

**APPENDICES
&
ANNEXURES**

Appendix-I

(Referred to in para 12.1)

Recoveries at the instance of Audit during 2014-15

(Amount ₹ in lakh)

Name of Ministry/Department	Name of the Central Public Sector Enterprise (CPSE)	Audit observations in brief	Amount of recovery pointed out by Audit	Amount recovered by the Management
Coal	Northern Coalfields Limited	Loss due to short billing of performance incentive	522	1329
Coal	Northern Coalfields Limited	Excess payment to Forest department	1874.29	321.33
Coal	South Eastern Coalfields Limited	Recovery of increased licence fees from Executives in respect of company's quarters at Areas and consequent under recovery	150.00	179.39
Coal	Northern Coalfields Limited	Non-recovery of revised licence fees from the executives of the Company	616.00	90.18
Consumer Affairs Food and Public Distribution	Food Corporation of India	Incorrect payment of carryover charges	16.89	16.89
Consumer Affairs Food and Public Distribution	Food Corporation of India	Incorrect payment to State Agencies	66.66	56.58
Consumer Affairs Food and Public Distribution	Food Corporation of India	Over payment on account of gunny depreciation to State Govt. and its agencies on procurement of CMR rice	402.00	788.42

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			during 2009-10		
Consumer Affairs Food and Public Distribution	Food Corporation of India		Delay in recovery due to weak internal controls on gunnies given on loan to State Agencies	874.00	262.68
Consumer Affairs Food and Public Distribution	Food Corporation of India		Avoidable payment of demurrage charges	28.69	3.76
Consumer Affairs Food and Public Distribution	Food Corporation of India		Non-recovery of stacking and weighment charges on replacement of BRL rice due to delay in replacement of substandard rice by State Agencies/ Millers	5.50	8.67
Consumer Affairs Food and Public Distribution	Food Corporation of India		Non recovery of differential amount from the State	29.40	77.18
Consumer Affairs Food and Public Distribution	Food Corporation of India		Non-forfeiture of security deposit collected from the defaulting transport contractor for the period 2010-11	29.76	29.65
Consumer Affairs Food and Public Distribution	Food Corporation of India		Irregular payment of Incentive to the junior departmental labour based on the basic pay of the senior departmental labour	70.30	58.38
Finance	The New India Assurance Company Ltd.		Non-payment of stamp duty on lease rent agreements	7.39	8.33
Heavy Industries and Public Enterprises	Bharat Heavy Electricals Ltd		Loss due to non-claiming customs duty reimbursement from customer.	108.85	110.00
Heavy Industries and Public Enterprises	Bharat Heavy Electricals Ltd		Non claiming of freight and service tax amounting to Rs 10.97 lakh	10.97	12.11
Heavy Industries and	Bharat Heavy Electricals Ltd		Non billing of freight of Rs 4.62 lakh	4.62	4.00

Public Enterprises		even after lapse of more than one year from supply completion		
Heavy Industries and Public Enterprises	Bharat Heavy Electricals Ltd	Non recovery of Rs 18.32 lakh due to lapse in the ERP SAP system.	18.32	18.32
Heavy Industries and Public Enterprises	Bharat Heavy Electricals Ltd	Non claiming of service tax incurred on transportation from customer Rs 13.05 lakh.	13.05	13.05
Heavy Industries and Public Enterprises	Bharat Heavy Electricals Ltd	Excess payment of Royalty of Rs 17.10 lakh due to exclusion of cost applicable for the Auxiliary Boiler from the net invoiced value.	17.10	17.10
Heavy Industries and Public Enterprises	Bharat Heavy Electricals Ltd	Non-recovery of site debit (Rs.49.96 lakh) accepted for rectification of the mismatch of holes in the splice plates supplied by various vendors	49.96	46.96
Heavy Industries and Public Enterprises	Bharat Heavy Electricals Ltd	Non reversal of proportionate CENVAT Credit taken on service tax for the sale of exempted goods.	3.00	3.00
		TOTAL	4918.75	3454.98

Appendix-II

(Referred to in para 12.2)

