



भारतीय लेखापरीक्षा और लेखा विभाग क्षेत्रीय क्षमता निर्माण एवं ज्ञान संस्थान, मुंबई

Indian Audit & Accounts Department

Regional Capacity Building & Knowledge Institute, Mumbai
वाणिज्यिक लेखापरीक्षा और कुटो करेसी के लिए ज्ञान केंद्र
Knowledge Centre for Commercial Audit &



सूचनापत्र /Newsletter



ज्ञान और नवजीवन के सूर्योदय का सुप्रसंग

Celebration of the Sunrise of Knowledge and New Life

Crypto Currency

अंक 28

अक्टूबर 2024- से मार्च 2025

विषय सूची

खंड 1: महानिदेशक की कलम से	2
खंड 2: क्षेत्रीय क्षमता निर्माण एवं ज्ञान संस्थान, मुंबई में मार्च 2025 के अंत तक होने वाले अर्धवार्षिक प्रशिक्षण एवं कार्यक्रमों का विवरण.....	3
(i) संचालित किए गए प्रशिक्षण.....	3
(क) सामान्य पाठ्यक्रम, ज्ञान केंद्र सहित.....	3
(ख) ईडीपी पाठ्यक्रम.....	5
खंड 3: फोटो गैलरी	6
खंड 4: ज्ञान केंद्र विषयों से संबंधित कैग रिपोर्ट में महत्वपूर्ण आपत्तियों का सार	8
COMPENDIUM OF COMMENTS OF CPSEs	8
खंड 6: सूचना पत्र वर्ग पहेली (मार्च 2025)	68
खंड 7: क्षेत्रीय क्षमता निर्माण एवं ज्ञान संस्थान, मुंबई के स्टाफ एवं उपयोगकर्ता कार्यालयों के स्टाफ द्वारा लिखित/संकलित हिंदी के लेख/ कविता।.....	69
मैं कौन हूँ.....	69
नाम में क्या नहीं रखा है?	70
डॉग-लव	71
सफ़र से सुकून तक	74

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खंड I: महानिदेशक की कलम से

[Click here for going
back to cover page](#)



Dear Reader,

I am glad to release this newsletter for the half year ending March 2025.

During half year October 2024 – March 2025, RCB&KI Mumbai conducted 28 training programmes including six training programmes on Knowledge Centre topics. We also conducted three six-week induction training programme for newly promoted AAOs and Supervisors during the above period and plan to conduct a couple more during the next year in view of the high number of promoted AAOs and supervisors.

This edition includes a comprehensive list of interesting observations selected from the compendium of Comments on CPSEs that has contributed to its increased size in terms of number of pages. These observations would be very useful for the officers working in the Commercial Audit Wing.

With the continued active support of our user offices, RCB&KI Mumbai could conduct all the training programmes as scheduled in the calendar and we would like to place our sincere gratitude to all the user offices and also the Chairperson and members of Regional Advisory Committee to steer the efforts of the Institute with their valuable guidance and directions.

I look forward to continue to communicate with you regarding the performance and achievements of RCB&KI, Mumbai through the medium of this newsletter in future.

We welcome inputs from readers to improve the newsletter.

Regards,
Sanjay Jha
Director General
RCB&KI, Mumbai

खंड 2: क्षेत्रीय क्षमता निर्माण एवं ज्ञान संस्थान, मुंबई में मार्च 2025 के अंत तक होने वाले अर्धवार्षिक प्रशिक्षण एवं कार्यक्रमों का विवरण

[Click here for going back to cover page](#)

(i) संचालित किए गए प्रशिक्षण
(क) सामान्य पाठ्यक्रम, ज्ञान केंद्र सहित

SNo	Name of course	Number of participants including number of IA&AS participants given in brackets
1	ज्ञान केंद्र विषय - वाणिज्यिक लेखा परीक्षा पर अखिल भारतीय प्रशिक्षण कार्यक्रम KC Topic – All India Training Programme on Commercial Audit	18
2	DRAAO (civil and commercial) 2022 बैच के लिए प्रेरण प्रशिक्षण Induction Training for DRAAO (civil and Commercial) CGLE 2022 batch (Online)	117
3	ज्ञान केंद्र विषय - अखिल भारतीय प्रशिक्षण - इंड एस, लेखा परीक्षा मानक, लेखा मानक और वित्तीय विवरण का विश्लेषण (आईए और एस और अन्य अधिकारियों के लिए) KC Topic - All India Training - Ind AS, Auditing Standards, Accounting Standards and Analysis of Financial Statement (For IA & As and Other Officers)	31(1)
4	ज्ञान केंद्र विषय - क्रिप्टो मुद्राओं पर अखिल भारतीय प्रशिक्षण कार्यक्रम KC Topic – All India Training Programme on Crypto Currencies	29 (1)
5	ज्ञान केंद्र विषय- कॉर्पोरेट वित्त पर अखिल भारतीय प्रशिक्षण कार्यक्रम (आईए और एस, वरिष्ठ एओ और एएओ) KC Topic - All India Training Programme on Corporate Finance (IA &AS, Sr. AOs and AAOs)	26 (2)
6	ज्ञान केंद्र विषय- अखिल भारतीय प्रशिक्षण - इंड एस, लेखा परीक्षा मानक, लेखा मानक और वित्तीय विवरण का विश्लेषण) आईए और एस और अन्य अधिकारियों के लिए KC Topic - All India Training - Ind AS, Auditing Standards, Accounting Standards and Analysis of Financial Statement (For IA & AS and Other Officers)	33(2)
7	ज्ञान केंद्र विषय- कंपनी अधिनियम 2013 पर अखिल भारतीय प्रशिक्षण कार्यक्रम KC Topic – All India Training Programme on Companies Act 2013	17
8	स्थानीय निकायों का लेखा-परीक्षण Audit of Local Bodies	16
9	डी आर ए ए ओ / डी पी ए ए ओ/पर्यवेक्षकों के लिए प्रेरक प्रशिक्षण Orientation Course for AAOs/Supervisors	34
10	डीएएओ) सिविल और वाणिज्यिक (सीजीएलई 2022 बैच के लिए प्रेरण प्रशिक्षण)ऑनलाइन(Induction Training for DAAO (civil and Commercial) CGLE 2022 batch (Online)	99
11	मध्य कैरियर प्रशिक्षण कार्यक्रम स्तर - 2 Mid Career Training Programme Level - 2	11
12	प्रत्यक्ष कर	16

[Click here for going
back to cover page](#)

	Direct Taxes	
13	कार्य लेखा परीक्षा और अनुबंध प्रबंधन Works Audit and Contract Management	18
14	लेखापरीक्षा में सांख्यिकी और नमूनाकरण (एएओ और वरिष्ठ एओ) निष्पादन लेखापरीक्षा और जोखिम आधारित लेखापरीक्षा (पर्यवेक्षक, एएओ से वरिष्ठ एओ तक) Statistics and Sampling in audit (AAOs & Sr. AOs)	13
15	निष्पादन लेखापरीक्षा और जोखिम आधारित लेखापरीक्षा (पर्यवेक्षक, एएओ से वरिष्ठ एओ तक) Performance Audit and Risk based Auditing (Supervisors, AAOs to Sr. AOs)	27
16	मध्य कैरियर प्रशिक्षण कार्यक्रम स्तर - 3 Mid Career Training Programme Level - 3	17
17	डीपीसी बैठक का संचालन, पैनल, उस पर अनुशासनात्मक कार्रवाई का प्रभाव, रोस्टर और आरटीआई अधिनियम। (लेखा परीक्षक/लेखाकार से लेकर वरिष्ठ एओ, वरिष्ठ पीएस/पीएस/स्टेनो तक) Conduct of DPC meeting, panels, impact of Disciplinary Action thereon, Rosters and RTI Act. (Auditors/Accountants to Sr. AOs, Sr.PS/PS/Steno)	25
	Total	201

(ख) ईडीपी पाठ्यक्रम

SI No	Name of course	Number of participants including number of IA&AS participants given in brackets
1	उन्नत एमएस एक्सेस Advanced MS Access (बैच-1)	23
2	उन्नत एमएस एक्सेस Advanced MS Access (बैच-II)	22
3	हार्डवेयर सॉफ्टवेयर समस्या निवारण और सर्वर प्रबंधन Hardware / Software Troubleshooting & Server Management	19
4	पावर पिवट के साथ एमएस एक्सेल (उन्नत) Advanced MS Excel with Power Pivot	24
5	डेटा एनालिटिक्स - टेब्लू Data Analytics - Tableau (Batch-I)	40
6	एपीएआर आईडी के निर्माण के लिए प्रशिक्षण कार्यक्रम Half Day Training Programme on Creation of APAAR IDs	20
7	आईटी वातावरण में लेखापरीक्षा Audit in IT Environment	27
8	एपीएआर आईडी के निर्माण के लिए प्रशिक्षण कार्यक्रम (ऑनलाइन) Training Program for Creation of APAAR IDs (Online)	18
9	ओआईओएस (योजना और प्रोग्रामिंग मॉड्यूल) Additional Training on "Planning and Programming Module of OIOS"	24
10	डेटा एनालिटिक्स- टेबलू Data Analytics- Tableau (Batch-II)	17
11	आईटी लेखापरीक्षा (इंटोसाई आईटी लेखापरीक्षा दिशानिर्देश, नियमावली सहित) IT Audit (including INTOSAI IT Audit Guidelines, Manuals)	34
		268

खंड 3: फोटो गैलरी

[Click here for going back to cover page](#)

दिनांक 26 जनवरी 2025 को क्षेत्रीय क्षमता निर्माण एवं ज्ञान संस्थान, मुंबई एवं कार्यालय, महानिदेशक, लेखापरीक्षा (नौवहन), मुंबई द्वारा 76 वां गणतन्त्र दिवस मनाया गया।



दिनांक 28.10.2024 से 03.11.2024 तक सतर्कता जागरूकता सप्ताह मनाया गया। सतर्कता जागरूकता हेतु शपथ लेते हुए।



दिनांक 17.02.2025 को जयपुर में हुए मध्य, पश्चिम एवं उत्तरी क्षेत्रों के संयुक्त क्षेत्रीय राजभाषा सम्मेलन में भाग लेते श्री कुलदीप सिंह, कनिष्ठ अनुवादक और श्री हरी ओम मीना, वरिष्ठ लेखापरीक्षक



खंड 4: ज्ञान केंद्र विषयों से संबंधित कैग रिपोर्ट में महत्वपूर्ण आपत्तियों का सार

COMPENDIUM OF COMMENTS OF CPSEs

1. HPCL Biofuels Limited

Comments on Profitability

Year of Accounts -2022-23

Statement of Profit and Loss

Employee Benefit Expenses-Note-29: ₹3157.31 lakh

Non-Provision of Wage Revision Arrears for Seasonal Employees

The above does not include arrear of ₹657.54 lakh on account of wage revision of seasonal employees for the period October 2018 to March 2023. The arrears were payable in compliance to Government of Bihar Memorandum dated 20 September 2022. Since Memorandum was issued in September 2022, provision for arrear on account of wage revision payable from the effective date was required to be made.

Non-provision of wage revision arrears payable to seasonal employees has resulted in understatement of Employee Benefit Expenses and Loss by ₹657.54 lakh.

2. Indian Strategic Petroleum Reserves Limited

Comments on Profitability

Year of Accounts- 2022-23

Statement of Profit & Loss for the year ended 31 March 2023

Expenses - Operation & Maintenance Expenses: 13,693.03 lakh

Incorrect Offsetting of Operation and Maintenance Expenditure in contravention of Companies Act and Ind AS

The expenditure of ₹13,693.03 lakh incurred by the Company towards Operation and Maintenance (O&M) expenses has been offset against the recoverable/recovered expenses from Government of India/MoP&NG, ADNOC and/or HPCL, in contravention to Section 2(13) of the Companies Act, 2013 and Para 32 of Ind AS 01 as well as Memorandum of Association of ISPRL.

Despite an assurance given by the Company during the audit for the year 2021-22, the opinion of the Institute of Chartered Accountants of India (ICAI) regarding the correct

presentation of off-setting of O&M expenditure against the receivable/received amount from Government of India/MoPNG, ADNOC and HPCL was not sought by the Company.

3. Bharat Coking Coal Limited

❖ Comments on Profitability

Year of Accounts- 2022-23

Statement of Profit and Loss Account

Stripping activity adjustment: ₹701.30 crore

Incorrect Computation of Stripping Activity Adjustment in Bastacolla Project

The above includes ₹73.44 crore towards Stripping Activity Adjustment of Bastacolla project of BCCL. While arriving at cost per cubic meter of Over burden removal, for computing Stripping Activity Adjustment, BCCL has not considered cost of explosive and undercharged cost of overhead. Considering, correct cost per cubic meter of Over burden removal based on cost of explosive and actual overheads, Stripping Activity Adjustment amounting to ₹93.47 crore should have been charged in the Statement of Profit & Loss.

This has resulted in Understatement of Stripping Activity Adjustment and overstatement of Profit to the tune of ₹20.03 crore.

❖ Comments on Disclosure

Year of Accounts- 2022-23

B.1 Current Asset: Other Current Assets (Note 11) Input Tax Credit Receivable: ₹1,323.29 crore

Deficiency in Disclosure of Input Tax Credit Accumulation and Refund Ineligibility in Violation of Ind AS-01

As per the Ind AS-01, an entity has to provide information that is not presented elsewhere in the financial statements but is relevant to an understanding of any of them. It further states that an entity has to disclose information about the assumptions which it makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Ministry of Finance, Government of India, vide Notification No.5/2017-Central Tax (Rate) dated 28 June 2017, notified the description of goods, in respect of which no refund of unutilized input tax credit shall be allowed, where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on the output supplies of such goods. 'Coal' was not figuring in the above list.

Unutilized input tax credit can be allowed as refund in accordance with the provisions of section 54(3) of the CGST Act 2017 where credit has accumulated on account of rate of tax on inputs being higher than the rate of taxes on output supplies except where goods or services has been notified by the Government on the recommendations of the Council. Further, for utilization of the Input Tax Credit, no timeline is prescribed.

Ministry of Finance, Government of India, vide Notification No.09/2017-Central Tax (Rate) dated 13 July 2022 made the amendments in the above notification No.5/2017-Central Tax (Rate) and inserted Coal, on which no refund of unutilized input tax credit was to be allowed.

BCCL has shown Recoverable for Input Tax Credit amounting to ₹1,323.29 crore of which ₹1,098.31 crore pertain to the period prior to the notification of July 2022 and the balance ₹224.98 crore pertains to the period after the notification of July 2022, on which BCCL is not eligible for claiming refund.

Rate of GST on output i.e., sale of coal is 5 per cent while inputs are taxed at 18 per cent, thereby resulting in accumulation of receivable for Input Tax Credit. BCCL has applied for the refund amounting to ₹133.93 crore for the year 2017-18. However, the same has been rejected by the Tax Authorities citing non availability of supporting invoices/documents and it was also advised to submit fresh claim with proper documents. No further claim for refund was filed by BCCL. Though, no timeline has been prescribed under the GST Act for utilisation of Input Tax Credit, it is worth noting that due to significant difference in Rate of input and output tax, BCCL is unable to adjust the tax credit for previous years and tax credit is increasing with time. Further, matter of refund/accumulation of Input Tax Credit has not been taken up by BCCL with Higher Authorities.

Neither BCCL nor Statutory Auditors in his Report, has disclosed the above-mentioned facts and their explanations to carry forward the Input Tax Credit and above stated facts in the Financial Statements/Report of Auditors, which is in violation of Ind AS-01. Non-disclosure of facts which are integral to the understanding of the users of financial Statements in taking informed decisions resulted in deficiency in disclosure requirements.

B.2 Additional Notes to Accounts (Note 38)

Ref. to Note no. (4) (f) (i) & (ii)

Inaccurate Disclosure of Bank Guarantees and Legal Proceedings in Violation of Ind AS-01

As per the Ind AS-01, an entity had to provide information that is not presented elsewhere in the financial statements but is relevant to an understanding of any of them, it further stipulates that additional disclosure, when necessary, is presumed to result in financial statements that present a true and fair view.

The Contract for development and extraction of coal from Kapuria Block was cancelled by BCCL (January 2021) and the issue was placed before Hon'ble Delhi High Court. The Hon'ble high Court ordered (January 2021) for encashment of four bank guarantees (BG) amounting ₹53.98 crore and transfer the encashed amount in the account of the Registrar General of the Court. BCCL has made the following deficient disclosures in notes to Financial Statements:

- i) Though only two bank guarantees amounting to ₹34.79 crore have been encashed, BCCL wrongly disclosed that three bank guarantees amounting to ₹41.20 crore have been encashed.
- ii) Advance of ₹37.76 crore against the BGs is wrongly disclosed as ₹38.23 crore.
- iii) Though, the legal case is presently under trial at Hon'ble Delhi High Court, it was wrongly mentioned that the case is under trail at International Criminal Court.
- iv) It was disclosed that cost of Detailed Project Report ₹6.50 crore of the above contractual work would be adjusted with Performance BG after Court Decision. However, facts remain that, there is no Performance BG available with BCCL.

Apart from above, Securities received from suppliers/contractors/customers as Bank Guarantees amounting to ₹716.47 crore were wrongly disclosed as ₹489.90 crore under the Notes.

Thus, the above additional disclosures under Note 38 are deficient to the above extent.

4. Central Coalfields Limited

Comments on Disclosure

Years of Accounts 2022-23

A. 1Balance Sheet

A.1.2 Stripping Activity Adjustment: ₹36369.59 crore (Note 21)

Non-Compliance with Ind AS-16 and CAS-23 in Overburden Removal Cost Accounting and Inadequate Disclosure under Ind AS-01

As per the Ind AS-01, an entity has to provide information that is not presented elsewhere in the financial that when an entity departs from a requirement of an Ind AS it had to disclose that it has complied with applicable Ind ASs, except that it has departed from a particular requirement to present a true and fair view

Institute of Cost Accountants of India (ICMAI), in 2017, issued Cost Accounting Standard 23 (CAS-23) to bring uniformity, consistency in the principles, methods of determining and assigning Overburden Removal Cost (OBR) with reasonable accuracy. CAS-23 while defining, the various key components of OBR assessment also define methodology for Advance Stripping. Also, Ind AS 16 stated that the stripping activity has to be recognized as asset and shall be depreciated or amortised on a systematic basis, over the expected useful life.

The Accounting Policy of the Company related to Stripping Activity Adjustment stipulates that in the mines with rated capacity of one millions tonne per annum and above, the cost of Stripping is charged on technically evaluated average stripping ratio (OB:COAL) at each mine with due adjustment for stripping activity assets and ratio variance account after the mines are brought to revenue. Net of balances of stripping activity asset and ratio variance in the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non-Current Provisions/Other Non-Current Assets as the case may be.

The above policy on OBR adopted by the company is not in compliance with the provisions of Ind AS 16 (appendix B). Further, the projects of CCL, while computing the advance stripping, adopted different methods, which is a non-compliance of the provisions of CAS-23.

CCL had never reviewed the above accounting policy with reference to the provisions of Ind AS-16 as well as CAS-23. Also, the explanation of continuing with the present system of OBR assessment is in deviation of provisions of CAS-23 and Ind AS 16 and is not disclosed in the accounts which is non-compliance of Ind AS-01

5. Eastern Coalfields Limited

Comments on Profitability

Year of Accounts- 2022-23

Statement of Profit & Loss

Expenses

Provisions (Note-33): ₹4.05crore

Short Provisioning of Refund Claim by NTPC in Violation of Ind AS-37

This does not include ₹214.52 crore being provision towards refund claim filed by M/s NTPC in respect Rajmahal Area. The claim was filed due to excess surface moisture content in coal which is beyond stipulated norms of Fuel Supply Agreement for the years 2016-17 to 2021-22. Against the total claim amount of ₹258.72 crore, a provision of only ₹44.20 crore was created in books of accounts.

A reference is invited to Para 14 of Ind AS-37 on "Provisions, contingent liabilities, and contingent assets" wherein it is stated that a provision shall be recognized when an entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Short provision of refund claims of NTPC in respect of surface moisture content resulted in understatement of Provision with corresponding overstatement of Profit for the year to the tune of ₹214.52 crore.

6. Mahanadi Coalfields Limited**Comments on Financial Position****Year of Accounts- 2022-23****Balance Sheet****Assets****Current Assets**

Trade Receivable (Note-13): ₹1636.92 crore

Non-Creation of Provision for Disputed Surface Transportation Charges from NTPC in Violation of Ind AS-37

The above includes an amount of ₹62.29 crore receivable from NTPC for the period from September 2017 to 02 August 2020 on account of Surface Transportation Charges (STC) for supply of Coal for a lead distance of 0-3 KMs.

Prior to September 2017, agreement with NTPC, allows to charge STC for supply of coal to NTPC plants located at a distance of beyond 3 KMs. However, Mahanadi Coalfields Limited (MCL) started levying STC unilaterally for 0-3 KMs from September 2017.

An agreement for charging STC for the distance 0-3 KMs was entered into with NTPC only in August 2020 which states that the modification shall be applicable from the date of signing i.e. August 2020. NTPC refused to acknowledge the claims for 0-3 Kms pertaining to the period prior to August 2020.

In absence of any agreement, for charging of STC for 0-3 Kms, for the period between September 2017 and 02 August 2020 chances of recovery of ₹62.29 crore is very remote and suitable provision should have been created. Thus, non-creation of provisions resulted in overstatement of trade receivables (net of allowances for bad and doubtful debts) and profits for the year to that extent. The Statutory Auditors Report is also deficient to that extent.

7. NLC India Limited

❖ Comments on Profitability

Year of Account- 2022-23

1. Balance Sheet as at March 31, 2023 - Equity and Liabilities - Liabilities Regulatory Deferral Account Credit Balances (Note 22) - ₹3,830.62 crore

Understatement of Liability due to Incorrect Provision for Lignite Transfer Price

The company provided liability to the extent of ₹29.55 crore for billed energy charges as the difference between billed rate (2018-19: ₹887.74 per MT) and tariff petition rates filed in December 2022 for Lignite Transfer Price for tariff period 2019-2024 which was subject to approval of CERC. An order for truing-up of Lignite Transfer Price (₹703.27 per MT) for the year 2018-19 was issued by CERC in June 2022. Pending approval of tariff petition for 2019-24, the company should have provided liability of ₹98.08 crore considering the difference between billed rate (2018-19: ₹887.74 per MT) and revised rate for 2018-19 (₹703.27 per MT) instead of the difference between billed rate and tariff petition rates filed in December 2022.

