

FOLLOW UP OF AUDIT PARAS

Sr. No	Subject matter/brief of the issue	No. and year of Audit Report (Report No & Year)	Recommendations made in the Audit Report	Action taken by the PSE/Organisation/Ministry on the recommendations	Actions pending on part of PSE/Organisation/Ministry on the recommendation
1	Shortfall in dividend declared by Government Companies (RCF)	1.3.2 of Report No 2 of 2011-12	Nil	ATN received on 05.07.2013. Vetting remarks sent to Hqrs on 10.07.2013. ATN received on 23.11.2016. Vetting remarks sent to Hqrs on 30.11.2016. ATN received on 27.09.2019. vetting remarks sent to Hqrs on 07.10.19	Revised ATN awaited.
2	Improper estimation of cost in bidding for the contract of handling and sale of imported urea resulting in loss of Rs.44.81 crore (RCF).	Para No. 8.1 of Report No. 13 of 2013.	Nil	No response	Not applicable
3	Failure to adhere to the terms and conditions of tender coupled with supply of raw materials to contractor in excess of their requirements resulted in blockage of Rs. 4.85 crore. (RCF)	Para No. 6.1 of Report No. 9 of 2017	Nil	ATN received on 26 March 2019 and vetting remarks sent on 3 April 2019	Revised ATN awaited.
4	Infertuous expenditure of Rs. 9.02 crore on leasing of land from Visakhapatnam Port Trust and loss of interest of Rs. 2.67 crore.(RCF)	Para No. 6.2 Report No. 15 of 2016	Nil	ATN received on 23 April 2019. Vetting remarks sent to Hqrs on 07.05.19.	Revised ATN awaited.

5	Blocking up of Rs. 52 crore and operational loss of Rs. 12.92 crore due to inadequate assessment of project viability (RCF).	Para No. 2.2 of Report No. 13 of 2014	Nil	ATN received on 10.04.19 and vetting remarks sent to Headquarters on 25.04.19	Revised ATN awaited.
6	Public Private Partnership Project in Major Ports	PA, Report 49 of 2015	<p><u>6.2.1</u> Ministry may put in place a mechanism wherein the best practices in ports are shared and informed while structuring PPP Projects.</p> <p><u>6.2.2</u> 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.</p> <p><u>6.2.3</u> The ministry/Port should ensure adherence to the time frame fixed for completion of the bidding process from issue of tender to</p>	ATN received on 25.10.2017 and vetting remarks sent on 12.12.2017	Revised ATN awaited

			<p>signing of CA.</p> <p><u>6.2.4</u>MoS should standardize the process of selection and appointment of Independent Engineers.</p> <p><u>6.2.5</u>MoS/Ports need to design a mechanism to ensure timely obtaining of environmental clearance for each project well before commencement of the tendering process.</p> <p><u>6.2.6</u> In view of the low priority accorded to revenue share payment, it is suggested that a system may be devised to ensure real time transfer to the Port's account. This would prevent any arrears or need of follow up on this account.</p>	
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7	Audit Report on Stressed Assets Stabilisation Fund(SASF)	PA, Report No.5 of 2014	Nil	ATN received on 28.9.2017 and vetting remarks sent on 20.10.2017. ATN received on 15.05.2018 and vetting remarks sent on 1.06.2018. ATR received on 11.12.2018. Remarks of this office on the ATR sent to Hqrs on 13.12.2018. ATN received on 09.07.2019. Vetting remarks furnished to O/o DG(ESM), New Delhi on 19.08.19.	Revised ATN awaited
8	Infructuous expenditure of Rs. 4.39 crore on idling of dredger relating to Mumbai Port Trust.	Para No. 16.3 of Report No.25 of 2014	Nil	ATN received on 1.9.2015 and vetting remarks sent on 7.9.2015.	Revised ATN awaited
9	Mormugao Port Trust invested Rs.24.28 crore in construction of a berth without a detailed feasibility study report which resulted in creating a facility which is yet to give any commensurate returns.	Para No. 13.1 of Report No.18 of 2015	Nil	ATN received on 26.7.2016 and vetting remarks sent on 4.8.2016	Revised ATN awaited
10	Failure of Mumbai Port Trust to revise parking charges resulted in loss of revenue of Rs.23.10 crore over the past six years on night parking charges alone (MbPT).	Para No. 19.1 of Report No.12 of 2017	Nil	ATN received on 4.12.2017 and vetting remarks sent on 21.12.2017. MIP received on 3.10.2017 and sent on 4.10.2017	Revised ATN awaited
11	Award of an adjacent berth to the same entity operating the existing berth at a lower revenue share without safeguarding the financial	Para No. 19.1 of Report No.4 of 2018	Nil	ATN received on 4.07.2018 and vetting remarks sent on 16.07.2018	Revised ATN awaited

	interest of JNPT led to diversion of traffic from the existing to the new berth and consequent loss of revenue to the port. Over 2015-17, the loss of revenue amounted to Rs.54.72 crore. (JNPT)				
12	Mumbai Port Trust suffered loss of revenue of Rs.17.13 crore during April 2015 to March 2017 as the Port failed to recover wharfage at the agreed rate from the licensee. Besides, the Port allowed revision of tariff at 130 per cent of scale of rates, without the approval of TAMP which was irregular. (MbPT)	Para No. 19.2 of Report No.4 of 2018	Nil	ATN received on 30.08.2018 and vetting remarks sent on 04.09.2018. ATN received on 11.10.2018 and vetting remarks sent on 29.10.2018. ATN received on 29.11.18 and vetting remarks sent on 5.12.18	Revised ATN awaited
13	Mumbai Port Trust failed to revise casual occupation charges and service charges since 1990-92 which led to loss of revenue to the port. Considering the revised charges proposed by the port in May 2002, the loss amounted to Rs.15.10 crore (approx) during April 2012 to March 2017. The loss would continue till the Port takes necessary steps to revise these charges. (MbPT)	Para No. 19.3 of Report No. 4 of 2018	Nil	ATN received on 6.09.2018 and vetting remarks sent on 17.09.2018	Revised ATN awaited

14	Failure of the Management to restore the interest payment clause deleted by SBI while renewing the bank guarantees resulted in loss of interest of Rs.19.24 crore (SCI)	Para No. 14.2 of Report No. 9 of 2017	Nil	ATN received on 10.10.2017 and vetting remarks sent on 20.10.2017	Revised ATN awaited
15	Management of Agency Agreements (SCI)	Para No. 14.3 of Report No.9 of 2017	Nil	ATN received on 29.9.2017 and vetting remarks sent on 3.11.2017. ATN received on 8.3.2018 and vetting remarks sent on 23.3.2018. ATN received on 01.11.2018 and vetting remarks sent on 06.12.18. ATN received on 23.04.2019. Vetting remarks sent to Hqrs on 13.05.19.	Revised ATN awaited

Senior Audit Officer/CA-III

