	Referen	Reference to	
Particulars	Paragraph	Page(s)	
PREFACE	•••	v	
OVERVIEW	•••	vii-xii	
CHAPTER I			
FUNCTIONING OF STATE PUBLIC SECTOR UNDERTAKINGS			
Introduction	1.1	1	
Accountability framework	1.2	1-2	
Statutory Audit	1.3	2	
Role of Government and Legislature	1.4	2-3	
Stake of Government of Kerala	1.5	3	
Investment in PSUs	1.6	3-4	
Sector-wise investment in PSUs	1.7	4-5	
Special support and returns during the year	1.8	5-7	
Reconciliation with Finance Accounts	1.9	7-8	
Arrears in finalisation of accounts	1.10-1.12	8-9	
Placement of Separate Audit Reports	1.13	9	
Impact of non-finalisation of accounts	1.14	10	
Performance of PSUs as per their latest finalised accounts	1.15-1.18	10-12	
Winding up of non-working PSUs	1.19-1.20	12	
Accounts Comments	1.21-1.22	13-14	
Response of the Government to Audit	1.23	14	
Follow up action on Audit Reports	1.24-1.26	14-16	
CHAPTER II			
PERFORMANCE AUDITS RELATING TO GOVERNMENT COMPANIES			
2.1 RAISING FOREST PLANTATIONS AND IMPLEMENTATION OF ECOTOURISM PROJECTS			
BY KERALA FOREST DEVELOPMENT CORPORATION LIMITED			
Executive Summary		17	
Introduction	2.1.1	18	
Organisational Set up	2.1.2	18	
Audit Objectives	2.1.3	18	

TABLE OF CONTENTS

	Reference to	
Particulars	Paragraph	Page(s)
Scope of Audit	2.1.4	18
Audit Methodology	2.1.5	19
Audit Criteria	2.1.6	19
Audit Findings	2.1.7-2.1.35	19-44
Share of the Company in meeting demand for	2.1.8	19-20
pulpwood and teakwood in the State		
Land Management	2.1.9-2.1.11	20-22
Plantation activities	2.1.12-2.1.13	22-23
Replanting activities	2.1.14-2.1.17	23-26
Harvesting activities	2.1.18-2.1.23	26-31
Maintenance activities	2.1.24-2.1.27	31-34
Cash crops	2.1.28-2.1.32	35-40
Ecotourism activities	2.1.33-2.1.35	41-44
Conclusion		44
2.2 MATERIAL MANAGEMENT BY KERALA STATE		
ELECTRICITY BOARD LIMITED		
Executive Summary	í	45
Introduction	2.2.1	46
Organisational set up	2.2.2	47
Scope of Audit	2.2.3	47
Audit Objective	2.2.4	47
Audit Criteria, Methodology and Scope	2.2.5	48
Acknowledgement	2.2.6	49
Audit findings	2.2.7-2.2.20	49-71
Planning for procurement of material	2.2.8-2.2.11	49-54
Procurement of material	2.2.12-2.2.18	54-68
Utilisation of material	2.2.19-2.2.20	68-71
Conclusion		71
2.3 IMPLEMENTATION OF RESTRUCTURED		
ACCELERATED POWER DEVELOPMENT AND		
REFORMS PROGRAMME BY KERALA STATE		
ELECTRICITY BOARD LIMITED		
Executive Summary	í	72
Introduction	2.3.1	73-74
Scope of Audit	2.3.2	74
Audit Objectives	2.3.3	74
Audit Criteria	2.3.4	74
Audit Methodology	2.3.5	74-75
Audit findings	2.3.6-2.3.30	75-95
Physical progress of projects	2.3.7	75-76
Policy formulation and planning	2.3.8-2.3.11	76-78
Fund Management	2.3.12-2.3.14	78-80

ſ

	Reference to	
Particulars	Paragraph	Page(s)
Implementation of projects	2.3.15	80
Execution of Part A projects	2.3.16-2.3.23	80-87
Execution of Part B projects	2.3.24-2.3.30	87-95
Conclusion		96
CHAPTER III		
COMPLIANCE AUDIT OBSERVATIONS		
Government Companies		
Implementation of Greenfield Projects by five PSUs	3.1	97-108
Material procurement in Kerala Agro Machinery Corporation Limited	3.2	108-121
Compliance of Public Sector Undertakings to the provisions of Income Tax Act, 1961	3.3	121-125
Kerala State Coastal Area Development Corporation Limited	3.4	125-127
Avoidable payment of corporate tax		
Malabar Cements Limited	3.5	127-129
Avoidable extra expenditure		
Kerala State Civil Supplies Corporation Limited	3.6	129-131
Avoidable committed liability		
Kerala State Mineral Development Corporation Limited Loss of revenue	3.7	131-133
Kerala State Electricity Board Limited		
Loss due to undue favour to cable TV operators	3.8	133-135
Avoidable expenditure	3.9	135-136
Avoidable expenditure	3.10	136-137
Kerala State Beverages (Manufacturing & Marketing)		100 101
Corporation Limited	3.11	137-138
Avoidable expenditure		
Statutory Corporations		
Kerala State Road Transport Corporation	3.12	138-139
Irregular payment of performance allowance		

SI.	Particulars	Reference to	
No.	Particulars	Paragraph	Page(s)
1.	Statement showing investments made by State Government to PSUs whose accounts are in arrear	1.11	141-146
2.	Statement showing financial position and working results of Government Companies and Statutory Corporations as per their latest finalised financial statements/accounts	1.15	147-159
3.	Statement showing list of matured plantations which are not included in the schedule of harvesting	2.1.23	160
4.	Statement showing loss due to lower productivity of cash crop plantations	2.1.29, 2.1.30, 2.1.31 and 2.1.32	161
5.	Statement showing faulty preparation of DPR	2.3.9	162
6.	Statement showing deviation from approved DPR	2.3.28	163
7.	Statement showing envisaged benefit on completion of the project	2.3.30	164-165
8.	Statement showing interest paid due to delay in filing tax return	3.3	166
9.	Statement showing interest paid due to shortage in payment of advance tax	3.3	167
10.	Statement showing payment of interest due to non- payment of quarterly instalments of advance tax	3.3	168

APPENDICES