

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2019-2021)**

FIFTY THIRD REPORT
(Presented on 4th July 2019)



**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM**

2019

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On

**Paragraphs relating to Power, Taxes and Finance Departments
contained in the Report of the Comptroller and Auditor
General of India for the financial year ended
31st March 2012 (Revenue Sector)**

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Smt. Chitra K. I., Under Secretary.

INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the Fifty Third Report on paragraphs relating to Power, Taxes and Finance Departments contained in the Report of the Comptroller and Auditor General of India for the year ended 31st March 2012 (Revenue Sector).

The Report of the Comptroller and Auditor General of India for the year ended 31st March 2012 (Revenue Sector) was laid on the Table of the House on 19th March 2013.

The Committee considered and finalised this Report at the meeting held on 1st July 2019.

The Committee place on records their appreciation of the assistance rendered to them by the Accountant General by the examination of the Audit Report.

Thiruvananthapuram,
1st July, 2019.

V. D. SATHEESAN,
Chairman,
Committee on Public Accounts.

REPORT
POWER, TAXES AND FINANCE DEPARTMENT
TAXES AND DUTIES ON ELECTRICITY

Tax administration

Government of Kerala levies duty and surcharge on the sale and consumption of electricity under Kerala Electricity Duty Act, 1963 and Kerala State Electricity Surcharge (Levy and Collection) Act, 1989. The rates are as follows:

Category	Electricity Duty	Surcharge
1	2	3
Duty payable on sale of energy by licensees	At the rate of six paise per unit on energy sold at a price of more than 12 paise per unit (under Section 3)	--
Domestic and commercial consumers	10 per cent of the price indicated in invoice (under Section 4)	--
Public Lighting	NIL	--
Consumer of energy for agriculture purposes	10 per cent of the price indicated in invoice (under Section 4)	--
Industrial consumers taking energy at points below 11 KV	10 per cent of the price indicated in invoice (under Section 4)	--
Industrial consumers taking energy at point 11 KV and above	10 paise per unit of energy consumed (under Section 4)	Maximum of 5 paise per unit
Consumer generating energy for their own consumption	1.2 paise per unit of energy generated and consumed	--

1	2	3
Interest	At a rate not exceeding 18 per cent (under Section 8)	At a rate not exceeding 12 per cent (under Section 5)

The Kerala Electricity Duty Act, 1963 and Rules made thereunder govern the levy of duty on the sale and consumption of electrical energy in the State. Power Department is under the control of the Secretary (Power) at the Government level and the Chief Electrical Inspector administers the Act.

Government of Kerala have appointed nine¹ licensees for the sale of electricity. The collection of duties and surcharge is through self assessment made by the licensees.

Trend of receipts

Actual receipts from electricity duty during the last five years (2007-08 to 2011-12) along with the budget estimates during the same period is exhibited in the following table and graph.

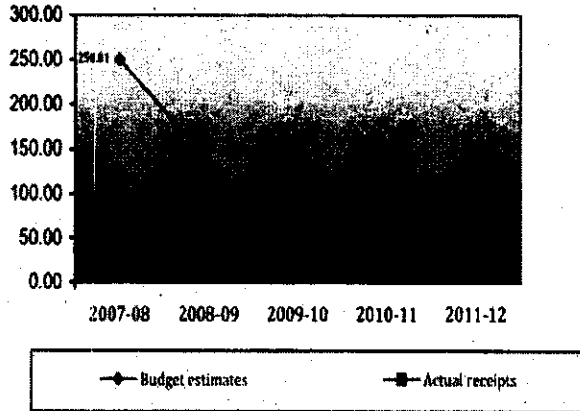
(₹ in crore)

Year	Budget Estimates	Actual Receipts	Variation	Percentage of variation	Total tax receipts of the State	Percentage of actual receipts vis-a-vis total tax receipts	Percentage of growth
1	2	3	4	5	6	7	8
2007-08	250.01	39.04	(-) 210.97	(-) 84.38	13,668.95	0.28	22.84
2008-09	136.20	56.00	(-) 80.20	(-) 58.88	15,990.18	0.35	43.44
2009-10	47.24	24.78	(-) 22.46	(-) 47.54	17,625.02	0.14	(-) 55.75

1 KSEB, Cochin Shipyard, Cochin Port Trust, CSEZ, KINESCO (KINFRA), Rubber Park, Thrissur Corporation, KDHP, Munnar and Techno Park, Thiruvananthapuram.

1	2	3	4	5	6	7	8
2010-11	64.40	20.71	(-) 43.69	(-) 67.84	21,721.69	0.09	(-) 16.42
2011-12	29.31	21.28	(-) 8.03	(-) 27.40	25,718.60	0.08	(+) 2.75

Budget estimates and actual receipts - MH 0043



The actual receipts from electricity duty was less than the budget estimate during the last five years.