This resulted in understatement of Liabilities i.e., Regulatory Deferral Account Credit Balances and overstatement of Profit by ₹68.53 crore.

❖ Comments on Financial Position

Year of Accounts- 2021-22

Current Asset-Trade Receivable: ₹3,128.65 crore (Note-10)

Other Equity (Note-15) - Retained Earnings: ₹10,069.74 crore

Unapproved Billing of Water, Security, and Power Surrender Costs to DISCOMs led to Overstatement of Trade Receivables

The above includes an amount of ₹1,063.47 crore outstanding from DISCOMs towards Water & Security expenses and Power surrender cost which was billed in Bills of Supply of Electrical Energy for the period from April 2019 to December 2020. These expenses were billed on the basis Company's internal guidelines which are neither in line with Ministry of Coal guidelines (January 2015) nor approved by Central Electricity and Regulatory Commission in its Regulation (March 2019). Further, these expenses were neither acknowledged nor paid by the DISCOMs as these were billed without any consent from DISCOMs.

In view of this, Trade Receivables and Retained Earnings of the Company is overstated by ₹1,063.47 crore.

8. NTPC Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance Sheet

Capital work-in-progress (Note 3) - ₹61,743.88 crore

Non-Declaration of Commercial Operation of Talaipalli Mine Resulting in misstatement of Assets in Violation of CERC Regulations

As per Regulation 5.1 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (Second Amendment) Regulations, 2021, the date of commercial operation in case of integrated mine(s), shall mean the earliest of, a) the first date of the year succeeding the year in which 25 per cent of the Peak Rated Capacity as per the Mining Plan is achieved; or b) the first date of the year succeeding the year in which the value of production estimated in accordance with Regulation 7A of these regulations, exceeds total expenditure in that year; or, c) the date of two years from the date of commencement of production.

NTPC in violation of both, CERC regulations and its Significant Accounting Policy No.7 did not declare commercial operation date of Talaipalli Coal mine, despite commencement of production in 2019 itself, i.e., more than two years from the date of commencement of production. This resulted in overstatement of Capital work-in-progress and understatement of Property, plant and equipment by ₹925.80 crore each. Depreciation was also to be charged off from date of capitalization.

9. National High Power Test Laboratory Private Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance Sheet

Capital work in Progress (Note 4) - ₹4749.74 lakh

Incorrect Classification of MVTR Lab Assets Resulting in Misstatement of CWIP and Non-Current Assets

The above amount is on account of Running of MVTR lab which was declared as un-viable by the Company in September 2022 and provision for write-off of ₹9,455 lakhs for this lab was created after considering realizable value of ₹4749.74 lakh.

As per accounting policy No. v) (Note 1), the expected value to be realized needs to be classified as Current/Non-Current Assets. Accordingly, the above transaction should have been classified as 'Other Non-Current Assets' (Note 5).

This has resulted in overstatement of 'Capital work in Progress' and understatement of 'Other Non-Current Assets' by ₹4749.74 lakh each.

10. Ratnagiri Gas & Power Private Limited

Comments on Cash Flow

Year of Accounts- 2022-23

Misclassification of Investments as Cash Equivalents in Violation of Ind AS 7

As per Para 7 of Ind AS 7, an investment qualifies as a cash equivalent only when it has a short maturity up to three months from the date of acquisition.

'Cash and Cash Equivalents', however, includes investments of ₹30.38 crore which had maturity beyond 3 months from the date of their acquisition.

'Cash and Cash Equivalents' is, therefore, overstated and 'Other Bank Balances' is understated by net amount of ₹30.38 crore each.

Also, 'Cash and cash equivalents at the end of the year' appearing in the bottom lines of the 'Cash Flow Statement' is overstated and 'Bank Balances other than cash and cash equivalents' under 'Cash Flow from Investing Activities' therein, is understated, by ₹30.38 crore each.

11. Powergrid Southern Interconnector Transmission System Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance sheet

Other current financial assets (Note 13) -₹12,101.94 Lakh

Provisions (Note 24) -₹23,461.99 Lakh

Retention of Provision and Creation of Asset Post Payment of LD in Violation of Ind AS 37

A provision, under Para 14 of Ind AS 37, shall be recognised when: (a) an entity has a present obligation (legal or constructive) as a result of a past event; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If these conditions are not met, no provision shall be recognised.

In compliance of Appellate Tribunal for Electricity order (March 2023), the Company paid (March 2023) an amount of ₹110.04 crore as liquidated damages for further hearing about setting aside CERC order dated 07.05.2022 regarding payment of liquidate damages of ₹234.55 crore for delayed commissioning of transmission system as per the provision of Transmission Supply Agreement to different DISCOMS (Long Term Transmission Customers).

The Company, though at Note 49 disclosed that ₹110.04 crore has been paid out of provision, it, contrary to the said Note 49 and in non-compliance of the above said Para 14 of Ind AS 37, not only retained provision for the above amount which had already been paid (and the above said conditions for recognition of provision had ceased to exist with making of the payment), but also created a current asset with the said amount under 'Other current financial assets'.

This resulted in overstatement of both, 'Other current financial assets' and 'Provisions' by ₹110.04 crore each.

12. Jhabua Power Limited

Comments on Profitability

Year of Accounts- 2022-23

Statement of Profit and Loss

Revenue from operations (Note 23): ₹1,64,627.67 lakh

Recognition of Revenue Without Regulatory Approval in Violation of Ind AS 115

Kerala State Electricity Board had purchased the additional electricity from the Company. Revenue from operation includes sale of electricity of ₹681.99 crore to Kerala State Electricity Board. This was

accounted for on the basis of tariff rates entered into by the Company through bidding. This tariff was not approved by Kerala State Electricity Regulatory Commission and tariff of ₹4.00 per unit was permitted for the purchase of additional required electricity for the State.

In compliance of Ind AS 115, dealing with Revenue from Contracts with Customers, revenue is to be accounted only on approved contract. Non-compliance of provisions of Ind AS 115 has resulted into recognition of higher revenue. Amount of higher revenue can't be quantified in absence of the complete detail from the Company to quantify it.

13. Bhartiya Rail Bijlee Company Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance Sheet

Property, Plant and Equipment-Freehold Land (Note-2): ₹723624.37 lakh

Non-Provision of Long Outstanding Interest Receivable in Violation of NTPC Accounting Guidelines

Bhartiya Rail Bijlee Company Limited deposited ₹22403.31 lakh with the District Administration, Aurangabad for acquisition of land in respect of Bhartiya Rail Bijlee Company Limited. Interest of ₹887.58 lakh accrued on the above deposit (up to 31 March 2018) was transferred by the District Administration to the Government Head in May 2018. The amount of ₹887.58 lakh was reduced from the value of land and other current financial liability in the books of accounts. Bhartiya Rail Bijlee Company Limited claimed the interest accrued on the deposit made for land acquisition stating that the interest accrued is out of the deposits for land acquisition hence same should be returned to Bhartiya Rail Bijlee Company Limited for its intended use. District Administration refused (March 2021) to return the interest on amount deposited for land acquisition and sought (November 2021) whether any clause in the agreement provides for refund of interest. The interest amount was not received by Bhartiya Rail Bijlee Company Limited till 31 March 2023.

As per the accounts closing guidelines of NTPC (Bhartiya Rail Bijlee Company Limited being a subsidiary of NTPC), all loans, advances, claims shall be reviewed from time to time and whenever the amount is outstanding for more than three years, the same shall be provided in the accounts.

Despite the amount being pending for realization for more than three years and the matter been raised by Audit during the accounts for the year 2020-21 and 2021-22, the amount of doubtful receivable has not been provided by Management.

Non-provision of doubtful receivable has resulted in overstatement of Receivables as well as overstatement of Profit by ₹887.58 lakh.

14. Dredging Corporation of India Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance Sheet

Assets

Non-current Assets

(a) Property, Plant and Equipment (Note No.1): ₹152623.65 lakh

Improper Capitalisation of Dry Dock Repairs on Fully Depreciated Dredgers Contrary to Accounting Policy

1) As per the stated accounting policy of the Company, the useful life of the dredgers was specified as 25 years. The Dredgers VIII and XI, built in the years 1977 and 1986, had completed life of 46 and 37 years and were fully depreciated to their residual value as on 01 April 2022. Dredging Corporation of India Limited (DCI) carried out the dry dock repairs of Dredgers-VIII and XI during the period between October 2021 and July 2022". DCI capitalised the cost of these dry dock repairs (including spares cost) of ₹2816.18 lakh and depreciated it at an amount of ₹74.64 lakh for the year 2021-22 (Dredge XI) and ₹846.13 lakh" for the year 2022-23 by considering the useful life from the date of completion of dry dock repairs to the next due date of docking surveys certification by Indian Register of Shipping (IRS).

Audit observed that capitalisation of dry dock expenditure on Dredger VIII and XI is in contravention to the accounting policy of the Company and ICAI Expert opinion obtained in this regard. As these assets have exceeded their useful life, dry dock repairs incurred on them should have been charged to Repairs and Maintenance (Vessels) under Other Expenses.

Non-compliance to the above has resulted in overstatement of Property, Plant and Equipment (Net) by ₹1895.41 lakh and understatement of Repairs and Maintenance (Vessels) account under Other Expenses by ₹2741.54 lakh. Consequently, the Depreciation and Profit Before Tax were overstated by ₹846.13 lakh and ₹2741.54 lakh respectively.

Despite C&AG's similar comments on the accounts of DCI for the year 2021-22, the Company has not taken any corrective action in this regard.

Non-Compliance with Depreciation Policy on Capitalised Dry Dock Expenditure of Dredger XV

2) As per the stated accounting policy of the Company, the useful life of the dredgers was specified as 25 years. Dredger XV was built in the year April 1999 and would complete its useful life of 25 years by April 2024. Dredging Corporation of India (DCI) carried out the dry dock repairs of Dredger-XV during the period between January 2022 and June 2022 and capitalised the cost of repairs (including spares) of ₹1910.57 lakh and depreciated an amount of ₹295.17 lakh for the year 2022-23 by considering the life from the date of completion of dry dock to the next due date of docking surveys certified by IRS (June 2027).

Audit observed that the dry dock expenditure incurred should be fully depreciated by April 2024. Accordingly, the depreciation should be accounted to the extent of ₹804.60 lakh. However, DCI apportioned the dry dock expenditure for five years and provided ₹295.17 lakh towards depreciation for the year 2022-23. Thus, there was a short provision of depreciation of ₹509.43 lakh. This has resulted in overstatement of Property, Plant and Equipment and understatement of Depreciation by ₹509.43 lakh. Consequently, the Profit before Tax was overstated by ₹509.43 lakh.

Incorrect Capitalisation of Post-Dry Dock Spares in Violation of Accounting Policy

3) As per the stated accounting policy of the Company, Dry Dock expenses along with spares consumed will be capitalised to Property, Plant and Equipment and will be depreciated over a period from the date of dry docking completion to the next due date of docking survey as certified by IRS. The dry dock repairs of Dredge-XX commenced on 18 February 2022 and completed on 12 May 2022. DCI capitalised the spares cost of ₹614.48 lakh along with the dry dock expenditure. Audit observed

that spares valuing ₹202.41 lakh which were consumed after the period of dry dock repairs (till 31 March 2023) were also capitalised instead of charging off these expenses to repairs and maintenance. This has resulted in overstatement of Property, Plant and Equipment by ₹167.29 lakh, Depreciation by ₹35.12 lakh and understatement of Repairs & Maintenance (Vessels) by ₹202.41 lakh. Consequently, the profit before tax was overstated by ₹167.29 lakh.

4) Other Financial Assets (Note No.8)

Deposits-₹3440.02 lakh

Non-Provision of Liquidated Damages for Shortfall in Dredging at Paradip Port in Violation of Contract Terms

DCI was entrusted (02 May 2019) to carry out the Maintenance Dredging of Approach Channel, Entrance Channel, Turning Circle, Docks and Sand Trap at Paradip Port for the year 2019-20 at a cost of ₹68.56 crore. As per clause 10 of the general terms and conditions of the contract, in sand trap area, one dredger shall be deployed between 15 November 2019 and 01 December 2019 to dredge 1.0 million m and shall be completed by 15 March 2020. As per the clause No.11 (vii) Liquidated Damages (LD), in case of sand trap dredging, if the dredged quantity is less than 0.8 million m by 15 March 2020 then liquidated damages are applicable at the rate of dredging charge per m for the shortfall.

DCI dredged a quantity of 7.53 lakh m at Sand Trap area as against the minimum quantity of 8.00 lakh m and there was a short fall of 0.47 lakh m in achieving the minimum quantity. Accordingly, PPA recovered (01 June 2022) ₹3.06 crore towards LD from the retention money payable to DCI. However, DCI did not provide for this LD during the year. This has resulted in overstatement of Deposits (Retention Money) and understatement of Other Expenses by ₹3.06 crore. Consequently, the profit before tax was overstated by ₹3.06 crore.

15. Hooghly Dock & Port Engineers Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance Sheet as on 28 March 2023

Premature Transfer of Assets and Liabilities to Syama Prasad Mookerjee Port in Contravention of Ministry Directions

The Ministry of Port, Shipping and Waterways (Ministry) accorded 'in principle' approval (February 2022) to the framework of action for closure of the Hooghly Dock & Port Engineers Limited (Company). In this regard, Syama Prasad Mookerjee Port, Kolkata (Port) was advised by the Ministry to submit a proposal for transfer of assets and liabilities of the Company to effect the closure of the Company. The Board of the Port approved (13 February 2023) the proposal of transfer of assets, liabilities and litigation cases of the Company subject to completion of audit of accounts by both Statutory Auditors and the Office of the Comptroller and Auditor General of India, submission and filing of all statutory returns to all respective statutory authorities and also subject to acceptance by the Ministry. Accordingly, the Port conveyed (18 February 2023) such decision of the Board to the Ministry seeking approval on the same. The Ministry conveyed (13 March 2023) the approval for closure of the Company and transfer of assets, liabilities and litigation cases to the Port, subject to

completion of audited accounts by both statutory auditors and Office of the Comptroller and Auditor General of India

The Company, however, transferred all the assets, liabilities and litigation cases to the Port on 28 March 2023 pending audit by the statutory auditors as well as the Office of the Comptroller and Auditor General of India. The Balance Sheet was, therefore, made NIL and approved by the Board of the Company on 28 March 2023 by effecting net adjustment of (-) ₹680.81 lakh to the Reserves and Surplus of the Company.

Therefore, the transfer of such assets, liabilities and litigation cases pending audit was in contravention to the instructions issued by the Ministry and thus not in order. Further, the net adjustment of (-) ₹680.81 lakh effected to the Reserves and Surplus of the Company for such transfer of assets and liabilities to the Port could not be vouchsafed.

16. The Shipping Corporation of India Limited

Comments on Profitability

Year of Accounts- 2022-23

Statement of Profit and Loss

Sl. No. VIII Tax expense

Tax Pertaining to earlier years (-) ₹9309 lakh

Inappropriate Recognition of Tax Refund on Partially Allowed Appeal Without Supporting Evidence

An amount of ₹9309 lakh being income tax paid for earlier assessment years 2008-09 and 2022-23 was written back and acknowledged as profit in the Statement of Profit and Loss. The SCI has opted Tonnage Tax option under the Income Tax Act. According to this option a concessional rate of tax is applied on income from shipping activities. On the income from other than shipping activities, regular rate of income tax is charged.

For the assessment year 2008-09, SCI had made an appeal with Income Tax Appellate Tribunal for considering interest from bank deposits amounting to ₹227.68 crore as income from shipping activity. Tribunal passed its order on 14.03.2023 which stated, "the appeal by the assessee (SCI) is partly allowed for statistical purposes".

Based on the Tribunal's order and without waiting for refund order from the Income Tax Department, SCI accounted for ₹9314 lakh (₹77,58,19,031 A.Y. 2008-09 and ₹15,56,32,008 for A.Y 2022-23 on same grounds) as profit arising from tax refund.

Management has confirmed that they had neither received any refund order nor any communication regarding appeal by the Income Tax Department. Thus, the calculation for refund is not based on any concrete evidence. Hence, the accounting treatment of refund is not correct. This has resulted in overstatement of Profits and Income Tax Assets (Net of Provision) (Note-8) by ₹9309 lakh.

17. Talcher Fertilizer Limited

Comments on Financial Position

Year of Accounts- 2022-23

Other Financial Liabilities-Current Provision for expenses payable

Non-Provision of Land Development Expenditure in Violation of Ind AS 10 Adjusting Events

The Company has not provided for balance amount of ₹1.05 crore (Total bill amount of ₹3.55 crore against which ₹2.50 crore was provided for) towards the bills of ANS construction towards land development works executed during 16.01.2023 to 20.03.2023 which was received and certified in April 2023.

The non-provision is not in compliance of Para 8 of IND AS 10 which states that an entity shall adjust the amounts recognised in its financial statements to reflect adjusting events after the reporting period. Since the bill pertains to FY 2022-23 received in April 2023 therefore it falls under adjusting events and should have been provided for in the accounts.

The non-provision has resulted in understatement of 'CWIP-Land & Development' and 'Provision for expenses payable' by ₹1.05 crore each.

18. Hindustan Urvarak & Rasayan Limited

Comments on Financial Position

Year of Accounts 2022-23

Balance Sheet Liabilities

A.2 Deferred Tax Assets (net) (Note 21) ₹30.35 crore

Non-Creation of Deferred Tax Asset on Salary Provision in Violation of Ind AS 12

As per approval accorded in 53rd Board meeting held on 28.04.2022, an immediate and interim relief was given to all the employees of HURL including Fixed Term Contract, an ad-hoc increase of 15 per cent on the basic pay w.e.f. 01.01.2022. HURL created the provision for Salary revision and the amount paid to employee is treated as advances to employees as increased salary is pending to be approved by the competent authority.

In respect of Gorakhpur unit, provision of ₹4.15 crore created against this but the same was not considered while working out the deferred tax asset although the interim relief to the employees is an example of temporary difference and there is a timing difference item which qualifies for the creation of DTA as per IND AS 12.

This has resulted in understatement of Deferred Tax Assets and overstatement of loss both by ₹1.04 crore.

19. Rashtriya Chemicals and Fertilizers Limited

Comments on Profitability

Year of Accounts 2022-23

Statement of Profit and Loss

Profit for the year ₹967.15 crore

Incorrect Disclosure of Liability for Gas Price Differential as Contingent Liability

1. In accordance with the decision of Committee of Secretaries under Administrative Mechanism for Resolution of Disputes dated 17 June 2021 and MoP&NG guidelines (December 2015), GAIL raised a demand (24 February 2023) of ₹15.17 crore for differential price of domestic gas used for non-urea products. But instead of creating a provision for this liability, the Company disclosed the same as contingent liability stating that they had requested GAIL to re-calculate claims on an annual basis rather than on a monthly basis. GAIL has not accepted the contention of the Company, therefore, a provision should have been made in the accounts.

The non-provision has resulted in overstatement of profit for the year by ₹15.17 crore with consequent understatement of liabilities by same amount.

Non-Compliance with Policy on Import Parity Price for Surplus Ammonia

2. Para 2.4 of the policy relating to surplus ammonia from urea units approved (August 2008) by the Ministry of Chemicals and Fertilizers, the Import Parity Price (IPP) for a particular year will be the lower of- (i) the actual weighted average CIF price of Ammonia in India during the period of 12 months starting from the last month of the preceding year and including the first 11 months of the current year, and (ii) the average IPP (CIF) reported in three fertilizer magazines for the similar period. The exchange rate will be considered for the similar period as in case of average Reported price of ammonia for arriving at the price of INR.

The Company has not followed the above principle and instead considered the rates of 12 months of current year from one magazine (Fertiliser Week by British Sulphur, UK) and taken it as 867 USD. Whereas considering the rate of three magazines as prescribed by the above policy, it worked out to 899.90 USD. As 35 per cent of the gain is required to be shared with the Government, revenue of the Company is overstated with consequent understatement of liability (payable to Government) both by ₹11.87 crore".

20. AI Airport Services Limited**Comments on Profitability****Year of Accounts- 2022-23****Comments on Profitability****Statement of Profit and Loss****Current Tax-23.58 crore****Deferred Tax-(4.59) crore****Incorrect Recognition of Deferred Tax Asset on Already Utilized Tax Losses**

The unabsorbed loss brought forward from previous year (2021-22) was ₹65.05 crore. The same was adjusted as unabsorbed losses while computing the tax of ₹23.58 crore payable for the current year. However, the said brought forward loss amounting to ₹65.05 crore was also considered while computing the Deferred Tax expense of ₹16.37 crore as on 31 March 2023 and accordingly, the Deferred Tax Asset has been created for such absorbed loss. Para 5 of Ind AS 12 on Income Taxes states that 'Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of (a) deductible temporary differences; (b) the carry forward of unused tax losses, and (c) the carry forward of unused tax credits. Thus, as the unabsorbed loss was already considered while computing

the tax payable for the current year, therefore, the same should not have been considered while computing Deferred Tax Assets as there is no unabsorbed carry forward loss for the year ended 31 March 2023. This has resulted in overstatement of Deferred Tax Assets and understatement of Deferred Tax Expense by ₹16.37 crore. Consequently, profit after tax is also overstated to the same extent. The above has also rendered note no. 46 deficient to that extent. Further, non-reporting of the above said issue by the statutory auditor has rendered the Independent Auditor's Report deficient to that extent.

21. Airports Authority of India

❖ Comments on Profitability

Year of Accounts- 2022-23

Statement of Profit and Loss

Income-Airport Lease Revenue (Including PPP Airports) (Note No. 24)

Non-Reversal of Provisional Concession Fee Entry Resulting in Overstatement of Revenue and Receivables

A provisional invoice amounting to ₹8.44 crore was issued to PPP Concessionaire of Guwahati airport with respect to concession fee for the month of March 2023. Subsequently, AAI raised the revised invoice to the concessionaire based on actual passenger data for the month of March 2023. amounting to ₹8.41 crore as concession fee. This amount was recorded as receivable of ₹8.41 crore, but the provisional entry dated 31.03.2023 of the concession fee of ₹8.44 crore was not reversed. This has resulted into overstatement of Airport Lease Revenue and Trade Receivables by ₹8.44 crore, consequently profit is also overstated by ₹8.44 crore.

