Table of Contents

	Reference to		
Description	Paragraph	Page No.	
Preface	<u> </u>	vii	
Overview		ix	
Chapter-I			
Social, General and Economic Sectors (Non-PS	<u>, </u>		
Budget Profile	1.1.1	1	
Application of resources of the State Government	1.1.2	1	
Funds transferred directly to the State implementing agencies	1.1.3	2	
Grants-in-Aid from Government of India	1.1.4	2	
Planning and conduct of Audit	1.1.5	2	
Significant audit observations and response of Government to Audit	1.1.6	3	
Recoveries at the instance of Audit	1.1.7	3	
Responsiveness of Government to Audit	1.1.8	4	
Follow-up on Audit Reports	1.1.9	4	
Status of placement of Separate Audit Reports of autonomous bodies	1 1 10	5	
in the State Assembly	1.1.10	5	
Year-wise details of performance audits and paragraphs that appeared in	1 1 11	_	
Audit Reports	1.1.11	5	
PERFORMANCE AUDIT			
FOOD, CIVIL SUPPLIES AND CONSUMER AFFAIRS DEPART	TMENT		
System of Procurement, Storage, Transportation and Distribution of	1.2	6	
foodgrains under Public Distribution System	1.2	6	
COMPLIANCE AUDIT			
HIGHER EDUCATION DEPARTMENT			
Idle expenditure	1.3	34	
HOME DEPARTMENT			
Loss of revenue	1.4	35	
INDUSTRY DEPARTMENT			
Non-recovery of Special State Capital Investment Subsidy (with	1.7	26	
interest at the rate of 18 <i>per cent</i>) and Special Interest Subsidy	1.5	36	
IRRIGATION DEPARTMENT		I	
Idle expenditure / Non-achievement of objectives	1.6	38	
MEDICAL, HEALTH & FAMILY WELFARE DEPARTMENT		·L	
Functioning of blood banks in Uttarakhand	1.7	39	
Non-realisation of compensation of ₹ 18 crore from absentee doctors	1.8	53	
PUBLIC WORKS DEPARTMENT	<u> </u>	1	
Avoidable expenditure	1.9	54	
RURAL DEVELOPMENT DEPARTMENT		1	
Follow-up audit on the Performance Audit of Indira Awaas Yojana	1.10	55	
RURAL WORKS DEPARTMENT	2.10	1 30	
Non-levying of centage charges	1.11	64	
SOCIAL WELFARE DEPARTMENT	1.11	1 .	
Old Age Pension Scheme	1.12	65	
014 1 150 1 0110111 001101110	1,14	05	

i

Description	Reference to	
Description	Paragraph	Page No.
UTTARAKHAND ENVIRONMENT PROTECTION AND PO		CONTROL
BOARD AND UTTARAKHAND STATE TRANSPORT DEPARTM	ENT	
Role of Uttarakhand Environment Protection and Pollution Control		
Board and Uttarakhand State Transport Department in controlling air	1.13	78
pollution in Dehradun		
Chapter-II Revenue Sector		
Trend of revenue receipts	2.1.1	97
Analysis of arrears of revenue	2.1.4	101
Arrears in assessments	2.1.5	101
Evasion of tax detected by the Commercial Tax Department	2.1.6	102
Refund cases	2.1.7	102
Response of the Departments towards audit	2.1.8	103
Analysis of the mechanism for dealing with the issues raised by Audit	2.1.9	104
Action taken on the recommendations accepted by the Departments/		
Government	2.1.10	105
Audit Planning	2.1.11	105
Results of audit	2.1.12	105
Coverage of the Revenue Chapter	2.1.13	106
Preparedness for transition to Goods and Services Tax (GST)	2.1.14	107
PERFORMANCE AUDIT		
FOREST DEPARTMENT		
Revenue Receipts from Forest Department	2.2	114
COMPLIANCE AUDIT		
COMMERCIAL TAX DEPARTMENT		
Short-levy of tax	2.3	143
Non-imposition of penalty	2.4	145
Non-levy of tax	2.5	146
EXCISE DEPARTMENT		
Sale of liquor above Maximum Retail Price	2.6	147
MINING DEPARTMENT		
Non-levy of fee for storage of minerals	2.7	148
Non-realisation of mining receipt	2.8	149
Incorrect computation of royalty	2.9	150
Non-levy of fees	2.10	151
Chapter-III		
Social and Economic Sectors (Public Sector Under	takings)	
Functioning of State Public Sector Undertakings	3.1	153
Introduction	3.1.1	153
Accountability framework	3.1.1.3	154
Statutory Audit	3.1.1.4	155
Submission of accounts by PSUs	3.1.1.5	155
Investment by Government of Uttarakhand in State Public Sector	3.1.1.6	156
Undertakings	3.1.1.0	130

