

Table of Contents		
Particulars	Reference to	
	Paragraph(s)	Page(s)
Preface		v
Overview		vii – xiii
Chapter – I		
Functioning of State Public Sector Undertakings		
Introduction	1.1	1
Accountability framework	1.2-1.4	1-2
Stake of Government of Jharkhand	1.5	2
Investment in State PSUs	1.6-1.7	2-4
Special support and returns during the year	1.8	4-5
Reconciliation with Finance Accounts	1.9	5
Arrears in finalisation of accounts	1.10-1.11	6
Impact of accounts not finalized	1.12	7
Performance of PSUs as per their latest finalised Accounts	1.13-1.16	7-9
Accounts Comments	1.17	9-10
Response of the Government to Audit	1.18	10
Follow up action on Audit Reports	1.19-1.21	10-12
Chapter – II		
Performance Audit relating to Government Companies		
Working of Tenughat Vidhyut Nigam Limited	2.1	13
Executive Summary		13-16
Introduction	2.1.1	16-17
Organisational Setup	2.1.2	17-18
Audit Objectives	2.1.3	18
Audit Criteria	2.1.4	18
Audit Scope and Methodology	2.1.5	19
Audit findings		19
Unsatisfactory performance of the Company	2.1.6	19-20
Planning	2.1.7	20
Short term and long term plans not prepared	2.1.7.1	20
MoU with Government of Jharkhand not signed	2.1.7.2	20-21
Financial Management	2.1.8	21
Delay in finalisation of Annual Accounts	2.1.8.1	21
Financial Position	2.1.8.2	21-22
Working Results	2.1.8.3	22-23
Policy/guidelines for investment of funds not framed	2.1.8.4	23
Penalty imposed due to failure to deduct TDS on payment of coal bills	2.1.8.5	23-24
Failure to follow terms and conditions of Power Purchase Agreement	2.1.8.6	24-25
Sale of power to other licensees not done as per the Power Purchase Agreement	2.1.8.7	25
Operational Performance and maintenance activities	2.1.9	25-26
PLF approved by JSERC not achieved	2.1.9.1	26-28

Plant Availability Factor lower than that approved by JSERC	2.1.9.2	28-29
Excess auxiliary power consumption	2.1.9.3	29-31
Delay in carrying out capital overhaul of the plant	2.1.9.4	31-32
Recommendations of the Consultants for Performance Improvement not implemented	2.1.9.5	32-33
Optimum utilisation of existing plants and equipment	2.1.10	33
Under-utilisation of capacity due to failure to upgrade 400 KV Switchyard	2.1.10.1	33-34
Consumption of fuel	2.1.11	34
Excess consumption of coal due to high unburnt carbon in ash	2.1.11.1	34-35
Excess consumption of Fuel Oil	2.1.11.2	35-36
Input efficiency	2.1.12	36
Loss of power generation due to shortage/poor quality of coal	2.1.12.1	36-37
Failure in realisation of claim for poor quality of Coal	2.1.12.2	37-38
Failure in lifting coal as per Annual Contracted Quantity	2.1.12.3	38-39
Transportation of Coal by Rail less than the target	2.1.12.4	39
Failure to claim for shortage of coal in Tariff Petition	2.1.12.5	40
Failure to install device for measuring the consumption of water	2.1.12.6	40-41
Human Resource Management	2.1.12.7	41
Capacity expansion and other projects	2.1.13	42
Planned Capacity Expansion of the power plant not achieved	2.1.13.1	42-43
Development of Coal blocks	2.1.13.2	43
Delay in Commissioning of Merry-Go-Round Rail System	2.1.13.3	43-44
Failure in taking delivery of wagons for the MGR system	2.1.13.4	44-45
Environment Management	2.1.14	45
Ash disposal	2.1.14.1	45
Failure to instal online Continuous Stack Emission Monitoring Systems and online effluent quality monitoring system	2.1.14.2	46
Failure to comply Water Pollution norms	2.1.14.3	46
Monitoring and Internal Control	2.1.15	46
Physical verification of Plant and Stores and spares	2.1.15.1	46-47
Failure to fill up the post of the Chairman, TVNL and ad-hoc appointment of Managing Director	2.1.15.2	48
Ineffective functioning of Board of Directors	2.1.15.3	48
Audit Committee	2.1.15.4	48-49
Deficient and ineffective Internal Audit System	2.1.15.5	49
Conclusion		49-50
Recommendations		51

Jharkhand Bijli Vitran Nigam Limited		
Audit on Billing and Revenue Collection in respect of High Tension Service Consumers		
Introduction	2.2.1	52-54
Audit Findings		54
Categorisation of contract demand as per Tariff orders	2.2.2	54
Failure to segregate the load as per service category (Tariff)	2.2.2.1	54-56
Irregularity in sanction of load to HTSS consumers	2.2.2.2	56-57
Adherence to JSERC Supply Code	2.2.3	57
Irregular reduction of load	2.2.3.1	57-58
Delay in giving connection/enhancement of load	2.2.3.2	58-60
Delay in conversion of Low Tension Industrial Services connection into HTS connection	2.2.3.3	60-61
Irregularity in grant of new connection	2.2.3.4	61-62
Acceptance of payment in cheque in contravention of JSERC Supply Code	2.2.3.5	62-63
Billing and Collection efficiency	2.2.4	63
Deviation from tariff orders	2.2.4.1	63
Failure to recover additional security	2.2.4.2	63
Average billing due to delay in replacement/rectification of meters	2.2.4.3	64
Short billing of energy charges	2.2.4.4	64-65
Wrong billing	2.2.4.5	65
Undue favour to consumer	2.2.4.6	65-68
Failure to revalidate the Bank Guarantee	2.2.4.7	68
Loss due to inaction of the Company	2.2.4.8	68-69
Outstanding dues	2.2.4.9	69-70
Failure of the Company to recover dues	2.2.4.10	70
Conclusion		70-71
Recommendations		71
Chapter – III		
Transaction Audit Observations		
Jharkhand Bijli Vitaran Nigam Limited		
Avoidable expenditure on transmission charges	3.1	73-74
Avoidable payment of tax deducted at source and works contract tax	3.2	74-76
Jharkhand Police Housing Corporation Limited		
Failure to recover ₹ 4.95 crore	3.3	76-77
Jharkhand Urja Utpadan Nigam Limited		
Infructuous and extra expenditure	3.4	77-79
Jharkhand Urja Vikas Nigam Limited		
Wasteful expenditure	3.5	79-80
Jharkhand State Beverages Corporation Limited		
Avoidable payment of interest on income tax	3.6	80-81

Annexures			
Sl. No.	Particulars	Reference to	
		Paragraph(s)	Page(s)
1.1	Statement showing investments made by State Government in PSUs whose accounts are in arrears	1.11	83-85
1.2	Summarised financial position and working results of Government companies and Statutory Corporations as per their latest finalised financial statements/ accounts	1.13	86-88
2.1.1	Statement showing financial position of Tenughat Vidyut Nigam Limited (TVNL) as per provisional accounts	2.1.8.2	89
2.1.2	Statement showing the Working results of TVNL as per provisional accounts	2.1.8.3	90
2.2.1	Statement showing details of HTSS consumers who were provided connection without manufacturers technical specification	2.2.2.2	91
2.2.2	Statement Showing Short Charge of Demand Charge (KVA)	2.2.4.1	92-95
2.2.3	Statement Showing Details of Short Charged Additional Security	2.2.4.2	96-98
2.2.4	Statement showing details of consumers billed on Average basis	2.2.4.3	99-100
2.2.5	Statement Showing wrong average Billing	2.2.4.3	101-102