

PREFACE

Government commercial enterprises, the accounts of which are subject to audit by the Comptroller and Auditor General of India, fall under the following categories:

- (i) Government companies,
- (ii) Statutory corporations, and
- (iii) Departmentally managed commercial undertakings.

2 This report deals with the results of audit of Government companies and Statutory corporations including Himachal Pradesh State Electricity Board and has been prepared for submission to the Government of Himachal Pradesh under Section 19A of the Comptroller and Auditor General's (CAG) (Duties, Powers and Conditions of Service) Act, 1971, as amended from time to time. The results of audit relating to departmentally managed commercial undertakings are included in the Report of the Comptroller and Auditor General of India (Civil)-Government of Himachal Pradesh.

3 Audit of the 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.

4 In respect of Himachal Road Transport Corporation and the Himachal Pradesh State Electricity Board which are Statutory corporations, the Comptroller and Auditor General of India is the sole auditor. As per State Financial Corporations (Amendment) Act, 2000, the CAG has the right to conduct the audit of accounts of Himachal Pradesh Financial Corporation in addition to the audit conducted by the Chartered Accountants appointed by the Corporation out of the panel of auditors approved by the Reserve Bank of India. 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.

5 The cases mentioned in this Report are those which came to notice in the course of audit during the year 2003-04 as well as those which came to notice in earlier years but were not dealt with in the previous Reports. Matters relating to the period subsequent to 2003-04 have also been included, wherever necessary.