Reclaimers, Conveyors and Ship-loaders of 4000 TPH capacity with mechanized unloading facility from BOBR wagons on a Merry-Go-Round system. The Port is equipped with 8 nos. of Harbour Mobile Cranes of 100T to handle bulk cargo in 4 berths. The rated capacity of port is 289 MMT per annum. With a slew of capacity augmentation programme on the anvil, the Port is getting ready to have a capacity of more than 300 Million Metric Tonne (MMT) per annum by 2027 and more than 350 MMT per annum by 2029.

- **Organisation Structure**

The day-to-day administration is carried out under general supervision and control of the Chairman, assisted by the Deputy Chairman and other departmental heads viz., Traffic Manager, Chief Engineers, Financial Advisor and Chief Accounts Officer (FA&CAO), Secretary (Administration), Deputy Conservator and Chief Vigilance Officer.

[48] International Convention for the Prevention of Pollution from Ships
[49] International Ship and Port Facility (ISPS) Code

- **Performance highlights**

Parameters	2022-23	2021-22
Vessels handled (in nos.)	2381	2007
Total NRT (in lakhs)	567.56	480.46
Total GRT (in lakhs)	939.15	802.91
Total DWT (in lakhs)	1706.39	1447.78
Traffic Handled (in lakh tonnes)		
Load	674.54	567.09
Unload	676.82	592.39
Container Cargo	1.93	1.85
Transhipment	0.33	
Total	1353.62	1161.33
Operational Performance		
Average waiting time Port A/c (in hours	1.68	2.44
Average Turn around time Port A/c (in days)	1.7	1.93
Average berth day output (in tonnes)		
Liquid bulk	46935	41661
Dry bulk (Mech)	39052	38264
Dry bulk (Conv)	17497	18081
Breakbulk	6014	4939
Container	6930	7846
Overall	31050	27295

- **Financial Position** (₹ in crores)

ASSETS	2022-23	2021-22
Capital assets at original cost	3149.21	3031.54
Investment	4383.37	3943.69
Current Assets	5131.54	4109.45
Total	12664.12	11084.68
LIABILITIES		
Reserves and Surplus	8530.04	7479.31
Depreciation on Capital assets	1245.22	1226.7
Capital debts	8.12	8.12
Current Liabilities	2880.74	2370.55
Total	12664.12	11084.68

- **Applicable Statutes**

1. The Major Port Authorities Act, 2021
2. General Financial Rules 2017
3. Land Policy Guidelines, 2014
4. Policy for Determination of Tariff for Major Port Trust, 2015
5. Reference Tariff Guidelines of 2013
6. Tariff Guidelines, 2005
7. Upfront Tariff Guidelines 2008
8. The Companies Act, 2013 (the Act) and the rules made thereunder;
9. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
10. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
11. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
12. The Explosives Act, 1884 and Gas Cylinder Rules, 2004
13. The Legal Metrology Act, 2009 & Legal Metrology (Enforcement) Rules, 2011
14. The Petroleum Act, 1934 and the Petroleum Rules, 2002
15. The Merchant Shipping Act, 1958
16. International Convention For The Safety Of Life At Sea, 2002
17. The Indian Railways Act, 1989 & Wagon Investment Scheme
18. Goods and Service Tax Legislations
19. Income Tax Act, 1961 and rules made thereunder

- **Audit Focus Area**
  - ✓ **Public Private Partnership Projects**

(i) Scope of project offered to the private operator should be carefully determined and should not be varied after bidding as this vitiates the sanctity of the bidding process.

(ii) The Port should ensure adherence to the time frame fixed for completion of the bidding process from issue of tender to signing of CA

(iii)Ports need to design a mechanism to ensure timely obtaining of environmental clearance for each project well before commencement of the tendering process.

(iv)Ensure timely obtaining of environmental clearance for each project well before commencement of the tendering process.

(v) All the transactions involving financial implications are properly accounted for the initial accounts records are maintained accurately; strive to ensure real time transfer to the Port's account. This would prevent any arrears or need of follow up on this account

(vi)There are no delays and / or irregularities in maintaining the Accounts reports;

- ✓ **Accounts**

(i) The provisions of accounting procedure, rules and regulations, orders and procedure in force and instructions issued by the Chairman/FA&CAO from time to time are not violated;

(ii) It should be seen that all transactions (either cash or stock) are promptly and properly recorded in the relevant records and there is no delay/omission, etc., on this account.

(iii)ii. It should be seen that amounts received from the Finance Department or other sources have been taken to account on the same day.

(iv)It should be seen that amounts received from the Finance Department on account of temporary advances etc., for disbursement are not retained in hand beyond the permissible time limit and the undisbursed amount, if any, is promptly deposited with Finance Department.

(v) The correctness of stock entry recorded on the vouchers in support of purchases should be checked in respect of one month.

(vi) It should be seen that issues from the stock are made on proper requisition duly acknowledged by the recipients and correctly entered in the Stock Registers.

(vii) The permanent and temporary advance cash books should be checked to see that these are correctly maintained and accounts thereof have been rendered to the Finance Department within the prescribed time. Irregularity or delay in adjustment should be reported.

(viii) Arithmetical accuracy of the balances shown in the cash and stock books should be checked in all cases.

(ix) The correctness of the amounts drawn in pay bills and TA bills should be checked with the attendance Registers, Tour particulars, vehicle log book, Register maintained in the respective sections/divisions.

(x) Whether Physical verification of all types of stores in different offices, hospital, guest houses and other offices of the Port Trust have been done and action taken on such physical verification reports.

(xi) Any other items viz., stationery, furniture and stamp accounts are to be checked as deemed necessary.

(xii) Register of books maintained in the Library should be checked to see the books purchased during the year have been taken to stock and proper record is maintained as to issues and returns.

(xiii) Whether the cash balance as per imprest account has been physically verified by the Accounts Officer.

(xiv) It should be seen that amounts due to the Port Trust are correctly assessed according to the prescribed rates, demands raised in proper time and collections credited to the Port Trust Accounts immediately.

(xv) All instances of undue retention of authorized collections by other departments without remitting to the Finance Department should be reported.

(xvi) Unauthorized collections made by other departments should be reported. It should also be seen whether adequate steps have been taken to realize the arrears, if any. Refund due but not made to the parties shall also be reported.

- ✓ **Estate Rentals, Water Supply and Energy Charges: -**

(i) It should be checked with reference to Buildings and Land Registers that rent is collected regularly for all buildings and land let out.

(ii) It should be seen that rent is correctly assessed with reference to rules and orders in force.

(iii) In checking receipt on account of supply of water it should be seen that demand has been raised in all cases of supply and the amounts so assessed are correct.

(iv) In the case of electricity charges, it should be first verified whether the allocation among the Port, Port Users, Contractors and Employees have been properly made and demands raised properly and collections watched by the Electrical Division.

- ✓ **Miscellaneous Receipts**: -

The basis for assessment of miscellaneous dues such as furniture hire charges, hire charges of plant and machinery, hire of all equipment's/appliances, etc., demand and collections thereof should be verified.

4. Syama Prasad Mookerjee Port Authority, Kolkata

➢ **Profile**

The nucleus of the present-day Kolkata Port lies much earlier – with the grant of trading rights to the British Settlement in Eastern India by the Mughal Emperor Aurangzeb. The city of Kolkata has a synergistic linkage with the port. In course of time the power to rule this vast country passed from the East India Company to the British Crown. The affairs of the Port were brought under the administrative control of the Government with the appointment of a Port Commission in 1870. The Kolkata Port was initially conceived to promote and protect the British colonial interest.

The Port which was once considered the most important port in the country still remains the premier port that has been rightly called the gateway to Eastern India and is the guiding factor to trade and commerce of vast hinterland comprising the entire Eastern India including Bihar and Eastern Uttar Pradesh and the two land-locked Himalayan Kingdoms of Nepal and Bhutan. The Commissioners for the Port of Kolkata ran the port till January 1975 when Major Port Trusts Act, 1963, came into force. The history of Kolkata Port has been a continuous story of struggle and success – it's a saga of uninterrupted development, improvement and achievements. Kolkata Port is a port of contrast and contradictions.

Kolkata Port is the only riverine Major Port in India, situated 232 kms. up-stream from the Sandheads, having arguably the longest navigational channel amongst Major Ports of India and its navigational channel is one of the longest in the world. At one end at Kidderpore, it has the lowest draft and the other end at Sandheads, it has the deepest draft (more than 50 metres) amongst Indian and world ports. What was described as "one of the best and most convenient ports out of Europe" by the Lt. Governor of Bengal in 1877, still retains a pre-eminent position among the nation's ports on the strength of its infinite variety of availability of draft throughout 232 kms long navigable channel

Despite its being 126 miles away from the sea, Kolkata Port Trust remains the best choice for eastern gateway to this continental country. It commands a vast hinterland that comprises almost half of the Indian states (whole of the eastern and north-eastern regions) and the two neighbouring countries – the Himalayan Kingdoms of Nepal and Bhutan. Kolkata Port has two dock systems – i. Kolkata Dock System at Kolkata with the oil wharves at Baj Baj and ii. Haldia Dock Complex at Haldia – have a combination of facilities with a lot of attractive packages.

The Board of Trustees of Kolkata Port Trust in its Meeting held on 25th February, 2020 passed a Resolution to re-name Kolkata Port as Syama Prasad Mookerjee Port, Kolkata. The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi gave its approval to the new name i.e. Syama Prasad Mookerjee Port in June 2020.

- **Organisation Structure**

Kolkata Port has two dock systems – i. Kolkata Dock System at Kolkata with the oil wharves at Baj Baj and ii. Haldia Dock Complex at Haldia as well as a Vigilance Department. They are manned by respective officers in charge.

- **Performance highlights**

The break-up of traffic handled (in MMT) at KDS and HDC during the previous 3 years is as follows-

Year	Import	Export	Total
A. KOLKATA DOCK SYSTEM (KDS)			
2018-19	11.598	6.953	18.551
2019-20	10.552	6.751	17.303
2020-21	9.694	6.206	15.900
2021-22	8.114	7.184	15.298
2022-23	10.592	6.460	17.052
B. HALDIA DOCK COMPLEX (HDC)			
2018-19	37.626	7.586	45.212
2019-20	36.991	9.689	46.880
2020-21	35.581	9.887	45.468
2021-22	35.679	7.198	42.877
2022-23	42.998	5.610	48.608

At SMP, Kolkata total number of Containers handled during 2022-23 was 6,75,904 TEUs vis-à-vis 7,35,195 TEUs in 2021-22. Containerized cargo handled at the Port was 105,86,545 tonnes in 2022- 23 *vis-à-vis* 117,94,299 tonnes in 2021-22.KDS handled container throughput of 5,68,722 TEUs in 2022-23 w.r.t. 5, 69,783 TEUs in 2021-22. Containerized cargo handled at KDS in 2022-23 was 85,19,748 tonnes compared to 84,41,380 tonnes in 2021-22, an increase of 0.93%. HDC handled 1,07,182 TEUs in 2022-23 vis-à-vis 1,65,412 TEUs in 2021-22 and 20,66,797 tonnes of containerized cargo in 2022-23 compared to 33,52,919 tonnes in 2021-22.

The total income of Syama Prasad Mookerjee Port, Kolkata during 2022-23 was ₹2985.48 crore as against the corresponding figure of ₹2734.43 crore for the previous year. There is a Net Surplus of ₹304.07 crore before tax as against Net Surplus of ₹120.51 Crore for the previous year 2021-2022. There has been increase of ₹251.05 crore in the earning for the year 2022-23 over that of the previous year 2021-2022. This is mainly due to increase in income from Cargo Handling & Storage Charges, Port & Dock Charges, Railway Earnings and Estate Rentals.

- **Applicable Statutes**

1. Calcutta Port Trust (Licensing of Stevedores) Regulations 1987
2. Calcutta Port Trust (Distraint or Arrest and Sale of Vessels) Regulations 1989
3. Port of Calcutta (Responsibility of Goods) Regulations 1975 (, 41 KB)
4. Calcutta Port Rules 1994 (, 214 KB)
5. Land Policy Guidelines, 2014
6. Policy for Determination of Tariff for Major Port Trust, 2015
7. Reference Tariff Guidelines of 2013
8. Tariff Guidelines, 2005
9. Upfront Tariff Guidelines 2008
10. The Major Port Trusts Act, 1963
11. Upfront Tariff Guidelines 2008
12. The Companies Act, 2013 (the Act) and the rules made thereunder;
13. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
14. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
15. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
16. The Explosives Act, 1884 and Gas Cylinder Rules, 2004
17. The Legal Metrology Act, 2009 & Legal Metrology (Enforcement) Rules, 2011
18. The Petroleum Act, 1934 and the Petroleum Rules, 2002
19. The Merchant Shipping Act, 1958
20. International Convention for The Safety Of Life At Sea, 2002
21. Goods and Service Tax Legislations,
22. Income Tax Act, 1961 and rules made thereunder

- **Audit Focus Area**
  - ✓ **Public Private Partnership Projects**

i. Scope of project offered to the private operator should be carefully determined and should not be varied after bidding as this vitiates the sanctity of the bidding process.

ii. The Port should ensure adherence to the time frame fixed for completion of the bidding process from issue of tender to signing of CA

iii. Ports need to design a mechanism to ensure timely obtaining of environmental clearance for each project well before commencement of the tendering process.

iv. Ensure timely obtaining of environmental clearance for each project well before commencement of the tendering process.

v. All the transactions involving financial implications are properly accounted for the initial accounts records are maintained accurately; strive to ensure real time transfer to the Port's account. This would prevent any arrears or need of follow up on this account

vi. There are no delays and / or irregularities in maintaining the Accounts reports;

✓ **Accounts**

(i) The provisions of accounting procedure, rules and regulations, orders and procedure in force and instructions issued by the Chairman/FA&CAO from time to time are not violated;

(ii) It should be seen that all transactions (either cash or stock) are promptly and properly recorded in the relevant records and there is no delay/omission, etc., on this account.

(iii)ii. It should be seen that amounts received from the Finance Department or other sources have been taken to account on the same day.

(iv)It should be seen that amounts received from the Finance Department on account of temporary advances etc., for disbursement are not retained in hand beyond the permissible time limit and the undisbursed amount, if any, is promptly deposited with Finance Department.

(v) The correctness of stock entry recorded on the vouchers in support of purchases should be checked in respect of one month.

(vi)It should be seen that issues from the stock are made on proper requisition duly acknowledged by the recipients and correctly entered in the Stock Registers.

(vii) The permanent and temporary advance cash books should be checked to see that these are correctly maintained and accounts thereof have been rendered to the Finance Department within the prescribed time. Irregularity or delay in adjustment should be reported.

