

the Principal Secretaries/ Secretaries of the respective Administrative Departments with request to furnish replies. Replies on two compliance audit paragraphs have been received from the State Government and taken into account while finalising this report. The total financial impact of these compliance audit paragraphs is ₹ 13.52 crore.

Follow up action on Audit Reports

Replies outstanding

3.24 The Report of the Comptroller and Auditor General of India is the product of audit scrutiny. It is, therefore, necessary that they elicit appropriate and timely response from the executive. The Finance Department, Government of Chhattisgarh issued (April 2017) instructions to all Administrative Departments to submit replies/explanatory notes to paragraphs/performance audits included in the Reports of the CAG of India within a period of three months after their presentation to the Legislature, in the prescribed format, without waiting for any questionnaires from the Committee on Public Undertakings (COPU).

The details regarding reply/explanatory notes to Performance Audits and paragraphs of Audit Report are given in table - 3.16.

Table - 3.16: Position of explanatory notes on Audit Reports related to PSUs other than Power Sector (as on 31 December 2018)

Year of the Audit Report (PSUs)	Date of placement of Audit Report in the State Legislature	Total Performance Audits (PAs) and Paragraphs related to Non Power Sector in the Audit Report		Number of PAs/ Paragraphs for which explanatory notes were not received	
		PAs	Paragraphs	PAs	Paragraphs
2008-09	26 March 2010	1	3	-	2
2014-15	31 March 2016	1	7	1	0
2016-17	10 January 2018	1	4	1	4

(Source: Compiled based on explanatory notes received from respective Departments of GoCG)

Explanatory notes on six compliance audit paragraphs and two Performance Audits were pending till December 2018.

Discussion of Audit Reports by COPU

3.25 The status of discussion of Performance Audits and paragraphs related to PSUs (other than Power Sector) that appeared in Audit Reports (PSUs) by the COPU as on 31 December 2018 was given in table - 3.17.

Table - 3.17: Performance Audits/Paragraphs appeared in Audit Reports vis-a-vis discussed as on 31 December 2018

Period of Audit Report	Number of Performance Audits/Paragraphs			
	Appeared in Audit Report		Paragraphs discussed	
	Performance Audit	Paragraphs	Performance Audit	Paragraphs
2008-09	1	3	1	1
2009-10	-	8	-	8
2010-11	-	7	-	5
2011-12	-	5	-	4
2012-13	1	6	1	6
2013-14	1	7	1	7
2014-15	1	7	-	4
2015-16	-	9	-	2
2016-17	1	4	-	-

(Source: Compiled based on the discussions of COPU on the Audit Reports)

The discussion on Audit Reports (PSUs) up to 2007-08 and for the year 2009-10, 2012-13 and 2013-14 has been completed.

Compliance to Reports of COPU

3.26 Action Taken Notes (ATNs) on one report⁴⁰ of the COPU presented to the State Legislature in November 2007 had not been received (31 December 2018) relating to the State PSUs (other than Power Sector) as indicated in table - 3.18.

Table - 3.18: Compliance to COPU Reports

Year of the COPU Report	Total number of Reports of COPU	Total number of recommendation in COPU Reports	Number of recommendations where ATNs not received
2002-03	01	01	01

(Source: Compiled based on ATNs received on recommendations of COPU from the respective Departments of GoCG)

The above mentioned Reports of COPU contained recommendations in respect of paragraphs pertaining to Chhattisgarh State Civil Supplies Corporation Limited which appeared in the Reports of the CAG of India for the year 2002-03.

⁴⁰ Pertaining to one department of GoCG, i.e. Food, Civil Supplies and Consumer Protection Department which appeared in the reports of the CAG of India for the year 2002-03.

30 September 2015, the GoCG was to take over debt of ₹ 1,305.18 crore (75 per cent of total debt) by providing grant of ₹ 870.12 crore during the period 2015-16 and ₹ 435.06 crore during 2016-17.

However, due to exclusion of its borrowings from State Government and CSPDCL bonds, GoCG revised the total debt of CSPDCL by ₹ 1,153.60 crore for which GoCG was liable to provide grant of ₹ 865.20 crore (75 per cent of ₹ 1,153.60 crore) only.

Comments on Accounts of Power Sector Undertakings

1.20 Five Power sector companies forwarded their five audited accounts to the Accountant General during 1 January 2018 to 31 December 2018. All the five accounts were selected for supplementary audit. The Audit Reports of Statutory Auditors and supplementary audit conducted by the CAG indicated that the quality of accounts needs to be improved substantially. The details of aggregate money value of the comments of Statutory Auditors and the CAG for the accounts of 2015-18 are given in table – 1.15.