❖ Comments on Financial Position

Year of Accounts- 2022-23

A. Balance Sheet

Equity and Liabilities

1. Current Liabilities

1.2 Short term provisions (Note No. 6): ₹9,638.21 crore

Incorrect exhibition of Lapsed Input Tax Credit as Receivable

The above does not include an amount of ₹6.01 crore towards the lapsed Input tax Credit shown as receivable for the year 2021-22, for which the desired credit could not be availed. This has resulted in overstatement of Current Assets and understatement of Short term provisions by ₹6.01 crore. Consequently, profit for the year is overstated by ₹6.01 crore.

2. Assets

Fixed Assets

Capital Work-in-Progress (Note No. 11): ₹9,364.13 crore

Incorrect classification of completed Construction Work, under Capital Work in Progress

The above head included the work related to various construction projects, which were completed as on 31 March 2023, but instead of capitalising the same are still shown under CWIP. This has resulted in overstatement of Capital Work in Progress by ₹18.89 Crore, understatement of Fixed Assets by

₹17.64 Crore and understatement of depreciation by ₹1.25 crore, consequently profit for the year is also overstated by ₹1.25 Crore.

22. Pawan Hans Limited

Comments on Profitability

Year of Accounts 2022-23

Profit and Loss Account

Other Expenses: ₹4,272.59 Lakhs (Note No. 28)

Partial Recognition of Lease and Training Charges resulting in Understatement of Expenses and Liabilities

During the financial year 2022-23, Hindustan Aeronautics Limited (HAL) raised invoices valuing ₹681.35 lakh on Pawan Hans Limited (PHL) for monthly Dry lease charges and Training charges of Helicopters. However, out of the above invoices, PHL recognized only ₹550.07 lakh as other expenses, leaving an unaccounted balance of ₹131.28 lakh. This has resulted into understatement of "Other Expense" and "Current Liability" and consequent understatement of losses for the year by ₹131.28 lakh.

23. Bharat Sanchar Nigam Limited

❖ Comment on Profitability

Year of Accounts 2022-23

Statement of Profit and Loss-Expenses

1. Expenses-Employees benefit expenses: ₹795193 lakhs (Note No. 33)

Understatement of Pension Liability and Loss due to Non-Provisioning at Maximum Pay Scale

The above head is understated by an amount of ₹9707 lakhs due to non-provisioning for pension contribution at maximum pay scale for the period from 01.12.2011 to 30.09.2014. This has also resulted in understatement of loss by the same amount. This issue was commented upon last year also.

2. Depreciation and Amortisation Expenses: ₹565862 lakhs (Note No. 35)

Non-amortisation of Leasehold Land

The above head is understated by an amount of ₹1,72,266.93 lakhs due to non-inclusion of amortisation of leasehold lands in Core Network Tx North and Madhya Pradesh circles, which were treated as freehold lands by the Company in its books of accounts. This has also resulted in understatement of loss and overstatement of Property, Plant and Equipment by the same amount.

This issue was commented upon last year also.

3. Other expenses: ₹983441 (Note 36)

Non-Provision of DoT Penalties

The above head is understated by an amount of ₹20895.20 lakh due to non-inclusion of the penalty imposed by the TERM Cell of DoT on account of Customer Application Form (CAF) penalty and EMF penalty. This has resulted in understatement of loss also by the same amount. This issue was commented upon last year also.

❖ Comment on Financial Position

Year of Accounts 2022-23

1. Assets-Non- Current Assets

Property, Plant and Equipment: ₹8473361 lakh [Note No. 3 (1)]

Overstatement of PPE due to Non-reclassification of Monetisable Assets

The above head is overstated by ₹204670.94 lakh due to inclusion of assets that have been identified and approved by the Department of Telecommunication for monetisation in 2019 and 2020. This has also resulted in understatement of the 'Assets Held for Sale' by the same amount.

This issue was commented upon in the previous year also.

4. Current Assets-Other financial assets: ₹1045116 lakh (Note No.16)

Non-Writing Off dues from closed PSU

The above head is overstated by inclusion of amount of ₹4519.64 lakh shown recoverable from Hindustan Cables Limited which has been closed vide Union Cabinet's order in September 2016. This has also resulted in understatement of loss by the same amount.

5. Other Current Assets: ₹885944 lakh (Note No.18)

Overstatement of Advances due to Long-Outstanding unadjusted contractor payments

The above head is overstated by inclusion of amount of ₹3808.84 lakh on account of advances given to the contractors during the period of 2013 to 2019. These advances have neither been adjusted/reconciled or provided for in the books of accounts. This has also resulted in understatement of loss by the same amount.

6. Liabilities-Current Liabilities-Financial Liabilities-Trade Payables: ₹635980 lakh (Note 27)

Overstatement Due to Long-Pending Liabilities and Unclaimed Balances

The above head is overstated by including an amount of ₹21453 lakh pertaining to vendors, time barred cheques, EMD and Security deposit from contractors/Suppliers from more than three years. This has also resulted in overstatement of loss by the same amount.

24. National Informatics Centre Services Inc.

Comments on Profitability

Year of Accounts-2022-23

Income and Expenditure Account-Expenses

Other Expenses ₹6941.25 lakh (Note 29)

Non-Provision of demand raised by Department of Telecommunications in terms of License Fee Agreement

The above head is understated by an amount of ₹341.75 lakh due to non-provision of demand raised by DoT. In January 2023, in terms of License Fee agreement for interest and penalty for provision of VSAT services.

This also resulted in overstatement of Income by the same amount.

Year of Accounts-2021-22

Income and Expenditure Account-Expenses - Other Expenses (Note-28): ₹6883.76 lakh

The above head is understated by an amount of ₹285.34 lakh due to non-provisioning of interest payable to MSMEs in compliance of MSMED Act 2006. This has also resulted in overstatement of income by the same amount.

25. Food Corporation of India

❖ Comments on Profitability

Year of Accounts 2022-23

B. Statement of Profit and Loss

B.1 Employees Remuneration and Benefits (Note-J): ₹2970.96 crore

Non-Compliance with AS-15 in Accounting for Gratuity and Leave Encashment Liabilities

As per accounting policy disclosed, the Corporation is accounting for gratuity and leave encashment on cash basis based on the directions received (May 2001) from the Ministry. The total liability as disclosed in Note 16 (3) stood at ₹2632.23 crore (₹1955.68 crore for gratuity and ₹676.65 crore for leave encashment).

The Accounting policy is not in compliance with Para-61 of AS-15 which inter alia states that an enterprise should recognize the retirement benefit cost in the statement of profit and loss. Further out of three major considerations given in AS-1 for selection of an accounting policy- Prudence, substance over form and materiality, the accounting policy adopted by the Corporation is not correct in view of materiality.

Also, as per Para 23 of AS-1, 'disclosure of accounting policies or of changes therein cannot remedy a wrong or inappropriate treatment of the item in the accounts'. The incorrect accounting has resulted in understatement of expenditure and liabilities both by ₹2632.23 crore.

No corrective action was taken in spite of pointing it out on the accounts of 2021-22.

B.2 Other Receipts-₹185.07 crore

Recognition of Interest Income without approval from Ministry in violation of revenue recognition principles

This includes interest of ₹27.48 crore on Price Support Scheme operation (Note C2) of pulses, which has been accounted for as income without approval of the Ministry. This is not as per accounting standard, which inter alia states that 'revenue should not be recognized when an uncertainty attached with regard to its ultimate collection'. This has resulted in overstatement of income by ₹27.48 crore with consequent overstatement of receivables by same amount.

No corrective action was taken in spite of pointing it out on the accounts of 2021-22.

❖ Comments on Financial Position

Year of Accounts- 2022-23

Balance Sheet

A.1 Other Current Liabilities (Note-6)

Other Misc. Liabilities- ₹1104.83 crore

Incorrect disclosure and Non-Provision of Audit Fees payable to Comptroller & Auditor General

This does not include an amount of ₹54.40 crore (excluding GST at 18%) in respect of audit fees payable to Office of the Comptroller & Auditor General payable in terms of Section 34 (2) of Food Corporations Act (as amended in May 2000) pertaining to the years F.Y. 2017-18 to F.Y. 2022-23. This has resulted in understatement of other current liabilities by ₹54.40 crore with consequent understatement of other expenditure (Audit fees) to same extent.

Further, disclosure made below Note-K is not correct to the extent as audit fee is not under dispute as audit fee is payable as per provision contained in Section 34 (2) of Food Corporations Act.

Trade payables (Note-5): ₹28957.52 crore

Non-recreation of Liability towards Telangana State Cooperative Marketing Federation despite receipt of demand

A.2 The Corporation written back the amount of ₹9.86 crore pertaining to Telangana State Cooperative Marketing Federation (TSCMF) to income as time barred debt during 2022-23. But the liability was not recreated despite the fact of demand (27 February 2023) from TSCMF for 214.92 crore (₹9.86 crore as per FCI) as required by the prescribed procedure in terms of Accounting policy no. 17.

This has resulted in understatement of liability (Trade Payables) and overstatement of miscellaneous income both by ₹9.86 crore.

Non-inclusion of Liability towards Department of Civil Supplies and Consumer Affairs, Punjab

A.3 Trade Payables also does not include ₹14.31 crore payable to the Department of Civil Supplies and Consumer Affairs (DCSCA), Punjab on account of claims of State Procuring Agencies for custody and maintenance charges for Rabi Marketing Season 2007-08 to 2013-14. DCSCA, Punjab claimed an amount of ₹750.14 crore out of which Corporation acknowledged the liability of ₹501.81 crore but released ₹487.50 crore based on the direction of the GOI. The complete amount was not accounted for despite being pointed out in the accounts of the previous year.

This has resulted in understatement of Trade payables and expenditure both by ₹14.31 crore with consequent understatement of subsidy by same amount.

A.4 Current Assets

Trade Receivables (Note-11): ₹3912.46 crore

Overstatement of Trade Receivables due to non-adherence to Accounting Policy on Long Outstanding Government Dues

The above is overstated by ₹2515.78 crore due to inclusion of amounts receivable from Ministry of Rural Development (₹2454.03 crore) pending since 2007-08 and against MMTC ₹61.75 crore pending since 1991.

Since the amount is pending for more than 11 years, this should have been written off in accordance with Significant Accounting Policy 16 (a) which states that claims against the Central Government are carried in the books of accounts for consecutive ten financial years from the year of its origin in 11 years, these claims are written off as bad in the books of accounts, after following due procedure. This has resulted in overstatement of trade receivables and understatement of expenditure by ₹2515.78 crore with consequent understatement of 'Other Expenditure' by same amount.

No corrective action was taken in spite of pointing it out on the accounts of previous two years.

Overstatement of Trade Receivables and Customer Deposits due to non-adjustment of dues realised from the Ministry of External Affairs

A.5 Trade Receivables is overstated due to non-adjustment of ₹44.23 crore received against long pending dues of ₹47.99 crore on 17.03.2023 from MEA against the supply of wheat to WFP for onward supply of fortified biscuits to Afghanistan as humanitarian assistance. This has resulted in the overstatement of Trade Receivables (MEA) to the extent of ₹44.23 crore and overstatement of liability (Deposits from Customers for Sales) to the same extent.

26. Central Warehousing Corporation

Comments on Profitability

Year of Accounts-2022-23

Capital and Liabilities

Outstanding Liabilities

Outstanding Liabilities- ₹601.17 Crore

Non-Provision of Firm Customs Demand resulting in understatement of Liabilities and overstatement of Profit

A.1 The above does not include an amount of ₹259.69 lakh for the period 2021-22 and 2022-23 on account of cost recovery charges payable to Custom Authorities.

The customs Authorities has sent demand notice dated 13.04.2023 wherein demand of ₹8.08 crore (₹30.02 lakh + ₹518.51 lakh + ₹259.69 lakh) was raised. In response CWC stated that the amount of ₹30.02 lakh has already been paid and for ₹5.18 crore, enquiry is going on and for ₹2.60 crore they have asked for further details. Therefore, demand of ₹2.60 core is firm and a provision should have been made.

This has resulted in understatement of outstanding liabilities and overstatement of profit for the year both by ₹2.60 crore with consequent overstatement of Contingent Liabilities by same amount.

Understatement of Liabilities due to Non-Provision of Railway Cost and Maintenance Charges

A.2 The above also does not include ₹3.98 crore payable to Northern Railways in respect of cost of commercial staff and inspection & maintenance Charges for CWC siding at Loni (Noli as per Railway records).

The demand for Inspection and Maintenance charges amounting to ₹5.24 crore pertaining to 2018-19 to 2022-23 was raised out of which CWC has already paid demand up to 2021-22 (₹3.65 crore) therefore, there is no point showing the demand for 2022-23 as contingent liability as only request for waiver has been made but not yet accepted by the Railways. Moreover, CWC has already acknowledged the liability by making payment of ₹3.65 crore. Therefore, a provision for ₹1.59 crore is required to be made.

Further, the same demand letter (06.04.2023) includes demand of ₹2.39 crore towards cost of staff posted at ICD Loni for which CWC stated that demand is under reconciliation which does not absolve CWC from creating the liability. Thus, outstanding liabilities are understated by ₹3.98 crore.

The non-provision has resulted in understatement of outstanding liabilities and overstatement of profit for the year both by ₹3.98 crore with consequent overstatement of Contingent Liabilities by same amount.

27. Gliders India Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance Sheet

Other Current Liabilities (Note 13): ₹79.36 crore

Non-Provision of Liability towards Army's Claim for cancelled parachutes

The above does not include an amount ₹9.94 crore being liability for the Army's claim in respect of cancellation of 96 Combat Free Fall (CFF) Parachutes procured from Ordnance Parachute Factory (OPF) Kanpur.

Ministry of Defence placed (October 2008) an indent on Ordnance Equipment Factories Group HQ Kanpur for supply of 700 Parachutes System at a total cost of ₹55.35 crore. OPF supplied 96 CFF Parachutes amounting to ₹9.94 crore lakh to Army between 2010 and 2015. The Army however, decided (November 2019) to return these CFF parachutes to OPF by the Army due to Quality related issues.

Subsequently, Army cancelled (December 2019) the said indent and conveyed the sanction of competent authority for recovery of ₹9.94 crore from OPF, Kanpur. GIL claimed (January 2023) an amount of ₹9.94 crore from the MoD, which was released (March 2023) by MoD as Emergency Authorisation Fund. Though GIL received the amount from MoD, it, however, did not create any liability of ₹9.94 crore for the Army's claim in their financial statement for the year ended 31 March 2023.

This has resulted in understatement of Current Liabilities and over statement of other equities of GIL by ₹9.94 crore.

28. Munitions India Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance Sheet

Non-Current Assets

Property, Plant and Equipment {Note 4(a)}: ₹3305.17 crore

Freehold Land: ₹73.09 crore

Non consideration of Market Value of land

Above does not include an amount of ₹27093.01 crore being the difference of market value of Land (₹27166.10 crore) as per Registered Valuer's report and the value of Land Booked (₹73.09 crore) by the Company. Non-considering the market value of Land has resulted in understatement of Assets and Other Equity by ₹27093.01 crore.

29. Advanced Weapons and Equipment India Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance Sheet

Non- Current Assets

Property, plant and Equipment (Note 05): ₹1887.84 crore

Freehold Land: ₹ 32.04 crore

Non-Recognition of Market Value and incomplete disclosure of Land Reconciliation

Above does not include an amount of ₹12159.79 crore being the difference of market value of Land (₹12191.83 crore) as per Registered Valuer's Report and the value of Land booked (₹32.04 crore) by the Company. Non-considering the market value of Land has resulted in understatement of Assets and Other Equity by ₹12159.79 crore.

Further, the factory wise reconciliation of transferred Land and actual Land taken over has not been disclosed in the Financial Statements of the Company for the year ended 31 March 2023

30. Higher Education Financing Agency

Comments on Financial Position

Year of Accounts- 2022-23

A.1 Balance Sheet

Non-financial Assets

Current Assets (Net)- Note 7: ₹11.33 crore

Understatement of Current Assets due to Non-accounting of TDS on accrual basis The Company has not accounted for TDS on accrual basis and accounted for ₹11.33 crore instead of ₹12.39 crore shown in Form 26AS. This has resulted in understatement of current assets by ₹1.06 crore.

31. IFCI Limited

Comments on Profitability

Year of Accounts- 2022-23

Assets: Financial Assets Loans (Note 7): ₹1799.19 crore

Loan has been overstated and loss for the year has been understated by ₹283.43 crore as detailed below:

Non-writing off NPA Exposure in Pioneer Gas Power Limited

(i) Above includes principal outstanding of ₹434.72 crore against M/s Pioneer Gas Power Limited (PGPL) which turned into Non-Performing Asset on 31 March 2018. IFCI has security in the form of first pari-passu charge on the assets of PGPL along with other lenders. As per the latest valuation reports (February 2022) of three valuers, the average fair value (with obsolescence) of the project worked out to ₹393.44 crore. The Company approved the reserve price of ₹375 crore in line with State Bank of India for sale of the entire assets in June 2022. However, the same could not proceed further and fresh valuation has been called for (May 2023). As the average fair value of the security is ₹393.44 crore, considering IFCI's share of 28.02 per cent, maximum possible recovery is ₹110.24 crore (28.02 per cent of ₹393.44 crore). Therefore, the balance amount of ₹324.48 crore (434.72 crore minus ₹110.24 crore) should have been written off.

Non-writing off the balance amount of ₹324.48 crore has resulted in understatement of loss by ₹91.50 crore (after adjustment of impairment loss allowance of ₹232.98 crore (71.80 per cent)) and overstatement of loan by same amount.

Non-writing off irrecoverable Principal from Gran Electronics Private Limited

(ii) On the Company's approaching the National Company Law Tribunal (NCLT) for recovery of outstanding principal dues of ₹135.81 crore towards loan given to Gran Electronics Private Limited (GEPL), NCLT ordered (February 2021) liquidation process. Accordingly, the liquidation value was assessed to be ₹10.37 crore. The Company received an amount of ₹14.79 crore after liquidation of assets and adjusted the same towards interest. As no further recovery is expected, the outstanding principal of ₹135.81 crore should have been written off.

Non-writing off the balance amount of ₹135.81 crore has resulted in understatement of loss by ₹38.30 crore [after adjustment of impairment loss allowance of ₹97.51 crore (71.80 per cent)] and overstatement of loan by same amount

Despite being pointed out during FY 2020-21 and 2021-22, no corrective action was taken by the Company.

Non-writing off irrecoverable dues from Videocon Industries Limited as per NCLT-approved resolution plan

iv) As per the NCLT decision and resolution plan approved on 8 June 2021, IFCI's claim (1.03 per cent) from Videocon Industries Limited (VIL) was restricted to the maximum of ₹70.31 crore against the outstanding dues of ₹382.21 crore. Further, as per Management, an amount of ₹125 crore in the form of fixed deposits was not considered for distribution among the creditors and an amount of ₹302 crore was misclassified under 'unsecured claims instead of secured claims'. Considering the same in favour of the Company, the maximum additional recovery worked out to ₹4.40 crore (1.03 per cent of ₹427 crore). Thus, the maximum recoverable from VIL worked out to ₹74.71 crore only (₹70.31 crore plus ₹4.40 crore) against the total outstanding amount of ₹382.21 crore. Therefore, balance amount of ₹307.50 crore (₹382.21 crore minus ₹74.71 crore) should have been written off.

Non writing off the balance amount of ₹307.50 crore has resulted in understatement of loss by ₹86.71 crore (after adjustment of impairment loss allowance of ₹220.79 crore (71.80 per cent)) and overstatement of loan by same amount.

Despite being pointed out during FY 2020-21 and 2021-22 respectively, no corrective action was taken by the Company.

Overstatement of Loans due to Non-writing off Irrecoverable Dues

(v) Above includes outstanding principal of ₹90.94 crore against Liz Traders and Agents Private Limited (LTAPL). Due to default by LTAPL, a case was filed before Resolution Professional (RP). RP informed that there are no assets other than security and financial assets in the corporate debtor and no business has been conducted for the last 3-4 years. It was observed that IFCI has exclusive charge of a property at Kollum, Kerala only, which is having a fair value of ₹32.69 crore only. As no other security is available with the Company, the balance amount of ₹58.25 crore (₹90.94 crore minus ₹32.69 crore) should have been written off.

Non-writing off the balance amount of ₹58.25 crore has resulted in understatement of loss by ₹16.43 crore [after adjustment of impairment loss allowance of ₹41.82 crore (71.80 per cent)] and overstatement of loan by same amount.

Despite being pointed out during FY 2020-21 and 2021-22 respectively, no corrective action was taken by the Company.

32. India Infrastructure Finance Company Limited

Comments on Profitability

Year of Accounts- 2022-23

Balance Sheet

❖ Liabilities and Equity

Non-Functional Liabilities - Other Non-Financial Liabilities (Note No. 17)

Sundry Liabilities Account (Interest Capitalisation): ₹301.30 crore

Interest Income (Note No. 20): ₹4031.36 crore

Non-recognition of Deferred Interest Income on Term Loans on accrual basis

A reference is invited to Modified Independent Auditor's Report for the Financial Year 2020-21 (based on C&AG's observations) wherein it was pointed out that Profit before Tax was understated by ₹459.15 crore and Sundry Liabilities were overstated by the same amount due to reversal of interest income which accrued during the moratorium period on term loans. India Infrastructure Finance Company Limited (IIFCL, the Company) did not take any corrective action during FY 2021-22, and it was commented (vide comment no. A.1) that the Company recognised the deferred interest income of ₹60.46 crore on cash basis and did not recognise the balance interest income of ₹398.69 crore which resulted in non-compliance of accrual basis of accounting.

The Company, during current year i.e., FY 2022-23, received deferred interest income ₹107.01 crore which has been recognised as income on cash basis. However, the balance interest income of ₹301.03 crore has not been recognised, resulting in non-compliance of accrual basis of accounting.

This has resulted in understatement of prior period interest income by ₹408.04 crore, overstatement of Sundry Liabilities Account (Interest Capitalization) by ₹301.03 crore and other income by ₹107.01 crore. Consequently, Profit for the year is also understated by ₹301.03 crore.

