

## TABLE OF CONTENTS

Particulars	Reference to	
	Paragraph(s)	Page
<b>PREFACE</b>	...	v
<b>OVERVIEW</b>		vii
<b>INTRODUCTION</b>		1
<b>PART I- POWER SECTOR</b>		
<b>CHAPTER I</b>		
<b>FUNCTIONING OF POWER SECTOR UNDERTAKINGS</b>		
Introduction	1.1	7
Formation of Power Sector Undertakings	1.2	7
Disinvestment, restructuring and privatisation of Power Sector Undertakings	1.3	8
Investment in Power Sector Undertakings	1.4	8
Budgetary Support to Power Sector Undertakings	1.5	9
Reconciliation with Finance Accounts of Government of Kerala	1.6	10
Submission of accounts by Power Sector Undertakings	1.7	11
Performance of Power Sector Undertakings	1.8-1.17	12
Assistance under Ujwal DISCOM Assurance Yojana (UDAY)	1.18	19
Comments on Accounts of Power Sector Undertakings	1.19	20
Performance Audit Report and Compliance Audit Paragraphs	1.20	21
Follow up action on Audit Reports	1.21-1.23	21
<b>CHAPTER II</b>		
<b>PERFORMANCE AUDIT RELATING TO POWER SECTOR UNDERTAKINGS</b>		
<b>Operational Performance of Major Hydro Electric Projects of Kerala State Electricity Board Limited</b>		
Executive Summary		25
Introduction	2.1	26
Audit scope and sample	2.2	27
Audit objectives	2.3	27
Audit criteria	2.4	27
Audit methodology	2.5	28
Acknowledgement	2.6	28
Audit findings	2.7	28
Performance of HEPs	2.8	29
Generation of power <i>vis-à-vis</i> requirement for power	2.8.1	29
Generation targets and achievement	2.8.2	30
Plant Load Factor	2.8.3	31
Non-adherence to hydro generation policy	2.8.4	32
Delay in replacement of pumps	2.8.5	33
Delay in rectifying defect due to bifurcation of penstock	2.8.6	34

Particulars	Reference to	
	Paragraph(s)	Page
Runner erosion due to construction of weir across tail race	2.8.7	35
Delay in completing the work of power channel gates	2.8.8	36
Insufficient power evacuation lines	2.8.9	37
Control and monitoring of power stations	2.8.10	39
Maintenance of HEPs	2.9	40
Plant Availability Factor	2.9.1	40
Plant outages	2.9.2	40
Annual Maintenance of HEPs	2.9.3	41
Excess auxiliary consumption	2.9.4	42
Accidents in Idukki HEP	2.9.5	43
Poor performance of circuit breakers	2.9.6	46
Health and safety	2.9.7	46
Renovation, Modernisation and Uprating	2.10	50
Non-exploration of possibility for uprating	2.10.1	50
RMU of Idukki HEP	2.10.2	52
RMU of Sabarigiri HEP	2.10.3	54
RMU of Kuttiyadi HEP	2.10.4	56
Conclusion		57
<b>CHAPTER III</b>		
<b>COMPLIANCE AUDIT OBSERVATIONS RELATING TO POWER SECTOR UNDERTAKINGS</b>		
<b>Kerala State Electricity Board Limited</b>		
Non-adherence to Model Standard Bidding Documents	3.1	59
Loss of revenue	3.2	62
<b>PART II- OTHER THAN POWER SECTOR</b>		
<b>CHAPTER IV</b>		
<b>FUNCTIONING OF STATE PUBLIC SECTOR UNDERTAKINGS (OTHER THAN POWER SECTOR)</b>		
Introduction	4.1-4.2	65
Investment in State PSUs (other than Power Sector)	4.3-4.4	66
Disinvestment, restructuring and privatisation of State PSUs (other than Power Sector)	4.5	67
Budgetary Support to State PSUs (other than Power Sector)	4.6	67
Reconciliation with Finance Accounts of Government of Kerala	4.7	69
Submission of accounts by State PSUs (other than Power Sector)	4.8	69
Placement of Separate Audit Reports of Statutory Corporations	4.9	71
Impact of non-finalisation of accounts of State PSUs (other than Power Sector)	4.10	72
Performance of State PSUs (other than Power Sector)	4.11-4.20	72
Winding up of non-working State PSUs	4.21	81

Particulars	Reference to	
	Paragraph(s)	Page
Comments on Accounts of State PSUs (other than Power Sector)	4.22-4.23	82
Compliance Audit Paragraphs	4.24	83
Follow up action on Audit Reports (other than Power Sector)	4.25-4.27	84
<b>CHAPTER V</b>		
<b>COMPLIANCE AUDIT OBSERVATIONS RELATING TO PUBLIC SECTOR UNDERTAKINGS (OTHER THAN POWER SECTOR)</b>		
<b>Compliance to the Government of Kerala guidelines for implementation of Enterprise Resource Planning initiatives by Public Sector Undertakings</b>	5.1	87
<b>Electrical energy management by Public Sector Undertakings in the manufacturing sector</b>	5.2	101
<b>Operation of Modern Rice Mills by Public Sector Undertakings</b>	5.3	108
<b>Kerala State Road Transport Corporation</b>	5.4	114
Construction and utilisation of Bus Terminals-cum-Shopping Complexes		
<b>Kerala State Poultry Development Corporation Limited and Kerala Agro Industries Corporation Limited</b>	5.5	121
Idling of investment		
<b>The Plantation Corporation of Kerala Limited</b>	5.6	124
Non-achievement of intended benefits		
<b>Kerala State Electronics Development Corporation Limited</b>	5.7	126
Avoidable loss		
<b>Kerala Shipping and Inland Navigation Corporation Limited</b>	5.8	128
Avoidable loss		

## APPENDICES

Appendix No.	Particulars	Reference to	
		Paragraph	Page
1	Summarised Financial Results of Power Sector Undertakings for the latest year for which accounts were finalised	1.9	131
2	Table (a): Statement showing carry forward of unused banked energy beyond the stipulated period of two accounting years Table (b): Statement showing loss of revenue due to non-charging of commission for banked energy carried over to the next year	3.2	132
3	Statement showing position of equity and outstanding loans relating to State PSUs (other than Power Sector) as on 31 March 2019	4.3	133
4	Statement showing differences between Finance Accounts of Government of Kerala and Accounts of State PSUs (other than Power Sector) in respect of balances of Equity, Loans and Guarantee as on 31 March 2019	4.7	149
5	Statement showing position of State Government investment in working State PSUs (other than Power Sector), accounts of which are in arrears, during the period of arrears	4.8.1	162
6	Statement showing summarised financial results of State PSUs (other than Power Sector) as per their latest finalised financial accounts	4.11	169
7	Statement showing the status of implementation of ERP systems by selected PSUs	5.1	180
8	Details of Bus Terminals-cum-Shopping Complexes implemented by Kerala State Road Transport Corporation as of December 2019	5.4	181