D	Reference to	
Description	Paragraph	Page No.
PART-I (Power Sector)		
Functioning of Power Sector Undertakings	3.2	157
Introduction	3.2.1	157
Formation of Power Sector Undertakings	3.2.1.2	158
Disinvestment, restructuring and privatisation of Power Sector Undertakings	3.2.1.3	158
Investment in Power Sector Undertakings	3.2.1.4	159
Budgetary Support to Power Sector Undertakings	3.2.1.5	159
Reconciliation with Finance Accounts of Government of Uttarakhand	3.2.1.6	160
Submission of accounts by Power Sector Undertakings	3.2.1.7	161
Performance of Power Sector Undertakings	3.2.1.8	162
Return on Investment	3.2.1.9	162
Erosion of Net worth	3.2.1.11	166
Dividend Payout	3.2.1.12	167
Return on Equity	3.2.1.13	168
Return on Capital Employed	3.2.1.14	168
Analysis of Long term loans of the Companies	3.2.1.15	169
Interest Coverage Ratio	3.2.1.16	169
Debt-Turnover Ratio	3.2.1.17	170
Assistance under Ujjwal DISCOM Assurance Yojana (UDAY)	3.2.1.18	170
Scheme for improving operational efficiency	3.2.1.19	170
Scheme for financial turnaround	3.2.1.20	171
Implementation of the UDAY Scheme	3.2.1.21	171
Comments on Accounts of Power Sector Undertakings	3.2.1.22	173
Performance Audit and Compliance Audit Paragraphs	3.2.1.23	173
Follow up action on Audit Reports	3.2.1.24	173
Discussion of Audit Reports by COPU	3.2.1.25	174
Compliance to Reports of COPU	3.2.1.26	174
Part-II (Other than Power Sector)		
Functioning of State Public Sector Undertakings (other than Power Sector)	3.3	175
Introduction	3.3.1	175
Contribution to Economy of the State	3.3.1.2	176
Investment in State PSUs	3.3.1.3	176
Disinvestment, restructuring and privatisation of State PSUs	3.3.1.5	177
Budgetary Support to State PSUs	3.3.1.6	178
Reconciliation with Finance Accounts of Government of Uttarakhand	3.3.1.7	179
Timeliness in preparation of accounts by the working State PSUs	3.3.1.8	179
Timeliness in preparation of accounts by inactive State PSUs	3.3.1.9	181
Placement of Separate Audit Reports of Statutory Corporations	3.3.1.10	181
Impact of non-finalisation of accounts of State PSUs	3.3.1.11	182
Performance of working State PSUs	3.3.1.12	182
Return on Investment	3.3.1.13	183
Return on Investment on historical cost basis	3.3.1.14	184
Return on Investment on the basis of Present Value of Investment	3.3.1.15	185

Description	Reference to			
Description	Paragraph	Page No.		
Erosion of Net worth	3.3.1.18	188		
Dividend Payout	3.3.1.19	189		
Return on Equity	3.3.1.20	189		
Return on Capital Employed	3.3.1.21	190		
Analysis of Long Term Loans of the PSUs	3.3.1.22	191		
Interest Coverage Ratio	3.3.1.23	191		
Debt Turnover Ratio	3.3.1.24	192		
Winding up of inactive State PSUs	3.3.1.25	192		
Comments on Accounts of State PSUs	3.3.1.26	193		
Compliance Audit Paragraphs	3.3.1.28	194		
Follow up action on Audit Reports	3.3.1.29	194		
Discussion of Audit Reports by COPU	3.3.1.30	195		
Compliance to Reports of COPU	3.3.1.31	195		
COMPLIANCE AUDIT				
GARHWAL MANDAL VIKAS NIGAM LIMITED				
Loss of income	3.4	196		
UTTARAKHAND BAHUUDESHIA VITTA EVAM VIKAS NIGAM	UTTARAKHAND BAHUUDESHIA VITTA EVAM VIKAS NIGAM LIMITED			
Loss of revenue	3.5	197		
UTTARAKHAND FOREST DEVELOPMENT CORPORATION				
Loss of interest	3.6	198		
UTTARAKHAND POWER CORPORATION LIMITED				
Undue favour to consumer	3.7	199		