(viii) Arithmetical accuracy of the balances shown in the cash and stock books should be checked in all cases.

(ix) The correctness of the amounts drawn in pay bills and TA bills should be checked with the attendance Registers, Tour particulars, vehicle log book, Register maintained in the respective sections/divisions.

(x) Whether Physical verification of all types of stores in different offices, hospital, guest houses and other offices of the Port Trust have been done and action taken on such physical verification reports.

(xi) Any other items viz., stationery, furniture and stamp accounts are to be checked as deemed necessary.

(xii) Register of books maintained in the Library should be checked to see the books purchased during the year have been taken to stock and proper record is maintained as to issues and returns.

(xiii) Whether the cash balance as per imprest account has been physically verified by the Accounts Officer.

(xiv) It should be seen that amounts due to the Port Trust are correctly assessed according to the prescribed rates, demands raised in proper time and collections credited to the Port Trust Accounts immediately.

(xv) All instances of undue retention of authorized collections by other departments without remitting to the Finance Department should be reported.

(xvi) Unauthorized collections made by other departments should be reported. It should also be seen whether adequate steps have been taken to realize the arrears, if any. Refund due but not made to the parties shall also be reported.

✓ **Estate Rentals, Water Supply and Energy Charges: -**

i. It should be checked with reference to Buildings and Land Registers that rent is collected regularly for all buildings and land let out.

ii. It should be seen that rent is correctly assessed with reference to rules and orders in force.

iii. In checking receipt on account of supply of water it should be seen that demand has been raised in all cases of supply and the amounts so assessed are correct.

iv. In the case of electricity charges, it should be first verified whether the allocation among the Port, Port Users, Contractors and Employees have been properly made and demands raised properly and collections watched by the Electrical Division.

✓ **Miscellaneous Receipts**: -

The basis for assessment of miscellaneous dues such as furniture hire charges, hire charges of plant and machinery, hire of all equipment's/appliances, etc., demand and collections thereof should be verified.

5. Calcutta Dock Labour Board

➢ Profile

Calcutta Dock Labour Board (CDLB) was constituted on 02.09.1952 in terms of Section 5A of the Dock Workers (Regulation of Employment) Act, 1948. The Board started functioning from 05.10.1953 under the Calcutta Dock Workers (Regulation of Employment) scheme, 1951. This Scheme was revised in 1956. Another scheme, known as the Calcutta Unregistered Dock Workers (Regulation of Employment) scheme, 1957 was implemented from 1957. Both the Schemes were repealed and three new schemes were framed in 1970. Out of those three schemes, two schemes are still functioning and one scheme was revoked.

Calcutta Dock Labour Board is now administering the following two schemes:-

a. The Calcutta Dock Workers (Regulation of Employment) Scheme, 1970 (hereinafter referred to as General Scheme), and

b. The Calcutta Dock Clerical & Supervisory Workers (Regulation of Employment) Scheme, 1970.

The main functions of the board are -

1. Administering two Govt. of India Schemes for regulation of employment of registered dock workers in the Port of Kolkata.
2. Loading and Unloading of cargo on board the vessel in KDS of Kolkata Port by registered dock workers.

The main objectives of the Board are to –

1. Improve qualitative and quantitative on-board cargo handling in KDS of KoPT
2. Increase employment level of dock workers.
3. Increase average level of productivity
4. Maintain loss of man-days at zero level.

➢ Organisation Structure

The Board comprises of 15 members representing five members each from the Central Government, the dock workers and the employees of dock workers /shipping companies.

- **Performance highlights**

The Commodity-wise traffic handled by the registered workers during the years 2019-20 to 2021-22 was as follows:-

CARGO	TONNAGE HANDLED (in MTs)		
	2019-20	**2020-21**	**2021-22**
General	82058	149105	133300
Log	6831	0	0
Iron & Steel	116947	107135	87310
Bag	15380	9849	51653
Drum	52850	33275	18174
Bulk	72852	38501	17097
Container (Tons)	6384504.50	5400409.50	5518385
Container (TEU)	655711	530799	551656
Total (Tons)	**6731422.50**	**5738274.5**	**6377575**

The financial performances of CDLB for the three years during the years 2019-20 to 2021-22 was as follows: -

Particulars	(₹. in Lakh)		
	2019-20	**2020-21**	**2021-22**
Revenue Income	6072.09	5073.72	5769.94
Expenses for the year	1158.24	1007.59	1161.19
Surplus during the year	4913.85	4066.13	4608.75
Pension contribution	4150.32	4071.54	3982.45
Provision for Arrear pensionary benefit gratuity contribution	10870.80	7295.23	10595.15
Result as per Accounts	**(-)10107.27**	**(-)7300.64**	**(-)9968.85**

- **Applicable Statutes**

(i) Dock Workers (Regulation of Employment) Act, 1948

(ii) The Dock Workers (Safety, Health & Welfare) Act, 1986

(iii)The Major Port Trusts Act, 1963

(iv)General Financial Rules 2017

(v) Calcutta Port Trust (Licensing of Stevedores) Regulations 1987

(vi)Calcutta Port Trust (Distraint or Arrest and Sale of Vessels) Regulations 1989

(vii) Port of Calcutta (Responsibility of Goods) Regulations 1975 (, 41 KB)

(viii) Calcutta Port Rules 1994 (, 214 KB)

(ix)Land Policy Guidelines, 2014

(x) Policy for Determination of Tariff for Major Port Trust, 2015

(xi) Reference Tariff Guidelines of 2013

(xii) Tariff Guidelines, 2005

(xiii) Upfront Tariff Guidelines 2008

(xiv) Autonomous bodies Audit Manual 2008

(xv) Service Tax

(xvi) Income Tax (TDS, TCS, etc.,)

(xvii) Goods and Services Tax legislations

➢ **Audit Focus Area**

To Check that –

1. The men in position are within the post sanctioned
2. All the recoveries (GPF, EPF, Insurance premium etc.) required to be made from the salary have been made and remitted properly to the concerned authorities.
3. In case of drawl of arrears, the original drawl is to be traced to satisfy that there was no double/excess payment.
4. All the payments made are well supported by the bills and according to the applicable rules a note to the subsequent drawl in the form of arrears is to be noted against the original drawl in red ink.
5. Expenditure on account of travelling allowance, LTA and medical claims are in accordance with the norms prescribed.
6. The service books of employees are maintained upto date indicating therein the increments drawn, the leave account, annual verification certificate, all entries being attested by the competent authority, etc.
7. Bonus payments are made as per statutory provisions.
8. On superannuation, dues of the employees e.g. on leave salary, gratuity, and commutation of pensions etc. are paid as per applicable rules Care should be taken that no excess amount is paid to the incumbent.
9. That settlement of pension account has been made as per Pension Rules prescribed To verify

10. Establishment matters like pay fixation, timely recovery / adjustment of advances (TA, Medical, LTC etc.).
11. To review whether PF dues (both Employees' and Employer's contribution) are deposited to RPFC regularly and reconciliation of the anomalies between PF Trustee and RPFC
12. Examination of escalation bills and claimed bills for extra works and recovery thereon.
13. It should be seen that instructions issued for writing Cash Book are strictly followed.
14. That the Cash Book is balanced daily.
15. That the actual balance of the cash in chest is invariably stated in the body of the cash book both in figures and words at the end of each month.
16. That the disbursing officer checks all the entries in cash book as soon as possible after the date of their occurrence and initials the book with date after the last entry is checked.
17. That each entry of payment is supported by a genuine voucher passed for payment by the Competent Authority with a certificate of disbursement signed by himself or an authorized sub-ordinate.
18. That the vouchers contain full and clear particulars of the claims and all information necessary for its proper classification and identification in the account.
19. The register of cheque books is maintained as per rules
20. Examination of Bank account with reference to Bank Statement and Bank Reconciliation Statement, and Physical Verification report of cash
21. Advances are utilized for the purpose for which they are meant.
22. Accounts of temporary advances are rendered within the prescribed period.
23. No second advance is issued if a previous advance is outstanding for the same work/purpose for more than the prescribed period.

Part – B

Central Autonomous Bodies
for which this office is the Sub-Auditor

Audit Mandate

Section 19(2) of the C&AG's DPC Act, 1971 states that the duties and powers of the Comptroller and Auditor General in relation to the audit of the accounts of corporations (not being companies) established by or under law made by Parliament shall be performed and exercised by him in accordance with the provisions of the respective legislations.

Moreover, Section 20 of the C&AG's DPC Act, 1971 which deals with the audit of accounts of certain authorities or bodies the audit of which has not been entrusted to the Comptroller and Auditor General of India under the other provisions of the Act, *inter alia* states that save as otherwise provided in Section 19, where the audit of the accounts of any body or authority has not been entrusted to the Comptroller and Auditor General by or under any law made by Parliament, he shall, if requested so to do by the President, or the Governor of a State or the Administrator of a Union Territory having a Legislative Assembly, as the case may be, undertake the audit of the accounts of such body or authority on such terms and conditions as may be agreed upon between him and the concerned Government and shall have, and for the purposes of such audit, have right of access to the books and accounts of that body or authority.

There are 12 (twelve) Central Autonomous Bodies (list in **Appendix H**) for which this office is the Sub-Auditor. This chapter gives a brief profile and organisation structure of these auditee organisations along with a list of audit units under the purview of this office.

1. Central Silk Board

➢ **Profile**

India is a unique country producing all the four known varieties of silk, namely, domesticated Mulberry silk (*Bombyx mori*), semi-domesticated Eri silk (*Philosomia ricini*), wild Tasar silk (*Antheraea mylitta*) and exclusive Muga silk (*Antheraea assama), the* wild golden silk being unique to India. Sericulture is a labour-intensive industry in all its phases with employment generation of about 7.65 million persons per annum. Since Labour Force Participation Rate (LFPR) in sericulture is far ahead in comparison to similar rural avocations, it has significantly contributed to poverty alleviation thereby achieving the national agenda of inclusive development.

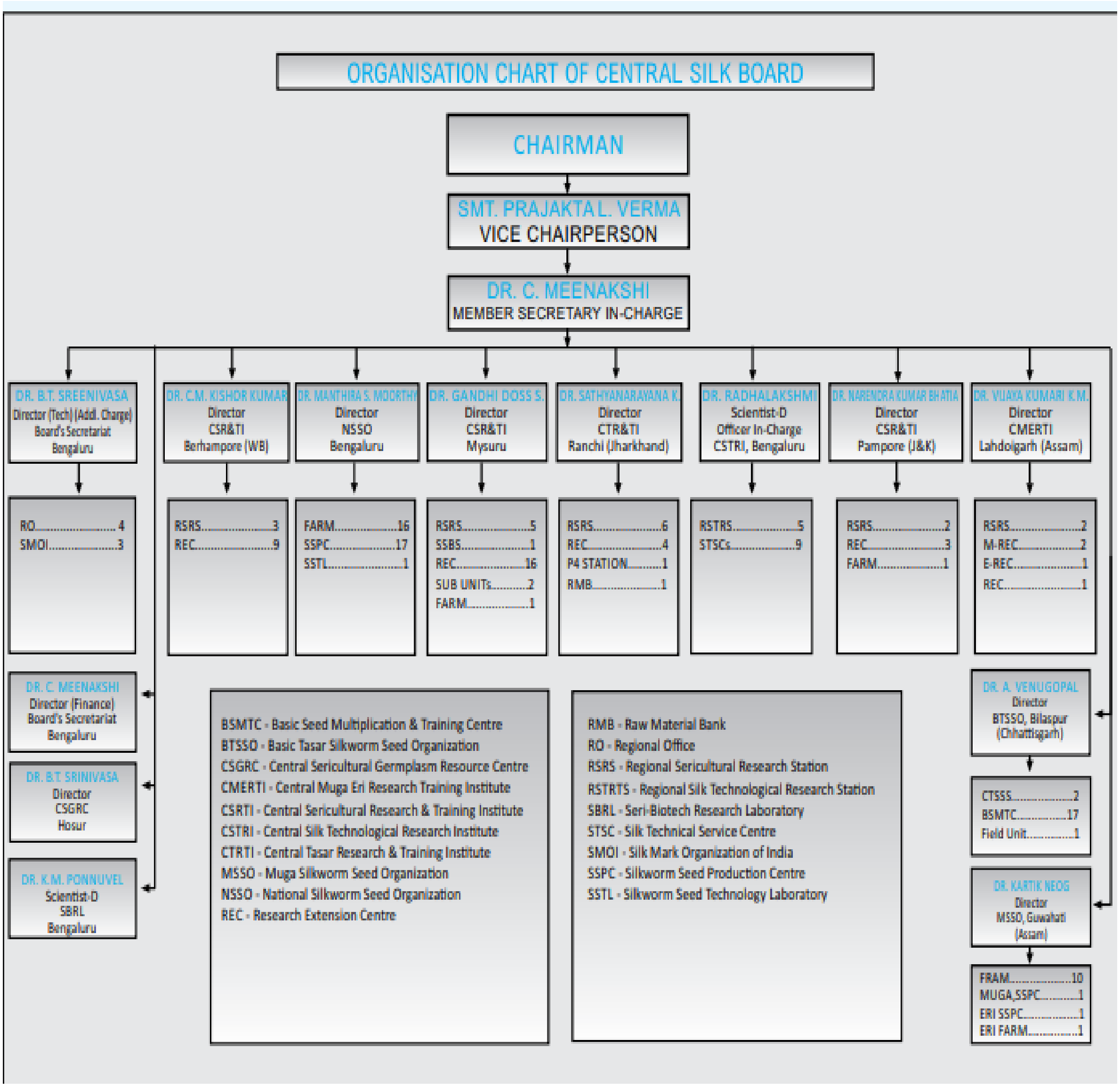
Central Silk Board (CSB), constituted by an Act of Parliament (Act No. LXI of 1948), is a Statutory Body under the Ministry of Textiles, Government of India, established for the development of sericulture and silk industry in the country. It is under the administrative control of Ministry of Textiles, Govt. of India and is an apex agency to oversee the growth and development of silk industry in India. The vision of CSB is to “See India emerge as the Global Silk Leader” and aligned to this vision statement, the Board has planned its programmes and strategies for all the three distinct sectors viz., a) Silkworm seed production; b) Farm and pre-cocoon sectors and c) Industry or post-cocoon sector.

CSB coordinates and assists in:

• Promotion of the development of silk industry
• Undertaking, assisting and encouraging scientific, technological and economic research in sericulture and silk sector
• Production of basic and commercial silkworm seed for supplementary assistance to various states
• Improvement of raw silk marketing and brand promotion
• Advising the Central Government on all matters relating to the development of silk industry including import and export of raw silk
• Collection of sericulture statistics
• Preparation of reports related to silk industry for Ministry of Textiles, Govt. of India.