Working of Internal Audit Wing

The functioning of the Internal Audit Wing (IAW) of the Electrical Inspectorate is monitored by the Chief Electrical Inspector. The IAW consists of one Accounts Officer, one Administrative Assistant, one Senior Superintendent, five Upper Division Clerks and two Lower Division Clerks. Employees dealing with accounts and related subjects are selected for internal audit team. No regular training has been imparted to them. All the units are subjected to audit once in a year. Out of the 15 units planned for audit during 2011-12, 13 units have been audited. No separate internal audit manual has been prepared by the Department.

It is recommended that the IAW may be strengthened by imparting training to the persons deployed for audit and by preparing an Internal Audit Manual.

Results of audit

In 2011-12 records of 10 units relating to Power department were test checked and under assessment/short levy of tax involving ₹ 11.54 crore were detected in 11 cases which fall under the following categories:

(₹ in crore)

Sl.No.	Categories	No. of cases	Amount
1	Short/non-levy of tax	10	11.49
2	Other lapses	1	0.05
	Total	11	11.54

The Department accepted under assessment and other deficiencies of ₹ 4.92 lakh in one case which was pointed out during the year 2011-12.

A few illustrative cases involving ₹ 0.29 crore are mentioned in the following paragraphs.

Audit observations

Scrutiny of records of the Chief Electrical Inspectorate and various Electrical Inspectorates revealed several cases of non-compliance of the provisions of the Kerala Electricity Duty Act, 1963 and Kerala State Electricity Surcharge (Levy and Collection) Act, 1989 etc. and other cases as mentioned in the succeeding paragraphs in this chapter. These cases are illustrative and are based on a test check carried out in audit. Such omissions on the part of the Electrical Inspectors remain undetected till we conduct an audit. There is need for the Government to improve the internal control system.

Non-levy of surcharge

(Chief Electrical Inspectorate, Thiruvananthapuram)

Kerala State Electricity Surcharge (Levy and Collection) Act, 1989 authorises licensees to collect and to pay to Government, Electricity Surcharge at 2.5 paise per unit. Interest at a rate not exceeding 12 per cent is leviable for the delayed payment of surcharge. Under the Kerala Electricity Duty Act, 1963 licensees are liable to pay duty and surcharge prescribed under the Act. Kerala Electricity Duty Rules provides that the licensees shall submit monthly/annual returns.

It was noticed (January 2012) from the Duty Remittance Statement furnished by KINESCO Power and Utilities Private Ltd. That they sold 4,21,63,172 units of electrical energy to various HT

consumers during 2010-11 for which they did not remit the surcharge due. Though the information was readily available with the Department, no action was taken to realise the dues. Non-levy of surcharge works out to ₹ 11.49 lakh including interest (upto December 2011).

The matter was pointed out to the Department (January 2012) and the Department stated that action would be taken to realise the same with penal interest.

The case was reported to the Government in March 2012; their reply has not been received (December 2012).

Non-payment of electricity duty on self consumption of energy/excess transmission loss

(Chief Electrical Inspectorate, Thiruvananthapuram)

Under Sections 3 and 4 of the Kerala Electricity Duty Act, 1963 the licensees under the Act are authorised to collect the Electricity Duty from the consumers and to pay it to the Government. As per explanation under Section 2(a) where a licensee to whom energy is supplied by the KSEB for supply to others, himself consumes any part of the energy, he shall be deemed to be a consumer in respect of energy so consumed and electricity duty is payable at the rate of 10 per cent of invoice price. The line loss admissible to Thrissur Municipal Corporation is eight per cent. As per schedule of Tariff with effect from 1 December 2007, energy charges for non domestic consumers above 500 kWh is ₹8.40/unit. As per the Act, duty collected from the consumers shall be remitted to Government before the expiry of the following month and interest at the rate of 18 per cent per annum is chargeable on the arrears.

It was noticed (January 2012) from the statements regarding remittance of duty filed by Thrissur Municipal Corporation that it had not paid electricity duty from April to June 2011, in respect of energy consumed for own purposes. It was also noticed that the assessee was claiming transmission loss in excess of permissible limit during the year. The non-payment of duty in this regard works out to ₹11.07 lakh including interest.

When the matter was pointed out to the Department (January 2012), the Department stated that the licensee had not furnished the final accounts and no inspection had been conducted. Action would be taken to realise the amount at the time of inspection. Further report has not been received (December 2012).

The matter was reported to the Government (March 2012); their reply has not been received (December 2012).