Corrections/Rectifications at the instance of Audit

Name of Ministry/Department	Name of the CPSE	Audit observations/suggestions in brief	Action taken by the Management
Consumer Affairs, Food and Public Distribution, Department of Food and Public Distribution	Central Warehousing Corporation	In terms of DPE OM No.2(27)85-BPE(WC) dated 24 April 1987, followed by DPE's clarification of July 2012, the central public enterprises were required to follow the overall ceiling of 300 days for encashment of EL and HPL on retirement of their employees. In deviation to the above guidelines, Central Warehousing Corporation (CWC) allowed encashment of 240 days HPL (120 days with full pay and DA/DP) beyond prescribed ceiling of 300 days to its retiring employees after attaining the age of superannuation only and paid an amount of ₹ four crore during the period from January 2010 to April 2014.	On being pointed out by Audit (April 2009), CWC amended its Leave Rules in the 309 th meeting of the Board of Directors held on 26 April, 2014 limiting the maximum ceiling for encashment of leave at the time of superannuation to 300 days (including HPL) without commutation of HPL, with effect from 01 May 2014.
Heavy Industries & Public Enterprises	Engineering Projects (India) Limited	In terms of DPE OM No.2(27)85-BPE(WC) dated 24 April 1987, followed by DPE's clarification of July 2012, the central public enterprises were required to follow the overall ceiling of 300 days for encashment of EL and HPL on retirement of their employees. In deviation to the above guidelines, EPIL allowed encashment of EL/HPL beyond prescribed ceiling of 300 days to its employees on retirement /superannuation /death and paid an amount of ₹ 2.51 crore during the period from January 2006 to March 2014.	On being pointed out by audit (September 2013), EPIL amended its Leave Rules in the 229 th meeting of the Board of Directors held on 22 November, 2013, limiting the maximum ceiling for encashment of leave at the time of superannuation / cessation of service other than on disciplinary grounds to 300 days of EL and HPL combined, with effect from 28 November 2013.

Appendix-III

(Referred to in Chapter XIII)

Statement showing the details of Audit Reports (Commercial) up to 2015 for which Action Taken Notes are pending

No. & year of Report	Name of Report	Para No.
Department of Atomic Energy		
21 of 2015	Compliance Audit	Paras 1.1, 1.2 and 1.3
Ministry of Civil Aviation		
21 of 2015	Compliance Audit	Paras 2.1, 2.2, 2.6, 2.7, 2.8 and 8.1
13 of 2013	Compliance Audit	Paras 3.1 and 3.3
Ministry of Coal		
21 of 2015	Compliance Audit	Paras 3.2, 3.4 and 8.1
8 of 2012-13	Compliance Audit	Para 3.1
Ministry of Commerce and Industry		
21 of 2015	Compliance Audit	Paras 4.1 and 4.3
Ministry of Development of North Eastern Region		
21 of 2015	Compliance Audit	Para 6.1
13 of 2014	Compliance Audit	Para 8.1
Department of Fertilizers		
13 of 2014	Compliance Audit	Para 2.2
13 of 2013	Compliance Audit	Para 8.1
3 of 2011-12	Compliance Audit	Para 8.1
Ministry of Finance, Department of Financial Services		
21 of 2015	Compliance Audit	Paras 7.1, 7.2 and 7.3
13 of 2013	Compliance Audit	Paras 9.2 (02 Companies) and 9.4
Department of Food and Public Distribution		
21 of 2015	Compliance Audit	Para 5.3

Department of Heavy Industries		
21 of 2015	Compliance Audit	Paras 1.1, 1.7 and 1.8
13 of 2014	Compliance Audit	Para 13.2
26 of 2013	Performance Audit on expansion and utilization of power equipment manufacturing capacity in BHEL	Standalone Report
Ministry of Mines		
21 of 2015	Compliance Audit	Para 2.2
13 of 2014	Compliance Audit	Para 13.1
Ministry of Power		
10 of 2012-13	Performance Audit on Capacity expansion in Hydro power sector by CPSEs	Standalone Report
21 of 2015	Compliance Audit	Para 4.1
13 of 2013	Compliance Audit	Para 12.1

Annexure-I
(referred to para 8.1.2.1)
Target and achievement

(₹ in crore)

Particulars	2012-13	2013-14	2014-15
Consumer Business Division			
Target	84.92	88.43	113.71
Achievement	59.14	65.51	79.93
<i>Per cent</i> of achievement	69.64	74.08	70.29
Hi-Care Division			
Target	60.03	77.97	107.88
Achievement	42.50	53.57	73.64
<i>Per cent</i> of achievement	70.80	68.70	68.27
Women Health Care division:			
Target	75.00	95.58	129.00
Achievement	82.34	110.05	117.37
<i>Per cent</i> of achievement	110	115.13	90.98
International Business Division			
Particulars	2012-13	2013-14	2014-15
Target	76.60	206.76	165.29
Achievement	126.96	133.11	155.58
<i>Per cent</i> of achievement	165.74	64.38	94.12
Government Business Division			
Target	No target fixed		
Achievement	319.10	283.56	342.85