➢ Organisation Structure

The Board of CSB consists of 39 members appointed for a period of 3 years as per the powers and provisions conferred by Sub-Section 3 of Section 4 of the CSB Act 1948.



While office of the Director General of Commercial Audit, Hyderabad, is the Principal Auditor for the organisation, responsible for preparation of Separate Audit Report on its Annual Accounts, the following units of CSB are under the audit purview of this office as Sub-auditor under Section 19(2) of the C&AG's DPC Act, 1971.

1. CSB Regional Office Kolkata

2. CSB, Central Sericulture Research & Training Institute (CSR&TI), Behrampore including Regional Sericulture Research Station, Kalimpong, Regional Sericulture Research Station, Koraput, Regional Extension Centre, Bagmara
3. CSB, Regional Extension Centre, Kapistha
4. CSB, Regional Sericulture Research Station, Baripada
5. Central Silk Board (CSB), RSTRS Malda cum Tech. Service Centre (DCTSC), Suri
6. Central Silk Board (CSB), STSC Cuttack
7. Central Silk Board (CSB)-BSF, Dhubulia, Nadia
8. Central Silk Board (CSB)-BSF, Falkata, Jalpaiguri
9. Central Silk Board (CSB)-BSF, Kusumbarna, Murshidabad
10. Silkworm Seed Production Centre (SSPC), Dakshin Bhabanipur including Silkworm Seed Production Centre (SSPC), Berhampore
11. Central Silk Board (CSB), BSMTC, Baripada including BSMTC, Keonjhar and Field Unit Pallahara
12. Central Silk Board (CSB), BSMTC, Nowrangpur
13. Central Silk Board (CSB), BSMTC, Sundergarh
14. Central Silk Board (CSB), BSMTC, Patelnagar
15. Central Silk Board (CSB), Muga REC, Cochbehar

2. Coffee Board

➢ **Profile**

Coffee Board is a statutory organization under the Ministry of Commerce and Industry, Government of India constituted under the Coffee Act 1942, an Act enacted by the Parliament.

The main functions assigned to the Board are:

1. Promotion of agricultural and technological research in the interest of Coffee Industry
2. Assistance to Coffee Estates for their development
3. Promotion of Coffee sale and consumption in India and abroad
4. Management of the other operations as per the provisions of the Coffee Act

Besides, Coffee Board gathers statistical and other relevant data concerning the industry and disseminates the information to various segments of the industry; acts as a recognized spokesperson on behalf of the Coffee industry to the Government, media, trade and general public; provides guidance for the overall growth and development of the Coffee industry.

Coffee Board represents the Indian Coffee industry in the international forum viz., International Coffee Organization, International Science Organizations, Specialty Coffee Associations and work with them for the benefit of Coffee industry.

➢ **Organisation Structure**

The Board comprises 33 members, including Chairman, Secretary (who is the Chief Executive Officer of the Coffee Board) and members of both the Houses of Parliament and members representing various interests of Coffee Industry appointed by the Government of India. The Board was reconstituted for a period of three years from 9th September, 2022 with 31 members. Department of Commerce, Ministry of Commerce & Industry *vide* Gazette notification dated 09.09.2022, appointed 31 Members to the Board, viz., Secretary (as an *Ex-Officio* member), two Members of Parliament (Lok Sabha), one Member of Parliament (Rajya Sabha), four members representing Governments of the principal Coffee growing states (Tamil Nadu, Karnataka, Kerala and Andhra Pradesh), two members representing the interests of other Coffee growing states of Assam and Nagaland, three members representing large Coffee growers, seven members representing small Coffee growers, three members representing Coffee Trade Interests, two members representing Curing establishment, two members representing labour interest, one member representing Instant Coffee Manufacturers, two representing consumers' interest and one representing eminent scientist from Research Institute or an Agricultural University.

While office of the Director General of Commercial Audit, Hyderabad, is the Principal Auditor for the organisation, responsible for preparation of Separate Audit Report on its Annual Accounts, the following units of Coffee Board are under the audit purview of this office as Sub-auditor under Section 20(1) of the C&AG's DPC Act, 1971.

1. Coffee Board Indian Coffee House, Kolkata
2. Coffee Board Liaison Office, Koraput

3. Coir Board

- **Profile**

Coir Board was setup, by the Govt. of India under an Act of Parliament viz., Coir Industry Act, 1953 (45 of 1953) for the development of Coir Industry and for promotion of domestic as well as export markets of coir and coir products.

The main functions of Coir Board, as laid down under Section 10 of the Coir Industry Act, 1953, are as follows-

1. It shall be the duty of the Board to promote by such measures, as it thinks fit, the development, under the control of the Central Government, of Coir Industry.
2. Without prejudice to the generality of the provisions of Sub Section (1), the measures referred to therein may relate to:

   (a) Promoting exports of coir yarn and coir products and carrying on propaganda for that purpose;

   (b) Regulating, under the supervision of the Central Government, the production of husks, coir yarn and coir products by registering coir spindles and looms for manufacturing coir products as also manufacturers of coir products, licensing exporters of coir, coir yarn and coir products and taking such other appropriate steps as may be prescribed;

   (c) Undertaking, assisting or encouraging scientific, technological and economic research and maintaining and assisting in the maintenance of one or more research institutes;

   (d) Collecting statistics from manufacturers of, and dealers in, coir products and from such other persons as may be prescribed, on any matter relating to coir industry, the publication of statistics so collected or portions thereof or extracts there from;

   (e) Fixing grade standards and arranging, when necessary, for inspection of fibre, coir yarn and coir products;

   (f) Improving the marketing of coconut husk, coir fibre, coir yarn and coir products in India and elsewhere and preventing unfair competition.

   (g) Setting up or assisting in the setting up of factories for the producers of coir products with the aid of power;

   (h) Promoting cooperative organizations among producers of husks, coir fibre and coir yarn and manufacturers of coir products;

   (i) Ensuring remunerative returns to the producers of husks, coir fibre and coir yarn and manufacturers of coir products.

(j) Licensing of retting places and warehouses and otherwise regulating the stocking and sales of coir fibre, coir yarn and coir products both for the internal market and for exports;

(k) Advising on all matters relating to the development of coir industry;

(l) Such other matters as may be prescribed.

3. The Board shall perform its functions under this Section in accordance with and subject to such rules as may be made by the Central Government.

- **Organisation Structure**

Section (4) of the Coir Industry Act, 1953 empowers Central Govt. to constitute Coir Board. As per Rule 4 of the Coir Industry Rules, 1954 the number of persons to be appointed as members from each of the categories specified in sub section (3) of Section 4 of the Act is as follows:

(a) Growers of coconut and producers of husks and coir yarn - 3

(b) Persons engaged in the production of husks, coir and coir yarn and in the manufacture of coir products - 3

(c) Manufacturers of coir products - 3

(d) Dealers in coir, coir yarn and coir products including both exporters and internal traders-3

(e) Parliament - 3 (2 members to be elected by the Lok Sabha and one to be elected by the Rajya Sabha)

(f) The Governments of principal coconut growing States - 5

(g) Such other persons or class of persons who in the opinion of Central Govt. ought to be represented on the Board – 19

The Head Quarters of the Coir Board is in Kochi and it has 47 Establishments set up in various parts of India.

While office of the Director General of Commercial Audit, Chennai, is the Principal Auditor for the organisation, responsible for preparation of Separate Audit Report on its Annual Accounts, the following units of the Board are under the audit purview of this office as Sub-auditor under Section 19(2) of the C&AG's DPC Act, 1971.

1. Coir Board Sub Regional Office, Kolkata including Showroom & Sales Department
2. Coir Board Sales Centre, Bhubaneswar

4. Footwear Design and Development Institute

➢ **Profile**

Footwear Design and Development Institute (FDDI) was set-up by the Ministry of Commerce and Industry, Government of India in the year 1986 for the development and promotion of Footwear and Allied Product Industries. Over the years, FDDI expanded into education in fashion, leather products, and retail & fashion merchandise and has been playing a pivotal role in facilitating Indian industry by bridging skill gaps in the areas of footwear, leather, fashion, retail and management. FDDI has been functioning as an interface between the untapped talent and industry and its global counterparts, by fulfilling the demand of skilled manpower with its specific curriculum, state of the art laboratories, world class infrastructure and experienced faculty.

The Institute was given the status of 'Institution of National Importance' as per FDDI Act, 2017 for its contribution towards nation building by producing industry ready professionals and is serving as a 'One stop solutions provider' for footwear, leather and allied industry. It is providing trained human resource to the industry by conducting the following long-term programmes through its 12 well-designed campuses located at Noida, Fursatganj, Chennai, Kolkata, Rohtak, Chhindwara, Guna, Jodhpur Ankleshwar, Banur, Patna and Hyderabad. The Institute through its four schools namely, School of Footwear Design & Production (FDP), School of Fashion Design (FD), School of Leather Goods & Accessories Design (LGAD) and School of Retail and Fashion Merchandise (RFM) conducts the following the long-term (Undergraduate & Post-graduate) programmes. Besides the long-term programmes, for the Technological Upgradation & Competence Building of the Sector, the Institute conducts short-term Industry Specific Certificate Programmes also.

Under the Establishment of Institutional Facilities, Sub-Scheme of Indian Footwear, Leather and Accessories Development Programme (IFLADP) of Department for Promotion of Industries and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India, FDDI has brought up world class infrastructure and the skills second to none through upgradation of seven of the existing campuses of FDDI into 'Centre of Excellence' (CoEs).

For the purpose of upgrading the skill at grass route level, for the unorganized sector, FDDI has provided training to the artisans in remote villages/ SMEs clusters engaged in the leather/footwear sector by `spreading & sustaining a technology culture in the leather sector'.

➢ **Organisation Structure**

The Footwear Design and Development Institute Act, 2017 *inter alia* states that –

1. The following are be the authorities of the Institute, namely:—

(a) a Governing council;

(b) a Senate; and

(c) such other authorities as may be declared by the Statutes to be the authorities of the Institute.

2. The Senate of the Institute consists of the following persons, namely:—

(a) the Managing Director, ex-officio who shall be the Chairperson of the Senate;

(b) the Secretary, ex officio;

(c) the Executive Directors of all Institute campus, *ex-officio*;

(d) all Senior Professors of the Institute;

(e) three persons, not being employees of the Institute, to be nominated by the Chairperson in consultation with the Managing Director, from amongst educationists of repute, from the fields of footwear, science, engineering and humanities and one of them shall be woman;

(f) one alumnus of the Institute to be nominated by the Chairperson in consultation with the Managing Director by rotation; and

(g) such other members of the staff as may be laid down in the Statutes

While office of the Director General of Audit (Industry & Corporate Affairs), New Delhi is the Principal Auditor for the Institute, responsible for preparation of Separate Audit Report on its Annual Accounts, this office audits the Kolkata campus of the institute under Section 19(2) of the C&AG's DPC Act as a sub-auditor.

5. Indian Maritime University

- **Profile**

Indian Maritime University (IMU) is a Teaching-cum-Affiliating University established by an Act of Parliament on 14th November 2008 to provide quality maritime education, training and research. It was created by merging seven (7)[50] erstwhile Institutes.

Headquartered in Chennai, IMU has 6 Campuses located at Chennai, Kochi, Kolkata, Mumbai, Navi Mumbai and Visakhapatnam. The erstwhile institute T. S. Chanakya became the Navi Mumbai Campus and the erstwhile institute MERI Mumbai & LBS CAMSAR became the Mumbai Port Campus respectively; the erstwhile institutes MERI Kolkata & IIPM became the Kolkata Campus; the erstwhile National Maritime Academy became the Chennai Campus of IMU; and the erstwhile National Ship Design and Research Centre became the Visakhapatnam Campus of IMU.

The objectives of the University are –

a. To facilitate and promote maritime studies, training, research and extension work with focus on emerging areas of studies like oceanography, maritime history, maritime law, maritime security, search and rescue, transportation of dangerous cargo, environmental studies and other related fields and also to achieve excellence in these and connected fields and other matters connected therewith or incidental thereto.

b. To promote advanced knowledge by providing institutional and research facilities in such branches of learning as it may deem fit and to make provisions for integrated courses in science and other key and frontier areas of Technology and allied disciplines in the educational programmes of the University.

c. To take appropriate measures for promoting innovations in teaching- learning process, inter-disciplinary studies and research; and to pay special attention to the promotion of educational and economic interests and welfare of the people of India.

[50] i. Training Ship Chanakya, Mumbai (T.S. Chanakya) ii. Marine Engineering and Research Institute (MERI), Mumbai iii. Marine Engineering and Research Institute (MERI), Kolkata iv. Lal Bahadur Shastri Centre for Advanced Maritime Studies (LBSCAMSAR), Mumbai v. National Maritime Academy (NMA), Chennai vi. Indian Institute of Port Management (IIPM), Kolkata vii. National Ship Design and Research Centre (NSDRC), Visakhapatnam. While Institutes No. (i) to (iv) were Central Government Institutes Institutes, No. (v) to (vii) were 'Registered Societies'

d. To promote freedom, secularism, equality and social justice as enshrined in the Constitution of India and to act as catalyst in socioeconomic transformation by promoting basic attitudes and values of essence to national development and

e. To extend the benefits of knowledge and skills for development of individuals and society by associating the University closely with local, regional and national issues of development.

Only the Kolkata Campus of the University is within the audit purview of this office in the capacity of a Sub-Auditor under Section 19(2) of the C&AG's DPC Act, 1971.

❖ **IMU, Kolkata Campus**

The Indian Maritime University Kolkata Campus symbolizes the birth of Marine Engineering training in India. The Institution was established at the onset of independence in 1947 to satisfy the growing need of Marine Engineers in India. It was founded in 1949 by Pandit Jawaharlal Nehru as "Directorate of Marine Engineering Training" (DMET) with its headquarters at Calcutta and a branch at Bombay, under the erstwhile Ministry of Transport, Government of India. The institution was renamed "Marine Engineering and Research Institute (MERI)" in 1995. MERI was a dream project of a new India as it was expanding its horizon in the maritime field. After the formation of Indian Maritime University in 2008, MERI was subsumed into the Indian Maritime University, Kolkata Campus. The erstwhile Indian Institute of Port Management (IIPM), Kolkata, a pioneer Post Graduate Management Institute in the domain of Port, Shipping and Logistics management was set up by the Kolkata Port Trust, GoI, in 1965 at Subhas Bhavan in the hub of port and container terminals and subsequently taken over in 1977 by the Major Ports of India through the Indian Ports Association, New Delhi. After the formation of Indian Maritime University in 2008, IIPM was subsumed into the Indian Maritime University, Kolkata Campus.