Appendices

Appendix No.	Particulars	Page No.
1.1.1	Position regarding receipt of ATNs on the paragraphs included in the ARs	203
1.2.1	Organogram of the Department	205
1.2.2	Details of sampling	206
1.2.3	Details of excess payment on driage	206
1.2.4	Schedule of Specification (Rice): (GoI's order dated: 1st September 2014, No-8-1/2014-S&I)	206
1.2.5	Analysis Procedure (GoI's order dated: Ist September, 2014, No-8-1/2014-S&I)	207
1.2.6	Pictogram showing the process of lifting and distribution of foodgrains	208
1.2.7	Details of Ration Cards and units	208
1.2.7 A	Details of Ration Cards and units and requirement of foodgrains	209
1.2.8	Excess distribution of foodgrains than requirement in the Districts	210
1.2.9	Difference in rates tendered in comparison to Transport Department rates and lowest tendered rates	210
1.2.10	Statement showing selection of Transporters for two / three places	211
1.2.11	Details of construction of godowns	211
1.4.1	Details of short recovery of compounding fee from the defaulting vehicles in six districts	212
1.7.1	Collection of blood units in decreasing order by 20 State blood banks	213

1.7.0	Position of VBD in selected eight blood banks and its percentage shown	214
1.7.2	in the progress report by the SBTC	
1.7.3	Process of issue / renewal of license	214
1.7.4	Position of Non-renewal of license as on March 2018	215
1.7.5	Position of Non-renewal of license as on June 2018	216
1.7.6	Position of Non-Calibration of equipment during 2015 to March 2018	217
1.10.1	Audit observations not considered in the follow-up report	218
1.12.1	Details of eligibility criteria and selection process of Old Age Pension Scheme	219
1.13.1	Details of Air Pollutants, their sources and effects	220
1.13.2 A	List of Industrial Units selected for Joint Inspection	223
1.13.2 B	List of Industrial Units where CTO was valid upto 31-03-18	224
1.13.2 C	List of Industrial Units which never got CTO but still running	224
1.13.3	System of categorisation of composite score of Pollution Index	225
2.2.1	Statement regarding non-realisation of revenue due to non-conducting of canopy opening	226
2.2.2	Statement showing non-realisation of revenue due to non-felling of trees in absence of marking operations	227
2.2.3	Statement showing non-realisation of royalty due to non-felling of trees by UFDC	228
2.2.4 A	Parameters of classification of trees into Sound, Fit and Unfit categories	228
2.2.4 B	Statement showing loss of revenue due to non-payment of royalty on actual production	229
2.2.5	Statement showing details of illegal felling	230
2.2.6	Loss due to short production of resin	231
2.2.7	Details of river-wise loss of transit fee due to short-production of minor minerals	232
2.2.8	Statement showing non/short recovery and incorrect calculation of premium and lease rent	233
2.2.9	Statement showing details of non-transfer of potential revenue	236
2.2.10	Potential receipts versus Actual receipts	236
2.3.1	Details of short levy of tax in five cases of four dealers	237
2.6.1	Details of short levy of compounding fee on licencees	238
2.8.1	Statement of Non-realisation of regularisation fee of ₹ 1.21 crore and annual renewal fee of ₹ 0.65 crore from the owners of the stone crushers	239
2.9.1	Details of incorrect computation of royalty by two DMOs in six cases	241
2.10.1	Statement showing calculation of River Training, Development fees and Compensation fees	242
3.2.1	Summarised financial results of Power Sector Undertakings for the latest year for which accounts were finalised	244
3.2.2	Statement showing State Government funds infused in the four power sector undertakings since inception till 31 March 2018	245
3.3.1	Statement showing position of equity and outstanding loans relating to State PSUs (other than Power Sector) as on 31 March 2018	246
3.3.2	Statement showing position of State Government Investment in working PSUs (Other than Power Sector) during the period for which accounts are in arrears	248

3	3.3.3	Summarised financial results of State PSUs (other than Power Sector) for the latest year for which accounts were finalised	249
3	3.3.4	Year wise details of investment by the State Government for the period from 2001-02 to 2017-18	251
3	3.6.1	Details showing the interest earned and that could have been earned	253