❖ Assets

Financial Assets-Loans (Note No. 4): ₹42315.99 crore

Liabilities

Non-Financial Liabilities-Provisions (Note No. 16): ₹2432.17 crore

Non-compliance with Accounting Policy on De-recognition of Financial Assets in Respect of Long-standing NPAs and Terminated Projects

(1) A reference is invited to the Significant Accounting Policy No. 5.3(a) for De-recognition of financial assets which stipulates that, *Projects where Concession Agreement (CA) has been terminated by the Project Authority, loan account is derecognized in the financial year in which the contract is terminated.* Further Policy 5.3(d) stipulates that, *"A loan asset other than cases under Strategic Debt Restructuring Scheme (SDR), Scheme for Sustainable Structuring of Stressed Assets (S4A), Outside Strategic Debt Restructuring (SDR) scheme applicable as per RBI Regulations and considered withdrawn pursuant to RBI Notification No. RBI/131 DBR No BP.BC. 101/21.04.048/2017-18 dated February 12, 2018 or any other mutually agreed restructuring/settlement process shall be derecognized in case the loan asset has been categorized as Non-Performing Asset (NPA) for more*

than 5 years or the scheduled commercial operations of the project have been delayed for more than 4 years unless any substantive offer for sale/realization of loan asset is available".

Overstatement of Loans and Profit due to Non-derecognition of NPA from Indore Dewas Tollways Limited despite Project Termination and Absence of Realizable Offer

(a) Loan account of M/s Indore Dewas Tollways Limited (IDTL) was overdue with IIFCL (the Company) and turned into Non-Performing Asset on 31 December 2019. Principal outstanding against IDTL is ₹116.02 crore as on 31 March 2023 against which provision of ₹93.61 crore (80.68 per cent) has been made. Project Authority (National Highways Authority of India) also terminated the Project on 16 December 2022 citing various faults on the part of the Concessionaire (IDTL). Lenders have filed a joint suit for debt recovery which is pending at Debt Recovery Tribunal, Hyderabad.

Though there was no substantive offer available for realization of loan asset, the same has not been derecognized which resulted in non-compliance to the aforesaid Significant Accounting Policy and conservatism principle of accounting.

This has resulted in overstatement of loans by ₹116.02 crore, Provisions by ₹93.61 crore and Profit for the year by ₹22.41 crore (₹116.02 crore ₹93.61 crore).

Non-derecognition of NPA from SEW Krishnagar Baharampore Highways Limited in Absence of Realizable Offer and Delayed Project Completion

(b) IIFCL (the Company) sanctioned (May 2011) a loan of ₹100 crore (disbursed ₹99.82 crore) to M/s SEW Krishnagar Baharampore Highways Limited (SKBHL) for development of 78 km stretch from Krishnagar to Baharampore in West Bengal on Design, Build, Finance, Operate & Transfer Annuity basis with scheduled Commercial Operation Date (COD) of July 2014. However, SKBHL could not service the dues of IIFCL due to substantial delay in Project and the Loan account turned into Non-Performing Asset on 30 June 2018. Provisional COD was achieved in February 2020 with a delay of five and half years and COD is not yet achieved. Principal outstanding against SKBHL is ₹99.82 crore as on 31 March 2023 against which provision of ₹78.99 crore (79.13 per cent) has been made.

State Bank of India (the lead Bank) has sold (July 2023) its share to an Asset Reconstruction Company (M/s ACRE). IIFCL is also exploring possibility of selling its share on the similar lines.

Though there was no substantive offer available for realization of loan asset, the same has not been derecognized which resulted in non-compliance to the aforesaid significant Accounting Policy and conservatism principle of accounting.

This has resulted in overstatement of loans by ₹99.82 crore, Provisions by ₹78.99 crore and Profit for the year by ₹20.83 crore (₹99.82 crore minus ₹78.99 crore).

33. National Insurance Company Limited

Comments on Profitability

Year of Accounts- 2022-23

A.1 Balance Sheet

Provisions (Schedule-14)

Premium Deficiency Reserve: ₹161.91 crore

Loss after Tax: ₹3865.40 crore

Understatement of Premium Deficiency Reserve (PDR) and Loss due to Incorrect Set-off across Sub-segments in violation of IRDAI Guidelines

As per IRDAI circular (July 2013), Premium Deficiency shall be recognized at Segmental Revenue Account level. In computing the overall Premium Deficiency in the Miscellaneous Revenue account level, the Premium Deficiency arising out of Motor Third Party portfolio including erstwhile Motor Pool, Declined Risks Pool and other Pools which may operate need not be recognized.

Contrary to IRDAI circular, Company set off the negative figures of PDR of ₹190 crore in Motor Third Party sub-segment with the positive figure of PDR pertaining to the other sub-segments under Miscellaneous Revenue Segment.

This has resulted in understatement of Premium Deficiency Reserve with corresponding understatement of Loss by ₹190 crore.

A.2 Balance Sheet

Provisions (Schedule-14)

Unearned Premium Reserve: ₹6202.23 crore

Loss after Tax: ₹3865.40 crore

Inappropriate recognition of Unearned Premium Reserve for expired risk under Ayushman Bharat Pradhan Mantri Jan Arogya Yojana and Mukhyamantri Swasthya Bima Yojana Policies

The above includes an amount of ₹312.85 crore being the Unearned Premium Reserve created for the premium received in 2022-23, against the policies issued prior to 2022-23 to Jharkhand State Aarogya Society for servicing Ayushman Bharat Pradhan Mantri Jan Arogya Yojana and Mukhyamantri Swasthya Bima Yojana (AB-PMJAY & MSBY) and the risks for which have already been expired.

This has resulted in overstatement of Provisions, Reserves for Unexpired Risk and Loss for the year by an amount of ₹312.85 crore.

A.3 Miscellaneous Revenue Account for the year ended 31st March 2023

Claims Incurred (Net): ₹12264.91 crore

Loss after Tax: ₹3865.40 crore

Understatement of Claims Outstanding and Loss due to Systemic Error in Interest Provisioning on Motor Third Party Claims

Interest provisioning of ₹100.12 crore on Motor Third Party claims was understated due to an inadvertent error in the calculation in IT System for the tie-up business.

This has resulted in understatement of Claims Outstanding under Current Liabilities by ₹100.12 crore with corresponding understatement of Miscellaneous Claims Incurred (Net) by the same amount. Loss was also understated by ₹100.12 crore.

A.4 Miscellaneous Revenue Account for the year ended 31st March 2023

Premium Earned (Net): ₹11577.98 crore

Loss after Tax: ₹3865.40 crore

Overstatement of Premium Earned due to Non-provision of refund Premium under AB-PMJAY & MSBY

Refund premium of ₹134.82 crore did not book by the Company while servicing the Ayushman Bharat Pradhan Mantri Jan Arogya Yojana and Mukhyamantri Swasthya Bima Yojana (AB-PMJAY & MSBY) during 2022-23.

Thus, non-provision of refund premium of ₹134.82 crore has resulted in overstatement of Premium Earned (Net)-Miscellaneous as well as understatement of loss by the same amount.

34. The Oriental Insurance Company Limited

Comments on Profitability

Year of Accounts- 2022-23

Balance Sheet

Provisions (Schedule (14): ₹8526.26 crore

Reserve for Unexpired Risk: ₹7061.75 crore

Incorrect creation of Unearned Premium Reserve for expired policies in violation of IRDA Guidelines and Company's own accounting policy

The above includes ₹220.75 crore being the Unearned Premium Reserve (UPR) created for the premium received in 2022-23 against the policies issued for the year(s), prior to 2022-23 (i.e., up to 2021-22) and risks for which have already been expired during 2022-23.

IRDA circular dated 03.07.2013 and IRDA circular dated 04.04.2016 stipulate that Unexpired Risk Reserve/Reserve for Unexpired Risk (RUR) shall be the amount representing that part of premium written which is attributable to and to be allocated to the succeeding accounting periods. Accordingly, Accounting Policy No-5.3, inter alia, stipulates that RUR represents the net premium attributable to succeeding accounting year(s). However, in respect of cases pointed out by audit, policy period has already expired during 2021-22, thus no UPR should have been created against these policies.

Creation of UPR on the policies, risks for which have already been expired up to 31 March 2023 has resulted in overstatement of Reserves for unexpired risk and losses for the year by ₹220.75 crore.

Corrective action has not been taken by the Company in this regard despite the fact that above issue was highlighted vide comment no. A.1 on the financial statements of the Company for the year 2021-22.

Balance Sheet

Current Liabilities (Schedule 13)- ₹22876.08 crore

Claims Outstanding- ₹18158.50 crore

Net Claims Incurred (Schedule 2)- ₹14859.11 crore

Understatement of Claims and Losses due to Incomplete and Unsupported Journal Voucher Adjustments for Ayushman Bharat and Reinsurance Claims

Company passed a Journal Voucher (JV) at Head Office level in April 2023 to book the figures of claims intimated upto 31 March 2023 but not recorded in the books of Regional Offices. Following discrepancies were observed in this:

A. An amount of ₹157.05 crore was not included in the above JV towards Claims intimated by the policyholders in respect of Ayushman Bharat up to 31 March 2023 in Regional office, Ahmedabad. This is not in compliance with the Accounting Policy No. 6 (a) of the company which stipulates that estimated liabilities need to be booked for the claim intimated up to the year end.

This has resulted in understatement of Current Liabilities as well as losses for the year by ₹157.05 crore.

Further, out of the claims outstanding of ₹380.91 crore in respect of Ayushman Bharat in Regional Office, Ahmedabad, there was no records found available for ₹363.66 crore. In absence of any supporting documents, correctness of the booking of outstanding claims of ₹363.66 crore cannot be ensured in audit.

B. Further, while booking the claims of ₹107.35 crore in other than crop segment through aforesaid JV, the Company did not consider the figures of re-insurance ceded. This has resulted in overstatement of Net Claim incurred and losses for the year by ₹19.82 crore.

35. Bank Note Paper Mill India Private Limited

Comments on Profitability

Year of Accounts- 2022-23

Statement of Profit and Loss

Other Income (Note 26)-₹6935.35 lakh

Non-recognition of interest receivable from Income Tax Department for AY 2012-13

The above head is understated by an amount of ₹274.69 lakh due to non-inclusion of the interest receivable from the Income Tax Department towards excess income tax paid for the Assessment year 2012-13 which has been confirmed by the Income Tax Department vide their letter dated 14th December 2022.

This has also resulted in understatement of profit by the same amount.

36. Central Registry of Securitisation Asset Reconstruction and Security Interest of India

Comments on Profitability

Year of Accounts- 2022-23

Statement of Income and Expenditure

Depreciation and Amortization expenses (Note No. 3.1, 3.2, 3.3): ₹10.32 crore

Assets-Non-Current Assets - Property, Plant and Equipment

Right of Use (Note No. 3.2): ₹58.36 crore

Overstatement of Right-of-Use Assets and Other Equity due to incorrect amortization start dates in violation of Ind AS 116

(a) Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI, the Company) acquired office and residential space from NBCC Limited on lease for a period of 30 years, commencing from the dates of taking over the physical possession of the said space which are, Office space: w.e.f. 11 January 2018, One type VI flat: w.e.f. 28 December 2018, One Type V flat

: w.e.f. 25 September 2019 and Two type IV flats: w.e.f. 28 August 2020. The Company paid ₹65.13 crore for the said space that included ₹3.00 crore towards registration charges/stamp duty and entered (December 2021) into a lease agreement with Ministry of Housing and Urban Affairs.

As per Ind AS-116 (Leases), a right-of-use asset should be recognized at the commencement date. As the commencement dates in the above case were the dates of taking over of physical possession, the lease amount including registration/stamp duty charges should have been amortized by the Company over a period of 30 years commencing from the dates of taking over the physical possession. However, the Company started amortizing the lease amount from the following dates; Office space: w.e.f. 23 February 2019, One type VI flat: w.e.f. 04 July 2020, One Type V flat: w.e.f. 05 June 2020 and Two type IV flats: w.e.f. 19 January 2021.

Commencing of amortization from incorrect dates has resulted in understatement of Depreciation & amortization charges and overstatement of Right of Use Assets by ₹2.61 crore. Further, other equity is also overstated to the same extent.

Misclassification of leasehold improvements as Right-of-Use Assets resulting in misstatement of asset values and depreciation charges

(b) The Company incurred ₹1.59 crore towards interior works viz. civil works, plumbing, firefighting, etc. carried out by NBCC Limited in leased office space allotted to the Company for 30 years and booked the same under Right of Use assets and started amortizing w.e.f. 23 February 2019.

As the said work was related to leasehold improvements, the same should have been shown separately from Right of Use assets and the depreciation should have been charged considering the useful life of 10 years commencing from the date of completion of the said work i.e., w.e.f. 15 January 2019.

Incorrect accounting treatment of leasehold improvements has resulted in overstatement of Right of Use assets by ₹1.37 crore (₹1.59 crore minus ₹0.22 crore) and understatement of leasehold improvements by ₹0.92 crore (₹1.59 crore minus ₹0.67 crore). Further, this has also resulted in understatement of depreciation/amortization expenses and overstatement of profits/other equity by ₹0.45 crore (₹0.67 crore minus ₹0.22 crore).

37. India First Life Insurance Company Limited

❖ Comments on Profitability

Year of Accounts- 2022-23

Form A-RA

Operating Expenses related to insurance business ₹84,42,533.39 in thousand (Schedule 3)

Advertisement & Publicity ₹24,91,687.48 (in thousand)

Overstatement of Advertisement & Publicity Expenses and Liabilities due to premature provisioning for Million Dollar Round Table conference expenditure

The above includes a provision for sales promotion expense of ₹17 crore created towards global conference being organised by Million Dollar Round Table (MDRT) in August 2023 at Singapore which became due in May 2023. As it pertained to sales promotion, the benefits therefrom would not arise in 2022-23, but only during or after the event is scheduled. Hence, the booking of expenditure

and provisioning was not required in 2022-23. Though Management later contended that this was for honouring business sourced in 2022-23, it is noteworthy that the amount was classified as advertisement and publicity, and not as rewards to intermediaries under Commissions, nor were these reported to IRDAI under regulatory disclosures on rewards. Hence, Advertisement & Publicity and Current Liabilities are overstated by ₹17 crore with understatement of Profit by the same amount.

❖ Comments on Financial Position

Year of Accounts- 2022-23

Current Liabilities

Sundry Creditors ₹247897.66 (in thousand)

Overstatement of assets and liabilities due to Incorrect booking of unpaid Stamp Duty as Prepaid Expense and Sundry Creditor

Section 128 of the Companies Act, 2013 requires that *every company shall prepare and keep at its registered office books of account and such books shall be kept on accrual basis and according to the double entry system of accounting.*

According to Section 143 (1) of the Act, *every auditor of a company may inquire into whether transactions of the company which are represented merely by book entries are prejudicial to the interests of the company.*

Management assertions implicit in financial statements on account balances at the period end include existence (assets, liabilities exist), rights and obligations (the entity holds or controls the rights to assets and liabilities are the obligations of the entity); and on presentation and disclosure, they include occurrence, rights and obligations (disclosed events, transactions and other matters have occurred and pertain to the entity); and on classes of transactions and events for the period under audit, they include occurrence and cut-off.

As per para 13.07 of the Guidance Note on Terms Used in Financial Statements issued by ICAI, *prepaid expense means payment for expense in an accounting period, the benefit for which will accrue in the subsequent accounting period/s.*

In the context of the above, an issue in book-keeping and accounting was observed as follows.

Stamp duty for the financial year 2023-24 amounting to ₹3 crores was shown under prepayments and Sundry Creditors Chronologically, logically and factually, an accounting entry for booking prepayment would arise only where a payment has already been made in respect of expenditure relating to subsequent accounting period Similarly, a liability would be created only if it was felt that there was an obligation in this regard as at the end of the accounting year. The Company, while stating the voucher was raised, processed and booked in March 2023, also stated that both the prepaid expenses and sundry creditors were booked in one accounting entry. This is self-contradictory. Though supporting documents were sought in this regard, they were not provided to Audit.

While the amount was shown as prepaid, it was not actually paid as on 31 March 2023. Thus, the asset did not exist as on that date. As the stamp duty expense relates to 2023-24, there was no obligation as on 31 March 2023 either.

An entry relating to prepaid expenses implicitly involves an expectation that payment would have been made (with effect on cash and bank balance). Passing book entries on the same without actual payment

and creating non-existent assets and liabilities, is not in line with established, and credible accounting practice.

This has led to overstatement of current liabilities with corresponding overstatement of Advance and Other Assets by ₹3 crore.

38. Stockholding Corporation of India Limited

Comments on Financial Position

Year of Accounts- 2022-23

Other Financial Liabilities- ₹81620 lakh

Overstatement of Income, Profit, and Reserves due to Incorrect recognition of Interest on Unclaimed Relief Bond Deposits as Company Income

The above does not include ₹2039 lakh, being the interest earned on Fixed Deposits created out of the amount to be paid to the bondholders of Relief Bonds, issued by Reserve Bank of India through the Company, which has remained unclaimed by the bondholders. The interest of ₹2039 lakh has been booked by the Company as income over the years.

As the amount of the Fixed Deposit is not owned by the Company, the interest earned thereon is a liability and not an income of the Company. This has resulted in understatement of 'Other Financial Liabilities' by ₹2039 lakh with overstatement of 'Other Income' and 'Profit' for the current year by ₹118 lakh and overstatement of 'Reserves and Surplus' by ₹1921 lakh.

39. NEPA Limited

Comments on Profitability

Year of Accounts- 2022-23

Balance Sheet

Current Assets

Short Term Loans and Advances (Note No. 17): ₹6120.27 lakh

Claim Receivable: ₹837.27 lakh

Understatement of Provision for Doubtful Claims and Loss due to Non-provisioning of Unrecoverable Penalty Amount Wrongly Shown as Receivable from EPFO

The above includes ₹7.27 crore on account of penalty paid (₹3.41 crore) by NEPA for the period June 2004 to March 2011 and the penalty recovered (₹3.86 crore) by Employees Provident Fund Organisation (EPFO) for the period December 2014 to October 2017 by attachment of bank accounts of NEPA, due to delay in remittance of Provident Fund contribution by NEPA. This amount has been shown as recoverable from EPFO on the plea that relief thereof would be given by the Board for Industrial and Financial Reconstruction (BIFR).

Audit observed that NEPA appealed (June 2014) to EPFO for waiver of the penalty for the period June 2004 to March 2011 in view of poor financial position of the Company. EPFO rejected (August 2014) the request of the Company as the conditions for waiver of penalty were not met. Further, in subsequent correspondence (November 2021) with EPFO on the matter, the Ministry of Heavy Industries as well as the Company did not insist for refund of the penalty pertaining to the above period. Also, while challenging the attachment of bank accounts (by EPFO for recovery of penalty for the period

December 2014 to October 2017) in the Appellate Tribunal constituted under the Employees Provident Fund and Miscellaneous Provisions Act, 1952, NEPA did not claim the amount of penalty pertaining to the period June 2004 to March 2011.

In view of the above, the possibility of recovery of penalty amounting to ₹3.41 crore pertaining to the period June 2004 to March 2011 is remote and therefore provision for ₹3.41 crore should have been made. Non-provision against the claim receivable has resulted in understatement of Provision for bad & doubtful claims by ₹3.41 crore and Loss for the year to the same extent.

40. Engineering Projects (India) Limited

Comments on Profitability

Year of Accounts- 2022-23

Other Non-Current Assets (Note No. 2.12): ₹474.05 crore

Short Provisioning against Long-Outstanding dues from Uranium Corporation of India Limited (UCIL) in Violation of Company's Accounting Policy

A reference is invited to the Significant Accounting Policy No. 10 of Engineering Projects (India) Limited (EPIL, the Company) which stipulates that, *"The amount of Trade Receivables/ Loans and Advances in closed projects, pertaining to Central/State Governments and their Departments, PSU clients and Foreign clients are considered good for realization upto 10 years from the year these became due. These debts are under constant persuasion for realization till final settlement made with the client(s) or verdict is passed by the arbitral tribunal/court, in case of dispute. Necessary provision against doubtful debts/loans and advances for net receivable amount on project basis is made in case the dues are outstanding for more than 10 years based on the previous experience/progress/assessment of the matter by the Management. Trade receivables/Loans and Advances are written-off when considered unrealizable. For the cases pending with Arbitrator/Tribunal/Court no provision is made"*.

The Company has a recoverable of ₹23.55 crore from Uranium Corporation of India Limited (UCIL) pending realization for more than 10 years and against which a provision of ₹4.44 crore only has been made. Further, an amount of ₹7.18 crore is also payable to different vendors/sub-contractors against these receivables. In this regard, it was observed that EPIL undertook work in respect of two Uranium Ore Processing Projects at Jharkhand during 2004 to 2007. EPIL could not complete the entire scope of work due to paucity of funds and had to request UCIL to get the remaining works carried out by itself which was got completed by UCIL by engaging other contractors. The matter went into dispute with UCIL and has not been resolved as on date. Accordingly, Audit is of the view that EPIL should have made further provision to the extent of ₹11.93 crore (₹23.55 crore *minus* ₹7.18 crore *minus* ₹4.44 crore) in line with their above-mentioned Accounting Policy.

Thus, the short-provisioning has resulted in overstatement of Other Non-Current Assets and Profit for the year by ₹11.93 crore.

Despite being pointed out by the Statutory Auditor in his Audit Report for the years 2018-19 to 2022-23, no corrective action has been taken by the Company.

41. Cement Corporation of India

Comments on Profitability

Year of Accounts-2022-23

Liabilities

Other Current Liabilities (Note No. 09): ₹77.58 crore

Understatement of Liabilities and Overstatement of Profit due to Inadequate Provisioning for Arbitral Award Payable to SAIL

Above does not include ₹6.44 crore on account of amount payable to Steel Authority of India Limited (SAIL). Cement Corporation of India (CCI) and SAIL had entered into an agreement (June 1991) for sale of granulated slag. CCI became irregular in payment to SAIL and was declared as a sick industrial company due to erosion of its net worth and was referred to the Board for Industrial and Financial Reconstruction (BIFR). BIFR sanctioned (21 March 2006) a rehabilitation scheme wherein CCT's liability towards SAIL was stated to be ₹4.42 crore. Thereafter, dispute arose between the parties with regard to the interest payment and the matter went (June 2011) before the Permanent Machinery for Arbitration. The Arbitrator decided (April 2013) that CCI was liable to pay only ₹181.23 lakh to SAIL without any interest. Aggrieved with this decision, SAIL filed a writ petition in Delhi High Court which referred the matter (February 2017) to the Arbitral Tribunal (appointed by the Court). The Arbitral Tribunal awarded (17 May 2018) a sum of ₹442.06 lakh along with interest at the rate of 3 per cent per annum from 31 December 2008 till the date of award and future interest at the rate of 12 per cent per annum on the awarded amount from the date of award, if the same was not paid within a period of three months.