IMU Kolkata Campus is regarded as one of the most acclaimed institutes in the world of Maritime education. Its 33 acres' campus has a total built up area of 16500 Sq. meters. It boasts stateof-the-art infrastructure and facilities including but not limited to well-equipped class rooms, electrical & mechanical laboratories, multi hostel accommodations for over 1000 cadets, ship simulators, a modern library with more than 38000 books and technical journals, a fully equipped Olympic-size swimming pool cum lifesaving training facility, a 1000 seater auditorium, a 250 seater Assembly Hall, a 8-bed infirmary with 24×7 medical assistance, a multi-gymnasium, an expansive workshop with various shops and a Ship in Campus with one full- size, 6000 BHP marine propulsion Engine for training of the cadets.

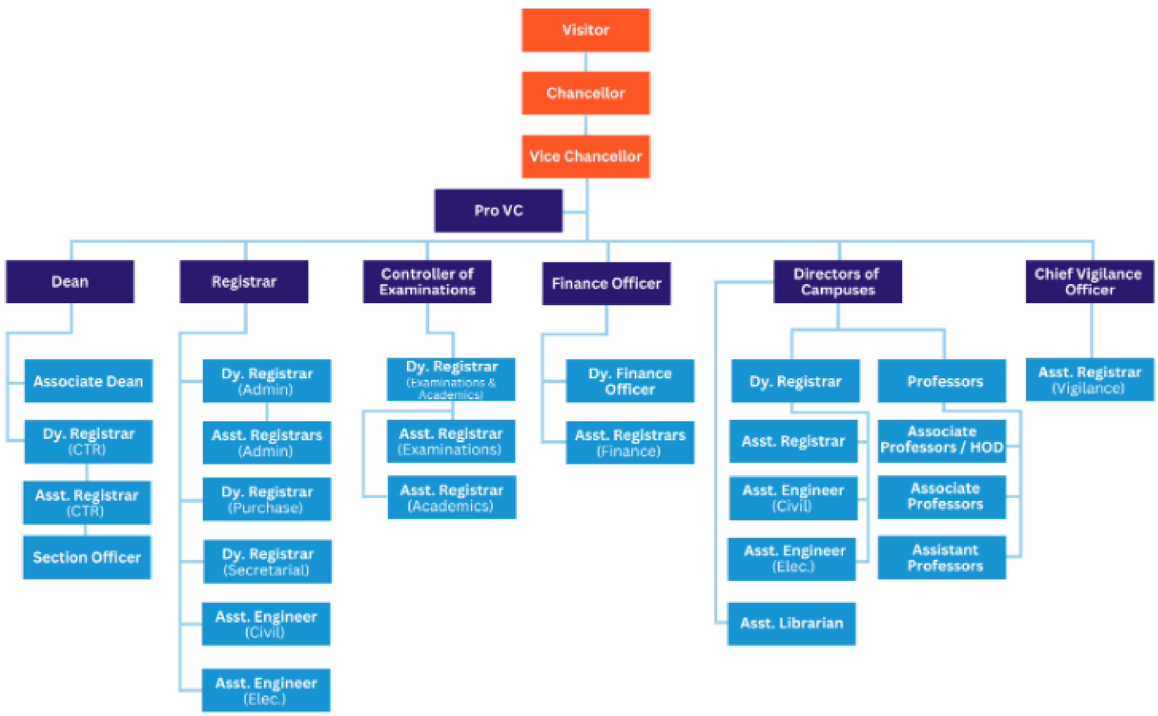
IMU KC has been playing a pioneering role in producing successful alumni in the maritime sector. The institute also undertakes consultancy and research projects, sponsored by both the Government and the maritime industry, as part of its continuing industry-oriented project and integration efforts. IMU KC is also satisfying the present need of STCW-95 Convention of IMO and has ISO-9001:2015 certification.

➢ **Organisations Structure**

The authorities of the University comprises of-

a. The Court
b. The Executive Council
c. The Finance Committee
d. The Academic Council
e. The Planning Board
f. The Board of Affiliation and Recognition and
g. The Boards of Schools

The Organogram of the University is as follows



While office of the Director General of Commercial Audit, Chennai, is the Principal Auditor for the organisation, responsible for preparation of Separate Audit Report on its Annual Accounts, this office audits the Kolkata campus of IMU under Section 19(2) of the C&AG's DPC Act,1971 as sub-auditor.

6. Khadi Village Industries Commission

- **Profile**

The Khadi and Village Industries Commission (KVIC) was formed by the Government of India, under an Act of Parliament viz. 'Khadi and Village Industries Commission Act' of 1956 to plan, promote, facilitate, organise and assist in the establishment and development of Khadi and Village Industries in the rural areas in coordination with other agencies engaged in rural development wherever necessary. In April 1957, it took over the work of former All India Khadi and Village Industries Board.

The broad objectives of the organisation are -

• The social objective of providing employment

• The economic objective of producing saleable articles

• The wider objective of creating self-reliance amongst the poor and building up of a strong rural community spirit

The KVIC is charged with-

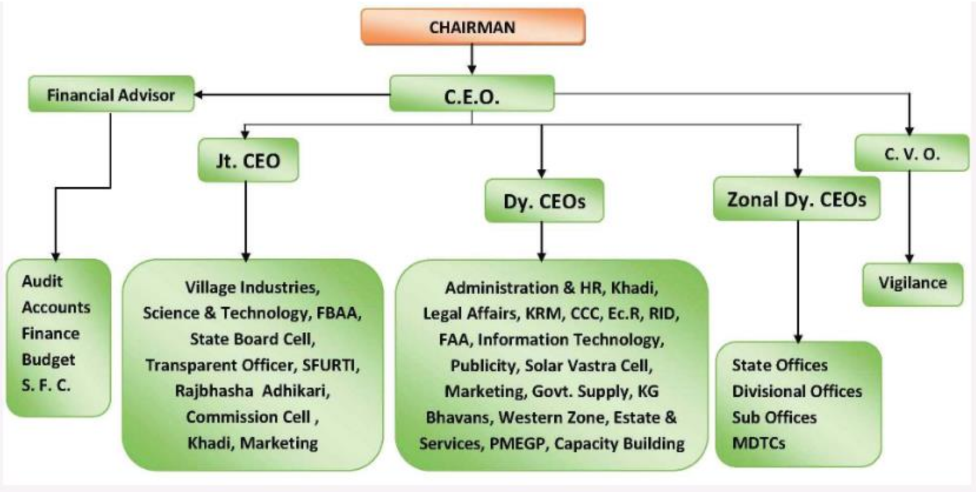
- the planning, promotion, organisation and implementation of programs for the development of Khadi and other village industries in the rural areas in coordination with other agencies engaged in rural development wherever necessary.
- building up of a reserve of raw materials and implements for supply to producers, creation of common service facilities for processing of raw materials as semi-finished goods and provisions of facilities for marketing of KVI products apart from organisation of training of artisans engaged in these industries and encouragement of co-operative efforts amongst them.
- to promote the sale and marketing of khadi and/or products of village industries or handicrafts, the KVIC may forge linkages with established marketing agencies wherever feasible and necessary.
- encouraging and promoting research in the production techniques and equipment employed in the Khadi and Village Industries sector and providing facilities for the study of the problems relating to it, including the use of non-conventional energy and electric power with a view to increasing productivity, eliminating drudgery and otherwise enhancing their competitive capacity and arranging for dissemination of salient results obtained from such research.

- providing financial assistance to institutions and individuals for development and operation of Khadi and village industries and guiding them through supply of designs, prototypes and other technical information.
- to ensure genuineness of the products and to set standards of quality and ensure that the products of Khadi and village industries do conform to the standards.

Khadi refers to the hand-spun or hand-woven fabric, traditionally made from cotton, wool or silk. The process of spinning and weaving is labour intensive and often carried out by artisans in rural areas.

Village Industry means any industry located in rural areas which produces any goods or renders any services with or without the use of power, in which the fixed capital investment per head of an artisan or of a worker does not exceed ₹1.00 lakh rupees in plain area and ₹1.5 lakh in hilly area. Village industries include pottery, carpentry, bee-keeping, soap making etc.

➢ **Organisations Structure**



While office of the Principal Director General of Audit (Shipping), Mumbai, is the Principal Auditor for the organisation, responsible for preparation of Separate Audit Report on its Annual Accounts, the following offices of KVIC are within the audit purview of this office in the capacity of sub-auditor under Section 19(2) of C&AG's DPC Act, 1971-

1. KVIC State Office Kolkata including Trading Division, Jayngra, Kolkata
2. KVIC State Office Bhubaneswar alongwith MDTC Khandagiri, NRRETC Deoghar, CSP Cuttack, Trading Div. Bhubaneswar
3. KVIC MDTC, Birati & Nadia
4. KVIC SO Itanagar

7. Marine Products Export Development Authority

➢ **Profile**

The Marine Products Export Development Authority (MPEDA) was set up by an Act of Parliament during 1972. The erstwhile Marine Products Export Promotion Council established by the Government of India in September 1961 was converged into MPEDA on 24th August 1972.The Marine Products Export Development Authority under the Ministry of Commerce and Industry is a statutory body entrusted with the primary task of promotion of export of marine products. The Authority consists of 30 members including a Chairman (Appointed by the Central Government), Director, 3 Members of Parliament of whom two shall be elected by the House of the People and one by the Council of States, 5 members representing Central Ministries of Agriculture, Finance, Foreign Trade, Industry, Shipping and Transport and 20 other members to represent the Maritime States and other relevant fields as specified in MPEDA Rules, 1972.

The MPEDA Act, 1972, assigned the following functions to the Authority-

(1) It shall be the duty of the Authority to promote, by such measures as it thinks fit, the development under the control of the Central Government of the marine products industry with special reference to exports.

(2) Without prejudice to the generality of the provisions of sub-section (1), the measures referred to therein may provide for:-

a) Developing and regulating off-shore and deep-sea fishing and undertaking measures for the conservation and management of off-shore and deep-sea fisheries;

b) Registering fishing vessels, processing plants or storage premises for marine products and conveyances used for the transport of marine products;

c) Fixing of standards and specifications for marine products for purposes of export;

d) Rendering of financial or other assistance to owners of fishing vessels engaged in off-shore and deep-sea fishing and owners of processing plants or storage premises for marine products and conveyances used for the transport of marine products, and acting as an agency for such relief and subsidy schemes as may be entrusted to the Authority;

e) Carrying out inspection of marine products in any fishing vessel, processing plant, storage premises, conveyance or other places where such products are kept or handled, for the purpose of ensuring the quality of such products;

f) Regulating the export of marine products;

g) Improving the marketing of marine products outside India;

h) Registering of exporters of marine products on payment of such fees as may be prescribed;

i) Collecting statistics from persons engaged in the catching of fish or other marine products, owners of processing plants or storage premises for marine products, or conveyances used for the transport of marine products, exporters of such products and such other persons as may be prescribed on any matter relating to the marine products industry and the publishing of statistics so collected, or portions thereof or extracts there from;

j) Training in various aspects of the marine products industry; and

k) Such other matters as may be prescribed.

(3) The Authority shall perform its functions under this section in accordance with and subject to such rules as may be made by the Central Government. The Authority was re-constituted on 26^{th} August 2022 for a period of three years.

- **Organisations Structure**

The Marine Products Export Development Authority functions under the overall supervision of the Chairman, supported by a team of officials both at the Head Office and the Field Offices. Head office of the authority is located at Kochi and it has field offices across all maritime States. The Chairman is responsible for the proper functioning of the Authority and the discharge of its function under the Act and Rules.

The Authority has establishments in all the maritime states to carry out various export promotion aquaculture development functions assigned to it. There are 8 Regional Divisions, 8 Sub-Regional Divisions and 2 Desk Offices to assist the marine product exporters, processors and aqua culturists for ensuring timely advice to the stakeholders. A Multi-species Aquaculture Complex (MAC) at Kochi is being operated by Rajiv Gandhi Centre for Aquaculture.

While office of the Director General of Commercial Audit, Chennai, is the Principal Auditor for the organisation, responsible for preparation of Separate Audit Report on its Annual Accounts, MPEDA Kolkata and Bhubaneswar are within the audit purview of this office in the capacity of sub-auditor under Section 19(2) of C&AG's DPC Act, 1971.

8. National Institute of Fashion Technology

- **Profile**

Established in 1986, NIFT is marked as the country's pioneering Institute of fashion education. Spearheading the responsibility of providing human resource to the textile and apparel industries, the Institute blends knowledge, academic freedom, critical independence and creative thinking to armour its students with premier fashion tutelage. For three decades, NIFT has firmly held the badge of academic excellence to cater to and accelerate the development of competent professionals. Under the NIFT Act 2006, published in the Gazette of India with the honourable President of India as the 'Visitor' of the Institute, NIFT is conferred with a statutory status, which empowers it to award degrees and other distinctions. Today, the Institute stands tall with 18 fully functional, professionally managed campuses across the country

- **Organisations Structure**

The NIFT Act 2006 *inter alia* states that the institute shall consist of the Board of Governors having the following persons, namely—

(a) a Chairperson, who shall be an eminent academician, scientist or technologist or professional, to be nominated by the Visitor;

(b) three Members of Parliament, two from Lok Sabha to be nominated by the Speaker of Lok Sabha and one from Rajya Sabha to be nominated by the Chairman of Rajya Sabha;

(c) the Director-General of the Institute, *ex officio*;

(d) the Financial Adviser of the Ministry or Department in the Government of India dealing with the National Institute of Fashion Technology, *ex officio*;

(e) the Joint Secretary, in the Ministry or Department in the Government of India dealing with the National Institute of Fashion Technology, *ex officio*;

(f) the representative of the Ministry or Department in the Government of India dealing with higher education to be nominated by the Secretary of that Ministry or Department, *ex officio*;

(g) five persons to be nominated by the Central Government, representing the States in which the campus of the Institute is located, from amongst persons who are academicians or industrialists of repute engaged in area of fashion technology; and

(h) two eminent experts in fashion technology, one of whom shall be an educationist, to be nominated by the Visitor on the recommendations of the Central Government.

While office of the Director General of Audit (Industry & Corporate Affairs), New Delhi, is the Principal Auditor for the Institute, only two campuses of NIFT viz., Kolkata and Bhubaneswar are within the audit purview of this office in the capacity of sub-auditor under Section 19(2) of C&AG's DPC Act, 1971.

