



सत्यमेव जयते

**REPORT OF THE  
COMPTROLLER AND AUDITOR GENERAL  
OF INDIA**

**FOR THE YEAR ENDED 31ST MARCH 1993  
NO. 2 OF 1994**

**UNION GOVERNMENT - COMMERCIAL  
COMMENTS ON ACCOUNTS**

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## PREFACE

The accounts of Government Companies set up under the provisions of the Companies Act, 1956 (including Government Insurance Companies and Companies deemed to be Government Companies as per provisions of the Companies Act) are audited by the Comptroller and Auditor General of India (CAG) under the provisions of Section 619 of the Companies Act. The accounts certified by the Chartered Accountants appointed by the Central Government on the advice of the CAG of India under the Companies Act, 1956 are subjected to supplementary or test audit by officers of the CAG and CAG gives his comments or supplements the report of the Chartered Accountant. The Companies Act, 1956 empowers the CAG of India to issue directions to the Chartered Accountants on the manner in which the Company's accounts shall be audited.

2. The Statutes governing some Corporations and Authorities require their accounts to be audited by the CAG and reports given by him. In respect of Air India, Indian Airlines, International Airports Authority of India, National Airports Authority of India, National Highways Authority of India, Inland Waterways Authority of India, Oil and Natural Gas Commission, Damodar Valley Corporation and Delhi Transport Corporation, under the Central Government, the CAG of India is the sole auditor under the relevant statutes. In respect of Central Warehousing Corporation, Delhi Financial Corporation and Food Corporation of India, the CAG has the right to conduct audit independent of the audit conducted by the Chartered Accountants appointed under the statutes governing the three corporations.

3. Reports in relation to the accounts of a Government Company or Corporation are submitted to the Government by the CAG under the provisions of Section 19-A of the CAG's (Duties, Powers and Conditions of Service) Act, 1971, as amended in 1984.

4. Three annual reports on the accounts of the Companies and Corporations are issued by the CAG to the Government.

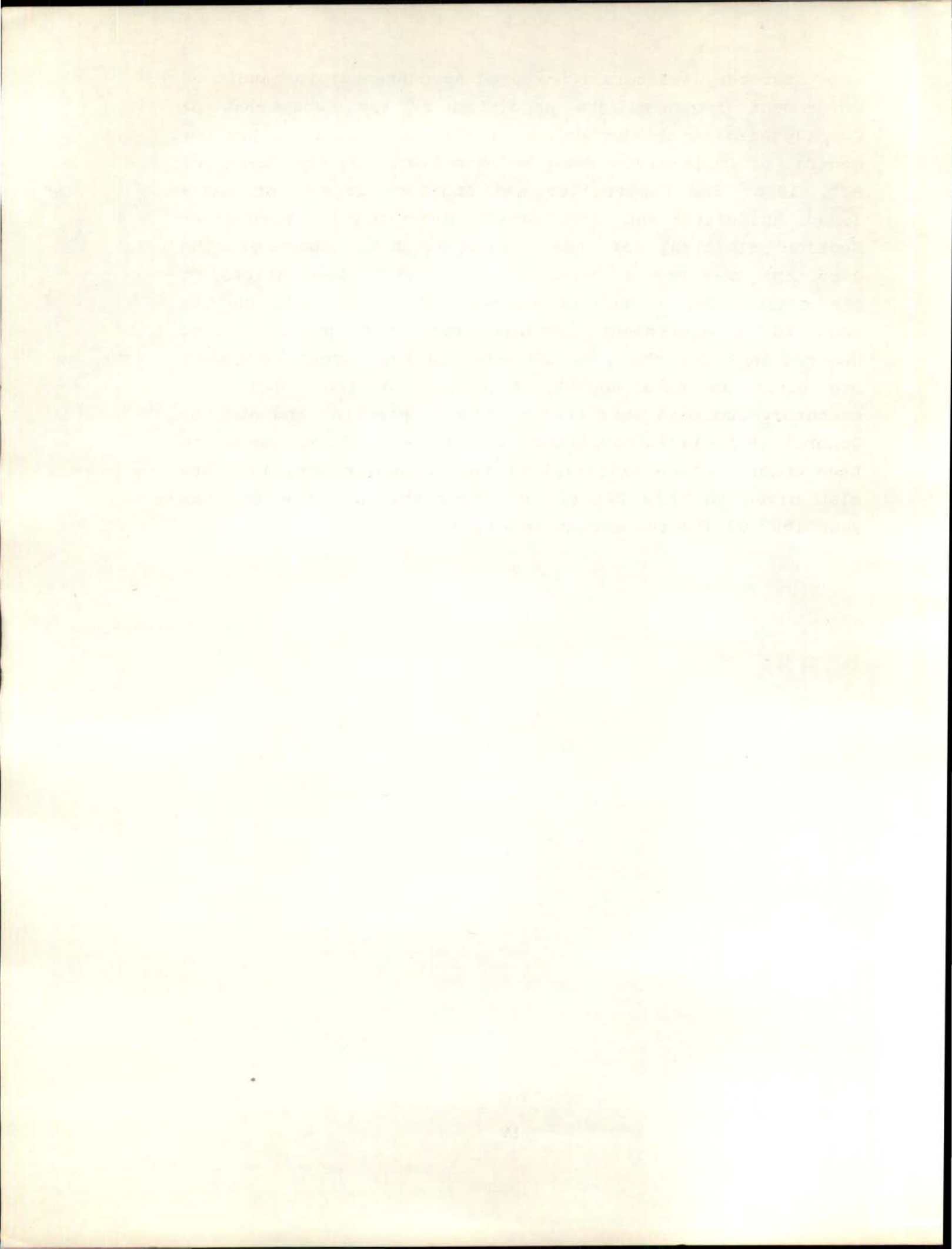
Report No. 1 (Commercial) - Review of Accounts, gives an overall appreciation of the performance of the Companies and Corporations as revealed by their accounts and information obtained in audit.

Report No.2 (Commercial) - Comments on Accounts, gives a resume of the important comments of the CAG on the accounts of the Companies and Corporations and the reports submitted by the Statutory Auditors (Chartered Accountants) on the audit of the Companies in pursuance of the directions issued by the CAG.

Report No.3 (Commercial) - Audit Observations, contains the observations on individual topics of interest noticed in the course of audit of the Companies and Corporations and short reviews on aspects of their working.

5. Audit Boards are set up under the supervision and control of the CAG to undertake comprehensive appraisal of the performance of the Companies and Corporations subject to audit by CAG. Each Audit Board consists of the Chairman (Deputy Comptroller and Auditor General of India), two or three whole-time members of the rank of Principal Directors of Audit under CAG and two technical or other experts in the area of performance of the Company or Corporation who are part-time members. The part-time members are appointed by the Government of India (in the respective Ministry or Department controlling the Company or Corporation) with the concurrence of the CAG. The reports of the CAG based on such performance appraisals by the Audit Board and other reviews are issued to the Government as separate reports in addition to the annual reports.

6. Statutory Auditors (Chartered Accountants) for audit of Government Companies are appointed by the Department of Company Affairs on the advice of the Comptroller & Auditor General of India given under Section 619(2) of the Companies Act, 1956. The Comptroller and Auditor General of India issues guidelines and directions to Statutory Auditors under Section 619(3)(a) of the Companies Act. Some of the important comments or supplementary audit observations of the Comptroller & Auditor General of India made on the accounts of Government Companies and other public sector undertakings for the year 1992-93 (to the extent received) are given in this Report. A resume of the reports of statutory auditors submitted to the Comptroller and Auditor General of India in compliance with the directions issued to them under Section 619(3)(a) of the Companies Act, 1956 are also given in this Report, covering the accounts for the year 1992-93 (to the extent received).





## OVERVIEW

### I. Comments on accounts of Government Companies and Corporations.

The number of Central Government Companies including deemed Government Companies and Corporations for which accounts for 1992-93 were received for supplementary audit under Section 619(4) of the Companies Act, 1956 and Statutes governing the concerned Corporation and in respect of which comments were issued were as follows:-

	Government Companies	Deemed Government Companies	Corporations	Total
a) Total number of Central Govt. Companies/Corpns.	251	55	12	318
b) No. of Companies/ Corpns. from which accounts were received (upto Dec., 1993)	223	35	10	268
c) No. of Companies/ Corpns. the accounts of which were audited.	178	16	10	204
d) No. of Companies/ Corpns. the accounts of which were revised as a result of audit and consequently no comments were issued.	29	2	-	31
e) No. of Companies/ Corpns. the accounts of which were partly revised and comments were issued.	3	-	-	3
f) No. of Companies/ Corpns. on the accounts of which audit comments were issued.	41	2	10	53
g) No. of Companies/ Corpns. on the accounts of which no comments were issued.	105	12	-	117

## II.

### Revision of Profit or Loss in accounts

As a result of the test audit of the accounts of Government companies and deemed Government companies by the Comptroller and Auditor General of India under Section 619(4) of the Companies Act and consequent revision of their accounts by some of the companies, the impact on profits/loss shown in the accounts for 1992-93 was as follows:-

	No. of Companies	Net Effect (Rs. in crores)
i) Increase in Profit	4	3.83
ii) Decrease in Profit	13	32.68
iii) Increase in Loss	11	56.30

The graph opposite gives the trends of the impact in recent years.

((Paragraph 1.1)

### III. Nature of Comments

The comments issued by the Comptroller and Auditor General of India on the accounts of the Public Sector Undertakings (PSUs) including Corporations audited under Acts other than the Companies Act were of the following nature.

#### i) On Balance Sheet

Assets and liabilities were overstated or understated by Rs.76.55 crores in balance sheets of 10 PSUs as on 31st March 1993. Out of total investment of Rs 493.79 crores made by Oil Industries Development Board with two Financial Institutions under Portfolio Management Schemes, only Rs.20 crores had been received back and balance amount even though due had not been received back.