CCI preferred an appeal against the award which was dismissed, and the award was upheld (16 October 2018) by the Arbitral Tribunal. CCI filed an appeal in the Delhi High Court against the order dated 16 October 2018 and stated that in terms of the Sanctioned Scheme, CCI's liability towards SAIL was determined and quantified at ₹442.06 lakh and no further amount was due and payable to SAIL. CCI also stated in the appeal that it was willing to pay ₹442.06 lakh to SAIL within a period of six weeks. The Delhi High Court, while dismissing the appeal, directed (4 July 2022) SAIL to consider accepting the offer made by CCI. The Court directed SAIL to communicate its decision to CCI within a period of three weeks and if SAIL accepts the said offer, CCI shall pay the amount of ₹442.06 lakh within a period of six weeks thereafter. CCI Management has stated that it has not received any reply/response from SAIL on this offer, till date. Meanwhile, CCI also filed a Special Leave Petition before the Supreme Court which was also dismissed on 14 December 2022.

In view of dismissal of CCI's appeals by the Delhi High Court and the Supreme Court and non-response to CCI's offer by SAIL within the timeline given by the Delhi High Court, CCI should have provided for the liability of ₹8.25 crore (principal amount of award: ₹4.42 crore and interest till 31.03.2023: ₹3.83 crore) towards SAIL in line with the award (17 May 2018) of the Arbitral Tribunal. However, against this, CCI has provided for a liability of 1.81 crore only in its books.

Non-provision for the additional liability of ₹6.44 crore (₹8.25 crore minus ₹1.81 crore) has resulted in understatement of Other Current Liabilities and overstatement of Profit by ₹6.44 crore.

42. Braithwaite and Company Limited

Comments on Profitability

Year of Accounts- 2022-23

Statement of Profit and Loss

Expenses

Cost of materials consumed (Note-17A) -₹826.60 crore

Understatement of Trade Payables and Cost of Raw Materials Consumed due to inadequate provision for Price Variation Claim under Wagon Repair Contract

The above does not include price variation claim of a contractor, amounting to ₹3.05 crore, for repairing wagon job at Railway Wagon Workshop, Vadlapudi.

The Company had made a provision of only ₹8.46 crore for the price variation against the requirement of ₹11.51 crore, in the above contract, for the period ended 31 March 2023. This has resulted in understatement of 'Cost of raw materials consumed' and understatement of 'Trade payables' with a consequent overstatement of 'Profit' for the year by ₹3.05 crore.

43. Container Corporation of India Limited

Comments on Profitability

Year of Accounts- 2022-23

Financial Assets, Investments Non-Current Investments (B) –

Note 5-₹1,320.74crore

Overstatement of Investments and Profit due to inadequate impairment provision on Investment in CONCOR Air Ltd in violation of Ind AS 36 and Ind AS 113

The Company has an investment of ₹36.65 crore in a wholly own subsidiary i.e., CONCOR Air Limited. During the year, the Company assessed its investment in CONCOR Air Ltd. in terms of Para 12 (f) of Ind AS-36 and provided for impairment loss of ₹1.25 crore on the basis of the recoverable value of ₹35.40 crore worked out by an Independent Valuer.

However, the Fair Value worked out by the Company is not in line with Ind AS - 113, Fair Value Measurement. The Company had shown carrying amount of the Investment (Net assets of CONCOR Air Ltd) as ₹23.14 crore in Consolidated Financial Statements.

The Company should have considered its investment in CONCOR Air Ltd as ₹23.14 crore only against carrying amount of ₹36.65 crore and provided for impairment loss of ₹13.51 crore instead of impairment loss of only ₹1.25 crore.

This had resulted into overstatement of Investments and overstatement of Profit Before tax of the Company by ₹12.26 crore.

44. Dedicated Freight Corridor Corporation of India Limited

Comments on Financial Position

Year of Accounts- 2022-23

Non-Current Assets

(a) Property Plant & Equipment-₹3595237.40 lakh-Note 3

(b) Capital Work-in-Progress-₹4162129.09 lakh-Note 4

Misclassification of assets due to incorrect recognition of Rail Corridor Infrastructure as Property, Plant and Equipment in Violation of Ind AS 115

The above amount represents the expenditure incurred by the Company on the construction of the Eastern and Western Dedicated Rail Freight Corridor. The Company has entered into a Concession Agreement with the Ministry of Railways (MoR) to implement the project and operate and maintain the new Railway for a concession period of 30 years. As per clause 5.9 of the concession agreement, the Ministry of Railways will utilise the network and pay Track Access Charges to the Company.

The clarification given (February 2023) by the Ministry of Railways for the same neither gives the controlling rights to the Company nor confirms that the assets created by DFCCIL would be owned by it even after the expiry of the concession period of 30 years.

As per Para 11 of Ind-AS 115 (Appendix-D), such infrastructure created under Service Concession Agreement cannot be recognized as, Property, Plant and Equipment.

The Company has recognized infrastructure created under the Concession Agreement as Property Plant and Equipment/Capital Work in Progress' in violation of Ind-AS 115. The same should have been depicted as 'Intangible Assets/ Financial Assets'. Therefore, 'Property, Plant and Equipment is overstated by ₹3595237.40 lakh, Capital work in Progress' is overstated by ₹4162129.09 lakh and correspondingly Intangible Assets/ Financial Assets (under development)' is understated by ₹7757366.49 lakh".

A similar comment was issued by the Comptroller & Auditor General of India on the financial statements of the Company for the financial year 2020-21 and 2021-22.

45. National High Speed Rail Corporation Limited

Comments on Financial Position

Year of Accounts- 2022-23

Non-compliance with Ind AS 8 due to Non-Retrospective correction of prior period error in Accounting for Spectrum Charges

(a) The Company was booking the payment of spectrum charges under Capital Work in progress upto the year 2021-22. During the years from 2018-19 to 2021-22, the Company has booked the payment of spectrum charges of ₹4,402 lakh as Capital Work in progress.

However, on the basis of the opinion of the Expert Advisor Committee (EAC) of ICAI, the company changed this practice and treated the payment of ₹972.05 lakh towards spectrum charges as Intangible Assets during the year 2022-23.

However, the earlier practice followed by the Company was an error, therefore, the same should have been corrected retrospectively as required under para 42 (b) of the Ind AS-8 and the opinion of EAC of ICAI.

Non-compliance with Ind AS 8 due to non-retrospective restatement of prior period errors in Accounting for Project Promotion and R&D Expenses

(b) Similarly, the Company was booking the expenditure towards Project Promotion Expenses and Research & Development Expenditure under Capital Work in progress upto the year 2021-22 and during the years from 2017-18 to 2021-22, the Company has booked the expenditure of ₹2,931 lakhs as Capital Work in progress. However, on the basis of the opinion of the Expert Advisory Committee (EAC) of ICAI, the company changed this practice and treated the expenditure as revenue expenses and adjusted with retained earning during the year 2022-23.

However, the earlier practice followed by the Company was an error, therefore, the same should have been corrected retrospectively as required under para 42 (b) of the Ind AS-8 and the opinion of EAC of ICAI.

As the above errors occurred before the earliest prior period presented i.e. 2021-22, therefore, the opening balances of assets, liabilities, and equity for the earliest prior period presented i.e. 2021-22 should have been restated."

Thus, the Balance Sheet as on 31 March 2023 presented by the Company is not in conformity with the requirement of Ind AS-8.

46. Konkan Railway Corporation Limited

Comments On Profitability

Year of Accounts- 2022-23

Statement of Profit and Loss

Other Income (Note No. 37): ₹12,347.73 lakh

Overstatement of Other Income and Profit due to non-remittance of interest accrued on advance from Northern Railway in violation of contract terms

The above includes ₹583.87 lakh being interest earned during 2022-23 on revolving advance received by the Company from the Northern Railways for Udampur- Srinagar-Baramulla Railway Link Project.

As per Clause 5.2.2 of the contract agreement (August 2005) between Northern Railway and the Company, interest accrued on the advance shall be remitted to the Northern Railway.

Non-remittance of the interest accrued on the advance received from Northern Railway had resulted into overstatement of 'Other Income' by ₹583.87 lakh and correspondingly overstatement of 'Profit before Tax' by the same amount.

47. Bharuch Dahej Railway Company Limited

Comments on Profitability

Year of Accounts- 2022-23

Statement of Profit and Loss for the year ended 31st March, 2023

Profit before Tax-₹5255.88 lakh

Other Intangible Assets-₹25934.54 lakh - Note 5

Overstatement of Other Intangible Assets and Profit due to Incorrect Capitalization of Interest and D&G Charges in Violation of Ind AS 38

The 'Other Intangible Assets' includes ₹551.34 lakh being the payment made to RVNL, the EPC contractor, in connection with an Arbitration Award on claims made by a sub-contractor.

The amount of ₹551.34 lakh includes ₹209.25 lakh on account of interest awarded by the Tribunal on the claims and ₹13.45 lakh as D&G charges on the interest.

The interest paid and the D&G charges are not directly attributable to the creation of assets as per para 66 of Ind AS 38, therefore, it should have been recognized as 'Expense' in terms of Para 68 of Ind AS 38 - Intangible Assets and should have been charged to the Statement of Profit and Loss instead of being shown under 'Other Intangible Assets'.

This has resulted into understatement of 'Expenses' by ₹222.70 lakh and consequently overstatement of 'Profit before Tax' and 'Other Intangible Assets' by the same amount.

48. National Highways Authority of India

Comments on Profitability

Year of Accounts- 2022-23

(B) Profit and Loss Account

1. Income

1.1 Other Income (Schedule 11): ₹32.27 crore

Understatement of Income and Assets held on behalf of GoI due to Non-Accounting of Agency Charges in violation of Accounting Policy and continued audit observations

(i) The above does not include ₹1,624.57 crores being the agency charges for the year 2022-23 which was not accounted for in the books of accounts. Agency charges were introduced in NHAI as per the practice followed by State Public Works Department under 'Agency System' who were executing the National Highway Projects prior to coming into existence of NHAI.

Accounting Policy 13 of NHAI relating to agency charges inter-alia stipulates that Agency charges are being accounted through a Memorandum Account and all establishment expenditure, after setting off the income, is appropriated against the Agency Charges through a Memorandum Account and disclosed in the Notes to Accounts. Further, it is also disclosed in the notes to accounts no. 25 that *all administrative expenditure, after setting off the receipts is charged to Assets held on behalf of GoI within the overall ceiling of agency charges.*

Thus, non-accounting of agency charges in the books of account has resulted in understatement of Income and understatement of Assets held on behalf of GoI by ₹1,624.57 crores for the current year. Further, the accounting policy is also deficient to that extent.

This issue was also raised in 2021-22 and 2020-21 by Audit. However, no corrective action has been taken by the management.

Comments on Financial Position

Year of Accounts- 2022-23

A. Balance Sheet

1. Sources of Funds

1.1 Shareholder's Fund

(a) Capital (Schedule 1): ₹4,95,321.32 crore

Understatement of Loss and Shareholder's Fund due to incorrect accounting of maintenance grant and expenditure in contravention of approved format of accounts

(i) As per the approved Format of Accounts, the Grant-in-aid received for maintenance of highways and expenditure incurred thereon should be accounted for in Profit and Loss Account. However, NHAI in contravention to this, has adjusted the Maintenance Grant and Expenditure incurred on operation and maintenance of highways against Capital Account (Plough back of Toll Remittance, etc.). During the year 2022-23, NHAI has incurred an amount of ₹4,650.84 crore being the total expenditure on maintenance of highways (₹3,482.83 crore on maintenance of highways and ₹1,168.01 crore on toll collection activities). Against this, during 2022-23, MoRTH has released a grant of ₹1,825 crore for maintenance of highways. After adjusting ₹136.46 crore of 'Other Receipts from Operation & Maintenance of Highways', balance amount of ₹2,689.38 crore has been set off against the Shareholder's Fund. This has resulted in understatement of Loss for the year and Shareholder's Fund-Capital by ₹2,689.38 crore.

This issue was also raised in 2021-22, 2020-21 and 2019-20 by Audit. However, no corrective action has been taken by the management.

Understatement of capital and assets held on behalf of GoI due to Non-Capitalization of expenditure on toll infrastructure and deficiency in Accounting Policy

(ii) The above does not include ₹62.50 crore being the amount deducted by NHAI from Plough Back of Toll Revenue received from GoI, on account of cost of creation of capital infrastructure for toll collection electronically under Electronic Toll Collection and Toll Management System. Since this expenditure is of capital nature, it should have been capitalized in the books of account. This has resulted in understatement of Capital and understatement of Assets held on behalf of GoI by ₹62.50 crore.

Further, Significant Accounting Policy no. 8 stipulates that 'Assets purchased or constructed for toll collection activities are classified under expenditure on toll collection activities and are set off against plough back of toll remittance therefore are not subject to depreciation'. The Significant Accounting Policy is deficient because the assets purchased or constructed is a capital expenditure and accordingly should have been capitalised instead of adjusting from plough back of toll remittances.'

This issue was also raised in 2021-22 by Audit. However, no corrective action has been taken by the management.

(b) Reserves & Surplus (Schedule 2): Nil

Capital Reserve incorrectly deducted from assets held on behalf of GoI instead of being shown under Reserves & Surplus

The above does not include an amount of ₹9,221.93 crore being the Capital Reserve which was transferred and shown as deduction from Assets held on behalf of GoI (Schedule 5). As per accounting principles, the same should be shown as part of the Reserves & Surplus because Capital Reserve is

created out of capital profits. This has resulted in understatement of Reserves & Surplus and Assets held on behalf of Gol by ₹9,221.93 crore.

This issue was also raised in 2021-22 and 2020-21 by Audit. However, no corrective action has been taken by the management.

2 Application of Funds:

2.1 Assets held on behalf of Gol (Schedule 5): ₹8,47,143.16 crore

Non-cessation of borrowing cost capitalisation on completed projects in violation of AS 16

(i) The above includes ₹25,581.70 crore being the borrowing cost capitalised to Assets held on behalf of Gol (completed and ongoing projects). As per Para 19 of AS 16 relating to Borrowing Cost “Capitalisation of borrowing costs should cease when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete”. The borrowing costs on completed projects, in contravention to GAAP is not being routed through Profit & Loss Account. As NHAI is not maintaining project-wise details, Audit could not verify the correctness of Borrowing Costs amounting to ₹25,581.70 crore allocated to Assets held on behalf of Gol (completed & ongoing) during the year 2022-23. Total Borrowing Costs amounting to ₹1,18,545.67 crore has been allocated to completed and ongoing projects till 31 March 2023.

Understatement of current liabilities and assets held on behalf of Gol due to non-remittance of interest on unutilised grants and deficient Accounting Policy

(ii) The above includes ₹23,197.79 crore under the head ‘Interest on unutilised capital’. representing cumulative interest received on unutilised capital and loans and advances to contractor/consultants, etc.

As per General Financial Rules (GFR) 2017 Rule 230 (8), All interests or other earnings against Grants in aid or advances (other than reimbursement) released to any Grantee institution should be mandatorily remitted to the Consolidated Fund of India (CFI) immediately after finalisation of the accounts. Such advances should not be allowed to be adjusted against future releases.

NHAI earned interest on unutilized capital ₹2,350.64 crore during the financial year 2022-23. However, interest earned on Grants in aid or advances (other than reimbursement) released to NHAI, has not been remitted to CFI which was in contravention of GFR 2017. This has resulted in understatement of Current Liability (Payable to Gol) and understatement of Assets held on behalf of Gol to the extent of interest earned on Grants received during the year. Further, interest earned on Grants received from 2017-18 to 2021-22 has not been reconciled and deposited in CFI.

In this context, a reference is invited to significant accounting policy no. 3 on ‘Capital Grant’ which stipulates that ‘Interest earned on the unutilized Grant is credited to interest on unutilized capital’. Also, the Accounting Policy is deficient and is in contravention of provisions of GFR.

This issue was also raised in 2021-22 by Audit. However, no corrective action has been taken by the management.

49. National Highways Logistics Management Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance sheet as at 31 March 2023 - Current Liabilities- ₹117.18 Million

Overstatement of income and non-compliance with GFR due to non-remittance of Penalty Amount to Consolidated Fund of India

The above does not include an amount of ₹159.35 million payable into Consolidated Fund of India being the 50 per cent penalty amount collected from non-FASTag fitted vehicles (February 2021 to March 2023).

Ministry of Road Transport and Highways (MoRTH) had issued orders (16 February 2021) to make the FASTag mandatory from the midnight of 15 February 2021/16 February 2021 and stated that vehicles not fitted with FASTag or without valid FASTag shall pay a fee equivalent to two times of the fee. Further, it clarified that concessionaire has to remit the 50 per cent of the double charges thus collected to the Central Government in accordance with sub-rule (1) and sub-rule (2) of the Rule 7 of the National Highways Fee (Determination of Rates and Collection) Rules 2008.

National Highway Authority of India vide their letter (May 2021) to all Regional offices and Project implementing units stipulated that the concessionaire/user fee collecting agencies has to deposit full penalty amount charged over and above the normal fees in the Consolidated Fund of India.

However, the company accounted ₹145.24 million as Income from operations and wrongly paid ₹14.11 million to NHAI instead of Consolidated Fund of India.

Non-remittance of the penalty amount to Consolidated Fund of India resulted in overstatement of current year income and prior period income by ₹69.15 million and ₹76.09 million respectively understatement of Current Assets (receivables) and Current Liabilities (payable to Consolidated Fund of India) by ₹14.11 million and ₹159.35 million respectively.

50. NSIC Venture Capital Fund Limited

Comments on Financial Position

Year of Accounts- 2022-23

The Company was formed in pursuance of the decision of the Government of India to set-up an MSME Fund in the name of Self-Reliant India (SRI) Fund to develop and promote the MSME sector. The Scheme guidelines for SRI Fund provided, inter alia, that (i) the Mother Fund (SRI Fund) will be anchored by a SPV having 100 per cent equity from NSIC. (ii) SPV will apply to SEBI for registering the Mother Fund as a Category I or II Alternate Investment Fund, (iii) A Management fee of 1 per cent may be permitted to the SPV which will be payable in respect of corpus actually placed at the disposal of the Mother Fund. Thus, the SPV (NSIC Venture Capital Fund Limited) was to get the SRI Fund registered as an Alternative Investment Fund with the SEBI and to manage it, for which it was to receive a Management Fee. However, instead of registering the SRI Fund, NSIC Venture Capital Fund Limited has got itself registered as a Category-II Alternative Investment Fund with the SEBI. The SRI Fund is a Scheme of the Alternative Investment Fund thus registered. In the light of these facts, the following comments are made:

Comment on Financial Position:**Understatement of assets and liabilities and overstatement of profit due to Non-Inclusion of Self-Reliant India Fund transactions in NVCFL's Financial Statements**

Since SRI Fund is a scheme of NSIC Venture Capital Fund Limited (NVCFL, the Company) and is not a separate entity in view of the above facts, all the transactions relating to SRI Fund were required to be included in the financial statements of NVCFL. However, the Company did not include the transactions relating to SRI Fund in its financial statements treating NVCFL and SRI Fund as separate entities.

Non-inclusion of the transactions relating to SRI Fund in the books of NVCFL resulted in understatement of assets and liabilities by ₹56,227.42 lakh (₹57,634.08 lakh minus ₹1,406.66 lakh) each and overstatement of Profits for the year by ₹711.17 lakh.

51. MECON Limited**Comments on Financial Position****Year of Accounts- 2022-23****Balance Sheet****Other Current Assets (Note-20): ₹9161.23 lakh****Advance to suppliers: ₹1014.06 lakh****Overstatement of other current assets and profit due to Non-Provision of unsecured advance to Mysore Construction Company**

Above includes an amount of ₹756.86 lakh in respect of advance given to M/s Mysore Construction Company (MCC) during the period of project execution from FY 2007-08 to 2008-09 against Bank Guarantee with a condition to deduct the advance proportionately from subsequent bills of MCC. Civil work assigned to MCC was completed on 31.01.2013 but the advances were not deducted by MECON from MCC's bills because of mutual understanding between them. MECON attempted to encash the BG in December 2016, however Hon'ble Principal District Court, Cuddalore passed an interim injunction order against encashment of BG and instructed the bank not to release bank guarantee and keep the same in existence till disposal of the petition sought by MCC. MCC thereafter filed OS no. 133 of 2017 in the High Court for restraining MECON for encashing the BG worth ₹9.22 crore. The High Court in its judgement dated 27.04.2023 again transferred the matter to the Principal District-cum-Commercial Court for further action and the matter is still pending at Principal District-cum-Commercial Court, Cuddalore.

In view of the above, the advance cannot be claimed to be secured and provision for the same should have been made in the books of account under 'Provision for bad and doubtful debts' as provided in the Finance Manual 2017 (Para 10.2.6.2) of the Company. Thus, non-provision of above has resulted into overstatement of Other Current Assets and Profit by ₹756.86 lakh.

This issue was also commented by C&AG on the financial statements of MECON for the year 2021-22.

52. The Orissa Mineral Development Corporation Limited

Comments on Financial Position

Year of Accounts- 2022-23

Balance Sheet

Capital Work-in-Progress-Notes-6.2: ₹339.97 lakh

Overstatement of CWIP and understatement of Loss due to Non-Writing Off of exploration cost for surrendered coal block

The above includes ₹245.39 lakh incurred by OMDC towards exploration of Brahmani Coal Block. Ministry of Coal, GoI allotted (July 2016) Brahmani Coal Block with an estimated reserve of 58.90 million tonne in Odisha to OMDC. The Company incurred ₹245.39 lakh towards exploration of the coal block and the same had been kept under Capital Work-in-Progress. Subsequently, based on approval (February 2022) of OMDC Board for surrender of the coal block, OMDC requested (May 2022) Ministry of Coal to facilitate the surrender of coal block. Ministry of Coal accorded (July 2022) its approval for surrender of coal block and returned back the bank guarantee furnished by OMDC.