Annexure-II
{Referred to in Para No. 11.5.3.1(a)}
Details of delays in different R&M activities of 20 Mid/Mega life R&M schemes

(Delay in months)

Sl. No.	Name of power station	Type of R&M scheme	Delay in initiation power stations [@]	Delay in submission of final proposal to corporate office by power stations	Delay in approval by ED level Committee before ¹ sending to CEA	Delay in approval by CEA ²	Delay in final approval by ED level Committee after CEA's approval	Delay in approval of Investment by CMD/ Board	Total delay
	Prescribed time	As per R&M Policy		8 months	8 months	8 months	1 month	1 month	
1	Korba STPS (3x500MW) Stage-II	Mid	No delay [*]	4	Not applicable ³	Not required	No delay	8	12
2	Korba STPS (3x500MW) Stage-II	Mid (C&I ⁴)	No delay [*]	No delay	6	No delay	Not held	3	9
3	Singrauli STPS (2x500 MW) Stage-II	Mid	No delay [*]	No delay	Not applicable	Not required	No delay	10	10
4	Singrauli STPS (2x500 MW) Stage-II	Mid (DDCMIS)	No delay [*]	2	No delay	No delay	Not held	1	3
5	Dadri TPS (4x210 MW)	Mid	12	20	12	10	Not held	28	82

¹One month time for management approval before sending to CEA was not considered for delay.

²As per CERC Tariff Regulation 2009-14, CEA approval was not required after March 2009.

³Approval from ED level empowered committee before sending to CEA was not applicable after March 2009 in view of CERC Tariff Regulation 2009-14.

⁴Control & Instrumentation system

6	Ramagundam STPS (3x500 MW) Stage-II	Mid	No delay*	No delay	Not Applicable	Not required	34	8	42
7	Farakka STPS (2x500 MW) Stage –II	Mid	No delay*	No delay	Not applicable	Not required	No delay	No delay	0
8.	Korba STPS (3x200 MW) Stage-I	Mega	19	18	Not applicable	Not required	19	6	74
9	Korba STPS (3x200 MW), Stage-I	Mega (C&I)	19	18	Not applicable	Not required	No delay	10	47
10	Korba STPS (3x200 MW), Stage-I	Mega (ESP ⁵ Stage I&II)	Initiated by Corporate office	64	Not applicable	Not required	No delay	9	73
11	Singrauli STPS (5x200 MW) Stage-I	Mega	38	4	Not applicable	Not required	34	6	82
12	Singrauli STPS (5x200 MW) Stage-I	Mega (CW ⁶ duct)	38	4	Not applicable	Not required	3	4	49
13	Singrauli STPS (5x200MW) Stage-I	Mega (ESP stage – I & II)	38	38	Not applicable	Not required	Not required	No delay	76
14	Badarpur TPS(2x210 MW) unit 4&5	Mega	No delay	11	30	No delay	Not required	20	61
15	Badarpur TPS (3x95 MW + 2x210 MW)	Mega (CW duct)	No delay	11	30	29	Not required	39	109
16	Ramagundam STPS (3x200 MW) Stage-I	Mega	20	17	Not applicable	Not required	19	3	59

⁵ Electrostatic precipitator

⁶ Cooling Water duct

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17	Farakka STPS (3x200 MW) Stage-I	Mega ESP	Initiated by corporate office	50	Not required	Not required	Not required	No delay	50
18	Jhanor GPS (657.39 MW)	Mega	No delay	6	15	5	Not held	20	46
19	Dadri GPS	Mega	4	24	7	2	27	4	68
20	Anta GPS	Mega	No delay	29	Not applicable	Not required	Not required	No delays	29

@ Though the time to initiate R&M Schemes fell in the middle of respective financial years, the delays were worked out from the beginning of next financial year.

**Delay has not been considered in these R&M schemes as the Management had already initiated some of the R&M activities in these projects between 2001 and 2007.*

Annexure-III
{Referred to in Para No. 11.5.3.1(a)}
Details of abnormal delays in various R&M activities by Power Station/ Corporate Office