❖ ***Bhubaneswar Campus***

NIFT, Bhubaneswar was established in the year 2010. The present campus is built on 10 acres of land provided by Govt. of Odisha. Further another 2 acres of land adjacent to the present campus has been allocated by Govt. of Odisha. The campus is a residential campus with a girls' hostel of 412 students and residents for faculty and staff. All the classrooms are well equipped and the labs are state of the art. NIFT, Bhubaneswar is offering 05 undergraduate programmes and 01 postgraduate programme.

❖ ***Kolkata Campus***

Founded in 1995, National Institute of Fashion Technology (NIFT), Kolkata is a leader in the Eastern Part of India for providing education in the field of Design, Technology and Management. NIFT Kolkata is one of the five oldest Centres among the NIFT fraternity. With a symbiotic balance amongst the state government and the garment industries, NIFT Kolkata stands as a pioneer of fashion training and research.

NIFT, Kolkata was initially housed at Manjusha Bhavan, Institute of Co-operative Management for Agricultural & Rural Development (ICMARD) Building and later moved to the premises of College of Leather Technology on temporary basis. With a strong team empowering the Centre, two Courses, namely Three Year Under Graduate Diploma Programme in Fashion Design and Two Years Post Graduate Diploma Programme in Garment Manufacturing Technology were started at the time of inception. Subsequently, another Two Years Post Graduate Diploma Programme in Leather Apparel Design & Technology (LADT) was commenced.

While office of the Director General of Audit (Industry & Corporate Affairs), New Delhi, is the Principal Auditor for the organisation, responsible for preparation of Separate Audit Report on its Annual Accounts, Kolkata and Bhubaneswar campuses of NIFT are within the audit purview of this office in the capacity of sub-auditor under Section 19(2) of C&AG's DPC Act, 1971.

9. National Power Training Institute

➢ **Profile**

National Power Training Institute (NPTI), an ISO 9001 & ISO 14001 organization under Ministry of Power, Government of India is a National Apex body for Training and Human Resources Development in Power Sector and the world's leading integrated Power Training Institute, with its Corporate Office at Faridabad. NPTI operates on a pan-India basis through its eleven institutes in different power zones of the country. NPTI is the only institute of its kind in the world with such a wide geographical spread and covering a wide gamut of academic and training programs in Power Sector. NPTI has been providing its dedicated service for more than 5 decades.

The primary objectives of the institute are –

- To function as a National Organization for training in the field of –

(a) Operation and Maintenance of Power Stations; and

(b) All other aspects of Electrical Energy Systems including Transmission, Sub-Transmission and Distribution.

- To act as an Apex Body for initiating and coordinating training programs in the Power Sector of the country
- To establish and run Training Institutes for Engineers, Operators, Technicians and other personnel of the Power Sector.

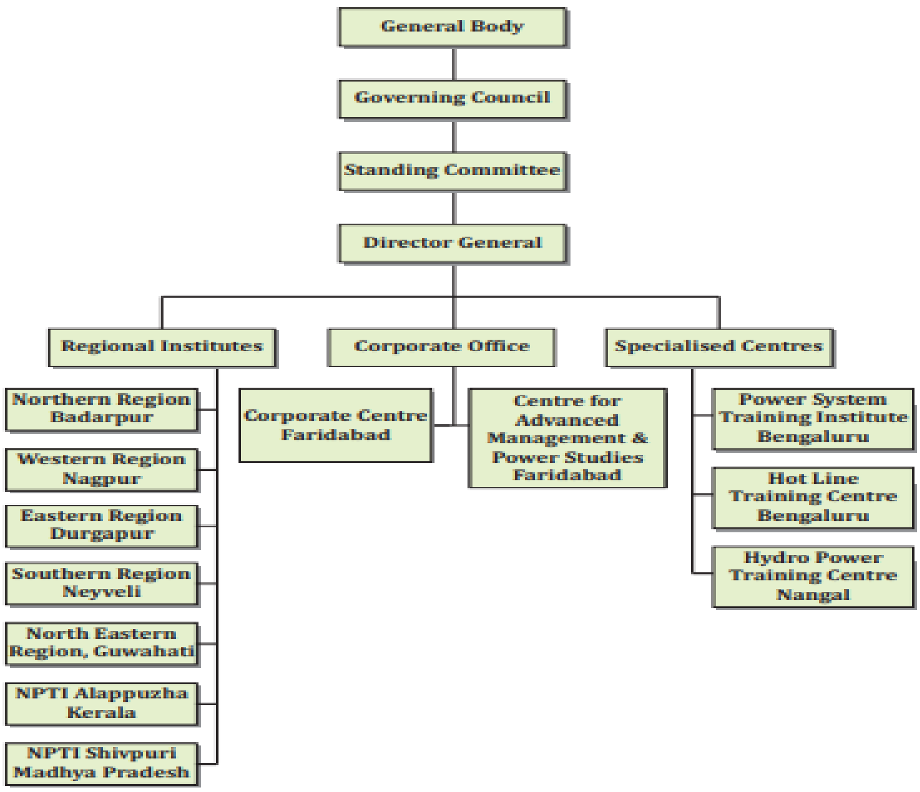
The subsidiary objectives of the institute are –

- To identify and assess the training needs of the Power Sector in the country.
- To coordinate the training activities of the various Utilities with those of other Technical Institutions and supplement it with the training programs of its own Training Institutes.
- To establish standard norms regarding qualifications and training for personnel of various levels.
- To serve as a National Certification Authority for the purpose of Certification of Competence and/ or participation to ensure availability of properly trained personnel to man the Electricity Supply Industry.

- To initiate, conduct and coordinate the research and development studies in the field of Operation, Maintenance and Management of Power Generation and Transmission Systems and to prepare and conduct specialized training programs thereof.
- To establish, maintain and manage laboratories, workshops, experimental transmission lines, sub- stations and other facilities required in pursuance of its objectives.
- To collect information and maintain documentation in the field of electricity generation and distribution.
- To collect, prepare, edit, print and publish material, papers, periodicals or reports in furtherance of the objectives of the Society.
- To organize seminars and workshops. To enter into agreement with any enterprise or institution or person and provide funds to them for specific training programs, demonstrations, assignments, preparation of training material or technical guidance.

NPTI operates on an all-India basis through its 11 Institutes in different zones of the country.

➢ **Organisations Structure**



While office of the Director General of Audit (Energy), New Delhi, is the Principal Auditor for the organisation, responsible for preparation of Separate Audit Report on its Annual Accounts, NPTI Durgapur within the audit purview of this office in the capacity of sub-auditor under Section 20(1) of C&AG's DPC Act, 1971.

10. Rubber Board

➢ **Profile**

The Government of India constituted the Rubber Board under the Rubber Act 1947 with the primary objective of overall development of the rubber industry in the country. The Board established a strong development and extension network, and as a result, the NR plantation sector achieved impressive growth over the years. Simultaneously, the Board took up research activities on rubber and established the Rubber Research Institute of India (RRII) in 1955 to ensure biological and technological improvement of NR in the country. The Rubber Training Institute (RTI), established in 2000, was upgraded to a national institute, ie. The National Institute for Rubber Training (NIRT) acts as the link between Research and Extension activities for technology transfer.

Section 8 of the Rubber Act 1947 lays down the functions of the Board as follows:

(1) to promote by such measures as it thinks fit the development of rubber industry

(2) the measures may provide for –

a) Undertaking, assisting or encouraging scientific, technological and economic research;

b) Training students in improved methods of planting, cultivation, manuring, and spraying;

c) Supply of technical advice to rubber growers;

d) Improving the marketing of rubber by improving the quality of rubber and implementing the standards for quality, marking, labelling and packing for the rubber produced or processed in, imported into, or exported from India;

e) Collection of statistics from owners of estates, dealers and manufacturers;

f) Securing better working conditions and the provisions and improvement of amenities and incentives for workers; and

g) Carrying out any other duties, which may be vested in the Board under rules made under the Act.

➢ **Organisations Structure**

Activities of the Rubber Board carried out through seven departments earlier was restructured into five departments due to rationalization/restructuring, and now the existing departments are Administration, Rubber Production, Rubber Research, Training and Finance, headed respectively by Secretary, Rubber Production Commissioner, Director (Research), Director (Training) and Director (Finance). Publicity & Public Relations, Internal Audit, Statistics & Planning, Market Promotion and Vigilance are the Divisions functioning directly under the Executive Director. Headquarters of the Board and the Departments of Administration, Rubber Production and Finance located at Keezhukunnu, Kottayam–2. The Rubber Research Department functions at the RRII campus near Puthuppally, Kottayam–9 and the National Institute for Rubber Training (NIRT), adjacent to the RRII campus.

While office of the Director General of Commercial Audit, Chennai, is the Principal Auditor for the Board, responsible for preparation of Separate Audit Report on its Annual Accounts, the following units are within the audit purview of this office in the capacity of sub-auditor under Section 20(1) of C&AG's DPC Act, 1971-

i. Rubber Board Kolkata Sub-Office
ii. Rubber Board Research Station, Dhenkanal
iii. Rubber Board Research Station, Nagrakata (Jalpaiguri) including Regional Office at Alipurduar
iv. Rubber Board Regional Office, Baripada

11. Spices Board India

➢ Profile

The Spices Board Act, 1986 (No.10 of 1986) enacted by the Parliament provides for the constitution of a Board for the development of export of spices and for the control of cardamom industry including control of cultivation of cardamom and matters connected therewith. The Central Government by notification in the official gazette constituted the Spices Board, which came into being on 26th February, 1987.

The Spices Board Act, 1986 has assigned the following functions to the Board –

i) Develop, promote and regulate export of spices;
ii) Grant certificate for export of spices;
iii) Undertake programmes and projects for promotion of export of spices;
iv) Assist and encourage studies and research, for improvement of processing, quality techniques of grading and packaging of spices;
v) Strive towards stabilization of prices of spices for export;
vi) Evolve suitable quality standards and introduce certification of quality through 'Quality Marking' for spices for export;
vii) Control quality of spices for export;
viii) Give licences, subject to such terms and conditions as may be prescribed, to the manufacturers of spices for export;
ix) Market any spice, if it considers necessary in the interest of promotion of export;
x) Provide warehousing facilities abroad for spices;
xi) Collect statistics with regard to spices for compilation and publication;
xii) Import with prior approval of the Central Government any spice for sale; and
xiii) Advise the Central Government on matters relating to import and export of spices.

Spices Board is the flagship organization under the Ministry of Commerce and Industry, Government of India for the development and worldwide promotion of Indian spices. The Board has been spearheading activities for excellence of Indian spices to help the Indian Spices Industry to attain the vision of becoming the international processing hub and premier supplier of clean and value- added spices and herbs to the industrial, retail and food service segments of the global spices market.

Aligned with the trade notice released by the Directorate General of Foreign Trade (DGFT), Spices Board initiated the process of on-boarding onto the Common Digital Platform (eRCMC) developed by the DGFT for issuance of Certificate of Registration as Exporter of Spices (CRES). This strategic move aimed to streamline regulatory compliance as part of the ease of doing business and the Board completed the on-boarding and started issuing CRES through the DGFT portal from April 2022 onwards.

- **Organisations Structure**

The Spices Board consists of-

a) A Chairman to be appointed by the Central Government;

b) Three members of Parliament of whom two shall be elected by the House of the People and one by the Council of States;

c) Three members to represent the Ministries of the Central Government dealing with:

(i) Commerce;

(ii) Agriculture; and

(iii) Finance;

d) Six members to represent the growers of spices[51];

e) Ten members to represent the exporters of spices;

f) Three members to represent major spice producing states;

g) Four members one each to represent:

(i) The Planning Commission (now NITI Aayog);

(ii) The Indian Institute of Packaging, Mumbai;

(iii) The Central Food Technological Research Institute, Mysuru;

(iv) Indian Institute of Spices Research, Kozhikode;

h) One member to represent spices labour interests.

While office of the Director General of Commercial Audit, Chennai, is the Principal Auditor for the Board, responsible for preparation of Separate Audit Report on its Annual Accounts, the following units of the Board are within the audit purview of this office in the capacity of sub-auditor under Section 19(2) of C&AG's DPC Act, 1971-

1. Spice Board, Kolkata
2. Spice Board, Divisional Office, Kalimpong

[51] Amended as per Ministry of Commerce & Industry, Government of India Gazette Notification (Extraordinary) No.G.S.R.157 (E) dated 2nd February, 2018

12. Tea Board of India

- **Profile**

Tea is one of the industries which by an Act of Parliament comes under the control of the Government of India. The genesis of the Tea Board India dates back to 1903 when the Indian Tea Cess Bill was passed. The Bill provided for levying a cess on tea exports - the proceeds of which were to be used for the promotion of Indian tea, both within and outside India.

The present Tea Board was constituted on 1st April 1954 under section 4 of the Tea Act 1953. The act provides for the control of the tea industry by the Government of India, including the control of the cultivation of tea in India and of the export of tea from India and for that purpose to establish a Tea Board and levy duty on tea produced in India. The Board is assigned with the overall development of the tea industry in India. The Board is functioning under the administrative control of the Central Government and that Department of Commerce, Ministry of Commerce and Industries.

The functions of the Tea Board span across a wide spectrum as defined under section 10 of the Tea Act, which briefly include -

1. Increasing production and productivity of tea plantations
2. Improving quality of tea
3. Promoting cooperative efforts among small tea growers
4. Supporting Tea Research and Development
5. Undertaking promotion campaigns for increasing exports and domestic consumption
6. Regulatory functions - Registration of tea gardens, factories, primary buyers and issue of licenses for tea brokers, auction organisers, exporters and tea waste dealers
7. Welfare measures for plantation workers/ their wards in the area of health, hygiene, training and education
8. Collection and dissemination of tea statistics, and
9. Such other activities as are assigned from time to time by the Central Government.

The above stated functions of Tea Board may be broadly grouped under (i) Regulatory, (ii) Developmental, (iii) Research and (iv) Market promotion activities, as narrated below:

(i) Regulatory Activities -

The regulatory activities of Tea Board comprise of the following:

(a) Registration of tea growers to regulate various activities such as cultivation of tea, manufacturing of tea, sale and export of tea, tea waste management *etc*., and granting permission to the big growers and small growers for cultivation of tea,

(b) Issue and renewal of various licenses such as garden registration, factory registration, warehouse registration, tea export licence *etc*., for which fee is charged, and

(c) Regulation of e-auction of tea including monitoring of the tea auction system, quality of exports and imports etc.„ which are significant to tea trade.

(ii) Developmental Activities

The developmental activities of Tea Board include framing of subsidy schemes for providing financial support to various developmental activities such as enhancement of productivity, improvement of tea quality and reducing the cost of tea production. Developmental functions of Tea Board also include promoting co-operative efforts among growers and manufacturers of tea and securing better working conditions and provision/improvement of amenities and incentives for workers.