(Paragraph 1.2)

#### ii) On Profit or Loss

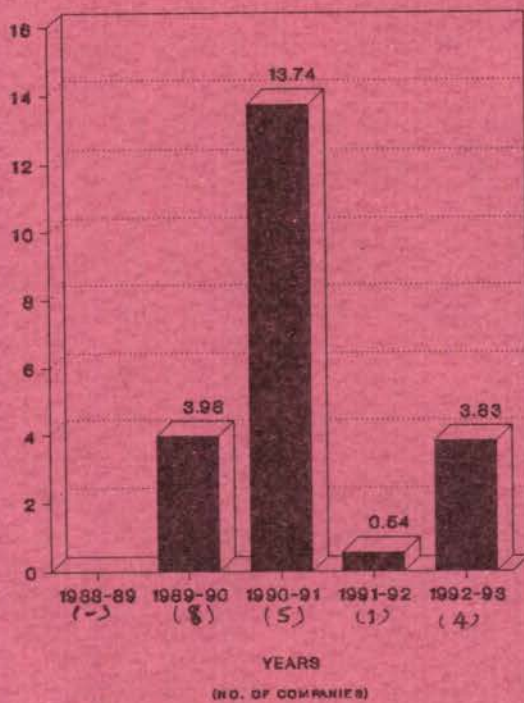
Had the PSUs revised their accounts on the basis of mistakes pointed out in the comments, the profits for 1992-93 would have come down by Rs.169.07 crores in 12 PSUs and increased by Rs. 30.08 crores in three PSUs. Similarly, loss would have been increased by Rs.60.80 crores in 14 PSUs in 1992-93

(Paragraph 1.2)

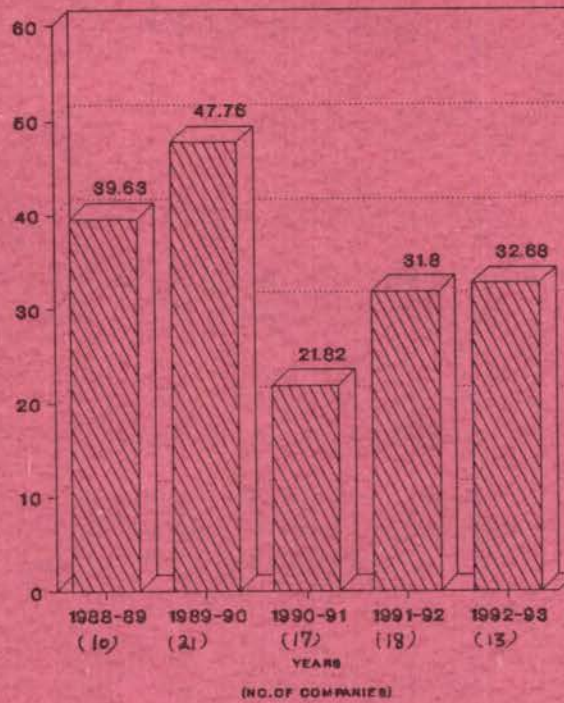
# IMPACT OF SUPPLEMENTARY AUDIT ON PROFIT/LOSS OF GOVERNMENT COMPANIES

(Rupees in Crores)

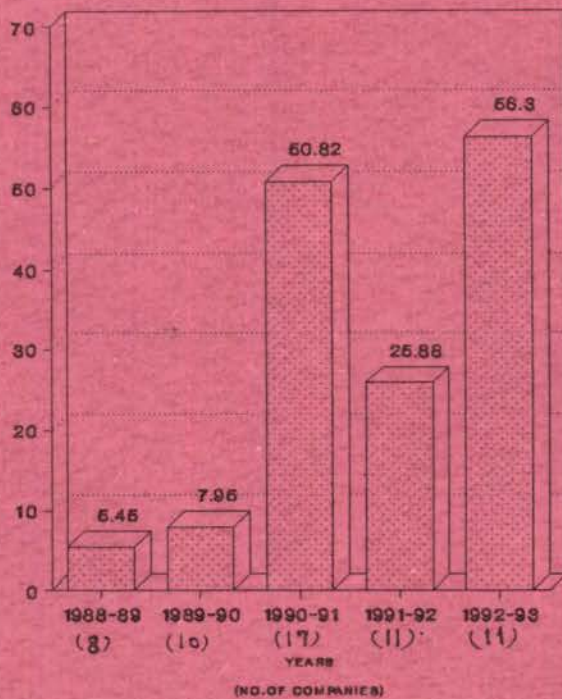
### INCREASE IN PROFIT



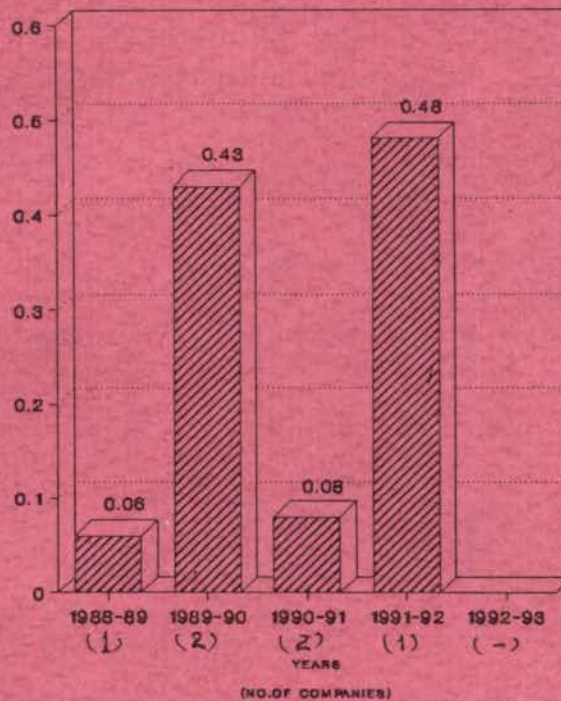
### DECREASE IN PROFIT



### INCREASE IN LOSS



### DECREASE IN LOSS



iii) On Capital Erosion

The paid up capital as on 31st March 1993 had been fully eroded by the losses accumulated in 26 of the PSUs test checked and whose accounts were reviewed in test check.

iv) On Sundry Debtors

Sundry debtors as on 31st March 1993 were equivalent to more than 50 percent of the annual turnover or sales in 18 PSUs.

v) On Inventory

Inventory of raw material, stores and spares as on 31st March 1993 was more than 6 months' consumption in 12 PSUs.

(Paragraph 1.3)

IV. Reports by Statutory Auditors

Some of the points raised by the Statutory Auditors (Chartered Accountants) in pursuance of the directions issued by the Comptroller and Auditor General of India under Section 619(3) of the Companies Act, 1956 were of the following nature:-

i) Lack of adequacy or effectiveness in the System of Accounts and Book-keeping, non-reconciliation of books and deficiencies in the maintenance of asset registers.

ii) Deficiencies in Cost Control system, and poor comparison of actual cost with standard cost.

iii) Inventory held in excess, holding of surplus or obsolete stores and spares.

iv) Debts outstanding for 3 years or more for recovery from parties other than Government Departments and PSUs.

v) Manpower employed was in excess of norms.

vi) Non payment of loan instalments and interest and penal interest due on Govt. loans by PSUs.

(Paragraphs 2.1, 2.3, 2.4, 2.5, 2.6 and 2.7)

## CHAPTER 1

### COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA AND REVIEW OF ACCOUNTS OF PSUs.

Under Section 619(4) of the Companies Act, 1956 the Statutory Auditor of a Government Company (appointed by the Government on the advice of the CAG) conducts the audit of accounts of the Government Companies (including deemed Government Companies under Section 619-B of the Act). On the basis of supplementary audit, the CAG comments upon or supplements the report of the Statutory Auditor. Similarly statutes governing some corporations require their accounts to be audited by the CAG and the audit report forwarded to the Government for being laid before both Houses of Parliament.

The number of Government Companies/deemed Government Companies and Corporations of the Union Government whose accounts for 1992-93 were received and audited by the CAG are as under:

	Govt. Companies	Deemed Govt. Companies	Corpo- rations	Total
i) No. of PSUs*	251	55	12	318
ii) No. of PSUs whose accounts for 1992-93 were received for audited.	223	35	10	268
iii) No. of PSUs audited.	178	16	10	204

\* List given in Appendix I, II & III.

As a result of the test check/supplementary audit of accounts 32\*\* Government Companies and 2 deemed Government Companies revised their accounts for 1992-93 and comments were issued on the accounts of 44\*\* Government Companies and 2 deemed Government Companies for 1992-93. Audit Reports on the accounts of 10 Statutory Corporations were also forwarded to the Government.

\*\* Includes 3 Govt. Companies which partly revised their accounts on which comments were also issued.

## 1.1 REVISION OF ACCOUNTS

As a result of test check and consequent corrections made in the accounts, the profit in the following Companies increased (+) or decreased (-) as given below :-

<u>Name of the Companies</u>	<u>1992-93</u> ( Rs. in lakhs )
1. Andaman & Nicobar Islands Forest and Plantation Development Corpn.Ltd.	(+) 6.05
2. Bhatat Electronics Ltd.	(-) 61.63
3. Bharat Earth Movers Ltd.	(-) 210.08
4. Bharat Heavy Electricals Ltd.	(-) 557.83
5. Bharat Heavy Plates & Vessels Limited	(-) 25.62
6. Bharat Wagon and Engineering Co. Limited	(-) 1.10
7. Dredging Corporation of India Limited	(+) 60.01
8. Export Credit Guarantee Corporation Ltd.	(+) 7.00
9. Hindustan Aeronautics Ltd.	(-) 168.28
10. HMT Limited	(-) 1596.92
11. Indian Telephone Industries Limited.	(+) 309.94
12. Manganese Ore (India) Ltd.	(-) 7.60
13. Metallurgical and Engineering Consultants (India) Limited	(-) 139.83
14. Neyveli Lignite Corpn. Ltd.	(-) 81.87
15. Northern Coalfields Ltd.	(-) 39.15
16. Steel Authority of India Ltd.	(-) 242.02
17. Western Coalfields Ltd.	(-) 135.71
Total Increase(+)/Decrease(-) in Profit	(+) 383.00
	<hr/>
	(-) 3267.64

In the following Companies, loss for the year increased (-) as given below :-

	<u>1992-93</u> (Rs. in Lakhs)
1. Bharat Coking Coal Ltd.	(-) 9.47
2. Bharat Gold Mines Ltd.	(-) 71.06
3. Bisra Limestone Co.Ltd.	(-) 94.23
4. Coal India Limited	(-) 1224.17
5. Heavy Engineering Corpn.Ltd.	(-) 84.48
6. Hindustan Shipyards Ltd.	(-) 40.94
7. Hindustan Steel Works Construction Limited	(-) 65.84
8. Indian Iron & Steel Co.Ltd.	(-) 298.09
9. National Textile Corpn. (APKK&M) Limited.	(-) 55.42

10. National Textile Corpn. (WBABO) Limited	(-) 15.51
11. Rashtriya Ispat Nigam Ltd.	(-) 3670.48
	-----
Total increase(-) in loss	(-) 5629.69

## 1.2 COMMENTS ON BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Extracts from some of the important comments issued on the Balance Sheet/Profit & Loss Account of Government Companies/Corporations for 1992-93 are given below :

### NAME OF THE MINISTRY/COMPANY

### BRIEF COMMENT

#### MINISTRY OF AGRICULTURE

##### 1.2.1 Central Warehousing Corporation

Profit for 1992-93 was overstated by Rs. 3.52 crores due to inclusion of prior period income (Rs. 2.85 crores) and incorrect provision of interest, depreciation etc. (Rs. 0.67 crore).

#### MINISTRY OF CIVIL AVIATION & TOURISM

##### 1.2.2 Air India

i) Value of investment of Rs.17.97 crores in equity shares of Vayudoot Limited was reduced to Rs. one only during 1990-91 as Vayudoot Limited had accumulated losses. Still, the Corporation invested Rs.11 lakhs towards fully paid shares and Rs. 12.50 lakhs towards application money in the subsidiary during 1992-93. This amount is to be written off and reduced to a token amount as per directive of the Govt.

ii) The Corporation had also accounted for Rs.1.91 crores as interest/penal interest income as on 31st March, 1993 on temporary loan of Rs. 15 crores given to Vayudoot Ltd., recovery of which is doubtful.

NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

1.2.3 Indian Airlines

i) Exchange Reserve as on 31st March, 1993 was overstated by Rs. 18.72 crores due to accounting of exchange gain on Advances and Bank Balances abroad.

ii) Current liabilities and provisions as on 31st March 1993 were understated by Rs. 7.60 crores because liabilities were not fully provided for.

iii) Revenue income during 1992-93 was overstated by Rs. 76.34 crores due to accountal of sales for the year on the basis of passenger revenue received in advance.