Sl. No.	Name of Power Station	Type of R&M scheme	Main reasons for delays
1	Korba Super Thermal Power Station (KSTPS)(3x200MW) Stage-I	Mega	<ul style="list-style-type: none"> ➤ Revision of packages by Power Stations. ➤ C&I and ESP packages were deleted from Mega R&M scheme on the basis of urgency and compliance of Statutory Requirement. ➤ Shifting of R&M packages from Mega life scheme to Operation & Maintenance. ➤ Revision/deletion of packages by ED level Empowered Committee in light of change in CERC Tariff Regulation.
2	Korba STPS (3x200 MW), Stage-I	Mega (C&I)	
3	Korba STPS (3x200 MW), Stage-I	Mega (ESP Stage I&II)	
4	Korba STPS(3x500MW)Stage-II	Mid	<ul style="list-style-type: none"> ➤ Shifting of R&M packages from Mid-life to Mega life by Empowered Committee/Financial Appraisal Agency, ➤ Change in CERC Tariff Regulation. ➤ Reasons for delay in initiation and submission to Corporate Office were not on record.
5	Korba STPS(3x500MW)Stage-II	Mid (C&I)	
6	Singrauli Super Thermal Power Station (SSTPS) (5x200 MW) Stage-I	Mega	<ul style="list-style-type: none"> ➤ Revision of packages by Power Stations. ➤ Cooling Water Duct and ESP packages were deleted from Mega R&M scheme on the basis of change in law category and compliance of Statutory Requirement. ➤ Revised/deleted R&M schemes by ED level Empowered Committee in view of Change in CERC Tariff Regulation
7	Singrauli STPS(5x200 MW)Stage-I	Mega (CW water duct)	
8	Singrauli STPS (5x200MW), Stage-I	Mega (ESP stage –I &II)	
9	Singrauli STPS (2x500 MW) Stage-II	Mid	<ul style="list-style-type: none"> ➤ Comprehensive R&M proposal/schemes were not made at initial stage. ➤ Revision of packages and inordinate time take by ED level Empowered Committee, ➤ Revised/deleted R&M schemes by ED level Empowered Committee in view of Change in CERC Tariff Regulation
10	Singrauli STPS (2x500 MW) Stage-II	Mid (DDCMIS)	

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Sl. No.	Name of Power Station	Type of R&M scheme	Main reasons for delays
11	Jhanor Gandhar GPS(657.39 MW)	Mega	<ul style="list-style-type: none"> ➤ Revision of packages by Power Station, ➤ Inordinate time taken by ED level Empowered committee ➤ Revised/deleted R&M schemes by ED level Empowered Committee in view of Change in CERC Tariff Regulation
12	Dadri TPS(4x210 MW)	Mid	<ul style="list-style-type: none"> ➤ Inordinate time taken by ED level empowered committee to approve the R&M proposals before submission to CEA. ➤ Revised/deleted R&M schemes by ED level Empowered Committee in view of Change in CERC Tariff Regulation ➤ Reasons for delay in initiation and submission to Corporate Office were not on record.
13	Dadri GPS (829.78 MW)	Mega	<ul style="list-style-type: none"> ➤ Delay in sending of R&M proposals by Power Station ➤ Revision/deletion of packages by Empowered Committee ➤ Revised/deleted R&M schemes by ED level Empowered Committee in view of Change in CERC Tariff Regulation
14	Badarpur TPS (2x210 MW) unit 4&5	Mega	<ul style="list-style-type: none"> ➤ Revision in R&M packages which were already approved from CEA. ➤ Revision of R&M packages by ED level Empowered Committee.
15	Badarpur TPS (3x95 MW + 2x210 MW)	Mega(C&W)	
16	Anta GPS (419.33 MW)	Mega	<ul style="list-style-type: none"> ➤ Delay in submission of R&M proposal by Station to Corporate.
17	RamagundamSTPS(3x200 MW) Stage-I	Mega	<ul style="list-style-type: none"> ➤ Comprehensive proposal were not made at initial stage of R&M scheme. ➤ Revision/deletion of R&M packages by ED level empowered committee on basis must schemes. ➤ Revised/deleted R&M schemes by ED level Empowered Committee in view of Change in CERC Tariff Regulation
18	Ramagundam STPS(3x500 MW) Stage-II	Mid	<ul style="list-style-type: none"> ➤ Comprehensive proposal/schemes were not made at the initially stage, ➤ Revised/deleted R&M schemes by ED level Empowered Committee in view of Change in CERC Tariff Regulation ➤ Deletion/Shifting R&M packages to Mega life by ED level Empowered Committee

Sl. No.	Name of Power Station	Type of R&M scheme	Main reasons for delays
19	Farakka TPS(2x500 MW)Stage –II	Mid	➤ Reasons for delays in initiation of Corporate Office is not on record
20	Farakka TPS(3x200 MW)Stage-I	MegaESP package	➤ Reasons for delays in initiation of Corporate Office is not on record

