

PREFACE

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

- Government companies,
- Statutory corporations, and
- Departmentally managed commercial undertakings.

2. This Report deals with the results of audit of Government companies and Statutory corporations and has been prepared for submission to the Government of Himachal Pradesh under Section 19 A of the CAG's (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 CAG (Civil) - Government of Himachal Pradesh.

3. 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.

4. 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, 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 2010-11 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 2010-11 have also been included, wherever necessary.

6. The audit has been conducted in accordance with the Auditing Standards prescribed for the Indian Audit and Accounts Department by the Comptroller and Auditor General of India.