Table - 1.15: Impact of audit comments on Power Sector companies

(₹ in crore)

Sl. No.	Particulars	2015-16		2016-17		2017-18	
		No. of accounts	Amount	No. of accounts	Amount	No. of accounts	Amount
1	Decrease in profit	2	9.68	3	20.75	The accounts of power sector PSUs for the year 2017-18 were not finalised till 31 December 2018.	
2	Increase in profit	-	-	-	-		
3	Increase in loss	1	7.93	1	167.79		
4	Decrease in loss	1	26.34	-	-		
5	Non-disclosure of material facts	-	-	4	281.62		
6	Errors of classification	-	-	-	-		

(Source: Compiled from comments of the Statutory Auditors/ C&AG in respect of Government companies)

During the year 2017-18, the Statutory Auditors had issued qualified certificates on five accounts. Compliance to the Accounting Standards by the PSUs remained poor as the Statutory Auditors pointed out two instances of non-compliance to the Accounting Standards in one account.

Performance Audit and Compliance Audit Paragraphs

1.21 For Part-1 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 2018, a performance audit on “Construction and Operation of Atal Bihari Vajpayee Thermal Power Station, Marwa” of Chhattisgarh State Power Generation Company Limited, relating to power sector undertakings were issued to the Principal Secretary of Energy Department, GoCG with request to furnish replies within six weeks. Reply on the performance audit has been received (November 2019) from the State Government and suitably incorporated in this report. The total financial impact of the Performance Audit is ₹ 4,099.47 crore.

Follow up action on Audit Reports

1.22 The Report of the Comptroller and Auditor General of India is the product of audit scrutiny. It is, therefore, necessary that they elicit appropriate

and timely response from the executive. The Finance Department, Government of Chhattisgarh issued (April 2017) instructions to all Administrative Departments to submit replies/explanatory notes to paragraphs/performance audits included in the Reports of the CAG of India within a period of three months after their presentation to the Legislature, in the prescribed format, without waiting for any questionnaires from the Committee on Public Undertakings (COPU).

Discussion of Audit Reports by COPU

1.23 The status of discussion of Performance Audits and paragraphs that appeared in Audit Reports (PSUs) by the COPU as on 31 December 2018 are given in the table - 1.16.

Table - 1.16: Performance Audits/Paragraphs appeared in Audit Reports vis-a-vis discussed as on 31 December 2018

Period of Audit Report	Number of Performance Audits/Paragraphs			
	Appeared in Audit Report		Paragraphs discussed	
	Performance Audit	Paragraphs	Performance Audit	Paragraphs
2008-09	-	04	-	02 (4.3.1, 4.3.2)
2009-10	01(CSPGCL)	-	01	-
2010-11	01 (CSPDCL)	01	01	01 (4.3.8)
2011-12	01 (CSPTCL)	05	-	05 (3.6 to 3.10)
2012-13	-	03	-	03 (3.7 to 3.9)
2013-14	-	04	-	-
2014-15	-	06	-	-
2015-16	01(RAPDRP)	01	-	-
2016-17	-	-	-	-

(Source: Compiled based on the discussions of COPU on the Audit Reports)

Compliance to Reports of COPU

1.24 Action Taken Notes (ATNs) on one report²⁷ of the COPU presented to the State Legislature in March 2006 had not been received (31 December 2018) relating to the State PSUs (Power sector) as indicated in table - 1.17.

Table - 1.17: Compliance to COPU Reports

Year of the COPU Report	Total number of Reports of COPU	Total number of recommendation in COPU Reports	Number of recommendations where ATNs not received
2004-05	01	01	01

(Source: Compiled based on ATNs received on recommendations of COPU from the respective Departments of GoCG)

The above mentioned Reports of COPU contained recommendations in respect of paragraphs pertaining to the erstwhile Chhattisgarh State Electricity Board which appeared in the Report of the CAG of India for the year 2004-05.

²⁷ Pertaining to Energy Department, GoCG, which appeared in the reports of the CAG of India for the year 2004-05.

Follow up action on Audit Reports (G&SSA)

Status of PAC discussion, Chhattisgarh, Vidhan Sabha

Status	Audit Report (Civil) for the year 2000-01 to 2016-17
No. of outstanding Audit Paragraphs (Total Paras)	368
No. of Explanatory Notes due but not received by AG	Nil
Taken up by PAC for discussion	200
Not taken up for PAC discussion	168
Recommendation made by PAC	114 paragraphs
ATN received	98 paragraphs
Action taken by the Department	98 paragraphs