DEPARTMENT OF CHEMICALS & PETROCHEMICALS

1.2.4 Hindustan Insecti-  
cides Limited.

Loss for 1992-93 was under stated by short-provision of gratuity of Rs. 27.36 lakhs.

1.2.5 Hindustan Antibiotics  
Limited

Profit for 1992-93 was understated by Rs. 10.40 lakhs due to overvaluation of stock of finished goods.

1.2.6 Indian Drugs and  
Pharmaceuticals Ltd.

i) Sundry debtors as on 31st March 1993 included Rs. 39.37 lakhs, being the claim of price revision for the period April 1991 to November 1991, not accepted by the Tamil Nadu Government (Customer).

(ii) Loss for 1992-93 was understated by Rs. 3.84 crores due to short provision of interest/penal interest accrued on Inter-corporate loans.

1.2.7 Indian Petro-  
chemicals Limited.

Capital work-in-progress included Rs. 1.98 crores being the cost of Railway siding opened for Traffic on 16th March, 1993.



NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

1.2.8 Pyrites Phosphates & Chemicals Limited.

Loss for 1992-93 was understated by Rs. 43.23 lakhs due to wrong capitalisation of revenue expenditure incurred on maintenance of Mines.

DEPARTMENT OF COAL

1.2.9 South Eastern Coal-fields Ltd.

Profit for 1992-93 was overstated by Rs. 1.18 crores due to non-provision of liabilities for claims against Railways, short-amortisation of expenses incurred on development of Mine and overvaluation of stock of coal.

MINISTRY OF COMMERCE

1.2.10 MMTC Ltd.

i) Profit for 1992-93 was overstated by Rs.2.44 crores due to accountal of commission receivable from an agent though no sales were booked by the agent (Rs.0.17 crores), accountal of foreign currency gain in respect of disputed debtors (Rs. 1.54 crores) and non-provision of liability for interest (Rs. 0.57 crores) and sales tax (Rs. 0.16 crores).

ii) profit for 1992-93 was understated by Rs. 3.25 crores due to non-accountal of interest income accrued on belated payments (Rs.3.17 crores) and interest of Rs.0.08 crore on two loans given.

NAME OF THE MINISTRY/COMPANYBRIEF COMMENT

1.2.11 State Trading Corporation Ltd.

i) Profit for 1992-93 was overstated due to non-provision of Rs. 158.26 lakhs for doubtful debts.

ii) The liabilities as on 31st March, 1993 were overstated by Rs. 92.46 lakhs due to excess provision of customs duty on imports of edible oil.

DEPARTMENT OF FERTILIZERS.

1.2.12 Madras Fertilizers Ltd.

Profit for 1992-93 was overstated by Rs.7.20 crores by overvaluation of closing stock of finished products and work-in-progress due to incorrect inclusion of administrative overheads and distribution overheads in its valuation.

1.2.13 Paradeep Phosphates Ltd.

Loss for the year 1992-93 was understated by Rs.1.95 crores due to adoption of incorrect rate while working out the subsidy refundable to the Govt.

1.2.14 Rashtriya Chemicals & Fertilizer Limited

i) Loss for 1992-93 was understated by Rs.14.62 crores due to (a) non-provision for doubtful debts on account of interest income (Rs.13.41 crores) on loans as four PSUs to whom these loans were given were declared sick and referred to BIFR and (b) over valuation (Rs.1.21 crores) of closing stock of finished goods by inclusion of administrative overheads and interest in the cost.

ii) Sundry debtors as on 31st March, 1993 included Rs. 3.15 crores being the value of supplementary bills raised on customers on account of increase in prices on sales effected on or after 25th August, 1992 consequent to

NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

decontrol of phosphatic/complex fertilizers. As the claim was disputed by customers, provision was made for doubtful debts of Rs.1.62 crores leaving a balance of Rs.1.53 crores, which is also doubtful of recovery.

MINISTRY OF FOOD

**1.2.15 Food Corporation of India**

i) Sundry creditors as on 31st March 1993 were understated by Rs. 9.85 crores by non-inclusion of court cases against the Corporation (Rs.6.39 crores), lease rent payable to Marmagoa Port Trust (Rs.1.28 crores), productivity linked incentives (Rs.1.25 crores) and other Misc expenses (Rs.0.93 crore).

ii) Claims Receivable as on 31st March 1993 were overstated by Rs.15.32 crores by inclusion of time-barred claims for which no record existed (Rs. 2.49 crores), claims disputed by shipowners (Rs.5.13 crores), claims which were neither admissible under charter party nor accepted by shipowners (Rs.4.79 crores) and claims rejected in arbitration (Rs. 2.91 crores).

MINISTRY OF INDUSTRY.

**1.2.16 Braithwaite & Company Ltd.**

Loss for 1992-93 was understated by Rs.3.37 crores due to non-provision of bad and doubtful debts (Rs.0.51 crore), overstatement of sales (Rs.0.73 crore) and inclusion of inadmissible /old cash compensatory claims (Rs.2.13 crores).

NAME OF THE MINISTRY/COMPANYBRIEF COMMENT

- 1.2.17 Burn Standard Co.Ltd. Loss for 1992-93 was understated by Rs.82.29 lakhs due to inclusion of claim for fabrication of decks and helidecks at a rate higher than that approved by the customer.
- 1.2.18 Hindustan Cables Ltd. Profit for 1992-93 was overstated by Rs. 2.78 crores by revaluation of old stock of finished goods, (0.76 crore) and non amortisation of technical fee (Rs. 2.02 crores) paid for a project.
- 1.2.19 Hindustan Newsprint Ltd. Fixed assets as on 31st March 1993 included land costing Rs.18.16 lakhs for which title deeds were not transferred in the name of Company.
- 1.2.20 Instrumentation Ltd. Loss for 1992-93 was understated by Rs. 8.78 crores due to non-provision of interest and penal interest on inter-corporate loans.
- 1.2.21 National Instruments Ltd. i) Loss for 1992-93 was understated by Rs. 29.17 lakhs on account of treatment of expenditure on gratuity paid to employees retired under VRS as deferred Revenue expenditure.  
ii) Bank Balance as on 31st March, 1993 with Scheduled Banks wrongly included Rs. 27.67 lakhs being cheques and drafts in hand as on 31st March, 1993.
- 1.2.22 Triveni Structurals Limited. Accumulated loss as on 31st March, 1993 was understated by Rs. 6.27 crores due to non-provision of gratuity.

DEPARTMENT OF PETROLEUM & NATURAL GAS

- 1.2.23 Bongaigaon Refinery & Petrochemicals Ltd. Profit for 1992-93 was overstated by Rs.2.12 crores due to inclusion of interest

NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

income on short term deposits beyond the maturity period.

1.2.24 Engineers India Limited

Income from services rendered under lumpsum contracts was recognised in the proportion which the actual direct cost bears to the estimated cost of work as per Accounting Policy of the Company. Although 111 jobs test checked in audit were physically much more complete, value of the same amounting to Rs. 29.17 crores was not accounted for as income of the year resulting in understatement of profit for 1992-93.

1.2.25 Oil Industry Development Board

i) Loans and interest pending realisation from other PSUs as on 31st March 1993 included Rs.13 crores of loans granted to NBCC Limited during 1981-82 and 1982-83 and interest of Rs.39.78 crores accrued on above loans upto 30th September 1990, which had not been repaid by the loanee company although loan became due for repayment in 1983-84. Credit for interest income subsequent to 30th September 1990 had not been taken into account on the ground that its actual receipt was doubtful.

ii) Loan of Rs.15.06 crores was given to Bieco Lawrie Limited during 1989-90 to 1992-93 which is not related to oil industry.

iii) OIIB invested Rs. 295.42 crores with Canbank Financial Services Ltd.(Canfina) in 'Investment Advisory Service /Investment Service Schemes' for 91 days/ one year and Rs. 198.37 crores with Syndicate Bank under 'Portfolio Management Scheme' for a

NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

period of one year at assured/quaranteed rates of interest ranging from 18.25% to 20.10% per annum. Though specific instructions were stated to have been given to both the Banks for deployment of funds in Govt. securities, units of UTI and Public sector bonds, no information on the details of investments made by them was furnished by the banks nor the securities were transferred in favour of the Board.

Against the total investment of Rs. 295.42 crores (maturity value Rs.338.92 crores) invested in Canfina, Rs.202.01 crores were due before 31st March, 1993 and Rs.93.41 crores were due between 1st April, 1993 and 20th May,1993. Only a sum of Rs.20 crores has been paid till August, 1993 by Canfina. Canfina had expressed its inability to pay the balance amount due to bad state of securities, large scale depreciation of bond value and failure of a bank from whom the units were purchased.

In the case of investments in PMS with Syndicate Bank, almost all the investments were made in shares of private sector companies. The investment, with a total maturity value of Rs. 237.17 crores, was due during the period from 1st April, 1993 to 14th May, 1993. In respect of investment of Rs. 112.13 crores (out of the total investments of Rs. 198.37 crores), the market value of the securities held was reported to be only Rs. 51.29 crores (as on 17th June, 1993).

1.2.26 Oil and Natural Gas  
Commission.

i) Debtors of Rs.2987 crores outstanding as on 31st March 1993 constituted 31 percent of annual sales of which Rs.2006 crores was recoverable from Oil Co-ordination Committee towards increase in cess, sales tax, Octroi and increase in NGL and LPG prices.

ii) Investments as on 31st March, 1993 included Rs.332 crores being the amount of loans given to 5 PSUs which defaulted in repayment of loan instalments.

iii) Capital work-in-progress included Rs. 33.15 crores incurred towards installation of a Single Buoy Mooring (SBM). The project had remained incomplete since October, 1989 and the SBM is proposed to be disposed off.

iv) Current liabilities for goods and supplies as on 31st March, 1993 were understated by non-provision of Rs. 1.20 crores for the value of material received prior to March, 1993.

v) Current Liabilities and provision for expenses as on 31st March, 1993 were understated due to non-provision of Rs. 1.78 crores for liabilities in 10 cases and Rs.2.05 crores for the value of foreign exchange variation claim of a party.

vi) Current liabilities for goods and supplies were overstated by Rs. 4.42 crores due to excess provision towards contractual services and non-reversal of a liability considered not payable

vii) Long-term liabilities

NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

for Bills payable as on 31st March, 1993 were under stated by Rs. 3.20 crores due to non-revaluation of outstanding foreign credits raised for acquisition of cementing units.

viii) Stores and spares as on 31st March 1993 valuing Rs.177.80 crores had not moved for over two years and stores and spares valuing Rs. 1.63 crores were not physically available as determined by a Task Force in 1992-93.

ix) There was also an unreconciled difference of Rs.3.28 crores between the cost of dry wells as per accounts and as per cost sheets.

x) Sundry debtors as on 31st March 1993 included Rs.9.39 crores outstanding from a State Electricity Board since 1981 without an enforceable contract.

DEPARTMENT OF POWER

1.2.27 National Thermal Power Corpn.Ltd.

Profit for 1992-93 was overstated by Rs.10.33 crores due to accountal of favourable exchange rate variations and non-provision of depreciation and interest.

MINISTRY OF RAILWAYS.

1.2.28 Container Corporation of India Ltd.

Against a sum of Rs. 11.97 crores payable to Railways as lease fee on 31st March 1993, provision was made for Rs. 0.36 lakh only. Balance amount of Rs.11.61 crores was not shown as contingent liability also.



NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

MINISTRY OF STEEL

1.2.29 Kudremukh Iron Ore Company Limited.

Profit for 1992-93 was overstated by not providing for Rs.72.47 lakhs on account of liabilities payable towards demurrage in respect of shipments and rates and taxes of Rs. 91.84 lakhs relating to prior period taken as current years' expenditure.

1.2.30 Steel Authority of India Limited

Profit for 1992-93 was overstated by Rs. 28.73 crores due to taking credit of Railway claims (Rs. 5.77 crores) and electricity charges (Rs. 9.01 crores) claims for refund of which are still pending in High Court and writeback of liabilities (Rs. 13.95 crores) still pending for reconciliation.

MINISTRY OF SURFACE TRANSPORT

1.2.31 Central Inland Water Transport Corpn. Limited

Loss for 1992-93 was understated by Rs. 1.18 crores due to non-provision of foreseeable losses against contracts which were in progress as on 31st March 1993 and due to double accountal of grant received from Government.

MINISTRY OF TEXTILES

1.2.32 Lagan Jute Manufacturing Company Limited

Loss for 1992-93 was understated by Rs.9.40 lakhs due to inclusion in work-in-progress of an old proto type twistless spinning machine, which failed in trial run.

1.2.33 North Eastern Handicrafts and Handlooms Development Corporation Ltd.

(i) Loss for 1992-93 was understated by Rs.5.87 lakhs due to non-provision of Insurance premium (Rs.3.81 lakhs) and bonus (Rs.2.06 lakhs).

(ii) Cash in hand (Head Office) as on 31st March, 1993 included Rs.37476 which were physically not available.

NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

- 1.2.34 National Textile Corporation (South-Maharashtra) Ltd.
- i) Loss for 1992-93 was overstated by Rs.40.81 lakhs due to not writing back of excess provision of Rs.34.79 lakhs no longer required and also excess provision of Rs.6.02 lakhs during the year.
- ii) The provident fund and ESI dues of Rs. 1.19 crores were not deposited by the company in respect of its six mills.

MINISTRY OF WATER RESOURCES.

- 1.2.35 Rashtriya Pariyojna Nirman Nigam Ltd.
- Loss for 1992-93 would have been more by Rs.18.84 crores but for adding to income the export benefits (Rs.12.23 crores) relating to earlier years and non-provision of interest on Govt. Loans (Rs.6.61 crores).

1.3 REVIEW OF ACCOUNTS.

DEPARTMENT OF ATOMIC ENERGY.

- 1.3.1 Nuclear Power Corporation Ltd.
- Sundry debtors as on 31st March 1993 were 82 per cent of Sales in 1992-93.

MINISTRY OF CIVIL AVIATION & TOURISM

- 1.3.2 Air India
- Inventory of spare parts, consumable stores and tools at the end of 31st March, 1993 was equivalent to 39 months consumption.
- 1.3.3 Indian Airlines
- The net worth of the Corporation as on 31st March 1993 was (-)Rs.78.33 crores.
- 1.3.4 Hotel Corporation of India Ltd.
- The accumulated losses (Rs. 76.08 crores) as on 31st March, 1993 had fully eroded the paid up capital (Rs. 40.60 crores).

NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

MINISTRY OF COAL.

- 1.3.5. Eastern Coalfields Limited  
i) Accumulated loss as on 31st March, 1993 was 79 percent of the paid up capital.  
ii) Sundry debtors as on 31st March, 1993 were 55 percent of sales.
- 1.3.6 Neyveli Lignite Corporation Limited  
Stock of stores and spares as on 31st March, 1993 was equivalent to 35.5 months consumption.

DEPARTMENT OF CHEMICALS AND PETROCHEMICALS

- 1.3.7 Hindustan Antibiotics Ltd.  
The accumulated losses as on 31st March 1993 were 69 per cent of the paid up capital.
- 1.3.8 Hindustan Organic Chemicals Ltd.  
Stock of stores and spares as on 31st March, 1993 was equivalent to 23.61 months consumption.

MINISTRY OF COMMUNICATIONS

- 1.3.9 Videsh Sanchar Nigam Ltd.  
Sundry debtors as on 31st March 1993 were 62.46 per cent of turnover.

DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES

- 1.3.10 Bharat Earthmovers Ltd.  
Sundry debtors as on 31st March, 1993 were 55.22 percent of sales during the year.
- 1.3.11 Bharat Electronics Ltd.  
Stock of raw materials, stores & spares as on 31st March 1993 was equivalent to 8 months consumption.
- 1.3.12 Hindustan Aeronautics Ltd.  
Inventory of raw material, stores and spares as on 31st March 1993 was equivalent to 11 months consumption.
- 1.3.13 Mazagaon Docks Ltd.  
i) The accumulated losses as on 31st March 1993 were 48 per cent of paid up capital.  
ii) Sundry debtors as on 31st March 1993 were 97

NAME OF THE MINISTRY/COMPANYBRIEF COMMENT

percent of sales during the year.

DEPARTMENT OF ELECTRONICS

1.3.14 Electronics Corpn. of India Ltd.

Inventory of raw material, stores and spares as on 31st March 1993 was equivalent to 5.77 months consumption.

1.3.15 Semi Conductors Complex Ltd.

Sundry debtors as on 31st March, 1993 were 44.25% of sales during the year.

DEPARTMENT OF FERTILIZERS

1.3.16 Fertilizer Corpn. of India Ltd.

The accumulated losses as on 31st March 1993 were 294.64 percent of the paid-up capital of the company.

1.3.17 Hindustan Fertilizer Corporation Ltd.

The accumulated losses as on 31st March 1993 were 271 per cent of the paid up capital of the company.

1.3.18 Paradeep Phosphates Ltd.

The accumulated losses as on 31st March 1993 were 161 per cent of paid up capital.

1.3.19 Rashtriya Chemicals & Fertilizers Ltd.

Inventory level of complex fertilizers had gone up from Rs. 38.56 crores in 1991-92 to Rs. 98.62 crores in 1992-93.

MINISTRY OF INDUSTRY.

1.3.20 Andrew Yule & Co.Ltd.

Sundry debtors as on 31st March, 1993 were 42 percent of sales.

1.3.21 Bharat Bhari Udyog Ltd.

i) Sundry debtors as on 31st March 1993 were 126 per cent of sales during the year.

ii) Four of its subsidiaries in which company made investment of Rs. 64.96 crores, had eroded their entire paid-up capital and their accumulated loss was Rs. 178.14 crores as on 31st March 1992.

NAME OF THE MINISTRY/COMPANYBRIEF COMMENT

- 1.3.22 Bharat Heavy Electricals Ltd. Sundry debtors represented 69 per cent, 76 per cent and 85 per cent of sales respectively during the three years ending 31st March 1993.
- 1.3.23 Bharat Leather Corporation Ltd. The accumulated losses as on 31st March 1993 were 152.76 percent of paid up capital.
- 1.3.24 Braithwaite & Co. Ltd. The accumulated losses as on 31st March 1993 had fully eroded the entire paid up capital and net worth of the Company was (-) Rs. 36.76 crores.
- 1.3.25 Burn Standard Co. Ltd. The accumulated losses as on 31st March 1993 had fully eroded the paid up capital (Rs. 41.26 crores) of the Company.
- ii) The working capital as on 31st March, 1993 was negative and current liabilities included interest of Rs. 351.30 crores due to Govt. but not paid.
- 1.3.26 Bharat Yantra Nigam Ltd. The accumulated loss of three subsidiary Companies viz. TSL, BPCL and R&C(1972) Ltd. upto 31st March, 1992 was Rs. 178.91 crores in which the Company had invested Rs. 50.88 crores as equity and preference share capital upto 31st March 1993.
- 1.3.27 Engineering Projects (India) Limited The accumulated losses as on 31st March, 1993 were 6471 per cent of paid up capital.
- 1.3.28 Instrumentation Ltd. i) The accumulated losses as on 31st March 1993 were 75 per cent of the paid-up capital.
- ii) Sundry debtors represented 65 percent, 66 percent and 56 percent of sales respectively during the three years ending 31st March 1993.

NAME OF THE MINISTRY/COMPANYBRIEF COMMENT

- 1.3.29 Mining and Allied Machinery Corporation Ltd. i) The accumulated losses as on 31st March 1993 were 535.52 percent of the paid up capital of the company.  
ii) The net worth of the company as on 31st March, 1993 was (-)Rs.180.13 crores.
- 1.3.30 Richardson & Cruddas (1972) Ltd. The accumulated losses as on 31st March 1993 were 532 per cent of the paid up capital.
- 1.3.31 Tungbhadra Steel Products Limited Sundry Debtors as on 31st March, 1993 were equivalent to 55 per cent of sales during the year.
- 1.3.32 Tyre Corporation of India Ltd. The accumulated losses as on 31st March 1993 had fully eroded the paid up capital. The percentage of loss to sales was high at 58.62 percent in 1992-93 as against 27.71 percent in 1991-92.

MINISTRY OF MINES.

- 1.3.33 Mineral Exploration Corporation Ltd. Sundry debtors represented 55 per cent, 58 per cent and 69 per cent of sales respectively during the three years ending 31st March 1993.

DEPARTMENT OF PETROLEUM & NATURAL GAS

- 1.3.34 Bongaigaon Refinery & Petrochemicals Ltd. No bonus shares have been issued by the Company eventhough the Reserve & Surplus were 90 per cent of the paid up capital as on 31st March, 1993.
- 1.3.35 Bharat Petroleum Corporation Ltd. Stores and spares at the end of 1992-93 were equivalent to 6.7 months consumption
- 1.3.36 Cochin Refineries Limited No bonus shares have been issued eventhough the Reserves and Surplus as on 31st March 1993 were 4.28 times the paid up capital.

NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

- 1.3.37 Hindustan Petroleum Corporation Limited Stores and spares at the end of 1992-93 were equivalent to 361 days consumption as against 411 days in 1991-92 and 347 days in 1990-91.
- 1.3.38 IBP Company Ltd. No bonus shares has been issued by the Company eventhough the Reserves and Surplus were 7.63 times the paid up capital as on 31st March, 1993.
- 1.3.39 Indian Oil Corporation Limited
- i) Stores and spares at the end of 1992-93 were equivalent to 11.2 months consumption.
- ii) Sundry debtors as on 31st March, 1993 included Rs. 259.39 crores outstanding from Gujarat and Assam State Electricity Boards mainly on account of dispute on rates. In the case of Gujarat State Electricity Board Rs. 77.54 crores were outstanding for over six years.
- 1.3.40 Oil India Ltd. No Bonus shares had ever been issued by the Company eventhough the Reserves and Surplus were 30 times the paid up capital as on 31st March, 1993.

MINISTRY OF POWER.

- 1.3.41 National Hydro Power Corporation Ltd. The sundry debtors represented 66 per cent, 81 per cent and 144 per cent of sales respectively during the three years ending 31st March 1993.
- 1.3.42 National Thermal Power Corporation Ltd. The sundry debtors represented 65 per cent, 43 per cent and 46 per cent of sales respectively during the three years ending 31st March 1993.

NAME OF THE MINISTRY/COMPANYBRIEF COMMENT

1.3.43 North Eastern Electric Power Corporation Ltd. Sundry debtors as on 31st March 1993 were 213 per cent of sales during the year.

