



सत्यमेव जयते

**Report of the
Comptroller and Auditor General of India
on
Public Sector Undertakings
(Social, General and Economic Sectors)
for the year ended 31 March 2015**



Government of Jammu and Kashmir
Report No. 2 of the year 2016

**Report of the
Comptroller and Auditor General of India**

on

Public Sector Undertakings

(Social, General and Economic Sectors)

for the year ended 31 March 2015

Government of Jammu and Kashmir
Report No. 2 of the year 2016

TABLE OF CONTENTS

Description	Reference to	
	Paragraph	Page No.
Preface		v
Overview		vii to x
PUBLIC SECTOR UNDERTAKINGS (PSUs)		
CHAPTER-1: Functioning of State Public Sector Undertakings		
Introduction	1.1	1
Accountability framework	1.2	2
Statutory Audit	1.3	2
Role of Government and Legislature	1.4	3
Stake of Government of Jammu and Kashmir	1.5	3
Investment in State PSUs	1.6	3
Sector-wise investment in PSUs	1.7	4
Special support and returns during the year	1.8	5
Reconciliation with Finance Accounts	1.9	6
Arrears in finalization of accounts	1.10	7
Placement of Separate Audit Reports	1.13	9
Impact of non-finalisation of accounts	1.14	9
Performance of PSUs as per their latest finalized accounts	1.15	9
Winding of up non-working PSUs	1.19	11
Accounts Comments	1.21	12
Response of the Government to Audit	1.23	14
Follow up action on Audit Reports	1.24	14
Discussion of Audit Reports by COPU	1.25	15
Compliance to Reports of Committee on Public Undertakings (COPU)	1.26	15
Disinvestment, Restructuring and Privatisation of PSUs	1.27	16

CHAPTER-2: PERFORMANCE AUDIT		
INDUSTRIES AND COMMERCE DEPARTMENT		
Working of the Jammu and Kashmir Cements Limited	2.1	17
CHAPTER-3: AUDIT OF TRANSACTIONS		
Finance Department (Jammu and Kashmir Bank Limited)		
Doubtful recovery of loan	3.1	45
Forest Department (Jammu and Kashmir State Forest Corporation)		
Avoidable extra expenditure and blockade of funds	3.2	46
Loss of revenue and blockade of funds	3.3	48
Power Development Department (Jammu and Kashmir State Power Development Corporation Limited)		
Unplanned execution of RMU Project of Ganderbal Power House	3.4	51
Delay in execution of works of Power project	3.5	53
Delay in execution of projects of evacuation of power	3.6	55
Non-payment of labour cess	3.7	56

APPENDICES

Appendix No.	Particulars	Reference to	
		Paragraph	Page No.
1.1	Statement showing Investment made by the State Government in PSUs where accounts are in arrears	1.11	59
1.2	Summarized financial position and working results of Government Companies and Statutory Corporations as per their latest finalised financial statements/ accounts	1.15	61
2.1	Financial Position of Jammu and Kashmir Cements Limited	2.1.6	65
2.2	Working results of Jammu and Kashmir Cements Limited	2.1.6	66
	Glossary of Abbreviations		67

