

**PREFACE**

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution.
2. Chapters I and II of this Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts of the State Government respectively for the year ended 31 March 2004. Chapter-V deals with the internal control mechanism and internal audit arrangements of the State Government.
3. The remaining chapters deal with the findings of performance audit and audit of transactions in various departments including the Public Works and Irrigation Departments, audit of stores and stock, revenue receipts, audit of autonomous bodies, Government companies, statutory corporations, and departmentally run commercial undertakings.
4. The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 2003-04 as well as those which had come to notice in earlier years but could not be dealt with in the previous Reports; matters relating to the period subsequent to 2003-04 have also been included wherever necessary.