MINISTRY OF RAILWAYS

1.3.44 Indian Railway Construction Company Ltd. The sundry debtors represented 144 per cent of the income from services rendered as on 31st March 1993.

DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH

1.3.45 Central Electronics Limited Sundry debtors as on 31st March, 1993 were 52.82 percent of sales during 1992-93.

MINISTRY OF STEEL.

1.3.46 Ferro Scrap Nigam Limited Sundry debtors as on 31st March, 1993 were 48 percent of sales during the year.

1.3.47 Hindustan Steel Works Construction Ltd. i) The accumulated losses as on 31st March 1993 were 224 per cent of the paid up capital.  
ii) Sundry debtors as on 31st March, 1993 were 67 percent of sales during the year.

1.3.48 Kudremukh Iron Ore Co. Ltd. Stock of raw materials, stores and spares as on 31st March, 1993 was equivalent to 13 months consumption.

1.3.49 Metal Scrap Trading Corporation Ltd. No bonus shares were issued by the Company even though the reserves and surplus were 33 times the paid up capital as on 31st March, 1993.

1.3.50 Steel Authority of India Limited. Inventory of stores and spares as on 31st March 1993 was equivalent to 8.69 months' consumption.

1.3.51 Visvesvarya Iron & Steel Ltd. i) The accumulated losses as on 31st March 1993 were 81 per cent of paid up capital.

ii) Stock of raw material, stores & spares as on 31st  
20



NAME OF THE MINISTRY/COMPANYBRIEF COMMENT

March 1993 was equivalent to  
7.8 months consumption.

MINISTRY OF SURFACE TRANSPORT.

- 1.3.52 Cochin Shipyard Ltd. The accumulated losses as on 31st March 1993 have fully eroded the paid up capital.
- 1.3.53 Delhi Transport Corporation The net worth of the Corporation as on 31st March 1993 was (-) Rs.1094.60 crores. Losses are being added at the rate of over Rs. 200 crores per year.
- 1.3.54 Hindustan Shipyard Ltd. i)The accumulated losses as on 31st March 1993 were 810.92 percent of the paid up capital.  
ii)The net worth as on 31st March 1993 was (-)Rs. 499.02 crores.

MINISTRY OF TEXTILES

- 1.3.55 National Textile Corpn. (DP&R) Ltd. The accumulated losses as on 31st March 1993 were 473 per cent of the paid up capital of the company.
- 1.3.56 National Textile Corporation (MP) Ltd. The accumulated losses as on 31st March 1993 were 888 per cent of the paid up capital of the company.
- 1.3.57 National Textile Corpn. (UP)Ltd. The accumulated losses as on 31st March 1993 were 968 per cent of paid up capital.
- 1.3.58 National Textile Corpn. (APKK&M) Ltd. The accumulated losses as on 31st March 1993 were 392 per cent of paid up capital.
- 1.3.59 National Textile Corporation (South-Maharashtra) Ltd. The accumulated losses (Rs. 294.35 crores) as on 31st March, 1993 had fully eroded the paid up capital.
- 1.3.60 National Textile Corporation (North-Maharashtra) Ltd. The accumulated losses (Rs. 328.18 crores) as on 31st March, 1993 had fully eroded the paid up capital.

NAME OF THE MINISTRY/COMPANY

BRIEF COMMENT

1.3.61 National Textile Corporation (Gujarat) Ltd.

The accumulated losses (Rs. 317.21 crores) as on 31st March, 1993 had fully eroded the paid up capital.

MINISTRY OF WATER RESOURCES.

1.3.62 Rashtriya Pariyojna Nirman Nigam Ltd.

i) The accumulated losses as on 31st March 1993 were 217.29 per cent of paid up capital.

ii) Sundry debtors as on 31st March 1993 were 79 per cent of the annual turnover.

## CHAPTER-2

### COMMENTS IN THE REPORTS OF STATUTORY AUDITORS ON THE ACCOUNTS OF GOVERNMENT COMPANIES AS PER THE DIRECTIONS ISSUED BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA.

The statutory auditors (Chartered Accountants) report on the possibility of improvements in certain aspects of accounts of Government Companies in accordance with the directions issued by the Comptroller & Auditor General of India to them under Section 619(3) of the Companies Act.

From 251 Central Government Companies and 55 Deemed Central Government Companies as at the end of 31st March 1993, a resume of illustrative major comments on possible improvements in the accounts of the following Companies for the year 1992-93 are given below:-

#### NAME OF THE MINISTRY/COMPANY    AREA FOR IMPROVEMENT.

#### 2.1    SYSTEM OF ACCOUNTS & BOOK-KEEPING

##### DEPARTMENT OF ATOMIC ENERGY

2.1.1    Uranium Corporation of India Ltd.    Reconciliation of property and assets registers with financial books was not done.

##### DEPARTMENT OF CHEMICALS & PETROCHEMICALS.

2.1.2    Smith Stani Street Pharmaceuticals Ltd.    Subsidiary accounts for sundry debtors were not maintained and reconciled with general ledger during 1992-93.

2.1.3    Hindustan Insecticides Limited    Fixed assets register was not maintained during 1992-93 at Endosulphan Techoplant.

##### MINISTRY OF COAL

2.1.4    Bharat Coking Coal Limited    Control accounts had not been fully reconciled with subsidiary ledgers during 1992-93 in respect of loans and advances, sundry debtors and current liabilities.

NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES.

2.1.5      **Bharat Earth Movers Limited**      No provision had been made for reduction in the value of investment in the subsidiary company-Vignayan Industries Limited and for other doubtful dues from the subsidiary aggregating to Rs. 7.52 crores as on 31st March, 1993.

DEPARTMENT OF FERTILIZERS

2.1.6      **Projects and Development India Limited**      i) Personal ledger balances were not reconciled regularly during 1992-93.  
  
ii) Reconciliation of Government loans and interest payable was not done with the Pay & Accounts Office of the Ministry during the year.

MINISTRY OF FINANCE

2.1.7      **National Insurance Co.Ltd.**      i) Control accounts and subsidiary ledgers were not reconciled during 1992-93 in Ahmedabad-I Divisional office.  
  
ii) Physical verification of assets was not conducted in 1992-93 in Bombay-VIII&X, Calcutta-VIII, Indore and Thane Divisional Offices and Regional Office, Delhi.

2.1.8      **New India Assurance Co.Ltd.**      i) Reconciliation of control accounts with subsidiary ledgers was not done during 1992-93 in Bhilai-II, Calcutta-IX, Nagpur-II, Hissar and Haldia Divisional Offices.  
  
ii) Physical verification of fixed assets was not conducted during 1992-93 in Indore, Moradabad-I, Nagpur-II Hissar Ghaziabad, Nizamabad, Ujjain, Calcutta-III and Morena Divisional offices.

NAME OF THE MINISTRY/COMPANY     AREA FOR IMPROVEMENT.

**2.1.9**     **Oriental Insurance  
Co. Ltd.**     i) Physical verification of fixed assets was not conducted during 1992-93 in Aligarh Divisional office.

ii) Control accounts and subsidiary ledgers were not reconciled during 1992-93 in New Delhi-IV, Aligarh and Siliguri Divisions.

**2.1.10**     **United India  
Insurance  
Company Ltd.**     i) Fixed assets registers were not maintained during 1992-93 in Guwahati, Muvatapuyha, Ambattur, Gulbarga and Nagpur Divisional offices.

ii) Reconciliation of control accounts was not done since 1985 in Ahmedabad-IV Division.

MINISTRY OF INDUSTRY.

**2.1.11**     **National Instruments  
Limited**     Reconciliation of control accounts with subsidiary accounts was not done during 1992-93 in respect of TA advance, LTC advance and pay advance.

**2.1.12**     **The Mandya National  
Paper Mills Ltd.**     Fixed assets registers were to be updated upto 1992-93.

MINISTRY OF PETROLEUM AND NATURAL GAS

**2.1.13**     **Engineers India Ltd.**     Contrary to the provisions of the Purchase Manual of the Company, purchases in excess of Rs. 5 lakhs in each case approved by CMD had not been reported to the Board of Directors.

MINISTRY OF STEEL

**2.1.14**     **Indian Iron &  
Steel Co. Ltd.**     Reconciliation of transactions of Chasnalla unit with SAIL Plants was not done regularly during 1992-93.

NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

- 2.1.15    Steel Authority of India Limited
- i) Rs. 40.48 crores paid to retired employees under Voluntary Retirement Scheme during 1992-93 had been treated as deferred Revenue Expenditure instead of treating it as revenue expenditure during the year (Durgapur, Rourkela, Bhilai, Salem and Alloy Steel Plants and Corporate office).
- ii) Store Issue Vouchers/ Store Receipt Vouchers for semi-finished products received from or despatched to sister units/plants were not prepared by Durgapur Steel Plant during 1992-93.

MINISTRY OF SURFACE TRANSPORT

- 2.1.16    Shipping Corpn. of India Limited
- Reconciliation of control and Subsidiary accounts in case of liner freight was in arrears for 2 years.

MINISTRY OF TEXTILES.

- 2.1.17    Central Cottage Industries Corpn. of India Limited.
- Fixed assets register had not been maintained properly at New Delhi office during 1992-93.
- 2.1.18    Handicrafts and Handlooms Exports Corporation of India Limited
- Fixed assets Register of furniture and fixtures had not been reconciled with financial books during 1992-93 in the Madras office of the Company.
- 2.1.19    National Textile Corporation (WBABO) Ltd.
- Control accounts were not reconciled with subsidiary accounts at regular intervals. Inter unit balances were also not reconciled during 1992-93.

2.2.      INTERNAL CONTROL

MINISTRY OF FINANCE

- 2.2.1    National Insurance Company Ltd
- Internal Audit was not conducted during 1992-93 in New Delhi-XV, Agartala, Calcutta-XVIII, Bikaner,

NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

- Panaji, Pune, Nizamabad,  
Ludhiana-II and III Barielly,  
Bombay I and X, Lucknow-II  
and Bhagalpur Divisions.
- 2.2.2      **New India Assurance  
Company Ltd**      Internal Audit was not  
conducted during 1992-93 in  
Bangalore, Orissa, Ahemedabad,  
Coimbatore, Bombay-I, II and  
Gurgaon Divisional offices.
- 2.2.3      **Oriental Insurance  
Company Ltd**      Internal Audit was not  
conducted during 1992-93 in  
Bombay, Trivandrum, Ranchi  
Siliguri, Pune, Durg, Rai-  
Barielly, Durgapur and  
Jabalpur Divisional Offices.
- 2.2.4      **United India Insura-  
nce Company Ltd**      Internal Audit was not  
conducted during 1992-93 in  
Calcutta-X, Ludhiana-V,  
Rajkot-I, Madras-XI, Baroda  
-II, New Delhi-IV, Narela,  
Jaipur, Moga, Solapur,  
Bangalore and Pimpri  
Divisional Offices.

DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES

- 2.2.5      **Vignayan Industries  
Limited**      There was no internal audit  
set up in the Company.