As per Ind AS 36, an asset is impaired when the carrying amount exceeds its recoverable amount. As no amount is recoverable from the Capital Work-in-Progress, the same should have been charged. Depiction of surrendered coal block in Capital Work-in-Progress had resulted in overstatement of Capital Work-in-Progress and understatement of Loss for the year by ₹245.39 lakh.

Balance Sheet

Other Current Assets (Note-12B): ₹3277.73 lakh

Overstatement of Other Current Assets and understatement of Loss due to Non-Provision of compensation deposited with Government of Odisha

The above includes ₹2,715.14 lakh deposited by OMDC (₹2,515.14 lakh on 29.12.2017 and ₹200 lakh on 16.11.2018) with Government of Odisha towards compensation payable under Section 21(5) of Mines and Minerals Development Regulation Act, 1957 on extraction of minerals without/in excess of Environmental Clearance/Forest Clearance in respect of leases in the name of Bharat Process and Mechanical Engineers Limited (BPMEL), being operated by OMDC on power of attorney basis. The deposit of ₹2,715.14 lakh made by OMDC had been appropriated by Government of Odisha as part payment. In view of uncertainty in getting refund/adjustment, OMDC should have made full provision against the amount so deposited with Government of Odisha.

Non-provision of the same has resulted in overstatement of Other Current Assets and understatement of Loss for the year by ₹2,715.14 lakh.

This issue was also commented by C&AG on the financial statement of OMDC for the year 2019-20, 2020-21 and 2021-22.

Balance Sheet**Other Current Liabilities (Note-22): ₹13,853.54 lakh****Understatement of Liabilities, Intangible Assets, and Amortization Expenses due to Non-provision for Stamp Duty and Registration Charges on Mining Lease Renewals**

Government of Odisha has renewed (February 2020) Belkundi and Bhadrasahi mining leases of OMDC upto 15 August 2026 and 30 September 2030 respectively with a direction to execute supplementary lease deed within three months. For execution of lease deed, OMDC is liable to pay Stamp Duty (five per cent) and Registration Charges (two per cent), to be assessed as per the Government of Odisha Gazette Notification of January 2012.

As per company's assessment, ₹7,427 lakh was payable towards stamp duty and registration charges (Bhadrasahi: ₹3,560 lakh and Belkundi: ₹3,867 lakh). Non-provision for stamp duty and registration charges payable to Government of Odisha towards execution of supplementary lease of two mining leases of OMDC has resulted in understatement of Current Liabilities by ₹7,427 lakh and understatement of Intangible Assets (net of amortization expenses) by ₹1,980 lakh. Further, considering the life of the respective leases, current year amortization expenses is understated by ₹371 lakh and Retained Earnings (Loss) is understated by ₹5,076 lakh.

This issue was also commented by C&AG on the financial statement of OMDC for the year 2019-20, 2020-21 and 2021-22.

Balance Sheet**Other Current Liabilities (Note-22): ₹13,853.54 lakh****Understatement of Liabilities, Assets, and Amortization due to Non-provision of Net Present Value on Forest Land for Renewed Mining Leases**

Government of Odisha had renewed (February 2020) the mining leases of OMDC namely Belkundi and Bhadrasahi upto 15 August 2026 and 30 September 2030 respectively with a direction to execute supplementary lease deed subject to availability of the requisite forest clearance. Subsequently, OMDC applied for extension of forest clearance co-terminus with the extended mining lease period for the above mines. Government of Odisha demanded (October 2021) ₹1,974 lakh and ₹5,125 lakh towards Net Present Value on the forest land included in the lease out of which OMDC agreed for payment of ₹1,808 lakh and ₹5,111 lakh respectively and requested Government of Odisha for revision in demand. The amounts had not yet been paid and disclosed under contingent liabilities of the Company.

As per Para 4.2 of the Ind-AS accounting policy of the Company, mining rights comprising of NPV and related payments to Government authorities for iron ore and manganese mines are amortised over the period of lease from the date of payment or date of renewal of mining lease whichever is earlier. OMDC, however, in violation of its accounting policy had neither provided for the NPV due nor amortised it from the date of renewal of mining lease.

Thus, this has resulted in understatement of Current Liabilities and Plant Property and Equipment by ₹6,919 lakh. Further considering the life of the respective leases, this has also resulted in understatement of Depreciation and Amortisation Expenses by ₹2,387 lakh with consequent

understatement of Loss for the year by the same amount. The Contingent Liabilities has also been overstated by ₹6,919 lakh.

53. IFCI Infrastructure Development Limited

Comments on Profitability

Year of Accounts- 2022-23

Assets

Non-Current Assets - Financial Assets - Investments (Note No. 6)

Investment in Equity Instruments of Associates Jangipur Bengal Mega Food Park Limited: ₹654.83 lakh

Non-Recognition of impairment loss on Investment in Associate resulting in overstatement of Non-current Investments and Profit

The Company valued the investment of 85,04,288 unquoted equity shares of Jangipur Bengal Mega Food Park Limited (Associate) at ₹654.83 lakh i.e ₹7.70 per share and impairment loss of ₹195.60 lakh was recognized based on the valuation of appointed valuer in 2020-21. No valuation has been done after 2020-21.

Audit observed that during FY 2021-22 and 2022-23, Associate has incurred losses of ₹550.87 lakh and ₹543.28 lakh and earned a meager revenue from operation of ₹71.16 lakh and ₹76.78 lakh respectively. This led to erosion in Share Capital by 18.57 per cent (reduced to ₹4373.94 lakh from ₹5371.17 lakh) based on the unaudited Balance Sheet of Associate as on 31 March 2023 furnished by the Company to audit.

The above are the indications based on which further impairment should have been recognized, however, no impairment loss was recognised by the Company as on 31 March 2023 in non-compliance with its own Accounting policy No. 1.9 which stipulates that “*Investment in Subsidiaries, associates and joint Ventures are carried at Cost. The cost comprises price paid to acquire investment and directly attributable cost. On each reporting date, consequent upon existence of any external or internal indication to impairment, the impairment loss shall be recognised as difference between the carrying amount and recoverable amount*”.

This has resulted in overstatement of non-current investment and profit for the year by ₹557.88 lakh ((₹7.70 minus ₹1.14) *85,04,288).

54. Andaman & Nicobar Islands Integrated Development Corporation Limited

Comments on Financial Position

Year of Accounts- 2022-23

A.1 Reserves & Surplus (Note 3): ₹222.57 crore

Short Term Provisions (Note 8): ₹137.96 crore

Incorrect recognition of proposed dividend resulting in overstatement of provisions and understatement of Reserves & Surplus

Short term provisions include a provision of ₹10.46 crore made for proposed dividend declared by the Board of Directors in its 163rd meeting held on 30 August 2023 and consequent adjustment was made from Reserve and Surplus. The Accounting treatment is not correct in view of Para 14 of Accounting Standard 4 which state that *‘if an enterprise declares dividends to shareholders after the balance sheet date, the enterprise should not recognize those dividends as a liability at the balance sheet date unless a statute requires otherwise. Such dividends should be disclosed in notes’*. Thus, incorrect accounting treatment has resulted in overstatement of provisions and understatement of Reserve & Surplus by ₹10.46 crore. Notes on Accounts are also deficient to the extent that no disclosure regarding proposed dividend was made as required by AS-4.

55. Nuclear Power Corporation of India Limited

Comments on Profitability

Year of Accounts- 2022-23

Profit and Loss Statement

Income-Other Income-₹1,626.40 crore (Note 31)

Improper/premature recognition of Delayed Payment Charges in violation of Revenue Recognition Policy

As per accounting policy no. 16 -Revenue recognition and other income which states that “Delayed Payment Charges/Surcharge on late or non-payment of dues by customers for sale of energy are accounted only when the recoverability is confirmed which coincides with receipts”. Above includes an amount of ₹1,171.49 crore from Delayed Payment charges (DPC). Of this, an amount of ₹1,110.01 crore pertains to DPC in respect of electricity beneficiaries who have opted to liquidate the arrears in EMI as per Electricity (Late Payment Surcharge and Related Matters) Rules, 2022. Out of which a sum of ₹813.34 crore was received during the year leaving a sum of ₹296.67 crore as receivable as on 31 March 2023. But the entire amount of ₹1,110.01 crore has been accounted for income which is in contravention of accounting policy no. 16-Revenue recognition and other income.

This has resulted in an overstatement of Other Income and profit both by ₹296.67 crore.

Significant comments from State Finance Audit Reports

Government of Andhra Pradesh Report No. 2 of the year 2024

Comments on Profitability

Andhra Pradesh Power Finance Corporation Limited

Statement of Profit and Loss (Expenses)

Impairment on Financial Assets (Note 23): NIL

Financial Reporting Discrepancies: Understatement of Provision for Standard Assets and Revenue Due to Loan Restructuring and Pre-Closure Charges

Balance of loans amounting to ₹13,901.19 crores (Note-6) as on 31st March 2023 includes ₹570.50 crore and ₹810.75 crore loans given to APGENCO and APPDCL respectively. 'Provision on Standards Assets' at 0.40 *per cent* required to be created against such loan amount. As per Master Direction provision was provided as disclosed under Note-32. The Board resolved (178th meeting held on 31 March 2023) to extend the moratorium period by one year and the above said loans were restructured. As per master direction read with Prudential Framework for Resolution of Stressed Assets 'restructuring' includes alteration in the payment period. Hence, upon restructuring of the said two loans, such assets should have been reclassified as the Sub-standard assets. Provision on the Sub-standard assets at 10 per cent should have been recognised as per the provisions of Para 12 and 13 of the Master direction of Reserve Bank of India. Accordingly, the balance short provision for the sub-standard assets at 9.60 per cent on these two loans works out to ₹132.60 crore (after netting the 0.40 per cent). This resulted in understatement of the Provision for Standard Assets by ₹132.60 crore with corresponding overstatement of Profit for the year to that extent.

[Government of Andhra Pradesh Report No. 2 of the year 2024 of CAG, Para No.5.7.1.3 SI No.1]

Transmission Corporation of Andhra Pradesh Limited

Revenues Other Income (Note 21 A)- ₹187.25 crore

Supervision charges – ₹44.73 crore

Overstatement of Profit due to inclusion of Grants (Non-government consumer contributions) as Development Charges

The above was overstated by ₹6.53 crore due to incorrect inclusion of development charges collected from four consumers, instead of under Grants (Non-government consumer contributions). This has resulted in overstatement of Profit for the year and understatement of Grants by ₹6.53 crore.

[Government of Andhra Pradesh Report No. 2 of the year 2024 of CAG, Para No.5.7.1.3 SI No.2]

Comments on Financial Position

New & Renewable Energy Development Corporation of Andhra Pradesh Limited

Balance Sheet Assets-Current Assets-Trade receivables (Note 16): ₹28.95 crore

Non-recognition of Trade Receivables

During 2019-20 and 2020-21, the Company recognised trade receivables of ₹1.35 crore and ₹1.64 crore respectively from AP DISCOMs towards expenditure incurred by the Company on account of

Feasibility and DPRs in connection with Pumped Storage Projects (PSP), as disclosed in the Note-28(6) to the Financial Statements for 2021-22. However, contrary to this, the expenditure incurred amounting to ₹8.27 crore by the Company in connection with PSPs during the current year was not recognised as receivables from DISCOMs, which was not in line with Government orders also. Hence, this resulted in understatement of Trade receivable and overstatement of Loss for the year by ₹8.27 crore.

[Government of Andhra Pradesh Report No. 2 of the year 2024 of CAG, Para No.5.7.1.3 SI No.1]

Transmission Corporation of Andhra Pradesh Limited

Equity and Liability-Equity-Other Equity (Note-11B): ₹3,133.57crore

Misclassification of “Other Equity” and “Grants received from Govt. of Andhra Pradesh”

A reference is invited to Comment No. B (2) on the financial statements for the year ended 31 March 2020 and Comment No. A(1) on the financial statements for the year ended 31 March 2021. Though the Company treated the funds received from Government of Andhra Pradesh (GoAP) towards Deposit contribution works for extension of electricity lines and substations for Lift Irrigation schemes (as detailed in Note 34 and 35) in line with other grants received (as per Note 1(h)), it included the same in “Other Equity” (Note 11B) instead of “Grants” (Note12). This has resulted in misclassification of accounts with overstatement of “Other Equity” and understatement of “Grants” by ₹1,168.76 crores. Grants (Note12) – ₹1,287.03 crores A reference is invited to Note 1 (h) of the Financial Statements wherein it was stated that the grants related to depreciable assets are recognised in profit or loss account over the period and in the proportion in which depreciation expense on those assets is recognised. The company capitalised the assets to the extent of ₹154.05 crore acquired from Solar Energy Corporation of India Limited SECI (₹120 crore) and Power System Development Fund (PSDF) (₹34.05 crore) grants to the end of March 2022 and provided depreciation there on to the extent of ₹30.63 crore. Though the said assets were depreciated over the period, the grants were not amortised with equivalent amount of depreciation in line with the stated accounting policy. This has resulted in overstatement of grants by ₹30.63 crore and of Other Income and Profit for the year by ₹30.63 crore with consequential understatement of “Other equity” by same amount.

[Government of Andhra Pradesh Report No. 2 of the year 2024 of CAG, Para No.5.7.1.3 SI No.2]

Comments on Disclosures

Godavari Gas Private Limited

Capital work-in-progress (Note-6): ₹235.45 crore

Non-disclosure of Ageing Schedules for CWIP and Trade Receivables in Financial Statements as per Companies Act, 2013

According to Division-II (Ind AS) of Schedule III (as amended in March 2021) and the provisions of Section 129 of the Companies Act 2013, Capital Work-in-Progress (CWIP) ageing schedule (Projects in progress and Projects temporarily suspended) in the prescribed format shall be given in financial statements. Further, CWIP whose completion is overdue or has exceeded its cost compared to its original plan, CWIP completion schedule shall be given separately. As on 31 March 2023, the balance of CWIP disclosed on the face of Balance Sheet and Note-6 was ₹235.45 crore (previous year: ₹221.56 crore) constituting 77.01 per cent of total Property, Plant & Equipment (PPE) as on reporting date. However, the ageing Schedule of CWIP was not disclosed in the financial statements for the year,

which is a deviation from the provisions of the Companies Act, 2013. Though the Management should disclose the reasons for deviation and impact, the same has not been complied with.

[Government of Andhra Pradesh Report No. 2 of the year 2024 of CAG, Para No.5.7.1.3 SI No.1]

Trade receivables (Note-9): ₹4.48 crore According to Division-II (Ind AS) of Schedule III (as amended in March 2021) and the provisions of Section 129 of the Companies Act 2013, Trade Receivables ageing Schedule in the prescribed format shall be given in financial statements. Further, similar information shall be given for Trade Receivables where no due date of payment is specified, in that case disclosure shall be from the date of the transaction and unbilled dues shall be disclosed separately. However, the ageing Schedule of Trade Receivables was not disclosed in the financial statements for the year, which is a deviation from the provisions of the Companies Act, 2013. Though the Management should disclose the reasons for deviation and impact, the same has not been complied with.

[Government of Andhra Pradesh Report No. 2 of the year 2024 of CAG, Para No.5.7.1.3 SI No.1]

Andhra Pradesh Power Finance Corporation Limited

Lack of Disclosure and Non-compliance with RBI Guidelines on Interest Income and Loan Classifications as special mention accounts (SMA)

The Company recognised interest income of ₹406.41crore as interest serviced by the Government of Andhra Pradesh (GoAP) towards Debt Securities. The company had neither borrowed nor any loan was outstanding from the State Government as per Note-6 (Loans). Hence, the Company should have disclosed the basis for receiving the interest from the Government and the nature of income to the extent of ₹406.41crore, apart from disclosure in Note-37A. As per the RBI Master direction dated 01.09.2016, NBFC shall recognise incipient stress in loan accounts, immediately on default, by classifying such assets as special mention accounts (SMA) as per categories considering the period for which principal or interest payment or any other amount wholly or partly overdue. Though ageing schedule of the trade receivables was disclosed, the Company has not adhered to the provisions of RBI Master direction, since loans assets on which the amount of interest and principal has not been received during the last six months was neither disclosed nor classified as SMA.

[Government of Andhra Pradesh Report No. 2 of the year 2024 of CAG, Para No.5.7.1.3 SI No.2]

Government of Haryana Report No. 1 of the Year 2024

Comments on Profitability

Haryana Vidyut Prasaran Nigam Limited for the year 2022-23

Incorrect Capitalization of Assets led to understatement of Depreciation and Amortisation expenses

The company capitalized 71 works amounting ₹293.80 crore from April 2022 to March 2023 which were commissioned from December 2016 to February 2023. Depreciation on these assets was calculated from the date of transfer i.e., April 2022 to March 2023 instead of from the date of commissioning of the respective projects. Resultantly, the Company booked less depreciation and amortization expense and overstatement of profit by ₹44.33 crore during the year 2022-23.

[Government of Haryana Report No. 1 of the year 2024 of CAG, Para No.5.13.2, SI No.1]

Dakshin Haryana Bijli Vitran Nigam Limited**Other Current liabilities-₹11.38 crore****Non-booking of liability against power purchased**

The Company made a payment of ₹11.28 crore to HPGCL regarding Fuel Price Adjustment bill and ₹0.10 crore to Jaypee Power Limited regarding power purchase cost in May and June 2023 respectively. These bills pertained to the year 2022-23 and liability for payment of ₹11.38 crore should have been provided in the year 2022-23. However, the Company had not booked any liability against these bills during 2022-23 which resulted in understatement of Other Current liabilities by ₹11.38 crore and overstatement of profit to the same extent.

[Government of Haryana Report No. 1 of the year 2024 of CAG, Para No.5.13.2, SI No.2]

Comments on Financial Position**Haryana Vidyut Prasaran Nigam Limited****Other Non-Current Assets -₹2.08 crore****No Adjustment of advance from the bills of suppliers**

Advance to a supplier amounting to ₹2.08 crore was recovered (April 2017) from the running bills of the party but no adjustment entry was passed in this regard. This resulted in overstatement of “Other Non-Current Assets” and understatement of “Capital Work in Progress by ₹2.08 crore.

[Government of Haryana Report No. 1 of the year 2024 of CAG, Para No.5.13.2, SI No.1]

Haryana Power Generation Corporation Limited**Understatement of Provisions**

Provision amounting ₹781.14 crore was understated by ₹143.24 crore due to short provision on account of ‘Non funded liability’. Provision of ₹156.02 crore has been made against the liability of ₹299.26 crore as per the Actuarial Valuation report. This resulted in overstatement of ‘Other Equity’ by ₹143.24 crore and understatement of ‘Provisions to that extent.

[Government of Haryana Report No. 1 of the year 2024 of CAG, Para No.5.13.2, SI No.2]

Uttar Haryana Bijli Vitran Nigam Limited**1. Non provision of Employee Benefits as per Actuarial Valuation Report as per Ind AS-19**

Para 63 of Ind AS-19 requires an entity to recognize the net defined benefit liability (asset) in the balance sheet. As per actuarial valuation report, net defined benefit liability as on 31 March 2023 for funded benefits and non-funded benefits worked out to ₹4742.03 crore and ₹393.86 crore respectively. The Company, however, provided liability/provision of ₹1040.08 crore against funded benefits and nil against non-funded benefits in the annual accounts. Resultantly, liability/provision for employee benefits was understated by ₹4095.81 crore and other equity overstated to the same extent.

[Government of Haryana Report No. 1 of the year 2024 of CAG, Para No.5.13.2, SI No.3(1)]

2. Non-provision of Guarantee fee payable to the State Government

Other Financial Liabilities did not include ₹13.83 crore on account of guarantee fee (₹6 crore) payable to the State Government for availing (March 2023) term loan and cost of power/fuel price adjustment (₹7.83 crore) payable to power generating companies relating to period 2022-23 resulting in overstatement of profit to the same extent.

[Government of Haryana Report No. 1 of the year 2024 of CAG, Para No.5.13.2, SI No.3 (2)]

Government of Himachal Pradesh Report No. 1 of the year 2024

Comments on Profitability

Himachal Pradesh State Electronics Development Corporation Limited (2021-22)

Understatement of Employee Benefit Expenses

Employee Benefits expenses were understated by ₹161.28 lakh (estimated expenditure of pay revision arrear for the period January 2016 to March 2022) resulting in overstatement of profit by ₹161.28 lakh.

[Government of Himachal Pradesh Report No. 1 of the year 2024 of CAG, Para No.5.12.1, SI No.1]

Himachal Pradesh State Electronics Development Corporation Limited (2021-22)

Non-provision for arrear of 6th pay commission revision

Current liability was understated by ₹90.75 crore on account of non-provision for arrear of 6th pay commission revision for the period 1 January 2022 to 31 March 2022. This resulted into understatement of Employee benefit expenses and 'Loss for the year' as well as 'Current Liabilities-Provisions' by ₹90.75 crore.

[Government of Himachal Pradesh Report No. 1 of the year 2024 of CAG, Para No.5.12.1, SI No.2]

Comments on Financial Position

Himanchal Pradesh State Electricity Board (2021-22)

Under-provision of expenses towards Local Area Development Fund (LADF)

As per State Hydro Policy 2006, 1.5 per cent of the final cost of project above 5 MW has to be contributed to a Local Area Development Fund (LADF). Total expenditure of UHL Stage-III Hydro Electric Project of Beas Valley Power Corporation Limited was ₹2276.50 crore (as on 31 March 2022) and accordingly proportional contribution towards LADF should have been at ₹34.15 crore. However, BVPCL had expended ₹16.69 crore and kept a provision of ₹15.93 crore towards LADF as on 31 March 2022 resulting in understatement of Current Liabilities and Capital Work in Progress by ₹1.53 crore.

[Government of Himachal Pradesh Report No. 1 of the year 2024 of CAG, Para No.5.12.1, SI No.3]

Non-inclusion of self executed works by consumer under PPE

Property, Plant and Equipment did not include ₹12.05 crore being the value of self-executed works by various consumers in Electrical Division (ED) of Nahan, Paonta Sahib, Rajgarh, Kangra, Nagrota

Bagwan, Karsog and Hamirpur, which become property of the company at the time of release of connections to that particular consumer. There was, thus, understatement of Property Plant and equipment as well as Other Non-Current Liability –Consumer contribution towards cost of capital by ₹12.05 crore.

