
Management Replies to the Statutory Auditor's Report 2006-07

- I. No comments.
- II. No comments.
- III. No comments.
- IV. No comments.
- V. No comments.
- VI. (a to e) No comments.
- VI. (f)
 1. No comments.
 2. The Accounting Standards are strictly followed by the Company. Deviations on account of operational exigencies have been suitably disclosed with explanations in the notes.
 3. The reconciliation/adjustments of the inter unit accounts/inter unit remittances is a continuous process and an on going exercise.
 4. (i) Necessary disclosure have already been made in note No.12 forming part of the accounts.
(ii) The liability towards delayed projects is contingent in nature and the necessary disclosure has already been made vide note No.3 forming part of the accounts.
 5. Units have been advised to charge 100% depreciation on the assets costing upto Rs.5000/-
 6. No comments.

MANAGEMENT REPLIES TO THE ANNEXURE-I REFERRED TO IN PARA 2 OF AUDIT REPORT.

- i) a) No comments.
- b) Out of total fixed assets in transit of Rs.50.28 lakh as on 31st March, 2006 assets worth Rs.16.61 lakh have been linked leaving Rs.33.67 lakh worth assets which are in transit or under the custody of client. The recirculation in this regard is a continuous on account of nature of business. Physical verification reports are available in Units and units have been instructed to make available physical verification reports to auditors and provide location and identification of plant & machinery in Tools & Plant Register.
- c) No comments.
- ii) a) Physical verification of inventory are conducted by units and reports are available in units. Units have been instructed to make available physical verification reports to auditors.
- b) No comments.
- c) No comments.
- iii) a) No comments.
- b) No comments.
- iv) No comments.
- v) No comments.
- vi) No comments.
- vii) There is an Internal Audit Division, which covers all the activities of important Units. All the internal audit reports are available with Internal Audit Division. The reconciliation of balances of Project Authorities, Sub-contractors and other parties outstanding for many years in Sundry Debtors, Advances and other amounts, Mobilization Advance and Interest thereon, Fixed Deposits in Banks, Suspense and inter unit accounts and Sundry Creditors and other liabilities is a continuous process.
- viii) No comments.
- ix) a) For the last two year the Corporation is regular in paying its Provident Fund dues. Arrears are being paid to CPF Trust in installments as fixed by the RPFC. Provident Fund accounts are under reconciliation.
- b) Undisputed statutory dues have been deposited and instructions have been issued to units to deposit the dues in statutory laid down period. Disputed dues are being contested with concerned authorities and shall be paid, if required, on final decision of the case.
- x) No comments.

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- xi) No default has been made in repayment of dues to any institutions. The GOI loan is not being paid as the Revival Plan is under active consideration.
- xii) No comments.
- xiii) No comments.
- xiv) No comments.
- xv) No comments.
- xvi) Non Plan Loan Assistance of Rs.1580 lac, received from Ministry, has been utilized for the purpose it is received. All details are available in Corporate Office.
- xvii) No short term sources have been raised and used for long term investment.
- xviii) No comments.
- xix) No comments.
- xx) No comments.
- xxi) No comments.