2.3      COST CONTROL

MINISTRY OF FINANCE

- 2.3.1      **National Insurance  
Company Limited**      There were no norms for  
determining premium for non-  
tariff business in Indore-III,  
Mysore and Calcutta Divisions.
- 2.3.2      **New India Assurance  
Company Limited**      There were no norms for  
determining premium for non-  
tariff business in Kolhapur  
and Ichalkaranji Divisions.
- 2.3.3      **Oriental Insurance  
Company Limited**      There were no norms for  
determining premium for non-  
tariff business in Pune,  
New Delhi-XVII and Calcutta-  
VII Divisional Offices.

NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

2.3.4      United India Insurance Company Limited      There were no norms for determining premium for non-tariff business in Durgapur Division.

DEPARTMENT OF CIVIL SUPPLIES

2.3.5      Hindustan Vegetable Oils Corpn. Ltd.      i) The Company had not prescribed any norms for the consumption of raw materials and power.  
  
ii) Standard Costing not having been adopted, variations between the standard and actual costs were not analysed.

DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES

2.3.6      Bharat Electronics Limited      There was no standard costing system in Pune unit. In its absence, idle time of labour was not being analysed.

DEPARTMENT OF FERTILIZERS

2.3.7      Rashtriya Chemicals & Fertilizers Ltd.      As the Company does not have standard costing system, the idle time of labour and wasteful overheads are not identified in Thal and Trombay units.

MINISTRY OF INDUSTRY

2.3.8      Bharat Wagon & Engineering Co.Ltd.      The company had no system of recording generation of scrap during 1992-93.

2.3.9      Nagaland Pulp and Paper company Ltd.      Selling prices were much below the cost of Production of all products during 1992-93.

2.3.10      National Instruments Ltd.      Percentage of rejections in production during last 3 years ended 31st March 1993 varied from 25 to 30 percent in optical components.

2.3.11      Engineers Projects (India) Limited      The Company had not introduced appropriate systems



NAME OF THE MINISTRY/COMPANY    AREA FOR IMPROVEMENT.

for ascertaining idle time  
for labour and machinery.

MINISTRY OF PETROLEUM AND NATURAL GAS

2.3.12 Engineers India Ltd.    The Company does not prepare cost estimates in respect of the contracts executed by it with the result that the profit or loss on individual works is not ascertainable in the course of execution.

MINISTRY OF TEXTILES.

2.3.13 National Textile Corporation (South Maharashtra) Limited.    There is no system of recording idle time of labour (Jupiter Textile Mills, Mumbai Textiles Mills and Barshi Textile Mills).

2.3.14 National Textile Corporation (Gujarat) Limited    There is no system of ascertaining idle time of labour and machines in Jehangir and Pehladi Textiles Mills.

2.4    INVENTORY CONTROL

MINISTRY OF COAL

2.4.1    Bharat Coking Coal Limited    i) There was net shortage of stock of coal and coke valuing Rs. 30.57 crores during 1992-93.

ii) The rejects/sinks of 25.13 MT valued at Rs.50.37 crores were lying idle at Bhojudih Washery for more than 5 years as on 31st March, 1993.

DEPARTMENT OF DEFENCE PRODUCTION & SUPPLIES

2.4.2    Bharat Electronics Ltd.    Stores and spares found surplus (Rs.20.34 Lakhs) and short (Rs.105.42 lakhs) during stock verification had not been adjusted in accounts in Bangalore Complex.

NAME OF THE MINISTRY/COMPANY    AREA FOR IMPROVEMENT.

DEPARTMENT OF FERTILIZERS

- 2.4.3    Hindustan Fertilizers Corporation Limited    i) 212 bin cards for 'A' class items (Rs.1.39 crores) were not available as on 31st March, 1993 in Barauni Unit.
- ii) Bin balances were not reconciled with priced store ledgers during 1992-93 in some cases in Barauni Unit.
- iii) Out of stores worth Rs. 28 crores as on 31st March, 1993 in Namrup Unit, stores worth only Rs.0.15 crore moved during the year.
- 2.4.4    Rashtriya Chemicals & Fertilizers Ltd.    (i)Stores and spares which had not moved for more than 2 years amounted to Rs. 81.38 crores as on 31st March 1993 in Thal Unit.
- (ii)Stores and spares valuing Rs. 29.02 crores had not moved for more than three years as on 31st March 1993 in Trombay Unit.

MINISTRY OF INDUSTRY

- 2.4.5    Bharat Brakes & Valves Ltd.    Value of stock of raw material, components and stores which had not moved for 3 years or more as on 31st March, 1993 amounted to Rs. 83.69 lakhs.
- 2.4.6    Hindustan Cables Ltd.    i) Stores & spares valuing Rs. 56.37 lakhs as on 31st March, 1993 were in transit for over one year in Hyderabad Unit.
- ii) Work-in-progress at Rupnarainpur unit as on 31st March, 1993 included items valuing Rs.5.72 crores standing for 2 years and above.

NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

2.4.7      HMT (International) Limited      Value of stocks held at USA and Australia branches were high compared to the level of sales.

2.4.8      Nagaland Pulp & Paper Co. Ltd.      i) Value of non-moving, slow moving and surplus stores as on 31st March, 1993 stood at Rs. 1.16 crores having no disposal during last several years.

ii) Stock of raw material, stores and spares as on 31st March, 1993 represented 30 months consumption.

2.4.9      National Instruments Ltd.      i) Stock of raw materials, components, stores and tools at the end of 31st March 1993 represented 15 months, 15 months and 32 months consumption respectively.

ii) Value of inventory which had not moved for more than 3 years as on 31st March, 1993 amounted to Rs. 20.43 lakhs.

MINISTRY OF MINES.

2.4.10      Hindustan Zinc Ltd      i) Stock of raw material as on 31st March 1993 was equivalent to 6.90 months consumption against 4.95 months consumption as on 31st March 1992.

ii) Advance for supply of material of Rs.0.92 lakh paid to Hindustan Steel Ltd. (Company not in existence now) was lying outstanding for more than 12 years. Similarly advance of Rs.5.71 lakhs were lying outstanding with suppliers for more than 3 years even though there had been no further transactions with them.

NAME OF THE MINISTRY/COMPANY    AREA FOR IMPROVEMENT.

DEPARTMENT OF PETROLEUM & NATURAL GAS.

- 2.4.11 Bongaigaon Refinery and Petrochemicals Ltd.    i) Physical balances of stores and spares as on 31st March 1993 were not reconciled with priced store ledgers and adjustment of discrepancies noticed in physical verifications of 1988-89, 1990-91 and 1991-92 were partially pending.
- ii) Stores and spares as on 31st March, 1991, 1992 and 1993 represented 33.58 months 40.34 months and 27.72 months consumption respectively.
- 2.4.12 Bharat Petroleum Corporation Ltd.    Stores and spares which had not moved for 3 years or more as on 31st March, 1993 amounted to Rs. 13.73 crores.
- 2.4.13 Indian Oil Corporation Ltd.    i) Value of stores and spares which had not moved for more than 2 years as on 31st March 1993 was Rs. 13.72 crores in Gujarat Refinery and Rs. 25.30 crores in Salaya-Mathura Pipeline.
- ii) Stores and spares as on 31st March, 1993 was equivalent to 28 months consumption in Salaya- Mathura Pipeline.

MINISTRY OF STEEL.

- 2.4.14 Indian Iron & Steel Company Ltd.    i) Stores and spares which had not moved for 5 years or more amounted to Rs.14.21 crores as on 31st March 1993 in Burnpur Plant.
- ii) Stores and spares declared surplus and awaiting disposal as on 31st March 1993 amounted to Rs.1.86 crores in Burnpur Plant.
- 2.4.15 Steel Authority Of India Ltd.    i) Stores and spares which had not moved for 5 to 15

NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

years amounted to Rs.9.12 crores as on 31st March 1993 in Alloy Steel Plant.

ii) Stores valuing Rs. 5.19 crores were declared surplus during the year by Durgapur and Bhilai Steel Plants.

2.4.16 Maharashtra Electro-smelt Limited

i) Missing and obsolete stores amounting to Rs. 78 lakhs were not adjusted in the accounts during 1992-93.

ii) Norms for raw materials and energy consumption were not fixed.

MINISTRY OF TEXTILES.

2.4.17 Central Cottage Industries Corpn. Limited

Stores of handicrafts, readymade garments, fabrics etc as on 31st March 1993 were in excess of five months sales.

2.4.18 National Textile Corporation (WBABO) Ltd.

Stock of stores as on 31st March, 1993 was equivalent to 13 months consumption.

2.5 CREDIT CONTROL.

DEPARTMENT OF CHEMICALS AND PETROCHEMICALS

2.5.1 Hindustan Insecticides Ltd.

Sundry debtors as on 31st March, 1993 were equivalent to 37.84 percent of sales.

DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES

2.5.2 Bharat Electronics Limited

95.20 per cent of sundry debtors were considered doubtful during 1992-93 (Taloja Unit).

MINISTRY OF INDUSTRY

2.5.3 Bharat Brakes and Valves Limited

Percentage of sundry debtors to sales and doubtful debts

NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

to total sundry debtors as on 31st March, 1993 was 22.17 and 24.76 respectively.

2.5.4      Burn Standard Co. Ltd.

i) Percentage of doubtful debts to sundry debtors as on 31st March, 1993 was 10.40 percent.

ii) The Company had been facing legal action from five of its creditors for defaults in payments of their claims of Rs. 77.73 lakhs.

MINISTRY OF STEEL

2.5.5      Indian Iron and Steel Co.Ltd.

Debts outstanding for 3 years or more from other than Government Departments amounted to Rs.1.90 crores as on 31st March 1991.

2.5.6      Steel Authority of India Ltd.

i) Debts outstanding for 3 years or more from Government Departments amounted to Rs.8.20 crores and from others to Rs.0.97 crores as on 31st March 1993 (Durgapur, Bhilai, Rourkela, Alloy, Salem Steel Plants and CMO(SR)).

ii) Claims recoverable amounting to Rs. 26.43 crores as on 31st March, 1993 were outstanding for more than 3 years. (Rourkela and Bhilai Steel Plants).

MINISTRY OF TEXTILES

2.5.7      National Textile Corpn. (WBABO) Limited

Percentage of sundry debtors to sales and doubtful debts to total debtors as on 31st March, 1993 was 21.2% and 20.16% respectively.

NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

**2.6**      LIABILITIES AND LOANS

DEPARTMENT OF FERTILIZERS

**2.6.1**      **Hindustan Fertilizers Corporation Limited**      i) Repayment of Government loans was not made since inception of the Company in 1978. Loans amounting to Rs. 568.01 crores were outstanding as on 31st March, 1993 (Namrup unit).

ii) Interest and penal interest amounting to Rs.85.72 crores remained outstanding as on 31st March, 1993 (Namrup unit).

MINISTRY OF INDUSTRY

**2.6.2**      **Burn Standard Company Limited**      Government of India loans, interest and penal interest due but not paid upto 1992-93 amounted to Rs. 90.37 crores, and Rs. 17.64 crores respectively representing 93.60% and 16.70% of total loans.

**2.6.3**      **National Instruments Limited**      Government of India loans, interest and penal interest due but not paid in 1992-93 amounted to Rs. 27.31 crores, Rs. 24.90 crores and Rs. 16.26 crores respectively.

**2.6.4**      **Tungbhadra Steel Products Limited**      i) The percentage of defaults in repayment of loans to the total loans was 70 as on 31st March, 1993.

ii) The percentage of default in payment of interest and penal interest to the total loans was 118 as on 31st March, 1993.

