

Commercial Audit Wing

The office of the Pr. Accountant General (Audit) has been entrusted with the audit of State Public Sector Companies, Statutory Corporations, Regulatory Commission (Uttarakhand Electricity Regulatory Commission), preparation of State Audit Reports thereof and assisting the Committee on Public Undertakings in their discussions on these Audit Reports.

1.0 ECONOMIC SECTOR-1 (PSU)

Economic sector is entrusted with the audit of state public sector undertakings.

This group has been entrusted with the audit of Government Companies and Corporations of Government of Uttarakhand under Section 19 of the Comptroller & Auditor General's (D.P.C.) Act, 1971. The State had 27 Government Companies, 01 deemed Government Company under the purview of Section 143(10) of the Companies Act, 2013, three Statutory Corporations as on 31 March 2019 and one quasi-judiciary autonomous body *i.e.* Uttarakhand Electricity Regulatory Commission established under Section 104(2) of Electricity Act, 2003.

(a) Statutory Corporations – At present there are only three Statutory Corporations, as per table given below:

Sl.No	Name of the Corporation	Authority for audit by the C&AG	Audit Arrangement
1.	Uttarakhand Parivahan Nigam	Section 33(2) of the Road Transport Corporation Act,1950	Sole audit by CAG
2.	Uttarakhand Pey Jal Sansadhan Vikas Evam Nirman Nigam	Section 52 (3) of the U P Water Supply Act and Sewerage Act, 1975	Sole audit by CAG
3.	Uttarakhand Van Vikas Nigam	Section 20(1) of the Comptroller and Auditor General's (Duties, Power and Condition of Service) Act,1971	Sole audit by CAG

(b) Government Companies :

This group deals with audit of 18 Government Companies, 3 statutory corporations and 01 deemed Government Company. In addition there is 08 non-working Government Companies Accounts of these Companies are audited under section 143(6) of the Companies' Act, 2013. List of the Public sector undertakings of Uttarakhand is as follows:

Sl. No.	Name of the PSU
1	2
1.	Uttarakhand Bahudeshia Vitta Evam Vikas Nigam Limited
2	Uttarakhand Purv Sainik Kalyan Nigam Limited
3	Uttarakhand Alpsankhyak Kalyan Tatha Wakf Vikas Nigam (Initial accounts not received)
4	Uttarakhand Seed & Tarai Development Corporation Ltd.
5	State Industrial Development Corporation of Uttarakhand Limited
6	Bridge, Ropeway, Tunnel and other Infrastructure Development Corporation of Uttarakhand Limited earlier known as Uttarakhand State Infrastructure Development Corporation Limited
7	Doiwala Sugar Company Limited
8	Kichha Sugar Company Limited
9	Uttarakhand Project Development and Construction Corporation Limited
10	Kumaon Mandal Vikas Nigam Limited
11	Garhwal Mandal Vikas Nigam Limited
12	Ecotourism Development Corporation of Uttarakhand (Initial accounts not received)
13	Uttar Pradesh Hill Electronics Corporation Limited
14	Uttarakhand Metro Rail, Urban Infrastructure & Building Construction Corporation Limited (Initial accounts not receive)
15	Dehradun Smart City Limited (Initial accounts not received)
16	Uttarakhand Power Corporation Limited
17	Uttarakhand Jal Viduyut Nigam Limited

18	Power Transmission Corporation Of Uttarakhand
19	Kishau Corporation Limited
	Non-Working Government Companies
20	Trans cables Limited (Subsidiary of Kumaon Mandal Vikas Nigam limited)
21	Uttar Pradesh Digitals Limited (Subsidiary of Kumaun Mandal Vikas Nigam Limited)
22	UPAI*
23	Uttar Pradesh Hill Phones Limited (Subsidiary of Uttar Pradesh Hill Electronics Corporation Limited)
24	Uttar Pradesh Hill Quartz Limited (Subsidiary of Uttar Pradesh Hill Electronics Corporation limited)
25	Kumtron Limited (Subsidiary of Uttar Pradesh Hill Electronics Corporation Limited)
26	Garhwal Anusuchit Janjati Vikas Nigam Limited (Subsidiary of Garhwal Mandal Vikas Nigam Limited)
27	Kumaon Anusuchit Janjati Vikas Nigam Limited (Subsidiary of Kumaon Mandal Vikas Nigam Limited)

2.0 Types of audit conducted in ES-1

The Economic Sector -1 (ES-1) is responsible for the audit of Statutory Corporations, Government Companies and certification of accounts thereof. The audit of the Statutory Corporations and Companies is conducted in three ways:

- i. Compliance Audit ;
- ii. Performance audit
- iii. Financial audit

i. Compliance Audit

For conducting compliance audit, Companies and Corporations (and their units) are divided into three categories viz high risk, medium risk and low risk. Units of the companies and corporations are classified on the basis of various factors of risk assessment i.e. materiality,

criticality and internal controls. Further, from the units thus classified units with maximum risk potential are selected for the audit

ii. Performance audit

Performance audit of the Companies and Corporations as well as theme based compliance audit of any activity of the company is conducted on selection basis.

iii. Financial Audit of Accounts of PSUs

Statutory Auditors of the Companies are appointed by the Comptroller & Auditor General of India. On receipt of accounts certified by the Statutory Auditors, local parties are deputed for audit. The Accounts of companies for every financial year are to be finalized within six months from the end of relevant financial year under Sections 96(1) and 143(6) of the Companies Act, 2013 read with Section 19 of Comptroller & Auditor General's (Duties, Power and Condition of Service) Act, 1971. They are also to be laid before the Legislature within nine months from the end of financial year.