Particulars	Paragraph No.	Page No.	
Preface		v	
Overview		vii-xiv	
Chapter I			
Functioning of State Public Sector Undertaking	gs		
Introduction	1.1	1	
Accountability framework	1.2-1.4	1-3	
Stake of Government of Karnataka	1.5	3	
Investment in State PSUs	1.6-1.7	3-5	
Special support and returns during the year	1.8	5-6	
Guarantees for loan and guarantee	1.9	6	
commission outstanding	1.9	0	
Reconciliation with Finance Accounts	1.10	6-7	
Arrears in finalisation of accounts	1.11-1.13	7-8	
Placing of Separate Audit Reports in the	1.14	8	
Legislature	1.14	0	
Impact of non-finalisation of accounts	1.15	9	
Performance of PSUs as per their latest	1.16-1.18	0.11	
finalised accounts	1.10-1.18	9-11	
Winding up of non-working PSUs	1.19-1.20	11	
Comments on Accounts	1.21	12-13	
Response of the Government to Audit	1.22	13	
Follow up action on Audit Reports	1.23-1.25	13-14	
Response to Inspection Reports	1.26	14-15	
Coverage of this Report	1.27	15	
Disinvestment, Restructuring and	1 20	15.16	
Privatisation of PSUs	1.28	15-16	
Chapter II		•	
Performance Audits relating to Government			
Companies			
Karnataka Power Corporation Limited			
Performance Audit on 'The Performance of	2.1	17	
Raichur Thermal Power Station Unit-8 of			
Karnataka Power Corporation Limited'			
Executive Summary		17-19	
Introduction	2.1.1-2.1.2	20	
Organisational Structure	2.1.3	20-21	
Audit Objectives	2.1.4	21	
Scope and Methodology of Audit	2.1.5	21	
Audit Criteria	2.1.6	21-22	
Acknowledgement	2.1.7	22	
Operational Performance	2.1.8	22-24	
Audit Findings	2.1.9	24	
	2.1.9.1 -		
Findings on Operational Efficiency	2.1.9.4	24-26	

Table of contents

Particulars	Paragraph No.	Page No.
Generation loss due to machinery constraints	2.1.10.1 - 2.1.10.4	26-30
Consumption parameters	2.1.11.1 - 2.1.11.5	30-35
Environmental Issues	2.1.12 – 2.1.12.4	35-38
Conclusions		39
Cauvery Neeravari Nigama Limited Performance Audit on 'Implementation of Projects by Cauvery Neeravari Nigama Limited'	2.2	40
Executive Summary		40-41
Introduction	2.2.1 - 2.2.5	42-44
Audit Objectives	2.2.6	44
Scope of Audit and Audit Methodology	2.2.7 – 2.2.7.1	44-45
Audit Criteria	2.2.8	45
Acknowledgement	2.2.9	46
Audit Findings	2.2.10	46
Planning	2.2.11 – 2.2.11.10	46-57
Project Implementation	2.2.12 – 2.2.12.8	57-68
Conclusions		68
Chapter III		
Compliance Audit Observations		
Government Companies		
Karnataka Neeravari Nigam Limited		
Irregular payment of incentive to the contractors	3.1	69-71
Avoidable payment	3.2	71-73
Krishna Bhagya Jala Nigam Limited		
Undue financial benefit to the Contractor	3.3	73-74
Karnataka Road Development Corporation Limited		
Avoidable payment of compensation	3.4	75-77
Karnataka Power Corporation Limited	5.1	
Injudicious procurement of spares	3.5	77-79
Gulbarga Electricity Supply Company Limited		
Lack of monitoring of the works	3.6	79-81

	Particulars	Paragraph No.	Page No.
Th	e Mysore Paper Mills Limited		
Inj	udicious expenditure	3.7	81-83
Ca	uvery Neeravari Nigama Limited		
Inc	fficient management of surplus funds	3.8	83-84
	rnataka State Small Industries velopment Corporation Limited		
Av	oidable expenditure	3.9	85-86
	rnataka State Handicraft Development rporation Limited		
	n-implementation of Enterprise Resource anning system due to ill planning	3.10	87-88
De	rnataka Urban Infrastructure velopment and Finance Corporation nited		
Wı	ong specification in bid	3.11	88-91
State	itory Corporations		
Ka	rnataka State Financial Corporation		
and	ematic Audit on Sanction, Disbursement d Security Realisation of Loans and vances	3.12	91-103
No.	Appendices		
1	Statement showing investments made by the GoK in PSUs whose accounts are in arrears.	1.12	105-109
2	Summarised financial position and working results of PSUs as per their latest finalised financial statements/accounts.	1.16	110-123
3	Statement showing the department-wise outstanding Inspection Reports.	1.26	124
4	Details of selected Projects and status of achievement of the objectives in Cauvery Neeravari Nigama Limited.	2.2.10, 2.2.12.7	125-127
5	Details of funds requested from Government, allocated by Cauvery Neeravari Nigama Limited and actual expenditure incurred during 2012-17.	2.2.11.6	128
6	Deficiencies noticed in the preparation of estimates in Cauvery Neeravari Nigama Limited.	2.2.11.10, 2.2.12.4	129-130

	Particulars	Paragraph No.	Page No.
7	Details of delay in submission of design and drawings in test checked projects in Cauvery Neeravari Nigama Limited.	2.2.12.2	131
8	Details of achievement in respect of Water Users Co-operative Societies Registered, Memorandum of Understanding (MoU) entered and Functioning as at March 2017.	2.2.11.8	131
9	Quantity of work executed by the Contractors during the specified closure period under Bhadra Project in Karnataka Neeravari Nigam Limited.	3.1	132
	Glossary		133