MINISTRY OF MINES

**2.6.5**      **Hindustan Zinc Ltd.**      Unsecured advance of Rs.5 crores paid to Bharat Gold Mines Ltd. in 1990-91 was doubtful of recovery.

NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

MINISTRY OF SURFACE TRANSPORT

2.6.6      Cochin Shipyard Ltd.      Repayment of Government loans which fell due was not made during the last 3 years ending 31st March, 1993.

MINISTRY OF TEXTILES

2.6.7      National Textile Corporation (South Maharashtra) Ltd.      i) The percentage of defaults in repayment of loans to total loans from financial institutions was 27.97 in 1990-91, 35.39 in 1991-92 and 48.86 in 1992-93.

ii) The percentage of defaults in payment of interest to the total loans from financial institutions was 2.61 in 1990-91, 4.66 in 1991-92 and 19.7 in 1992-93.

2.7      GENERAL

DEPARTMENT OF ATOMIC ENERGY

2.7.1      Uranium Corporation of India Ltd.      Loans amounting to Rs.4 crores was given to Indian Rare Earths Limited without the approval of the Board of Directors.

MINISTRY OF COMMUNICATIONS

2.7.2      Indian Telephone Industries Ltd.      Idle time recorded in Bangalore complex during 1992-93 was 5,88,926 manhours costing Rs.1.37 crores to the Company.

DEPARTMENT OF FERTILIZERS

2.7.3      Hindustan Fertilizers Corporation Limited      There was excess manpower of 490 persons in Namrup Unit as on 31st March, 1993.



NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

DEPARTMENT OF CIVIL SUPPLIES

- 2.7.4 Hindustan Vegetable Oils Corpn. Ltd.      i)Machinery costing Rs.32 lakhs which had not been installed upto 31st March 1993 were not physically verified.  
ii)As on 31st March 1993 1112 employees were surplus to requirements of the company.

MINISTRY OF INDUSTRY

- 2.7.5 Engineering projects (India) Ltd.      Machinery and Equipment costing Rs.42.95 lakhs are lying idle at Bhuj as project has since been shelved. Machinery at a closed Project in Iraq was awaiting repatriation as on 31st March 1993.

MINISTRY OF STEEL

- 2.7.6 Indian Iron & Steel Co. Ltd      Demurrage charges of Rs.3.02 crores were paid during 1992-93 as against Rs.1.98 crores paid during the previous year.
- 2.7.7 Metal Scrap Trading Corporation Ltd.      Orissa Sales Tax Authorities had imposed embargo on all establishments of the Company in the State due to non-payment of Rs. 5.14 crores.
- 2.7.8 Metallurgical and Engineering Consultants(India) Limited      Targets fixed under MOU signed with the Government for 1992-93 were not achieved in following cases.

Parameters	Targets	Achievements (Rs. in lakhs)
Supply of equipment	5000	3730
Profit before Tax	900	829
Percentage of Gross Margin to Turnover	10%	8.36%

NAME OF THE MINISTRY/COMPANY      AREA FOR IMPROVEMENT.

2.7.9      Steel Authority of  
              India Ltd.

i) Demurrage of Rs.2.93 crores  
was paid during 1992-93 by  
Durgapur Steel Plant.

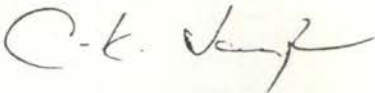
ii) One Twin Chamber Bogie  
Hearth Furnace costing Rs.25  
lakhs was awaiting installa-  
tion and commissioning since  
September, 1983 in Alloy  
Steel Plant.

MINISTRY OF TEXTILES

2.7.10      National Textile  
              Corporation (South  
              Maharashtra) Ltd.

Manpower employed during  
1992-93 was more than the  
norms in Jupiter Textile Mills  
and was the major factor  
contributing to the losses of  
the unit.


New Delhi

  
( C.K. JOSEPH )  
Deputy Comptroller & Auditor General  
-cum-Chairman, Audit Board.

4 MAR 1994

Countersigned

New Delhi

  
(C.G. SOMIAH)  
Comptroller and Auditor General of India

9 MAR 1994

## APPENDIX I

### List of Central Government Companies

#### MINISTRY OF AGRICULTURE

1. National Seeds Corporation Limited.
2. State Farms Corporation of India Limited.

#### DEPARTMENT OF ATOMIC ENERGY

3. Antrix Corporation Limited
4. Electronics Corporation of India Limited.
5. Indian Rare Earths Limited.
6. Nuclear Power Corporation Limited.
7. Uranium Corporation of India Limited.

#### DEPARTMENT OF BIO-TECHNOLOGY

8. Bharat Immunologicals & Biologicals Limited.

#### DEPARTMENT OF CHEMICALS AND PETROCHEMICALS

9. Bengal Chemicals and Pharmaceuticals Limited.
10. Bengal Immunity Limited.
11. Hindustan Antibiotics Limited.
12. Hindustan Fluro Carbons Limited.
13. Hindustan Insecticides Limited.
14. Hindustan Organic Chemicals Limited.
15. Indian Drugs and Pharmaceuticals Limited.
16. Indian Petrochemicals Corporation Limited.
17. Karnataka Antibiotics and Pharmaceuticals Limited.
18. Maharashtra Antibiotics and Pharmaceuticals Limited.
19. Manipur State Drugs and Pharmaceuticals Limited.
20. Orissa Drugs and Chemicals Limited.
21. Rajasthan Drugs and Pharmaceuticls Limited.
22. Smith Stanistreet Pharmaceuticals Limited.
23. The Southern Pesticides Corporation Limited.
24. U.P. Drugs and Pharmaceuticals Company Limited.

#### MINISTRY OF CIVIL AVIATION & TOURISM

25. Pawan Hans Limited.
26. Assam Ashok Hotel Corporation Limited.
27. Donyi Polo Ashok Hotel Corporation Limited.
28. India Tourism Development Corporation Limited.
29. Madhya Pradesh Ashok Hotel Corporation Limited.
30. Pondichery Ashok Hotel Corporation Limited.
31. Ranchi Ashok Bihar Hotel Corporation Limited.
32. Utkal Ashok Hotel Corporation Limited.

### MINISTRY OF COAL

33. Bharat Coking Coal Limited.
34. Central Coalfields Limited.
35. Central Mine Planning and Design Institute Limited.
36. Coal India Limited.
37. Eastern Coalfields Limited.
38. Mahanadi Coalfields Ltd.
39. Neyveli Lignite Corporation Limited.
40. Northern Coalfields Limited.
41. South Eastern Coalfields Limited.
42. Western Coalfields Limited.

### MINISTRY OF COMMERCE

43. India Trade Promotion Organisation Limited.
44. Export Credit and Guarantee Corporation of India Limited.
45. The Mica Trading Corporation of India Limited.
46. MMTCL Limited
47. The Projects and Equipments Corporation of India Limited.
48. Spices Trading Corporation Limited.
49. The State Trading Corporation of India Limited.
50. Tea Trading Corporation of India Limited.

### MINISTRY OF COMMUNICATIONS

51. Hindustan Teleprinters Limited.
52. Indian Telephone Industries Limited.
53. Intelligent Communication Systems India Limited.
54. Mahanagar Telephone Nigam Limited.
55. Telecommunication Consultants(India) Limited.
56. Videsh Sanchar Nigam Limited.

### DEPARTMENT OF DEFENCE PRODUCTION & SUPPLIES

57. Bharat Dynamics Limited.
58. Bharat Earth Movers Limited.
59. Bharat Electronics Limited.
60. Garden Reach Shipbuilders and Engineers Limited.
61. Goa Shipyard Limited.
62. Hindustan Aeronautics Limited.
63. Mazagon Dock Limited.
64. Mishra Dhatu Nigam Limited.
65. Vignyan Industries Limited.

#### DEPARTMENT OF ELECTRONICS

66. CMC Limited.
67. Electronics Trade and Technology Development Corporation Limited.
68. Semiconductors Complex Limited.

#### DEPARTMENT OF ENVIRONMENT & FORESTS

69. Andaman and Nicobar Islands Forest and Plantation Development Corporation Limited.

#### DEPARTMENT OF FERTILIZERS

70. The Fertilizer Corporation of India Limited.
71. The Fertilizer and Chemicals Travancore Limited.
72. Hindustan Fertilizer Corporation Limited.
73. Madras Fertilizers Limited.
74. National Fertilizers Limited.
75. Paradeep Phosphates Limited.
76. The Projects and Development India Limited.
77. Pyrites, Phosphates and Chemicals Limited.
78. Rashtriya Chemicals and Fertilizers Limited.

#### MINISTRY OF FINANCE

79. General Insurance Corporation of India Limited.
80. Industrial Credit Company Limited.
81. National Insurance Company Limited.
82. New India Assurance Company Limited.
83. Oriental Insurance Company Limited.
84. United India Insurance Company Limited.
85. Zenith Securities and Investments Limited.

#### MINISTRY OF FOOD

86. Hindustan Vegetable Oils Corporation Limited.
87. Modern Food Industries (India) Limited.
88. North Eastern Regional Agricultural Marketing Corporation Limited.

#### MINISTRY OF HOME AFFAIRS

##### Union Territory Of Andaman

89. Andaman and Nicobar Inland Integrated Limited.

##### Union Territory of Chandigarh

90. Chandigarh Child and Women Development Corporation Limited.
91. Chandigarh Industrial and Tourism Development Corporation Limited.
92. Chandigarh Scheduled Castes Financial and Development Corporation Limited.

Union Territory of Delhi

93. Delhi Scheduled Castes Financial and Development Corporation Limited.
94. Delhi State Civil Supplies Corporation Limited.
95. Delhi State Industrial Development Corporation Limited.
96. Delhi State Mineral Development Corporation Limited.
97. Delhi Tourism Development Corporation Limited.

Union Territory of Goa

98. Goa Meat Complex Limited.
99. Omnibus Industrial Development Corpn. of Daman and Diu and Dadar Nagar Haveli Limited

Union Territory of Lakshadweep

100. Lakshadweep Development Corporation Limited.

DEPARTMENT OF HEALTH & FAMILY WELFARE

101. Hindustan Latex Limited.
102. Hospital Services Consultancy Corporation (India) Limited.
103. Indian Medicines And Pharmaceuticals Corporation Limited.

DEPARTMENT OF HEAVY INDUSTRY

104. Andrew Yule and Company Limited.
105. Bharat Bhari Udyog Limited.
106. Bharat Brakes and Valves Limited.
107. Bharat Heavy Electricals Limited.
108. Bharat Heavy Plate and Vessels Limited.
109. Bharat Leather Corporation Limited.
110. Bharat Ophthalmic Glass Limited.
111. Bharat Process and Mechanical Engineers Limited.
112. Bharat Pumps and Compressors Limited.
113. Bharat Wagon and Engineering Company Limited.
114. Bharat Yantra Nigam Limited.
115. Bridge and Roof Company (India) Limited.
116. Braithwaite and Company Limited.
117. Braithwaite Burn Jessop Construction Corporation Limited.
118. Burn Standard Company Limited.
119. Cement Corporation of India Limited.
120. Cycle Corporation of India Limited.
121. Damodar Cement and Slag Limited.
122. Engineering Projects (India) Limited.
123. HMT (International) Limited.
124. HMT Limited.
125. Heavy Engineering Corporation Limited.
126. Hindustan Cables Limited.
127. Hindustan Newsprint Limited.
128. Hindustan Paper Corporation Limited.

