

PREFACE

1. This Report has been prepared for submission to the Government of Himachal Pradesh under section 19A of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, as amended from time to time.
2. Government commercial concerns, the accounts of which are subject to audit by the Comptroller and Auditor General of India (CAG), fall under three categories i.e. Government companies, Statutory corporations, and Departmentally managed commercial undertakings. This Report deals with the of audit of Government companies and Statutory corporations falling under Social, General, Revenue and Economic Sectors. The results of audit relating to departmentally managed commercial undertakings are presented separately.
3. The Report contains four Chapters. Chapter-I deals with introduction; Chapter-II deals with the findings of the Performance Audit of Power Transmits-utilities; Chapter-III deals with Thematic Audit of Corporate Governance in State Government Companies and Chapter-IV deals with Audit of Transactions of Government Enterprises and Corporations.
4. Audit of accounts of Government companies is conducted by the Comptroller and Auditor General of India under the provisions of Section 619 of the Companies Act, 1956.
5. In respect of Himachal Road Transport Corporation which is a Statutory corporation, the Comptroller and Auditor General of India is the sole Auditor. In respect of Himachal Pradesh Financial Corporation, he has the right to conduct the audit of accounts in addition to the audit conducted by the Chartered Accountants appointed by the State Government in consultation with the CAG. In respect of Himachal Pradesh Electricity Regulatory Commission, the CAG is the sole auditor. The Audit Reports on the Annual Accounts of all these Corporations are forwarded separately to the State Government.
6. The cases mentioned in this Report are among those which came to notice in the course of test audit of accounts during the year 2011-12 as well as those which had come to notice in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 2011-12 have also been included, wherever necessary.
7. The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.