[Government of Himachal Pradesh Report No. 1 of the year 2024 of CAG, Para No.5.12.1, SI No.3]

Government of Assam Report No. 4 of the year 2024

Comments on Profitability

Assam Power Generation Corporation Limited (FY 2022-23)

Incorrect accounting of Advance as Other Income instead of Current Liabilities

The Company wrongly booked the advance (₹ 1.36 crore) received against ‘Land Lease Charges’ & ‘Local Area Development Fund Charges’ for the financial year 2023-24 as ‘Other Income’ for current year (2022-23) instead of accounting the same under ‘Current Liabilities’. This has resulted in overstatement of “Profit for the year” and understatement of “Current Liabilities” by ₹ 1.36 crore each.

[Government of Assam report No. 4 of the year 2024 of CAG, Para No. 1.2.9, SI No. 1)

Assam Power Distribution Company Limited (FY 2021-22)

Non-Creation of Regulatory Assets Resulting in Understatement of Profit and Assets

The Regulator (Assam Electricity Regulatory Commission) during the truing up of tariff of the Company for the financial year 2020-21, declared (March 2022) revenue gap (deficit) of ₹ 561.47 crore (including interest component: ₹ 104.26 crore) and considered for adjustment (recovery) of the same during the next year (2022-23). The Company, however, did not create corresponding ‘Regulatory Assets’ by crediting the ‘Profit and Loss Accounts’ in the current accounts (2021-22) as per the ‘Guidance Note on Accounting for Rate Regulated Activities issued by ICAI’. This has resulted in understatement of ‘Profit for the year’ and understatement of ‘Regulatory Assets’ by ₹535.44 crore each (excluding the interest component of ₹ 26.03 crore pertaining to 2022-23) respectively.

[Government of Assam report No. 4 of the year 2024 of CAG, Para No. 1.2.9, SI No. 2)

Assam Petro-Chemicals Limited (FY 2022-23)

Incorrect Recognition of Government Grant as ‘Deferred Income’ prior to commissioning of Plant

Refer ‘Notes forming part of the financial statements’ (**Notes-34.7**) regarding allotment of land (non-monetary grant) (fair market value: ₹ 7.36 crore) by the State Government in Bongaigaon, Assam for setting up of Industrial/200 TPD Formalin Plant (TPD Plant) and accounting of the said land in accordance with the provisions of Ind AS 20 (Government Grants). While the TPD Plant was under construction as on 31 March 2023, the Company estimated the ‘construction period’ and ‘useful life’ of the TPD Plant as 2 years and 25 years respectively.

As per Ind AS 20 (*refer paragraphs 24 and 26*), the Government Grants related to Assets (including non-monetary grants at fair value), shall be recognised as ‘Deferred Income’ and the same shall be

recognised in profit or loss on a systematic basis *over the useful life of the asset*. As such, the Company was required to book the Grant (fair value of Land) as ‘Deferred Income’ in the Balance Sheet (Liabilities side) and after commissioning of the TPD Plant, the Company should start recognising the said Grant (Deferred Income) as ‘Income’ in Profit and Loss Account on a systematic basis, over the useful life of the TPD Plant (25 years).

The Company, however, started recognising (crediting) Grant (Deferred Income) as ‘Income’ to the extent of ₹ 0.27 crore (being the 1/27th part of ₹ 7.36 crore) in the Profit and Loss Account under ‘Other Non-operating Income’ (Note-25) from the accounting year 2020-21 by debiting ‘Other Non-Current Liabilities’, despite the project still pending commissioning.

This has resulted in understatement of ‘Loss for the year’ by ₹ 0.27 crore with corresponding understatement of ‘Accumulated loss (Other Equity Note-16)’ and ‘Other Non-Current Liabilities’ by ₹ 0.81 crore each.

[Government of Assam report No. 4 of the year 2024 of CAG, Para No. 1.2.9, SI No. 3)

Assam Industrial Development Corporation Limited (FY 2020-21)

Inadequate Provision for Diminution in Value of Investment in Calcom Cement Ltd.

The Company invested in 1,09,28,423 equity shares of ₹ 10 each in Calcom Cement Limited. As on the Balance Sheet date the book value of each equity share of ₹ 10 in Calcom Cement Limited was ₹ 6.59 with diminution of ₹ 3.41 per share. However as against total diminution of ₹ 3.73 crore (1,09,28,423 x ₹ 3.41 per share) the company has made provision of ₹ 1.63 crore only for loss of investment. This has resulted in understatement of ‘Loss for the year’ and overstatement of ‘Non-current Investment’ by ₹ 2.10 crore each.

[Government of Assam report No. 4 of the year 2024 of CAG, Para No. 1.2.9, SI No. 4)

Assam Fisheries Development Corporation Limited (FY 2020-21)

Incorrect booking of Short-term Loans and Advances as ‘Other Expenses’

During the year 2020-21, the Company transferred work advance of ₹ 2.26 crore directly to the personal accounts of nine of its employees/officers towards execution of the AFDC Beel Development Scheme 2020-21. The work advances were subject to adjustment after submission of necessary vouchers or bills by the employees/officers.

The Company, however, instead of booking the above payments under ‘Short Term Loans and Advances (Note-11)’ as ‘Advance against AFDC Beel Development Scheme’, charged the same to revenue under ‘Other Expenses (Note-17)’ by creating corresponding provisions for liabilities under ‘Long Term Provisions (Note-4)’. This has resulted in overstatement of ‘Other Expenses (Note-17)’ and ‘Long Term Provisions’ by ₹ 2.26 crore each with corresponding understatement of ‘Short Term. [Government of Assam report No. 4 of the year 2024 of CAG, Para No. 1.2.9, SI No. 5)

Comments on Financial Position

Assam Power Generation Corporation Limited (FY 2022-23)

Non-Provisioning of AFC Refund due to Underachievement of Plant Availability Factor

Regulation 48.1 of the Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations 2021 stipulates that the Normative Annual Plant Availability Factor (NAPAF) for full recovery of Annual Fixed Charges (AFC) from the Consumer (APDCL) shall be minimum 85 *per cent* for Namrup Replacement Power Project (NRPP). *Regulation 52.1(b)* of the above Regulations further provides that recovery of AFC below the level of NAPAF shall be on *pro rata* basis. The AERC, while approving Generation tariff for the financial year 2022-23, allowed AFC of ₹ 148.68 crore for NRPP considering NAPAF of 85 *per cent*. The Company recovered ₹ 148.68 crore (as AFC of NRPP) from APDCL for the financial year 2022-23 but it could achieve Plant Availability Factor (PAF) of 52.99 *per cent* only, which was below the prescribed NAPAF (85 *per cent*). However, it did not provide for the AFC refundable to APDCL due to under-achievement of PAF. This has resulted in understatement of Current Liabilities and overstatement of Profit for the year by ₹ 47.59 crore¹ each.

[Government of Assam report No. 4 of the year 2024 of CAG, Para No. 1.2.9, SI No. 1)

Assam Power Distribution Company Limited (FY 2021-22)

Non-Recognition of Consumer-Contributed Assets in Books of Accounts

The Company did not book ₹ 82.83 crore, being the assets created out of the consumers' contribution during the year 2021-22. This resulted in understatement of 'Property, Plant and Equipment' with corresponding understatement of 'Deferred Government Grants, Subsidies and Consumer Contribution (Note-15)' to the same extent.

[Government of Assam report No. 4 of the year 2024 of CAG, Para No. 1.2.9, SI No. 2)

Government of Uttar Pradesh Report No. 6 of the year 2024 (Government Companies)

1. Comments on Profitability

Madhyanchal Vidyut Vitran Nigam Limited (2018-19)

i. Overstatement of Revenue and Trade Receivables due to Incorrect Booking of Sales of power to Railway Traction

'Revenue from Operation' is overstated by a net amount of ₹ 1.56 crore (₹ 6.33 crore – ₹ 4.77 crore) due to excess/short booking of revenue from operation (sale of power to Railway Traction) by three divisions. As a result, 'Revenue from Operation' as well as 'Trade Receivables' were overstated and 'Loss for the year' was understated by ₹ 1.56 crore.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 SI No.1 (1)]

ii. Understatement of Revenue and Expenses due to Non-Inclusion of Internally Consumed Electricity

An amount of ₹ 8.99 crore on account of electricity internally consumed by six divisions is not included in 'Revenue from Operation'. This resulted in understatement of 'Revenue from Operations' and 'Administrative General & Other Expenses' by ₹ 8.99 crore each.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.1 (2)]

Madhyanchal Vidyut Vitran Nigam Limited (2019-20)

i. Incorrect accounting of 'Unaccrued Transmission Charges' as Expenses in violation of Accounting Policy

As per Significant Accounting Policy transmission charges are accounted for on accrual basis on bills raised by the UP Power Transmission Corporation Limited (UPPTCL) at the rates approved by UPERC. In contravention to the Accounting policy, unaccrued transmission charges of ₹ 245.38 crore related to next year has been accounted for in the current year. This resulted in overstatement of 'Cost of Power Purchased' and 'Current Liabilities' by ₹ 245.38 crore each. Consequently 'Loss for the year' is also overstated by the same amount.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.2 (1)]

ii. Understatement of Finance Cost and Liabilities due to Non-Accounting of Interest on R-APDRP Loan

Finance Cost does not include interest amounting to ₹ 43.82 crore on Loan provided for R-APDRP scheme by Power Finance Corporation (PFC). This resulted in understatement of Finance Cost and Current Liabilities by ₹ 43.82 crore. Consequently 'Loss for the year' is also understated by the same amount.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.2 (2)]

iii. Understatement of Depreciation and Amortization expenses due to non capitalization of assets

Depreciation and Amortization Expenses does not include depreciation amounting to ₹ 58.44 crore on the assets capitalised under RGGVY 11th and 12th Plan schemes. As all the works of both schemes had already been completed by March 2019, the depreciation for the whole year should have been provided in the accounts. This resulted in understatement of the Depreciation & Amortization Expenses as well as Loss for the year and overstatement of Property Plant & Equipment by ₹ 58.44 crore each.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.2 (3)]

Paschimanchal Vidyut Nigam Limited (2018-19)

i. Understatement of Revenue due to Non-Inclusion of Manually Billed Consumer Receivables of ₹28.19 Crore

Revenue from Operation does not include an amount of ₹ 28.19 crore receivable from the consumers under the categories of Public Lighting (Lamps)- ₹ 7.86 crore, Public water Works- ₹ 15.07 crore and State Tube Wells & Pumped Canals- ₹ 5.26 crore related to four divisions of company where billing was done on manual basis. This resulted in understatement of Revenue from Operations and Trade

receivables by ₹ 28.19 crore each. Consequently, loss for the year is also overstated by the same amount.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 SI No.3 (1)]

ii. Overstatement of Expenses and Liabilities due to Excess Provision of License Fee

Administrative, General & Other Expenses includes ₹ 33.48 crore being license fee booked in accounts against demand of UPERC of ₹ 21.79 crore for the period 2011-12 to 2018-19. This resulted in overstatement of 'Administrative, General & Other Expenses' and 'Other Current Liabilities' by ₹ 11.69 crore each. Consequently, 'Loss for the year' is also overstated by the same amount.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 SI No.3 (3)]

iii. Misclassification of Capital Expenditure as Revenue Expenditure leading to Overstatement of Expenses and Loss

Administrative, General & Other Expenses includes ₹150.33 crore towards advances and expenses paid to the contractors and consultants for works/consultancy services for execution of capital works under SAUBHAGYA scheme. This resulted in overstatement of 'Administrative, General & Other Expenses' and understatement of 'Capital Work in Progress by ₹150.33 crore each. Consequently, 'Loss for the year' is also overstated by ₹150.33 crore.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 SI No.3 (4)]

Dakshinanchal Vidyut Vitran Nigam Limited (2019-20)

Non recognition of Government Subsidy as Income under UDAY Scheme resulted in Understatement of Other Income and Assets by ₹128.52 Crore

Other Income includes additional subsidy of Rs.516.96 crore received from the Government of Uttar Pradesh (GoUP) against previous year (2018-19) losses under Ujjwal DISCOM Assurance Yojna (UDAY). As per tripartite Memorandum of Undertaking (MoU) dated 30 January 2016 signed among the Ministry of Power, Government of India (GoI), Government of Uttar Pradesh (GoUP) and Uttar Pradesh Power Corporation Limited (UPPCL) (on behalf of all DISCOMs) for implementation of UDAY, the GoUP was to reimburse 25 per cent of the losses of 2018-19 in the year 2019-20. As per Ind-AS 20, Government Grant for losses already incurred should be recognised in the statement of profit and loss for the year in which it becomes receivable. Thus, the amount receivable against losses of 2019-20 works out to ₹645.48 crore (25 per cent of loss of ₹2,567.16 crores + excess subsidy of ₹ 14.77 crore received during 2018-19) should have been recognized as income. Due to not accounting of the same 'Other Income' and 'Other Current Assets' are understated by ₹128.52 crore (₹645.48 crore – ₹ 516.96 crore).

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 SI No.5]

Purvanchal Vidyut Vitran Nigam Limited (2019-20)

Incorrect accounting of 'Unaccrued Transmission Charges' as Expenses in violation of Accounting Policy

As per Significant Accounting Policy transmission charges are accounted on accrual basis on bills raised by the UP Power Transmission Corporation Limited (UPPTCL) at the rates approved by UPERC. In contravention to the Accounting policy, unaccrued transmission charges of ₹302.72 crore related to next year has been accounted for in the current year. This resulted in overstatement of 'Cost of Power Purchased' and 'Current Liabilities' by ₹302.72 crore each. Consequently 'Loss for the year' is also overstated by the same amount.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.6 (2)]

Uttar Pradesh Development Systems Corporation Limited (2018-19)

Understatement of Purchases and Revenue due to Non-Recognition of Back-to-Back Transactions

The company recognises Purchases and corresponding Revenue from Operations on back to back basis on acceptance of Goods and Services supplied by the vendors directly at the location of the customer. However, for Goods and Services amounting to ₹4.34 crore supplied during 2018-19 for which invoices were raised by June 2019 were not recognised in the accounts. This resulted in understatement of 'Purchases of Stock in Trade' and 'Revenue from Operations' by Rs.4.34 crore each.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.8]

2. Comments on Financial Position

Madhyanchal Vidyut Vitran Nigam Limited (2019-20)

Non-Capitalisation of Completed Works Leading to Overstatement of CWIP and Understatement of PPE

Capital Work-in-Progress includes Rs.1,182.79 crore pertaining to different works of SAUBHAGYA and RGGVY (10th, 11th and 12th plan) schemes. As these works have already been completed till December 2018, the same should have been capitalised under the Property Plant and Equipment. This resulted in overstatement of Capital Work in Progress and understatement of Property, Plant and Equipment by ₹1,182.79 crore each.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.1 (2)]

Paschimanchal Vidyut Nigam Limited (2018-19)

Incorrect Capitalisation of Post-Completion Interest Leading to Overstatement of PPE and Understatement of Finance Cost

Property Plant and Equipment includes interest of ₹114.27 crore on loans for projects under R-APDRP which has been incurred after completion (Closure reports were sent to Power Finance Corporation by March 2018) of all the projects under R-APDRP scheme. The Company capitalized the aforesaid interest instead of charging it as Expenditure. This Resulted in overstatement of 'Property, Plant and Equipment' and understatement of 'Finance Cost' by Rs.114.27 crore each. Consequently, 'Loss for the year' is also understated by 114.27 crore

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.2 (1)]

Dakshinanchal Vidyut Vitran Nigam Limited (2018-19)

Accounting of Inadmissible Electricity Duty from Private Tube Well Consumers

The Private Tube Well (PTW) consumers are exempted from Electricity Duty (ED). However, the Company has accounted for ₹19.72 crore in 2017-18 as ED receivable from PTW consumers. This resulted in overstatement of 'Trade Receivables' as well as 'Other Current Liabilities' by ₹19.72 crore

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.3 (2)]

Noida Metro Rail Corporation Limited (2020-21)

Non-provision of Stamp Duty and Registration Fees for Leasehold Immovable Property

As per Note and Explanatory Note of Balance Sheet, the Company has obtained leasehold land worth ₹339.00 crore from Noida and Greater Noida Authority for a period of 90 years at a nominal lease rent of ₹1 per annum. As per the Registration Act, 1908 the lease of immovable property for a period exceeding one year is required to be registered, however, the Company did not register the lease and the resultant liability towards stamp duty and registration fees has not been provided for by the Company. This resulted in understatement of 'Other Current Assets' and 'Other Current Liabilities' by ₹27.12 crore.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.6]

3. Comments on Disclosure

Madhyanchal Vidyut Vitran Nigam Limited (2019-20)

Non-Disclosure of Repayment and Maturity Details of Borrowings

As per Schedule III of Companies Act 2013, in case of Borrowings, additional disclosures relating to maturity/redemption or conversion date of bonds, repayment of term loans and other loans etc. are required to be disclosed. However, such disclosures were not included in the Financial Statements of the Company in respect of loans and bonds amounting to Rs.11,775.60 crores.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.1]

4. Comments on Statutory Auditor's Report

Uttar Pradesh Power Transmission Corporation Limited (2020-21)

Non-Disclosure of Premature Approval of 2020-21 Financial Statements in Violation of Companies Act and CAG Audit Conditions

The financial statements of the Company for the year 2020-21 were approved by Board of Directors and were certified by the Statutory Auditors before adoption of financial statements of the company for the year 2019-20 in Annual General Meeting. This fact was not disclosed by the Statutory Auditors in their Audit Report as required under Section 96 read with Section 129 (2) of the Companies Act, 2013 and point no. 4 of the 'Conditions for the Auditors' of appointment letter of auditors issued by CAG.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.1]

Uptron Powertronics Limited (2018-19)

i. Incorrect Reporting of Provision for Doubtful Debts by Statutory Auditors Under Key Audit Matters

The Statutory Auditors in their Report reported under Key Audit Matters that Company has made provision for doubtful debts of Rs.100 lakhs during the year ended on 31 March 2019. However, no such provision was made in accounts during the year.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.6 (1)]

ii. Underreporting of Disputed Statutory Dues by Statutory Auditors Under ‘Report on Other Legal and Regulatory Requirements’

Under ‘Report on Other Legal and Regulatory Requirements’ it is reported by Statutory Auditors that the amount of Rs.9.91 crore is pending for disputed Statutory dues. However, the actual amount is of Rs.20.69 crore.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.A.1 Sl No.6 (2)]

(B) Government controlled other Companies

2. Comments on Financial position

Bareilly Smart City Limited (2109-20)

Misclassification of Grants Received Under Smart City Mission Resulted in Overstatement of Shareholder’s Funds and Understatement of Current Liabilities

The Government of India (GoI) under Smart City Mission sanctions Administrative & Operative Expenses (A&OE) Grant for meeting expenses of the Smart City Company from the stage of Smart City proposal to its daily operation and Project Grant for meeting Project Expenses. The Company accounted Rs.52.23 crore as Project grant, Rs.1.26 crore as Grant for pre-operative expenses and Rs.3.31 crore as A&OE grant inclusive of interest earned on grant received from GoI as shareholder’s funds instead of accounting the same under Current Liabilities. This resulted in overstatement of ‘Shareholder’s Funds’ and understatement of ‘Current Liabilities’ by Rs.56.80 crore each.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.B.2, Sl No.1]

Aligarh Smart City Ltd. (2019-20)

Work-in-Progress Incorrectly Classified as Other Current Assets Instead of Capital Work-in-Progress

The Short term Provisions includes an amount of Rs.20.81 crore being payment made to M/s Eikon India Private Limited and M/s ABM Knowledge Ware Limited against the work of Master System Integrator (MSI) for implementation of Integrated Command & Control Centre (ICCC) and E-Governance based Smart City solution at Aligarh. The said work is under progress, but shown as other Current Assets instead of Capital Work-in-Progress. Due to wrong classification, Other Current Assets is overstated by Rs.20.81 crore and Capital Work-in-Progress is understated to the same extent.