(iii) Research Activities

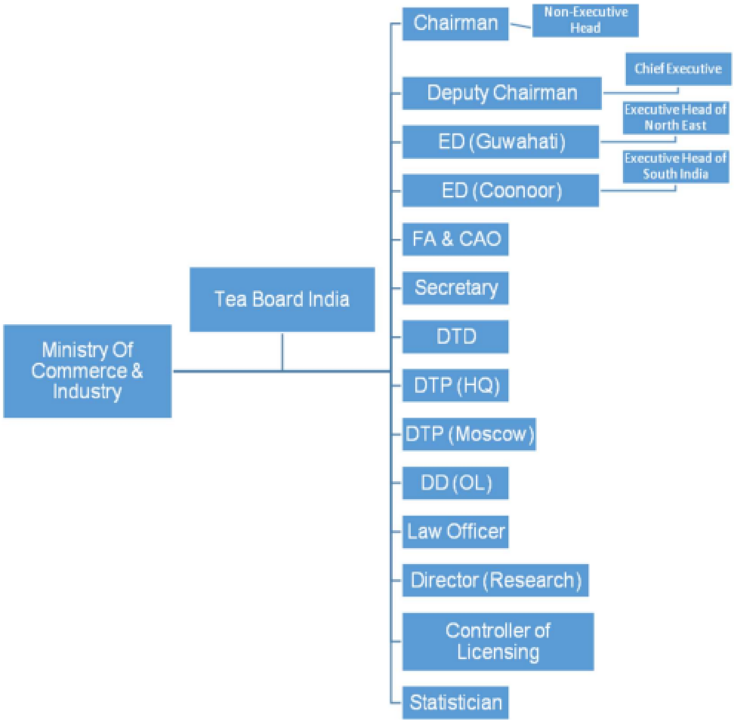
Tea Board is providing funds for Research and Development activities and facilitate tea research in the country in order to increase tea production and improve quality on a continuous basis. The Research Directorate of Tea Board is mandated to co-ordinate and evaluate tea research in the country, to ensure that outcomes of tea research activities are utilised for the benefit of the industry. The research activities of Tea Board are being conducted mainly through three tea research institutes, namely, Tea Research Association (TRA) for North-East India, United Planters' Association of Southern India– Tea Research Foundation (UPASI-TRF) for South India and Darjeeling Tea Research and Development Centre (DTR&DC)/ Quality Control Laboratory (QCL) for Darjeeling tea industry.

(iv) Market Promotion Activities

Tea Board undertakes promotional activities with an objective of making India the leading supplier of quality tea globally and to increase consumption of tea in the domestic market. Promotional efforts are undertaken to increase awareness regarding different varieties of Indian tea, with an aim to increase market share of Indian tea in the global markets and also to increase domestic consumption.

➢ Organisations Structure

The Tea board comparison of a Chairman and 31 members appointed by the Government of India representing different sections of the Tea industry. The Board is headed by a Chairman, assisted by a Deputy Chairman, two Executive Directors (ZO, Guwahati & ZO, Coonoor), Financial Advisor & Chief Accounts Officer, Director (Tea Development), Director (Research), Director (Market Promotion) and Controller of Licensing function under the Deputy Chairman. The Chairman is the non-executive head and the Deputy Chairman is the Chief Executive Officer. The Organisation structure of Board is as follows.



The Head Office of the Board is located at Kolkata. Apart from the Head Office, Tea Board has 34 offices which include two Zonal Offices (ZO) in Guwahati of Assam and Coonoor of Tamil Nadu, 17 Regional Offices, 12 Sub-Regional Offices, two Research units and an overseas office located at Moscow, Russia.

While office of the Director General of Audit (Coal), Kolkata, is the Principal Auditor for the Board, responsible for preparation of Separate Audit Report on its Annual Accounts, the following units of the Board are within the audit purview of this office in the capacity of sub-auditor under Section 20(1) of C&AG's DPC Act, 1971-

1. Regional Office, Siliguri including Regional Office Jalpaiguri and
2. Darjeeling Tea Research and Development Centre (DTRDC), Kurseong

Part – C

Autonomous Bodies

for which this office audits Grants-in-aid

Audit Mandate

Section 14 of the C&AG's DP Act, 1971 deals with the audit of receipts and expenditure of bodies or authorities substantially financed from Union or State Revenue.

Section 14(1) states that where any body or authority is substantially financed by grants or loans from the Consolidated Fund of India or of any State or of any Union Territory having a Legislative Assembly, the CAG shall, subject to the provisions of any law for the time being applicable to the body or authority as the case may be, audit all receipts and expenditure of that body or authority and report on the receipts and expenditure audited by him.

Explanation – Where the amount of such grant or loan in a financial year is not less than rupees twenty-five lakh and not less than seventy-five *per cent* of the total expenditure of that body or authority, such body or authority shall be deemed, for the purpose of this subsection, to be substantially financed by such grants or loans as the case may be.

Section 14(2) states that notwithstanding anything contained in Sub Section (1), the CAG may with the previous approval of the President or the Governor of State etc. audit all receipts and expenditure of any body or authority of the amounts of such grants and/ or loans from the consolidated fund etc. in a financial year is not less than rupees one crore.

Section 14(3) states that where the receipts and expenditure of any body or authority are, by virtue of the fulfilment of the conditions specified in sub section (1) or sub Section (2), audited by the CAG in a financial year, he shall continue to audit the receipts and expenditure of that body or authority for a further period of two years notwithstanding that the conditions specified in Subsection (1) or Sub Section (2) are not fulfilled during any of the two subsequent years.

Audit under Section 14 is "subject to the provisions of any law for the time being in force applicable" to the autonomous body. The intention behind this provision is that audit under Section 14 should take into account all provisions in the law governing the autonomous body and in particular, it is not intended to replace any audit arrangement envisaged in the relevant law governing the autonomous body. Audit under Section 14 is in addition to audit envisaged in the relevant law and one is not intended to replace the other but both are complementary and have to co-exist.

The list of 48 (forty-eight) autonomous bodies/ non-governmental organizations for which audit of grants-in-aid is taken up by this office has been given in **Appendix I.**

Chapter – VII

Field Offices of Government of India

Field offices are subordinate establishments responsible for the detailed execution of the decisions of the apex body (Ministry or Department) of the Union Government. They generally function under the direction of an attached office or in cases where the volume of executive direction involved is not considerable, directly under the Ministry.

Audit Mandate

Section 13 of the C&AG's DPC Act, 1971 *inter alia* states that it shall be the duty of the CAG

a. to audit all expenditure from the Consolidated Fund of India and of each State and of each Union territory having a Legislative Assembly and to ascertain whether the moneys shown in the accounts as having been disbursed were legally available for and applicable to the service or purpose to which they have been applied or charged and whether the expenditure conforms to the authority which governs it;

b. to audit all transactions of the Union and of the States relating to Contingency Funds and Public Accounts;

c. to audit all trading, manufacturing, profit and loss accounts and balance sheets and other subsidiary accounts kept in any department of the Union or of a State; and in each case to report on the expenditure, transactions or accounts so audited by him.

The audit of field offices of the Government of India (List in **Appendix J**) under the audit purview of this office is usually taken up under Section *ibid*.

Chapter – VIII

Entrustment Audit

Audit Mandate

The Ministry of Finance, Department of Economic Affairs *vide* letter dated 17.05.2018, assigned Comprehensive Audit of the functioning of all offices of the Institute of Cost Accountants of India (ICoAI) for the period 2010-11 to 2014-15 under Section 20(1) of the C&AG's (DPC) Act, 1971.

Section 20(1) of the C&AG's DPC Act, 1971 *inter alia* states that where the audit of the accounts of any body or authority has not been entrusted to the Comptroller and Auditor General by or under any law made by Parliament, he shall, if requested so to do by the President or the Governor of a State or the Administrator of a Union territory having a legislative assembly, as the case may be, undertake the audit of the accounts of such body or authority on such terms and conditions as may be agreed upon between him and the concerned government and shall have, for the purpose of such audit, right of access to the books and accounts of that body or authority. The section further provides that no such request shall be made except after consultation with the Comptroller and Auditor General.

The list of units attracting such audit has been given in **Appendix K**.

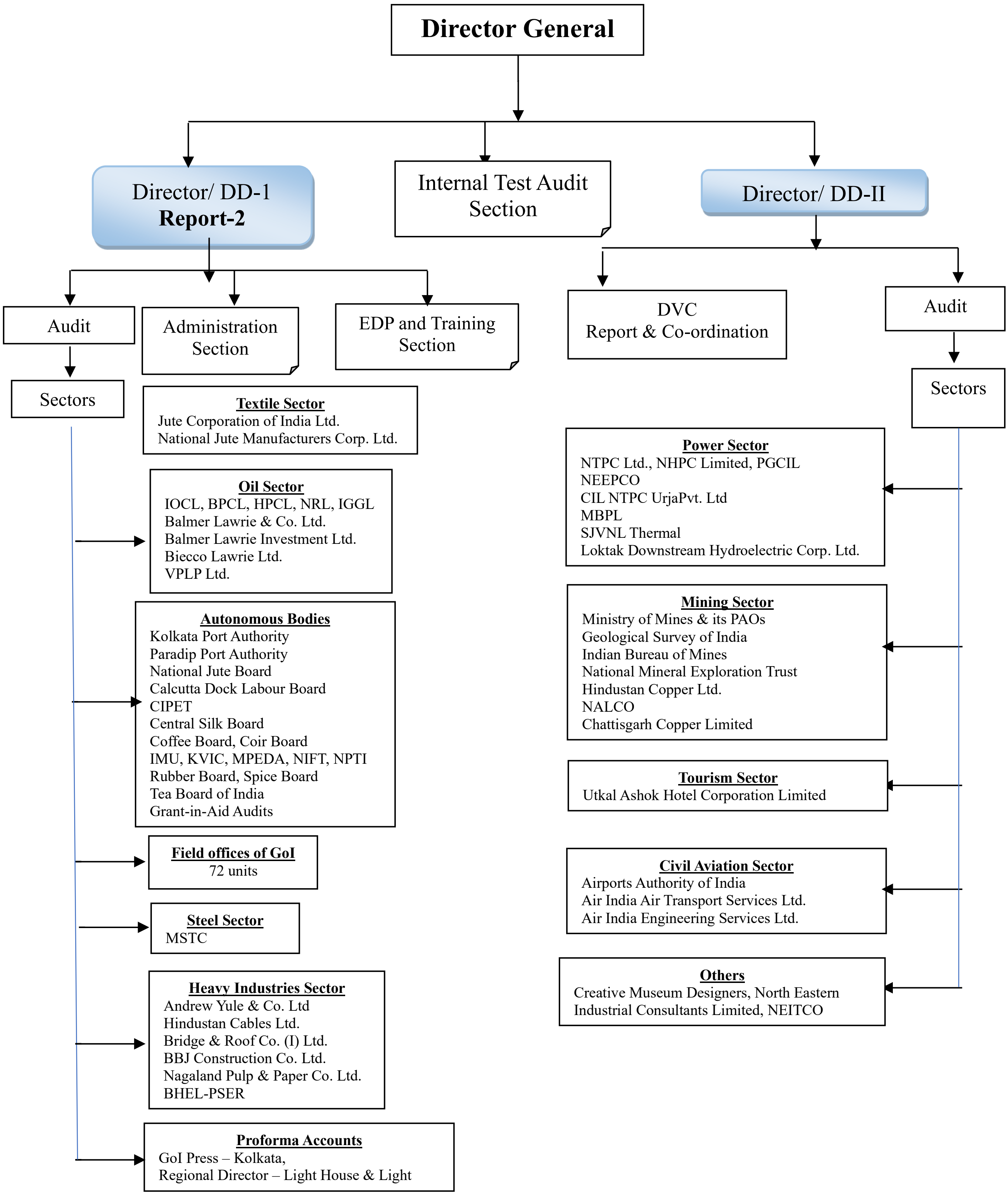
As Ministry of Finance has not assigned any further audit of ICoAI beyond the year 2014-15, such audit may be conducted[52] only as and when entrusted in due course.

[52] Authority *vide* Headquarters' letter no/CA-IV/25-2019/KW/320 dated 21.12.2023

Appendices

Appendix A

Office Organogram



Appendix B

List of resources available on the C&AG's website

1. Brochure on Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971
2. Regulations on Audit & Accounts - 2020
3. C&AG's Auditing Standards 2017
4. Code of Ethics for the IA&AD
5. Manual of Instruction for Audit of Autonomous Bodies
6. Guidelines
    a. Compliance Auditing Guidelines
    b. Guidelines on Data Analytics
    c. Performance Audit (PA) Guidelines -2014
    d. Standing Order on Role of Audit in relation to Cases of Fraud and Corruption
    e. Environment and Climate Change-Auditing Guidelines 2010
    f. Public Private Partnerships (PPP) Infrastructure Projects Public Auditing Guidelines-2009

7. Guidance notes and Practice guides
    a. Forming an Opinion and Reporting on Financial Statements
    b. Financial Attest Audit of Autonomous Bodies
    c. Types of Audits
    d. Preface to Audit Reports (Union and Reports)
    e. Developing Recommendations
    f. Follow-up Audit
    g. Executive Summary of Standalone Performance Audit
    h. Drafting and presentation of Audit Reports
    i. Improving the Quality of Inspection Reports
    j. Audit Quality Management Framework
    k. Audit of Contract Management
    l. Practice Guide on Audit of Poverty Alleviation Programmes
    m. Practice Guide on Planning individual Performance Audits
    n. Style Guide for Use in IA & AD, 2nd edition
    o. Guidelines On Chief Controller Officer (CCO) Based Audit
    p. Supplementary Guideline on Evidence Gathering
    q. Guidance Note on Compliance Audit of Regulatory Bodies
    r. Guidance Note on Compliance Audit of Special Purpose Vehicles and Trusts/Societies
    s. Practitioner's Guide on Data Visualisation and Infographics
    t. Guidance Note on Compliance Audit of Public-Private Partnership Arrangements
8. Manuals
    a. Financial Attest Audit Manual
    b. Commercial Audit Manual, Part – I, 2021
    c. Manual of Instructions for Audit of Autonomous Bodies
9. Checklists
    a. For Accounting Standards[53]
    b. For Indian Accounting Standards (IndAS)[54]

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[53] Authority *vide* Hqrs letter no. 153-CA-IV/74-2006 dated 14 March 2007
[54] Authority *vide* Hqrs letter no. CA-II/Trng/Ind AS/05-2016/Vol.IV/38 dated 27 May 2019

Appendix C

Formats used in Field Audits

➢ **Annexure A: Title Sheet for Draft Inspection Report and related annexures**

Part A Summary of audit results		
1.	Name of the PSU/Unit audited	
2.	Name of party Members:	
	i. Name of Sr. AO i/c of the party	
	ii. Asst. Audit Officer	
	iii. Asst. Audit Officer	
	iv. Sr. Auditor	
3.	Period of accounts covered during the current local audit.	
4.	Date of commencement and completion date	
	Whether extension was applied for If yes, the number of party days for which (a) extension was sought (b) extension granted	
5.	Whether Entry conference was held with the Audited Entity? If yes, enclose minutes/ record of discussions. If no, provide reasons.	
6.	Number of potential paras (drawing reference to para nos.) included in Part - IIA of the Inspection Report	
7.	Number of paras (drawing reference to para nos.) relating to fraud or misappropriation, presumptive fraud and leakage of revenue etc.	
8.	Paras relating to persistent irregularities etc. those need to be brought to the notice of HOD through Management Letter.	
9.	Briefly mention the challenges faced during audit (nonproduction of records, manpower or resource constraints, scope limitation etc) and how they were addressed during the course of audit.	
10.	Suggestions for overcoming such challenges in future audits.	
11.	Whether exit conference was held and draft Inspection Report discussed with the Head/ Nodal Officer of the Audited Entity. If no reasons may be indicated.	

