

## Table of Contents

Description	Reference to	
	Paragraph	Page No.
Preface		vii
Overview		ix
<b>Chapter-I</b>		
<b>Social, General and Economic Sectors (Non-PSUs)</b>		
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	3
Follow-up on Audit Reports	1.1.9	4
Status of placement of Separate Audit Reports of autonomous bodies in the State Assembly	1.1.10	5
Year-wise details of performance audits and paragraphs that appeared in Audit Reports	1.1.11	5
<b>COMPLIANCE AUDIT</b>		
<b>PUBLIC WORKS DEPARTMENT</b>		
Indo Nepal Border Road Project, Uttarakhand	1.2	6
Avoidable Expenditure	1.3	15
Non-imposition of damages	1.4	17
Unauthorised payment of ₹ 41.16 lakh	1.5	18
<b>SOCIAL WELFARE DEPARTMENT</b>		
Irregular expenditure	1.6	19
<b>Chapter-II</b>		
<b>Revenue Sector</b>		
Trend of revenue receipts	2.1.1	21
Analysis of arrears of revenue	2.1.4	25
Arrears in assessments	2.1.5	26
Evasion of tax detected by the State Tax Department	2.1.6	26
Refund cases	2.1.7	27
Response of the Departments towards audit	2.1.8	27
Analysis of the mechanism for dealing with the issues raised by Audit	2.1.9	29
Action taken on the recommendations accepted by the Departments/ Government	2.1.10	30
Audit Planning	2.1.11	30
Results of audit	2.1.12	31

Description	Reference to	
	Paragraph	Page No.
Coverage of the Revenue Chapter	2.1.13	31
<b>COMPLIANCE AUDIT</b>		
<b>MINING DEPARTMENT</b>		
Non-levy of penalty of ₹ 237.10 crore	2.2	32
<b>STAMP AND REGISTRATION DEPARTMENT</b>		
Loss of revenue of ₹ 22.90 lakh	2.3	33
<b>STATE TAX DEPARTMENT</b>		
Non-levy of penalty	2.4	34
Short levy of tax	2.5	35
Loss of revenue and non-levy of penalty	2.6	36
Irregular tax rebate on false declaration in Form-‘C’	2.7	37
Non-levy of penalty due to delay in deposit of TDS	2.8	38
Non-imposition of penalty	2.9	39
<b>Chapter-III</b>		
<b>Social and Economic Sectors (Public Sector Undertakings)</b>		
Functioning of State Public Sector Undertakings	3.1	41
Introduction	3.1.1	41
Accountability framework	3.1.1.3	42
Statutory Audit	3.1.1.4	43
Submission of accounts by PSUs	3.1.1.5	43
Investment by Government of Uttarakhand in State Public Sector Undertakings	3.1.1.6	44
<b>PART-I (Power Sector)</b>		
Functioning of Power Sector Undertakings	3.2	45
Introduction	3.2.1	45
Formation of Power Sector Undertakings	3.2.1.2	45
Disinvestment, Restructuring and Privatisation of Power Sector Undertakings	3.2.1.3	46
Investment in Power Sector Undertakings	3.2.1.4	46
Budgetary Support to Power Sector Undertakings	3.2.1.5	47
Reconciliation with Finance Accounts of Government of Uttarakhand	3.2.1.6	48
Submission of accounts by Power Sector Undertakings	3.2.1.7	48
Performance of Power Sector Undertakings	3.2.1.8	49
Return on Investment	3.2.1.9	50
Erosion of Net worth	3.2.1.11	53
Dividend Payout	3.2.1.12	54
Return on Equity	3.2.1.13	54
Return on Capital Employed	3.2.1.14	55
Analysis of Long term loans of the Companies	3.2.1.15	55

