

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:3730
ANSWERED ON:25.08.2011
PSUs JOINT VENTURE AGREEMENTS
Pal Shri Jagdambika

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether the Comptroller and Auditor General of India has been empowered to supervise or conduct audit of Joint Venture agreements between Public Sector Undertakings and Private Enterprises;
- (b) if so, the details thereof;
- (c) whether the audited accounts of such agreements are placed before the Parliament; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI PRAFUL PATEL)

(a) & (b) : Joint Ventures incorporated in India under the Companies Act, 1956 in which Government Companies hold not less than 51 percent of the paid up capital of the Joint Venture fall under the audit purview of Comptroller and Auditor General of India (CAG) under the provisions of Section 619 of the Companies Act, 1956. The CAG appoints the auditors and conducts the supplementary / test audit of the accounts of such companies.

(c) & (d) : As per section 619(A) (1) the Central Government shall cause to lay the annual report on the working and affairs of such companies as mentioned above, before the Parliament together with a copy of the audit report and any comments there upon, or supplement to, the audit report, made by the CAG.