12.	Date of submission of Draft Inspection Report and all working papers to Hqrs. (may be submitted within a period of 7 working days from the date of conclusion of audit)	
13.	Reasons for delay in submission of draft IR etc. to Hqrs with reference to the allotted time period, if any.	
14.	General remarks, if any.	

<table>
<tr><th colspan="7">Part B

(Details of Audit Process followed)</th></tr>
<tr><td>1.</td><td colspan="4">Whether the allocation of duties amongst each member of the Audit Team (SAO/ AO/ AAO/ Sr. Auditor/ Auditor) was prepared in the line with the planned broad assignment plan and acknowledged by the respective party members? If no reasons and justification may be provided.</td><td colspan="2"></td></tr>
<tr><td rowspan="4">2.</td><td colspan="4">Sampling methodology adopted (Use as many rows as needed)</td><td colspan="2"></td></tr>
<tr><td>SI No</td><td>Section/ wing being audited</td><td>Nature of document</td><td>No selected for review</td><td>Percentage of selection</td><td>Sample Method adopted</td></tr>
<tr><td>1</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>2</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>3.</td><td colspan="4">Whether focus areas identified and procedures applied were as planned (with reference to the plan as approved by Group Officer before commencing the audit)? If no, reasons and justification may be provided.</td><td colspan="2"></td></tr>
<tr><td>4.</td><td colspan="4">Whether all issues marked for examination by Group Officer on supervision/ Hqrs. section have been addressed?</td><td colspan="2"></td></tr>
<tr><td>5.</td><td colspan="4">Whether all work assigned as per allocation of duties were completed? If no, provide whether the reasons and justification are provided.</td><td colspan="2"></td></tr>
<tr><td>6.</td><td colspan="4">Briefly indicate the potential focus areas for next audit.</td><td colspan="2"></td></tr>
</table>

7.	Whether daily diaries indicating the documents/ records checked by team members of the Audit Team have been prepared, signed and enclosed?	
8.	Whether a certificate of obtaining sufficient and appropriate evidence (key documents) for the audit observations included in the Draft Inspection Report has been provided?	
9.	Whether the key documents have been referred in the para and the resource of evidence has been provided as footnotes?	
10.	Positions indicate the position of outstanding paras of previous Inspection Reports as under.	
11.	Whether a certificate that the audit was conducted in accordance with the CAG's Auditing Standards 2017 has been provided?	
12.	Whether a certificate that the audit party has complied with the Audit Quality Framework and Code of Ethics has been provided?	

Dated:

Sr. Audit Officer/PAP

- **Annexure B**

Proforma of Duty List

Name & Designation	Duties assigned	Noted and signed (Acknowledgement)

Sr. Audit Officer/PAP

- **Annexure C - Follow up of supervision by the Group Officer**

Name of the Audited Entity	Date of Supervision	Comments/ Queries of the Group Officer	Action taken by the Audit Team on Comments/ Queries

Sr. Audit Officer/PAP

- **Annexure D**

Name of the PSU / Unit audited:

We have examined all the issues as per the duty list (except the following) and necessary audit observations based on audit scrutiny have been issued.

Sl No	Brief particulars of the issues which could not be seen in audit	Reasons therefore (non-availability of records, time constraints, shortage of manpower, other constraints/ reasons) etc.

Senior Audit Officer/PAP

- **Tour diary of Shri …… for the Compliance Audit on the accounts and records of …… for the year … .**

Sl. No.	Date	Particulars

Asst. Audit Officer

Sr. Audit Officer/PAP

- **PROFORMA: Statement exhibiting scrutiny of minutes & agenda of meeting of Board of Members**

Name of the PSU / Unit audited:					
Sl. No.	Meeting no & date	Agenda No	Subject	By whom examined	Results of examination giving reference to the I/R Para No

Sr. Audit Officer/PAP

➢ SELECTION OF SAMPLE OF CONTRACTS FOR AUDIT

Name of the PSU / Unit audited:

(i) Based on the number of contracts in the auditee organization due for audit and the availability of manpower, selection of sample of contracts for audit is to be done by the audit team by using IDEA Software package in accordance with selection criteria adopted by the concerned Office.

(ii) This sample need to be got approved from the concerned Head of the Office before being actually followed by the audit team.

An illustrative example of selection of sample of contracts for audit is given below:

No.	**Particulars**	**Percentage of contracts to be audited***
Sample selection of contracts awarded at Corporate Office level of the Company		
1	₹100 crore and above	100
2	Less than ₹100 crore but more than ₹50 crore	75
3	Less than ₹50 crore but more than ₹25 crore	50
4	Less than ₹25 crore but more than ₹5 crore	25
5	Less than ₹5 crore	10
Sample selection of contracts awarded at Unit level of the Company		
1	₹5 crore and above	100
2	Less than ₹5 crore but more than ₹1 crore	75
3	Less than ₹1 crore but more than ₹50 lakh	50
4	Less than ₹50 lakh but more than ₹10 lakh	25
5	Less than ₹10 lakh	10

*This may be modified suitably based on the specific needs of each Company, with the approval of concerned officer.

➢ **Particulars of Contracts examined during local Audit**							
Name of the PSU / Unit audited:							
Sl. No.	Contract / Agreement No. & Date	Subject	Name of the Contractor/ concessionare	Money value of the contract/ agreement (₹ in crore)	Status of the contract/ Agreement	Results of examination giving reference to the I/R Para	By whom examined
1							
2							

➢ **Matrix for Audit of Contracts**						
(Only one to be filled by the officer heading the audit team giving complete picture of contracts audited during compliance audit of a particular unit/auditee for a particular period).						
Name of Auditee:				Period of audit:		
Dates during which audit was conducted:				Audit Party No:		
Sl. No.	**No and date of award of contract**	**Brief description of work of contract**	**Value of award (₹ in Crore)**	**Name & designation of officer to whom allotted for audit**	**HM issued* (Yes/No)**	**Contract audit check list no.**

➢ CHECKLIST FOR AUDIT OF CONTRACT

(To be filled in by the officer for each contract audited by him)

Check list no: 1	Value of award of contact:
No. and date of award of contract:	Name and designation of person who audited the contract:
Brief description of contract work:	Sl. No of matrix for audit of contracts:

(A): Award of Contracts

Sl. No.	Checks to be applied	Yes/ No	HM no.
1	Whether organisation has procurement manuals for guidance and consistency in actions of those involved in award of contracts. (Refer Audit sub-objective Sl. No. 1 of ADMAC*)		
2	Whether Notice for invitation of Tender (NIT) was given adequate publicity. (Refer Audit sub-objective Sl. No. 2 of ADMAC)		
3	Whether the Bidding Documents included all information in clear terms that might be required for preparation of a valid bid by the bidders and for equitable evaluation of bids by the Tender Evaluation Committee. (Refer Audit sub-objective Sl. No. 3 of ADMAC)		
4	Whether tenders were received up to fixed date and time and whether as per CVC guidelines bids were opened on the same day by following transparent process and providing equitable opportunity to all bidders. (Refer Audit sub-objective Sl. No. 4 of ADMAC)		
5	Whether tendering process (i.e. through open tender, limited tender or rate contracts) to be followed was decided after considering all relevant factors. (Refer Audit sub-objective Sl. No. 5 of ADMAC)		
6	Whether bids were evaluated in the most transparent manner with fairness to all bidders. (Refer Audit sub-objective Sl. No. 6 of ADMAC)		
7	Whether specific checks according to type of contracts were applied. (Refer Audit sub-objective sl. No. 7 of ADMAC)		
8	Whether E-Procurement system was designed to ensure security of data provided audit trail facilities. (Refer Audit sub-objective Sl. No. 8 of ADMAC)		

9	Whether Reverse Auction was carried out as per guidelines laid down in this regard. (Refer Audit sub-objective Sl. No. 9 of ADMAC)		
10	Whether specific purposes which were envisaged at the time of award of contracts were materialized in respect of nomination basis contracts. (Refer Audit sub-objective Sl. No. 10 of ADMAC)		
11	Whether all pre-cautions to safeguard organisation's interest were taken while awarding contracts on risk and cost basis. (Refer Audit sub-objective Sl. No.11 of ADMAC)		
12	Whether award of contract was done immediately after award approval and in case of refusal to accept award action as per company's procurement policy was taken against the defaulting party. (Refer Audit sub-objective Sl. No.12 of ADMAC)		

(B): Execution of Contracts:

13	Whether execution of contracts was done strictly as per agreed terms & conditions and execution was monitored as per provisions of procurement/works manual. (Refer Audit sub-objective sl. No.13 of ADMAC)		
14	Whether fulfilment all contractual obligations on the part of contractor and safeguarding of organisation's interests were ensured at the time of contract closing. (Refer Audit sub-objective Sl. No.14 of ADMAC)		

ADMAC: Audit Design Matrix for audit of contracts.

Signature & Name of the officer who audited the contract

Signature

Name

Date

➢ Annexure 1 to Title Sheet of Inspection Report

1 Date of Pre-Audit strategy meeting with Coordination Section

2 During the meeting the following documents were used / consulted

Tick for YES and give reasons where NO

I) Commercial Audit Manual

ii) Knowledge of business

iii) Risk Analysis

iv) Database of previous objections

v) Comments raised during Accounts Audit

vi) Paper cuttings

vii) Previous IT Audit Reports

3 Give separately, brief summary of the Audit strategy which was formulated (minutes enclosed)

4 Instructions contained in PD's notes dated 13th Nov 14th Nov 2003 on IT Audit during Compliance Audit were followed

The IT Resource person in this party is Shri Raja Banerjee, Senior Audit Officer

My IT competence as well as of the others in my party are as follows

Name of the party member	Designation	Whether IT literate	Use of Computers

IT aspects of the unit were examined along the lines mentioned in the concerned chapter in the Manual. The extent of computerisation in enclosed in a note attached. The following are details of IT related paras taken. (These are required to be noted in a separate register in the Coordination Section).

Details of IT were not furnished by management.

A computer was provided by the unit for use during Audit Yes/ No

5 Instructions contained in PD's notes dated 13th Nov on Improving the quality of Audit were followed. The following were the details of paras raised pointing out lapses in the implementation of lapses in the implementation of systems and procedures and weaknesses in the responsibility centres. (These are required to be noted in a separate register in the Coordination Section).

6 As a part of the audit strategy, comments issued during Accounts Audit of the Company had been examined. These were verified and the following points were raised during Audit.

7 The Chapter on Environment Audit as contained in the Commercial Audit Manual was studied. The following paras in the IR have environmental issues. (These are required to be noted in a separate register in the Coordination Section).

8 All AQs issued to Management have been numbered date wise and cross linked with the IR Paras as follows:

AQ No.	Whether included as Draft Inspection Report Para	Whether settled at the Query stage	Reference to the IR para
1			
2			

Those dropped, based on Management's replies, are also on file with brief reasons for dropping them.

SAO I/C of the Party.

➢ Cases of fraud & corruption

(Name of the Unit)

Sl. No.	Particulars	Comments
1	Whether the issues relating to fraud and corruption have been verified during the course of the transaction audit?	Nil
2	Whether the material audit findings, if any, have been incorporated in the draft Inspection Report and if so, the reference of the para in the IR?	