[Government of Uttar Pradesh Report No. 6 of the year 2024 of CAG Para No. 3.5.4.B.2, Sl No.3]

खंड 5 : ज्ञान केंद्र विषयों में रुचि का विकास

Ministry/ Department/ Authority	Subject	Ref No. and Date
	Alignment of CSR expenditure of Central Public Sector Enterprise (CPSEs) with national priorities-regarding.	F.No. 8/2/2018-Dir(CSR) Dated-11 th Oct, 2024
	Consolidated & revised guidelines regarding Vigilance Policy for CPSEs 13 Nov 2024	F.No. W-15(2)2001-DPE(GM)-FTS-4199 Dated-13 th Nov, 2024
	Consolidated Guidelines on Vigilance dated policy for CPSEs	F. No.15(2)/2001-DPE(GM) Dated-29 th July,2024
	Disciplinary proceedings in respect of CPSEs employees after superannuation Updated Model CDA Rule	F.No.15(7)99-DPE(GM)-FTS-4800 Dated-7 th Feb, 2025
	Grant of Maharatna Status to Hindustan Aeronautics Limited (HAL) a CPSE	No. PD-I-26/0006/2024 Dated-12 th Oct, 2024
	Grant of Navratna Status to Indian Railway Catering and Tourism Corporation (IRCTC) as a Central Public Sector Enterprise (CPSE)	F. No. PD-I-26/0007/2024 Dated-3 rd Mar, 2025
	Grant of Navratna Status to Indian Railway Finance Corporation (IRFC) a Central Public Sector Enterprise.	F.No.PD-I-26/0008/2024-DPE Dated-3 rd Mar, 2025
	MoU framework for CPSEs performance evaluation for the year 2025-26 onwards-reg.	F.No. 03/0004/2024-MoU Division Dated-28 th Mar, 2025
	MoU Guidelines for the year 2024-25 (Consolidated)-reg.	No. M-03/0004/2024-MoU Division Dated-10 th Mar,2025
	Pay fixation in case of officer of Nationalized Banks joining CPSEs	W-02/0030/2024-DPE(WC)/FTS-14110 Dated-6 th Feb, 2025
	Settlement of Commercial disputes between CPSEs inter se CPSEs and Govt. Dept or Org-AMRCD-reg	No.DPE-02/0001/2023-AMRCD/FTS-13578 Dated-17 th Dec, 2024

	Simplification of the process for initial categorization of the existing uncategorized functional CPSEs	PD-1-08/002/2023-DPE Dated-8 th Aug, 2024
Securities and Exchange Board of India (SEBI)	Master circular for compliance with the provisions of the Securities and Exchange Board of India (LODR) Regulations, 2105 by listed entities.	SEBI/HO/CFD/PoD2/CI R/P/0155 Dated-11 th Nov, 2024
	Master Circular for Depositories	SEBI/HO/MRD/MRD-PoD-1/P/CIR/2024/168 Dated-3 rd Dec, 2024
	Master Circular for Issue of Capital and Disclosure Requirements	SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 Dated-11 th Nov, 2024
	Master Circular for Stock Exchanges and Clearing Corporations	SEBI/HO/MRD-PoD2/CIR/P/2024/00181 Dated-30 th Dec, 2024
Ministry of Corporate Affairs	Appointment of Chairperson IEPFA	CG-DL-E-04102024-257706 Dated-3 rd Oct, 2024
	The Companies (Adjudication of Penalties) Second Amendment Rules, 2024	CG-DL-E-09102024-257790 Dated-9 th Oct, 2024
	Guidelines For Funding Research And Studies, Workshops And Conferences Etc. Under The Plan Scheme "Corporate Data Management" Of The Ministry Of Corporate Affairs	29 -01-2025

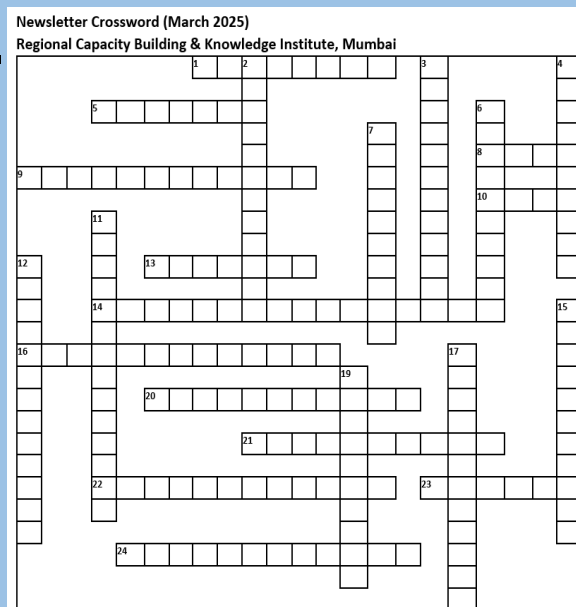
खंड 6: सूचना पत्र वर्ग पहेली (मार्च 2025)

आर-पार

1. Statement showing inflows and outflows of cash
5. Basis recording income/expenses when incurred, not on cashbasis.
8. Independent examination of financial records
9. Systematic allocation of cost of tangible asset over useful life
10. Owner's residual interest in assets after deducting liabilities
13. Reducing risk through financial instruments
14. Corporation earnings not yet distributed
16. Opposite the normal balance
20. Adjusting asset values to fair value
21. Loss of rights, often in shares or deposits
22. Assets minus liabilities
23. Owner withdrawals of cash or goods
24. Primary check of ledger balances before preparing final accounts

ऊपर से नीचे

2. Customer form for a return
3. Gradual writing off of intangible assets.
4. Liabilities of uncertain timing or amount.
6. Summarized financial reports showing results and position
7. Permanent reduction in asset value
11. Converting assets into marketable securities.
12. Removing an asset or liability from financial statements
15. Possible obligation depending on future events.
17. Guaranteeing subscription of shares/bonds.
18. Reduction in value due to being outdated
19. Selling off an asset or subsidiary



उत्तर:

- | | |
|--------------------|-----------------------|
| 1. CASHFLOW | 13. HEDGING |
| 2. SALES INVOICE | 14. RETAINED EARNINGS |
| 3. AMORTIZATION | 15. CONTINGENCY |
| 4. PROVISIONS | 16. CONTRA ACCOUNT |
| 5. ACCRUAL | 17. UNDERWRITING |
| 6. STATEMENTS | 18. OBSOLESCENCE |
| 7. IMPAIRMENT | 19. DIVESTMENT |
| 8. AUDIT | 20. REVALUATION |
| 9. DEPRECIATION | 21. FORFEITURE |
| 10. EQUITY | 22. OWNERS EQUITY |
| 11. SECURITISATION | 23. DRAWINGS |
| 12. DERECOGNITION | 24. TRAIL BALANCE |

खंड 7: क्षेत्रीय क्षमता निर्माण एवं ज्ञान संस्थान, मुंबई के स्टाफ एवं
उपयोगकर्ता कार्यालयों के स्टाफ द्वारा लिखित/ संकलित हिंदी के लेख/ कविता।



श्री धीरज कुमार भारद्वाज
सहायक लेखापरीक्षा अधिकारी

मैं कौन हूँ

मैं कौन हूँ, ये प्रश्न गूँजता मन में,
उत्तर छिपा है मेरे ही कर्मधर्म के तन में।

संख्याओं के जंगल में मैं पथ खोजता,
लेखों की पंक्तियों में सच को जोड़ता।

कागज़ के हर अक्षर की मैं परख करता हूँ,
छल-छिद्र के हर धागे को जाँचता, बुनता हूँ।

राजकोष की चौखट पर प्रहरी बन खड़ा,
जनहित की डोर से हूँ मैं जुड़ा।

जब कोई पूछे—“तुम्हारा परिचय क्या है?”
मुस्कान से कह दूँ—“सत्य का दर्पण हूँ मैं।”

मैं हूँ लेखा का मूक सिपाही,
अनुशासन, पारदर्शिता का संदेशवाहक साथी।

मैं कौन हूँ?
मैं हूँ एक ऑडिटर,
भारतीय लेखा एवं लेखा परीक्षा विभाग का प्रहरी,
जनविश्वास की लौ जलाने वाला,
न्याय के आँचल को सँभालने वाला।



श्री कुलदीप सिंह,
कनिष्ठ अनुवादक
द्वारा संकलित

नाम में क्या नहीं रखा है?

भारतीय समाज में नाम का बड़ा महत्व है। नामकरण जीवन के 16 महत्वपूर्ण संस्कारों में एक है। देखें तो विश्व की अनेक विकसित भाषाओं में नाम शब्द के पर्याय इसी शब्द के आसपास मिलेंगे जैसे 'नाम' अंग्रेजी, जर्मन और 'नौम' फ्रेंच व पुर्तगाली में है। नाम किसी व्यक्ति या पदार्थ की पहचान होता है और यह नाम भारत ने ही विश्व को दिया।

हमारी भाषा में जो भी शब्द नाम के रूप में प्रयुक्त होते हैं, उनके पीछे वैज्ञानिक या मनोवैज्ञानिक सोच अवश्य होती है। उदाहरण के लिए जब हमारे पूर्वजों में इस विश्व को जगत कहा तो उन्हें यह ज्ञान था कि यह गतिमान है। इसे अधिक स्पष्ट करने के लिए संसार कहा यानी वह सरकता हुआ चलता है। इसी प्रकार भूगोल बता देता है कि पृथ्वी गोल है यह अवधारणा इतनी शुद्ध है की महाप्रलय के समय विष्णु के वराह अवतार में पृथ्वी को गेंद की तरह मुंह में उठाए हुए दर्शाया गया है। हमारे ज्योतिषियों ने आकाश को भी गोल 'खगोल' कहा है। गोल वस्तु में कोई सिरा नहीं होता। इसलिए, जिसके आदि और अंत का पता न हो, वह गोल है। ईश्वर भी आदि और अंत से रहित हैं, इसलिए उन्हें 'अनादि-निधनो देव' कहा है। शनि का पूरा नाम 'शनैश्चर' (लोक में शनिचर) है यानी धीरे चलने वाला ग्रह। मंगल ग्रह का नाम 'भौम' है, अर्थात् भूमि से उत्पन्न। मंगल का एक नाम 'कुज' (पृथ्वी) भी है। यह अच्छी बात है कि हमारे पूर्वजों के खगोलीय ज्ञान का अनुसरण करते हुए आधुनिक विज्ञानी उन तथ्यों का समर्थन कर रहे हैं, जिन्हें हमारे ऋषि मुनि स्थापित कर चुके हैं। आज विज्ञान भी मंगल और पृथ्वी में साम्य देखकर 'भौम' शब्द की सार्थकता प्रतिपादित कर रहा है।

रामायण, महाभारत और श्रीमद्भगवद मानव सभ्यता के प्रामाणिक इतिहास हैं, जिन्हें समझने के लिए निश्चित व्यवस्था (वेदों में ऋत) में चल रहे ग्रहों-नक्षत्रों की चाल समझना जरूरी है। महज कुछ सदियों के भग्नावशेषों के उत्खनन और कागजी कूड़े बीनकर भारत का इतिहास नहीं पढ़ा जा सकता।



श्री जय राम
कनिष्ठ अनुवादक

डॉग-लव (व्यंग्य)

प्रेम, जिसे हिंदी में लव कहते हैं या यदि मूड बॉलीवुडाना हो तो प्यार, इश्क, मोहब्बत आदि नाम भी दिए जाते हैं, आजकल सुर्खियों में है। इसलिए नहीं कि दुनिया में अचानक प्रेम की बाढ़ आ गई हो अथवा इश्क का बुखार चढ़ गया हो, बल्कि इसलिए कि भारत के सर्वोच्च न्यायालय ने एक निर्णय सुना दिया कि गलियों के आवारा कुत्तों को पकड़कर डॉग-शेल्टर्स में रखा जाए।

डॉग-शेल्टर्स को कुत्तालय अथवा कुक्कुरगाह कहा जाए तो कैसा रहेगा? हमारी राजभाषा में एक नया शब्द भी जुड़ जाएगा और अँग्रेज़ी की फजीहत भी रुक जाएगी।

हुआ यों कि किसी शहर की किसी गली में अपने काम से पैदल जा रहे एक जेंटलमैन (भलेमानस) को गली के आवारा कुत्तों ने काट लिया। उन्होंने उपचार भी कराया लेकिन रेबीज को आने से नहीं रोक सके। रेबीज आया और इत्मीनान से रोगी के प्राण हरकर अपने साथ ले गया। बस क्या था, मृतक के परिजनों ने सर्वोच्च न्यायालय में गली के आवारा कुत्तों पर मुकदमा ठोक दिया।

एक बात माननी पड़ेगी कि न्यायालयों के हमारे माननीय लोग निष्पक्ष भी होते हैं और हर चीज के विशेषज्ञ भी होते हैं। तभी तो आधी रात को भी आतंकवादियों को सुनने को तैयार रहते हैं। यहाँ तक कि विदेश नीति, रक्षा नीति, विज्ञान नीति, सनातनी सिद्धांत आदि पर भी अपना निर्णय देने के लिए पालथी मारकर बैठ जाते हैं। अच्छी सुनवाई हुई। सरकार से, कानून-व्यवस्था संभालनेवालों से, डॉक्टरों से या गलियों में रहनेवाले पीड़ितों से कुछ पूछने की ज़रूरत ही नहीं थी। पक्ष-विपक्ष में तर्क-वितर्क हुए और अंततः निर्णय आ गया।

निर्णय के आते ही देश में बवाल हो गया। डॉग-लवर्स का एक फोरम (अँग्रेज़ी में जिसे मंच या संगठन कह सकते हैं) सामने आ गया। उधर सर्वोच्च न्यायालय भी संभवतः इसी फोरम की प्रतीक्षा में था। आम जनता की पीड़ा को सुनने के लिए न्यायालयों का एक न्यायक्रम (ज्यूडिशियल हिरार्की) होती है जैसे पहले लोअर कोर्ट, फिर हाईकोर्ट और अंत में सुप्रीम कोर्ट। लेकिन जब माननीयों की मर्जी हो जाए तो किसी न्यायक्रम की क्या औकात? बिना किसी पुनर्विचार याचिका के मामले को दोबारा सुना गया। पहले के निर्णय को बदल दिया गया। सर्वोच्च न्यायालय ने ही कह दिया कि सर्वोच्च न्यायालय ने ग़लत निर्णय दिया था। अर्थात् पहलेवाले मी-लॉर्ड न्यायसक्षम नहीं थे अभीवाले मी-लॉर्ड के सामने। इस बार जो निर्णय आया उसने धरती के सभी प्राणियों के जीवन पर आधुनिक न्यायशास्त्र की सम्प्रभुता का ध्वज फहरा दिया। निर्णय के अनुसार अब गली के आवारा कुत्तों को पकड़ा नहीं जाएगा। बस, सार्वजनिक रूप से उन्हें दाना-पानी देनेवालों को जेल की हवा खानी पड़ेगी। नगरपालिकाओं को निदेश दिया गया है कि पता लगाओ कि गलियों के कुत्तों का स्वभाव कैसा है? यदि वे शरीफ कुत्ते हैं तो उन्हें पूर्ण सम्मान का हक है। यदि उनका स्वभाव आक्रामक

है अथवा वे रेबीजग्रसित हैं तब ही उन्हें पकड़ो, इलाज कराओ, बन्ध्याकरण कराओ और पुनः ससम्मान वहीं छोड़ आओ जहाँ से पकड़ा था। समस्या यह है कि कुत्तों के स्वभाव का पता कैसे लगाया जाएगा?

खबरदार, जो किसी ने इन्हें कुत्तालयों अथवा कुक्कुरगाहों में, सॉरी, डॉग-शेल्टर्स में भेजने की बात की! कुत्तों के अपमान के जुर्म में उन्हें जेलों में चक्की-पीसिंग भुगतना होगा।

निर्णय पढ़कर डॉग-लवर्स का फोरम आनंदित हो गया। हो भी क्यों न? यह निर्णय मानव-सभ्यता पर कुक्कुर-सभ्यता की विजय के रूप में इतिहास में स्वर्णाक्षरों में लिखा जाएगा। साबित हो गया कि धरती पर कुत्तों का अधिकार मानवों के अधिकार से अधिक प्रबल है। कुत्ताधिकार के सामने मानवाधिकार फुस्स हो गया। ठीक वैसे ही जब कुछ वर्षों पहले हमारे एक प्रधानमंत्री विभिन्न समुदायों के अधिकारों की प्रबलता हमें सिखा रहे थे। यह भी साबित हुआ कि गलियों में, सुनसान रात को, कुत्तों से परमिशन लिए बिना, बिना वीजा-पासपोर्ट के पैदल चलनेवाला आदमी जेंटलमैन हर्गिज नहीं हो सकता। ऐसे व्यक्ति को काट खाना गलियों के अधिष्ठाता अर्थात् कुक्कुरवंद का जन्मसिद्ध अधिकार भी है और प्राकृतिक न्याय भी। गलियों में रात्रि का समय ही क्यों, जब कभी भी गलियाँ सुनसान हों, वह समय ईश्वर ने ही कुत्तों को अलॉट कर रखा है। इस समय का अतिक्रमण मानव का अक्षम्य अपराध है। जेंटलमैन वही हो सकता है जो कम से कम चौपहिया वाहनों से चलता हो, जैसा कि सारे के सारे डॉग-लवर्स फोरमवाले हैं। डॉग-फोरमवालों को अच्छी तरह मालूम है कि नगरपालिकावाले पहले से मिले हुए कामों को ही नहीं कर पाते, यह नया काम तो उनकी क्षमता से ही बाहर है। सरकारें जब मनुष्यों का बन्ध्याकरण ही नहीं करा सकी तो कुत्तों का क्या बिगाड़ लेगी। कुत्तों की जवानी फलीभूत होते रहने में अब कोई समस्या नहीं है। अब गलियों में विराज रहे इन सम्मानित प्राणियों को किसी भी तरह का कोई खतरा नहीं है।

दुर्भाग्य है कि कुछ पत्रकारों को अनुसंधानिक कीड़े बहुत ज्यादा काटते हैं। अगले दिन से ही ये पत्रकार लोग काम पर लग गए। इनके अनुसंधान में डॉग-लवर्स फोरम की सदस्यता हासिल करने के लिए कुछ योग्यताओं के मानदंड मिले हैं जो इस प्रकार हैं :-

- (1) आपके पास कम से कम एक चौपहिया वाहन होना चाहिए।
- (2) आपके पास अच्छी-खासी नियमित आय का स्रोत होना चाहिए।
- (3) आपके घर में दैनंदिन बोलचाल और कामकाज की भाषा अंग्रेज़ी या कोई विदेशी भाषा हो। हिन्दी या कोई भी भारतीय भाषा तो हर्गिज ही नहीं होनी चाहिए। भारतीय भाषाओं की सबसे बड़ी कमजोरी है कि वे सबसे प्रेम करना सिखाने लगती हैं। सबसे प्रेम करने और सिर्फ डॉग्स से प्रेम करने में बहुत अंतर है जो भारतीय भाषाएँ नहीं समझती हैं।
- (4) आपको कट्टर मांसाहारी होना चाहिए, अर्थात् मांसाहार के बिना आप कभी भी एक भी निवाला हलक में न डालते हों। आपको कुत्तों का मांस खाने की छूट प्रदान की जाती है। इस संबंध में अलिखित सिद्धांत यह है कि पशुओं को मारकर खा जाना भी पशुप्रेम की अभिव्यक्ति ही होती है।
- (5) आपके घर में पेट्स (पालतू पशु) होना अनिवार्य है। और हाँ, पेट्स के रूप में अधिकांश कुत्ते ही हों। एकाध बिल्ली, मुर्गी, खरगोश आदि रख सकते हैं। सबसे बड़ी बात यह कि पेट्स के रूप में दकियानूसी पशु जैसे गाय, भैंस, बकरी, बैल आदि हर्गिज न हों।
- (6) आपको लिखित रूप में यह स्वीकार करना होगा कि आपकी गोद और बेड पर आपके पेट्स का अधिकार आपके बच्चों के अधिकार से अधिक प्रबल है।
- (7) आपको डॉग-लवर का तमगा तब ही मिलेगा जब आप स्टॉप पेपर पर लिखकर देंगे कि अपने जीवन में आप एनिमल-लवर या पैरेंट-लवर कभी भी नहीं बनेंगे।

पत्रकारों के अनुसंधान का निष्कर्ष देखकर तो मेरा माथा ठनक गया है। खबरें आ रही हैं कि डॉग-लवर्स फोरम के अधिकांश माननीय सदस्यों के वृद्ध माता-पिता अपना शेष जीवन खुशी-खुशी वृद्धाश्रम में बिता

रहे हैं। जिनका शरीर अभी चल रहा है वे भी किसी अच्छे ओल्ड एज होम (शेल्टर) की तलाश में हैं। यह भी पता चला है कि इस डॉग-लवर्स फोरम के लगभग सभी सदस्यों का कम से कम एक बार तलाक हो चुका है। मतलब एक से अधिक विवाहों का सुख उन्हें मिल चुका है। कुछ तो बिना विवाह के ही विवाह - सुख का उपभोग कर रहे हैं। और अँग्रेज़ी की तो पूछिए ही मत। इनके पेट्स भी अँग्रेज़ी में ही भौंकते हैं। आधुनिक लोग अब मानने भी लगे हैं कि अँग्रेज़ी-भौंक प्लीजेंट होती है और हिन्दी-भौंक इरिटेंट!

न्यायालय के आदेश के बाद मैं अचानक एक दिन एक डॉग-शेल्टर पहुँच गया। वाह, क्या ठाठ-बाट थे वहाँ के रहवासियों के। सरकार की तरफ से खाने-पीने, रहने, सोने, मनोरंजन, चिकित्सा और भौंकने की पूरी सुविधा थी। न काम की चिंता, न बाल-बच्चों की चिंता और हाँ, न विवाह की चिंता। इस डॉग-शेल्टर के जीवन पर तो अलकापुरी के जीवन को भी न्योछावर किया जा सकता है। लेकिन मेरे आश्चर्य का ठिकाना नहीं रहा जब मैंने देखा कि इसी डॉग-शेल्टर के बगल में बह रही नदी के किनारे पिछले वर्ष जनवरी महीने में एक ही परिवार के छह सदस्य भूख और ठिठुरन से काल-कवलित हो गए थे। इन छह मृत्युओं पर न सरकार का, न न्यायालय का और न ही किसी संगठन का ध्यान गया था।

फिर अचानक याद आया कि ठंढ़ में ठिठुरकर मरनेवाले सभी आदमी थे, डॉग्स नहीं।



सुश्री कामिनी विश्वकर्मा,
यंग प्रोफेशनल

सफ़र से सुकून तक

मैं सूरज संग उठती हूँ, आँखों से नींद मलती हूँ,
स्कूटी के पहिए सुबह को गुनगुनाते,
मेट्रो गेट तक सफ़र कराते,
और वहीं से रोज़ का सफ़र शुरू होता है।

मेट्रो गुनगुनाती है, उनींदी आँखों से भरी,
फिर हार्बर लाइन मुंबई लोकल्स की अव्यवस्थित—
शान।

ट्रेन हज़ार सपनों को साँस में भरती,
चेहरों को लोहे की दरारों में कसती,
कोहनियाँ धकेलतीं, पाँव जगह खोजते,
जहाँ साँस लेना भी मुश्किल होता।

रिक्शा खड़कते रास्तों से गुज़रता,
धूल और डीज़ल, फिर भी कोई शिकायत नहीं।
क्योंकि इस रोज़मर्रा की थकान से परे,
एक स्वर्ग है, जिसकी उम्मीद न थी।

एक फाटक खुलता है,
सिर्फ़ लोहे का नहीं बल्कि उस गर्मजोशी का—,
जिसे मैंने कभी सच न जाना।
मुस्कुराते गार्ड, सलाम करते लिफ़्टमैन,
सफाई की नर्मी, कैटीन की गर्माहट।

अंदर की हवा हल्की है, दयालु है,
न कोई तीखी फुसफुसाहट, न कोई ज़हरीला मन।
मेरे सीनियर्स चमकते तारों जैसे बैठे।
यही है जो मैं महसूस करती हूँ यही देखती हूँ।—

तीन चाय साथी,
खामोशी से चुस्की लेते।

और फिर मे—रे मार्गदर्शक, मेरी रोशनी,
एक मेंटर जिसकी मौजूदगी बिल्कुल सही।
न डाँट, न फटकार सिर्फ़ धैर्य की कृपा—,
मानवीय सलीके सिखाने वाली।

ये कोने की डेस्क,
ये साधारण जगह,
फ़ाइलों से ज़्यादा सँभालती है एक अपनापन।—

यह पहला दफ़्तर मेरा,
जैसा मैंने कभी न सोचा
ये जगह,
ये लोग,
ये शांति।

सब मेरी है।