129. Hindustan Photo Films Manufacturing Company Limited.
130. Hindustan Salts Limited.
131. HMT Bearings Limited.
132. Hooghly Printing Company Limited.
133. Instrumentation Limited.
134. Jessop and Company Limited.
135. Lagan Jute Machinery Company Limited.
136. The Mandya National Paper Mills Limited.
137. Mining and Allied Machinery Corporation Limited.
138. Nagaland Pulp and Paper Company Limited.
139. National Bicycle Corporation Limited.
140. The National Industrial Development Corporation Limited.
141. National Instruments Limited.
142. NEPA Limited.
143. Praga Tools Limited.
144. Rajasthan Electronics and Instruments Limited.
145. Rehabilitation Industries Corporation Limited.
146. Reyrolde Burn Limited.
147. Richardson and Cruddas (1972) Limited.
148. Sambhar Salts Limited.
149. Scooters India Limited.
150. Swadeshi Mining and Manufacturing Corporation Limited.
151. Tannery and Footwear Corporation of India Limited.
152. Triveni Structural Limited.
153. Tungabhadra Steel Products Limited.
154. Tyre Corporation of India limited.
155. Weighbird (India) Limited.

**MINISTRY OF HUMAN RESOURCES DEVELOPMENT**

156. Educational Consultants (India) Limited.

**DEPARTMENT OF INDUSTRIAL DEVELOPMENT**

157. The National Small Industries Corporation of India Limited.

**MINISTRY OF INFORMATION & BROADCASTING**

158. National Film Development Corporation Limited.

**MINISTRY OF MINES**

159. Bharat Aluminium Company Limited.
160. Bharat Gold Mines Limited.
161. Hindustan Copper Limited.
162. Hindustan Zinc Limited.
163. Mineral Exploration Corporation Limited.
164. National Aluminium Company Limited.

**DEPARTMENT OF NON-CONVENTIONAL ENERGY SOURCES**

165. India Renewable Energy Development Agency Limited.

**DEPARTMENT OF PETROLEUM & NATURAL GAS**

166. Balmer Lawrie and Company Limited.

167. Bharat Petroleum Corporation Limited.

168. Biecco Lawrie Limited.

169. Bongaigon Refinery and Petrochemicals Limited.

170. Cochin Refineries Limited.

171. Engineers India Limited.

172. Gas Authority of India Limited.

173. Hindustan Petroleum Corporation Limited.

174. IBP Company Limited.

175. Indian Additivies Limited.

176. Indian Oil Blending Limited.

177. Indian Oil Corporation Limited.

178. Lubrizol India Limited.

179. Madras Refineries Limited.

180. Oil India Limited.

**DEPARTMENT OF POWER**

181. Nathpa Jhakari Power Corporation Limited.

182. National Hydro-Electric Power Corporation Limited.

183. North Eastern Electric Power Corporation Limited.

184. Power Grid Corporation of India Limited.

185. National Thermal Power Corporation Limited.

186. Power Finance Corporation Limited.

187. Rural Electrification Corporation Limited.

188. Tehri Hydro Development Corporation Limited.

**MINISTRY OF RAILWAYS**

189. Container Corporation Limited.

190. Indian Railway Construction Company Limited.

191. Indian Railway Fianance Corporation Limited.

192. Konkan Railway Corporation Limited (1990-91).

193. Rail India Technical and Economic Services Limited.

**DEPARTMENT OF SCIENTIFIC & INDUSTRIAL RESEARCH**

194. Central Electronics Limited.

195. National Research Development Corporation of India Limited.

**MINISTRY OF STEEL**

196. Bharat Refractories Limited.

197. Ferro Scrap Nigam Limited.

198. Hindustan Steelworks Construction Limited.



199. IISCO Ujjain Pipe and Foundry Company Limited.
200. Indian Firebricks and Insulation Company Limited.
201. Indian Iron and Steel Company Limited.
202. J&K Mineral Development Corporation Limited.
203. Kudremukh Iron Ore Company Limited.
204. Maharashtra Electros melt Limited.
205. Manganese Ore (India) Limited.
206. Metal Scrap Trade Corporation Limited.
207. Metallurgical and Engineering Consultants (India) Limited.
208. National Mineral Development Corporation Limited.
209. Neelanchal Ispat Nigam Limited.
210. Rashtriya Ispat Nigam Limited.
211. Sponge Iron India Limited.
212. Steel Authority of India Limited.
213. Vijayanagar Steel Limited.
214. Visvesvaraya Iron & Steel Limited.

#### MINISTRY OF SURFACE TRANSPORT

215. Central Inland Water Transport Corporation Limited.
216. Cochin Shipyard Limited.
217. Dredging Corporation of India Limited.
218. Hindustan Shipyard Limited.
219. Hooghly Dock and Port Engineers Limited.
220. Indian Road Construction Corporation Limited.
221. The Shipping Corporation of India Limited.

#### MINISTRY OF TEXTILES

222. Bird Jute and Exports Limited.
223. The British India Corporation Limited.
224. Brushware Limited.
225. Cawnpore Textiles Limited.
226. Central Cottage Industries Corporation of India Limited.
227. The Cotton Corporation of India Limited.
228. The Elgin Mills Company Limited.
229. The Handicrafts and Handlooms Export Corporation of India Limited.
230. Jute Corporation of India Limited.
231. National Handloom Development Corporation Limited.
232. National Jute Manufactures Corporation Limited.
233. National Textile Corporation Limited, New Delhi.
234. North Eastern Handicrafts and Handlooms Development Corporation Limited.
235. National Textile Corporation (Andhra Pradesh, Karnataka, Kerala and Mahe) Limited.
236. National Textile Corporation (Delhi, Punjab and Rajasthan) Limited.
237. National Textile Corporation (Gujarat) Limited.
238. National Textile Corporation (Madhya Pradesh) Limited.

- 239. National Textile Corporation (Maharashtra North) Limited.
- 240. National Textile Corporation (South Maharashtra) Limited.
- 241. National Textile Corporation (Tamil Nadu and Pondicherry) Limited.
- 242. National Textile Corporation (Uttar Pradesh) Limited.
- 243. National Textile Corporation (West Bengal, Assam, Bihar and Orissa) Limited.

**MINISTRY OF URBAN DEVELOPMENT**

- 244. Hindustan Prefab Limited.
- 245. Housing and Urban Development Corporation Limited.
- 246. National Buildings Construction Corporation Limited.

**MINISTRY OF WATER RESOURCES**

- 247. Rashtriya Pariyojana Nirman Nigam Limited.
- 248. Water and Power Consultancy Services (India) Limited.

**DEPARTMENT OF WELFARE**

- 249. Artificial Limbs Manufacturing Corporation of India Limited.
- 250. National Scheduled Castes and Scheduled Tribes Development Finance Corporation Limited.
- 251. National Backward Finance Corpn. Ltd.

## APPENDIX II

### List of Deemed Central Government Companies under Section 619(B) of the Companies Act, 1956.

#### MINISTRY OF AGRICULTURE

1. Agricultural Finance Corporation Limited.

#### DEPARTMENT OF BIO-TECHNOLOGY

2. Indian Vaccines Limited.

#### DEPARTMENT OF CIVIL AVIATION

3. Air India Charters Limited.
4. Airlines Allied Services Limited.
5. Vayudoot Limited.

#### MINISTRY OF COMMERCE

6. India Tea and Restaurants Limited.

#### MINISTRY OF FINANCE

7. Andhra Bank Financial Services Ltd.
8. AB Homes Finance Ltd
9. All Bank Finance Limited.
10. Akshay Avas Nirman Vitta Limited.
11. BOB Fiscal Services Limited.(under liquidation from 25.9.1990).
12. BOI Finance Limited.
13. BOB Assets Management Co. Ltd
14. Canbank Factors Limited.
15. Canbank Financial Services Limited.
16. Central Bank Home Finance Limited.
17. Central Bank Executor & Trustee Company Limited.
18. Canbank Investment Management Finance Ltd.
19. Discount and Finance House of India Limited.
20. Ind Bank Housing Limited.
21. Ind Bank Merchant Banking Services Limited.
22. P.N.B.Housing Finance Corporation Limited.
23. P.N.B. Capital Services Limited.

**MINISTRY OF HOME AFFAIRS**

(Union Territory Of Andaman & Nicobar)

24. Andaman Fisheries Limited.

**DEPARTMENT OF INDUSTRIAL DEVELOPMENT**

25. Accumeasures (Punjab) Limited (Accounts in arrears from 1979-80 onwards).  
26. Allied International Products Limited (Under Liquidation).  
27. Andhra Pradesh Industrial and Technical Consultancy Organisation Limited.  
28. Ashok Paper Mills Limited.  
29. Becker Grey and Company (1930) Limited.  
30. Bihar Industrial and Technical Consultancy Organisation Limited.  
31. Derco Cooling Coils Limited.  
32. Excellsior Plants Corporation Limited (Under liquidation from 1976-77 onwards).  
33. Gangavati Sugars Limited.  
34. Industrial and Technical Consultancy Organisation of Tamil Nadu Limited.  
35. J&K Industrial and Technical Consultancy Organisation Limited.  
36. Kerala Industrial and Technical Consultancy Organisation Limited.  
37. Madan Industries Limited.  
38. Maharashtra Industrial and Technical Consultancy Organisation Limited.  
39. Nalanda Ceramics and Industries Limited.  
40. North Eastern Industrial and Technical Consultancy Organisation Limited.  
41. Orissa Industrial and Technical Consultancy Organisation Limited.  
42. Punjab Tractors Limited.  
43. Ruby Rubber Works Limited. (Under liquidation)  
44. Shyam Properties Limited.  
45. U.P. Industrial Consultants Limited.  
46. Wagon India Limited.  
47. West Bengal Consultancy Organisation Limited.

**MINISTRY OF MINES**

48. North Bengal Dolomite Limited.

**DEPARTMENT OF PETROLEUM & NATURAL GAS**

49. O.N.G.C. Videsh Limited.

DEPARTMENT OF POWER

50. Dishergarh Power Supply Company Limited.

MINISTRY OF STEEL

51. Bishra Lime Stone Company Limited.

MINISTRY OF TEXTILES

52. Kohinoor Mills Company Limited.  
53. Textile Processing Corporation of India  
Limited. (Under liquidation)

DEPARTMENT OF TOURISM

54. Hotel Corporation of India Limited.  
55. Indo Hokke Hotel Corporation Limited.

APPENDIX III

List of Central Government Statutory Corporations under  
Audit Control of CAG

MINISTRY OF AGRICULTURE

1. Central Warehousing Corporation

MINISTRY OF CIVIL AVIATION AND TOURISM

2. Air India
3. International Airports Authority of India
4. Indian Airlines.
5. National Airports Authority of India

MINISTRY OF FOOD

6. Food Corporation of India

DEPARTMENT OF PETROLEUM AND NATURAL GAS

7. Oil and Natural Gas Commission

DEPARTMENT OF POWER

8. Damodar Valley Corporation

MINISTRY OF SURFACE TRANSPORT

9. Delhi Transport Corporation
10. Inland Waterways Authority of India
11. National Highways Authority of India

UNION TERRITORY OF DELHI

12. Delhi Financial Corporation

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