Sr. Audit Officer/ PAP

➢ **Statement of contribution made by officials of the PAP towards the Draft Inspection Report**	
Para No	Name & designation of the official

Sr. Audit Officer/ PAP

➢ **Audit Design Matrix**				
Audit objectives/sub objective	Audit questions on selected subject matters	Audit criteria	Data collection and analysis method	Audit evidence

Sr. Audit Officer/ PAP

➢ **Audit Finding Matrix**				
Audit objectives/sub objective	Audit questions on selected subject matters	Audit criteria	Audit evidence	Audit findings

Sr. Audit Officer/ PAP

Appendix D

List of Units for which this office is the Principal Auditor

Sl No	Name of the Company	Administrative Ministry	Present Status
1	Andrew Yule & Company Limited	Heavy Industries	Functional
2	Yule Electrical Limited	Heavy Industries	Under Closure
3	Yule Engineering Limited	Heavy Industries	Under Closure
4	Balmer Lawrie Investments Limited	Petroleum and Natural Gas	Functional
5	Balmer Lawrie & Company Limited	Petroleum and Natural Gas	Functional
6	Vishakhapatnam Port Logistics Private Limited	Not applicable	Functional
7	Brahmaputra Cracker and Polymer Limited	Petroleum and Natural Gas	Functional
8	Braithwaite Burn and Jessop Construction Company Limited	Heavy Industries	Functional
9	Bridge & Roof Company (India) Limited	Heavy Industries	Functional
10	Creative Museum Designers	Culture	Functional
11	Hindustan Copper Limited.	Mines	Functional
12	Hooghly Cochin Shipyard Limited	Ports, Shipping and Waterways	Functional
13	Indradhanush Gas Grid Limited	Petroleum and Natural Gas	Functional
14	Inland and Coastal Shipping Limited	Ports, Shipping and Waterways	Functional
15	MSTC Limited	Steel	Functional
16	National Aluminium Company Limited	Mines	Functional
17	North Eastern Electric Power Corporation Limited	Power	Functional
18	Numaligarh Refinery Limited	Petroleum and Natural Gas	Functional
19	SJVNL Thermal Company Private Limited	Power	Functional
20	The Jute Corporation of India Limited	Textiles	Functional
21	Bhor Sagar Port Limited	Ports, Shipping and Waterways	No activity
22	Chhattisgarh Copper Limited	Mines (approval awaited)	No activity
23	CIL NTPC Urja Private Limited	-	No activity
24	Kolkata Port Accretion Limited (formerly Kolkata Port Infrastructure Development Limited)	Ports, Shipping and Waterways	No activity
25	Loktak Downstream Hydroelectric Corporation Limited, Manipur	Power	No activity
26	Nagaland Pulp and Paper Company Limited		No activity
27	North Eastern Industrial & Technical Consultancy Organization Limited		No activity

28	North Eastern Industrial Consultant Limited		Put to liquidation in 2019
29	Orissa Industrial & Technical Consultancy Organization Limited		Not Functional
30	Utkal Ashok Hotel Corporation Limited		Not Functional
31	National Jute Manufactures Corporation Limited	Textiles	Not Functional
32	Biecco Lawrie Limited	Petroleum and Natural Gas	Not Functional
33	Hindustan Cables Limited	Heavy Industries	Under closure
34	Bharat Brakes & Valves Limited		Under closure
35	Bharat Ophthalmic Glass Limited		Under closure
36	Cycle Corporation of India Limited		Under liquidation
37	Hindustan Paper Corporation Limited		Under liquidation
38	Reyrolle Burn Limited		Under liquidation
39	Tyre Corporation of India Limited		Under liquidation
40	Industrial Investment Bank of India		Closed in 2012
41	Jagdishpur Paper Mills Limited		Struck Off

Appendix E

List of Units for which this office is Sub-Auditor

Sl No	Name of the Company	Principal Audit Office
1	Air India Airport Services Limited (Eastern Region)	The Director General of Audit (Infrastructure), New Delhi
2	Air India Engineering Services Limited (Eastern Region)	The Director General of Audit (Infrastructure), New Delhi
3	Bharat Heavy Electricals limited	The Director General of Audit (Energy), New Delhi
4	Bharat Petroleum Corporation Limited	The Director General of Commercial Audit, Mumbai
5	Hindustan Petroleum Corporation Limited	The Director General of Commercial Audit, Mumbai
6	Indian Oil Corporation Limited	The Director General of Audit (Energy), New Delhi
7	NHPC Limited	The Director General of Audit (Energy), New Delhi
8	NTPC Limited	The Director General of Audit (Energy), New Delhi
9	National Small Industries Corporation Limited	Director General of Audit (Industries & Corporate Affairs, New Delhi
10	Power Grid Corporation of India Limited	The Director General of Audit (Energy), New Delhi

Appendix F

List of Statutory Corporations audited by this office

1. As Sole Auditor

Sl No	Name of the Organisation
1	Damodar Valley Corporation

2. As Sub-Auditor

<table>
<tr><th>Sl No</th><th>Name of the Organisation</th><th>Principal Auditor</th></tr>
<tr><td>1</td><td>Airports Authority of India</td><td rowspan="2">O/o The Director General of Audit (Infrastructure), New Delhi</td></tr>
<tr><td>2</td><td>National Highways Authority of India</td></tr>
</table>

Appendix G

List of Central Autonomous Bodies for which this office is Principal Auditor

Sl. No.	Name of the Autonomous Body	Administrative Ministry
1	National Institute of Design, Assam	Ministry of Commerce & Industry
2	National Jute Board	Ministry of Textiles
3	Paradip Port Authority	Ministry of Ports, Shipping & Waterways
4	Syama Prasad Mookerjee Port Authority, Kolkata	Ministry of Ports, Shipping & Waterways
5	Calcutta Dock Labour Board	Ministry of Ports, Shipping & Waterways

Appendix H

List of Central Autonomous Bodies for which this office is Sub-Auditor

Sl. No.	Name of the Autonomous Body	Administrative Ministry	Principal Auditor
1.	Central Silk Board	Ministry of Textiles	O/o the DGCA, Hyderabad
2.	Spices Board	Ministry of Commerce and Industry	O/o the DGCA, Chennai
3.	Coir Board	Ministry of Micro, Small and Medium Enterprises	O/o the DGCA, Chennai
4.	Footwear Design and Development Institute, Kolkata	Ministry of Commerce and Industry	O/o the DGA(I&CA), New Delhi
5.	Indian Maritime University	Ministry of Port, Shipping and Waterways	O/o the DGCA, Chennai
6.	Khadi Village Industries Commission	Ministry of Micro, Small and Medium Enterprises	O/o the PDA(Shipping), Mumbai
7.	Marine Product Export Development Authority	Ministry of Commerce and Industry	O/o the DGCA, Chennai
8.	National Institute of Fashion Technology	Ministry of Textiles	O/o the DGA(I&CA), New Delhi
9.	National Power Training Institute	Ministry of Power	O/o the DGA(Energy), New Delhi
10.	Rubber Board	Ministry of Commerce and Industry	O/o the DGCA, Chennai
11.	Coffee Board	Ministry of Commerce and Industry	O/o the DGCA, Hyderabad
12.	Tea Board of India	Ministry of Commerce and Industry	O/o the DGA (Coal), Kolkata

Appendix I

List of units receiving Grants-in-aid audited by this office

Sl No.	Name of the Organisation
1	Balijana Anchalik Jana Sewa Samiti, Agia, Goalpara
2	Bogidol Khadi & Village Development Society, Bogidol, Sivsagar
3	Borkhola Gramudyog Society, Borkhola, Cachar
4	CAPEXIL, Kolkata (Formerly Chemical and Allied Export Promotion Council of India)
5	Central Tools Room and Training Centre (CTTC), MSME Tools Room, Bhubaneswar.
6	Central Tools Room and Training Centre (CTTC), MSME Tools Room, Kolkata
7	Child and Social Welfare Society (CSWS), Paschim Medinipur, West Bengal.
8	CIPET, Balasore
9	CIPET, Bhubaneswar Campus-I.
10	CIPET, Bhubaneswar Campus-II
11	CIPET, Haldia Campus.
12	CIPET, Laboratory for Advanced Research in Polymeric Materials (LARPM), Bhubaneswar
13	Dakhin Kamrup Samagra Bikas Parishad, Kamrup, Assam
14	EEPC (Formerly Engineering Export Promotion Council of India, Kolkata
15	Food Crafts Institute (FCI), Darjeeling
16	Gram Lok Sewa Sangha, Dhamdhama, Nalbari
17	Gram Swaraj Parishad, Rangia, Kamrup
18	Gram Vikash Parishad, Assam, General Secretary, B B Road, Daccapatty, P.S.: Sadar Nagaon
19	Indian Chamber of Commerce (ICC), Kolkata.
20	Indian Council of Small Industries (ICSI), Kolkata.
21	Indian Jute Industries' Research Association (IJIRA), Kolkata.
22	Institute of Hotel Management, Catering Technology and Applied Nutrition, Arunachal Pradesh
23	Institute of Hotel Management, Catering Technology and Applied Nutrition, Bhubaneswar
24	Institute of Hotel Management, Catering Technology and Applied Nutrition, Kolkata.
25	Jankalyan Samagra Vikas Parisad, Vill-Borihat Maranga, Kamrup
26	Jute Products Development & Export Promotion Council (JPDEPC), Kolkata
27	Kalinga Institute of Social Science, Bhubaneswar
28	Kasturba Sewa Mandir, Head Office Bhairabi Temple Road, Tezpur Sonitpur
29	Katigora Gram Unnayan Parisad P.O. Bihara, Cachar

30	Kokila Vikas Ashram, Sonapur, Sonitpur
31	Millan Gram Unnayan Parishad, Chipakhola, Ladoigarh, Jorhat
32	Mouman Seva Industries Ashram, Boko, Kamrup
33	National Institute of Pharmaceutical Education & Research (NIPER), Kolkata
34	National School of Computer Education, Kolkata
35	Nilachal Seva Pratisthan (NSP), Puri, Odisha.
36	Odisha State Co-operative Handicraft Corporation Limited, Bhubaneswar, Odisha
37	Orissa Palli Bikash Pratisthan (OPBP), Orissa.
38	Pragatishil Khadi Samiti, Kalithakuchu, Kamrup
39	Rural Union for Demographic Rights and National Integration (RUDRANI).
40	Secretary, Barkhetri Unnayan Samity, Mulkalmua, Nalbari
41	Shellac and Forest Products Export Promotion Council (SHEFEXIL) Kolkata (formerly Shellac Export Promotion Council)
42	State Institute for Development of Arts and Crafts (SIDAC), Bhubaneswar
43	State Institute of Hotel Management (SIHM) (erstwhile Food Crafts Institute, Odisha)
44	Tamalpur Anchalik Gramdan Sangh, Kumarikata, Baksa
45	Uttar Purbanchal Gram Udyog Mahasangh, Lalmati, Guwahati, Kamrup
46	WEBCON Consulting (India) Limited, Port Blair
47	West Bengal State Export Promotion Society (WBSEPS)
48	Yallang Multi-pupose Cooperative Society Limited

Appendix J

List of Field offices of Government of India under the audit purview of this office

Sl No.	Name of the Organisation
1.	Regional Pay and Accounts Office (PAO), Ministry of Textiles and Department of Commerce, Kolkata.
2.	Regional PAO, Department of Commerce, Kolkata.
3.	Additional Director General of Foreign Trade, Kolkata.
4.	Deputy Director General of Foreign Trade, Shillong.
5.	Joint Director General of Foreign Trade, Guwahati.
6.	Deputy Director General of Foreign Trade, Cuttack.
7.	Custodian of Enemy Property of India, Kolkata.
8.	Deputy Director General, Kolkata, Directorate of Supply and Disposal.
9.	Assistant Director (Shipping), Esplanade, Kolkata, Directorate of Supply and Disposal.
10.	Assistant Director (Shipping), Remount Road, Kolkata, Directorate of Supply and Disposal.
11.	Integrated Finance Wing, Kolkata.
12.	Deputy Director General, Directorate of Quality Assurance, Kolkata, Directorate of Supply and Disposal.
13.	Deputy Director of Quality Assurance, Kulti, Burdwan.
14.	Deputy Director of Quality Control Cell, Kolkata.
15.	Deputy Controller of Accounts, Department of Supply, Kolkata.
16.	Director General of Commercial Intelligence and Statistics, Kolkata.
17.	National Test House, Kolkata.
18.	National Test House, Guwahati.
19.	Airworthiness, Bhubaneswar
20.	Registrar of Companies cum Official Liquidator, Cuttack
21.	Micro, Small and Medium Enterprises, Cuttack
22.	Micro, Small and Medium Enterprises, Rourkela
23.	Dy. Chief Controllers of Explosive, Bhubaneswar
24.	Huma Salt Circle, Huma, Ganjam
25.	Handloom Weavers Service Centre, Bhubaneswar

26.	Bureau of Civil Aviation Security, Kolkata
27.	Commissioner of Railway Safety, Eastern Circle, Kolkata
28.	Commissioner of Railway Safety, North East Frontier Circle, Kolkata
29.	Commissioner of Railway Safety, South Eastern Circle, Kolkata
30.	Deputy Director General of Civil Aviation, Eastern & North Eastern Region, Civil Aviation Department
31.	Pay and Accounts Office, Kolkata Airport
32.	Assistant Director, Power loom Service Centre
33.	Chief Controller of Explosive, Esplanade Kolkata
34.	Controller of Patents & Design Kolkata
35.	Development Commissioner (Handicraft), Kolkata
36.	Director, Seamens Employment, Marine House, Kolkata
37.	Eastern Regional Power Committee (Eastern Regional Electricity Board)
38.	Handicrafts Service Centre, Burdwan
39.	Handicrafts Service Centre, Kolkata
40.	Handicrafts Service Centre, Siliguri
41.	India Tourism, Regional Tourist Office, Kolkata
42.	Jute Commissioner, Kolkata
43.	Micro, Small and Medium Enterprises (Development Institute), Kolkata
44.	Micro, Small and Medium Enterprises (Testing Centre), Kolkata
45.	Micro, Small and Medium Enterprises, Birbhum
46.	Micro, Small and Medium Enterprises, Durgapur
47.	Micro, Small and Medium Enterprises, Siliguri
48.	Official Liquidator, Kolkata
49.	Principal Officer, Mercantile Marine Department, Marine House
50.	Regional Director, Ministry of Corporate Affairs
51.	Regional Power Survey Office, Central Electricity Authority
52.	Registrar of Companies, Kolkata

53.	Shipping Master, Marine House, Kolkata
54.	Textile Commissioner, Kolkata
55.	Trade Marks Registry, Kolkata
56.	Weaver's Service Centre, Kolkata
57.	Pay and Accounts Office, Micro, Small & Medium Enterprises
58.	Pay and Accounts Office, National Highways
59.	Pay and Accounts Office, Shipping, Kolkata
60.	National Highways Inter Connectivity Improvement Project, Purulia
61.	Project Director (AH 02) Project Implementation Unit- II, P.W (Roads) Directorate
62.	Project Director (AH 48) Project & EE Construction Division, Special Projects P.W (Roads) Department
63.	Director (Regional), Light House & Light Ships, Kolkata
64.	Government of India Press, Temple Street, Kolkata
65.	Government of India Stationery Office, Kolkata
66.	PAO - Corporate Affairs, Kolkata
67.	Director, Ministry of Micro Small and Medium Enterprises Development Institute, Bamuni Maidan, Guwahati, Kamrup
68.	Regional Pay & Accounts office, Guwahati Kamrup
69.	Director, Weavers Service Centre, Jawahar Nagar, IIHT Campus, Khanapara, Guwahati Kamrup
70.	Regional Director (NER), Development Commissioner for Handicrafts, Housefed Complex, Beltola Basistha Road, Guwahati Kamrup
71.	Asstt. Director, Ministry of Micro Medium and Small & Medium Enterprise Development Institute Link Road Point, N.S. AVENUE, Silchar Cachar
72.	Chief Controller of Petroleum and Explosives safety organization, Nagpur

Appendix K

List of units for which Comprehensive audit has been entrusted to this office

1. Howrah Chapter of Cost Accountants
2. Serampore Chapter of Cost Accountants
3. Asansol Chapter of Cost Accountants
4. Kharagpur Chapter of Cost Accountants
5. Siliguri-Gangtok Chapter of Cost Accountants
6. Naihati-Ichapur Chapter of Cost Accountants
7. Rajpur Chapter of Cost Accountants
8. Guwahati Chapter of Cost Accountants
9. Duliajan Chapter of Cost Accountants
10. Durgapur Chapter of Cost Accountants
11. Eastern Regional Council of Institute of Cost Accountants of India