Description	Reference to	
	Paragraph	Page No.
Interest Coverage Ratio	3.2.1.16	56
Debt-Turnover Ratio	3.2.1.17	56
Assistance under Ujjwal DISCOM Assurance Yojana (UDAY)	3.2.1.18	56
Scheme for improving operational efficiency	3.2.1.19	57
Scheme for financial turnaround	3.2.1.20	57
Implementation of the UDAY Scheme	3.2.1.21	57
Comments on Accounts of Power Sector Undertakings	3.2.1.22	59
Performance Audit and Compliance Audit Paragraphs	3.2.1.23	59
Follow up action on Audit Reports	3.2.1.24	59
Discussion of Audit Reports by COPU	3.2.1.25	60
Compliance to Reports of COPU	3.2.1.26	60
<b>Part-II (Other than Power Sector)</b>		
Functioning of State Public Sector Undertakings (Other than Power Sector)	3.3	61
Introduction	3.3.1	61
Contribution to Economy of the State	3.3.1.2	61
Investment in State PSUs	3.3.1.3	62
Disinvestment, restructuring and privatisation of State PSUs	3.3.1.5	63
Budgetary Support to State PSUs	3.3.1.6	63
Reconciliation with Finance Accounts of Government of Uttarakhand	3.3.1.7	64
Timeliness in preparation of accounts by the working State PSUs	3.3.1.8	65
Timeliness in preparation of accounts by inactive State PSUs	3.3.1.9	66
Placement of Separate Audit Reports of Statutory Corporations	3.3.1.10	67
Impact of non-finalisation of accounts of State PSUs	3.3.1.11	67
Performance of working State PSUs	3.3.1.12	67
Return on Investment	3.3.1.13	68
Return on Investment on historical cost basis	3.3.1.14	69
Return on Investment on the basis of Rate of Real Return on Government Investment	3.3.1.15	70
Erosion of Net worth	3.3.1.18	72
Dividend Payout	3.3.1.19	73
Return on Equity	3.3.1.20	73
Return on Capital Employed	3.3.1.21	74
Analysis of Long Term Loans of the PSUs	3.3.1.22	74
Interest Coverage Ratio	3.3.1.23	75
Debt Turnover Ratio	3.3.1.24	75
Winding up of inactive State PSUs	3.3.1.25	76
Comments on Accounts of State PSUs	3.3.1.26	76

Description	Reference to	
	Paragraph	Page No.
Follow up action on Audit Reports	3.3.1.28	77
Discussion of Audit Reports by COPU	3.3.1.29	78
Compliance to Reports of COPU	3.3.1.30	78
<b>COMPLIANCE AUDIT</b>		
<b>UTTARAKHAND POWER CORPORATION LIMITED</b>		
Compliance to Uttarakhand Right to Service Act 2011, Citizen Charter and Standard of Performance by Uttarakhand Power Corporation Limited	3.4	79
Loss due to non-installation of Lightning Arrestors	3.5	90
<b>POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED</b>		
Undue benefit to contractors	3.6	91
Idle Expenditure	3.7	92
Avoidable liability of Commitment Charges	3.8	93

**Appendices**

Appendix No.	Particulars	Page No.
1.1.1	Position regarding receipt of ATNs on the paragraphs included in the ARs	97
1.4.1	Details of non-recovery of damages on delayed submission of Performance Security by the contractors	99
2.2.1	Statement showing non recovery of five times of royalty from the contractors during 2017-18	100
2.4.1	List of dealers	101
2.8.1	Statement showing non-levy of penalty due to delay in deposit of TDS	103
2.9.1	Details of penalty to be imposed on firm on purchasing of such goods during 2012-13, 2013-14 and 2014-15 on Concessional Form 'C' for which it was not registered	104
3.2.1	Summarised financial results of Power Sector Undertakings for the latest year for which accounts were finalised	106
3.2.2	Statement showing State Government funds infused in the four power sector undertakings since inception till 31 March 2019	107
3.3.1	Statement showing position of equity and outstanding loans relating to State PSUs (other than Power Sector) as on 31 March 2019	108
3.3.2	Statement showing position of State Government Investment (Loans and grant/subsidy) in working PSUs (other than Power Sector) during the period for which accounts are in arrears	111
3.3.3	Summarised financial results of State PSUs (other than Power Sector) for the latest year for which accounts were finalised	112

3.3.4	Year wise details of investment by the State Government for the period from 2001-02 to 2018-19	114
3.3.5	Year wise details of investment by the State Government and present value (PV) of Government investment for the period from 2001-02 to 2018-19	118
3.4.1	Statement showing the details of timelines for providing a service under URTS Act, SoP and CC	119
3.4.2	Statement showing details of divisions selected based on Stratified Sampling Method	122
3.4.3	Organisational Structure of Uttarakhand Power Corporation Limited	123
3.4.4	Statement showing Replacement of burnt meters for the period 2016-19	124
3.4.5	Statement showing Testing of Meters for the period 2016-19	125
3.4.6	Statement showing Replacement of Defective Meters for the period 2016-19	126
3.4.7	Statement showing Conversion of Service for the period 2016-19	127
3.4.8	Statement showing Disconnection/Reconnection of power supply for the period 2016-19	128
3.4.9	Statement showing Fuse Blown or MCB trip for the period 2016-19	129
3.4.10	Statement showing Service line broken for the period 2016-17 to 2018-19	130
3.4.11	Statement showing Voltage related and local problem for the period 2016-19	131
3.4.12	Statement showing Fault in distribution line for the period 2016-17 to 2018-19	132
3.4.13	Statement showing HT main failed for the period 2016-17 to 2018-19	133
3.4.14	Statement showing Violation of the Yardstick for maintenance division for the period 2016-17 to 2018-19	134
3.4.15	Statement showing Lack of skilled Manpower at divisions as on September 2019	135
3.6.1	List of contracts executed by PTCUL Divisions	138