Short levy of electricity duty and interest thereon

(Chief Electrical Inspectorate, Thiruvananthapuram)

As per the tariff of the Kerala State Electricity Regulatory Commission, supply of electrical energy at a voltage exceeding 33 KV under normal conditions is classified as Extra High Tension (EHT) consumer and supply at 33 KV and 22 KV or 11 KV is considered as High Tension (HT) consumer. As per schedule of the Kerala Electricity Duty Act 1963, Electricity duty at 10 paise per unit is to be charged from industrial consumers taking supply of energy at 11 KV and above and in all other cases electricity duty at the rate of ten per cent of the price of energy indicated in the invoice including industrial consumers taking supply of energy at points below 11 KV. Government vide notification (August 2012) clarified that electricity duty at the rate of ten per cent of the energy charges shall be collected from the non industrial consumers. As per the Act, duty collected from the consumers shall be remitted to Government before the expiry of the following month and interest at the rate of 18 per cent per annum is chargeable on the arrears.

It was noticed (January 2012) that Kannan Devan Hill Plantation Co. (P) Ltd. (KDHP) collected electricity duty at the rate of 10 paise per unit instead of 10 per cent of invoice price from eight² non-industrial HT consumers during the period 2010-11 which resulted in short levy of electricity duty amounting to ₹6.78 lakh including interest (up to December 2011).

The matter was pointed out to the Department (January 2012) and the Department stated that inspection of accounts maintained by the assessee had not been conducted and action would be initiated to realise the electricity duty short levied along with interest and penal interest. Further report has not been received (December 2012).

2 Edassery Eastend Hotel, EVM Hotel, Grand Plaza, KLD Board, KTDC Tea County, Lockhart, MS Hotels and Talliar.

The matter was reported to the Government (March 2012); their reply has not been received (December 2012).

Paragraph 7.1 to 7.8 contained in the report of the Comptroller and Auditor General of India for the year ended 31st March 2012 (Revenue Receipts)

[Notes furnished by Government on the above audit paragraphs are included as Appendix II]

1. The Committee enquired about the reason for non-settlement of the issues highlighted in the audit observation with regard to the Electricity Board. Additional Chief Secretary Power Department informed that the issues between Government and the Board were generally in three matters such as amount pending recovery, pension liability and subsidised amount that were being set off against the annual amounts which were supposed to be remitted to the Government. He added that eventhough statement of Accountant General was given to finance department in all the Board meetings for reconciliation, it was not done properly. He further added that huge amount was pending recovery from Kerala Water Authority.

2. The Committee opined that there was lack of clarity about the remittance of electricity duty and surcharge on whether it was to be retained by the Board or paid to the Government and it eventually led to audit objection. The department officials showed that as per certain circulars and orders the licencees needed to remit the surcharge directly to Government and also the board had to retain the electricity duty as contribution for funding terminal liability. The Committee suggested that in order to prevent such issues in future, a permanent system should be adopted to determine whether the outstanding to be retained by the Board or to be paid to Government at the end of every financial year.

3. While considering the audit observation about non-payment of electricity duty on self consumption of energy/excess transmission loss, the witness informed that according to the stay order of the Honourable High Court, hearing had been conducted to waive the interest of the Thrissur Municipal Corporation and the file regarding this was already submitted. The Committee demanded the department to furnish the latest position of the recovery process.

4. The Committee accepted the reply furnished in the audit para on short levy of electricity duty and interest thereon by Kannan Devan Hill Plantation Company (P) Ltd. and further directed the department to furnish the present status of the collection of arrears.

Conclusions/Recommendations

5. The Committee opines that there was lack of clarity about the remittance of electricity duty and surcharge on whether it was to be retained by the Board or paid to the Government and it leads to audit objection. The Committee suggests that in order to avoid such confusions in future a permanent system should be adopted to guideline whether the amount received by KSEB as electricity duty is to be retained by the Board for funding its terminal liability or to be paid to Government at the end of every financial year.

6. The Committee demands the department to furnish the latest position of the recovery process initiated against Thrissur Municipal Corporation towards the defaulted duty remittance.

7. The Committee directs the department to furnish the present status of the collection of arrears of Kannan Devan Hill Plantation (P) Company Ltd. at the earliest.

NON-TAX RECEIPTS

A. LOTTERIES

Conduct of Lotteries in the State

Introduction

The Lotteries (Regulation) Act, 1998 promulgated by the Government of India on 7th July 1998 was formed to regulate the system of lotteries in the States of India and empowered the States to regulate the business of lotteries. Lottery as defined in the Act, means a scheme, in whatever form and by whatever name called, for distribution of prizes by lot or chance.

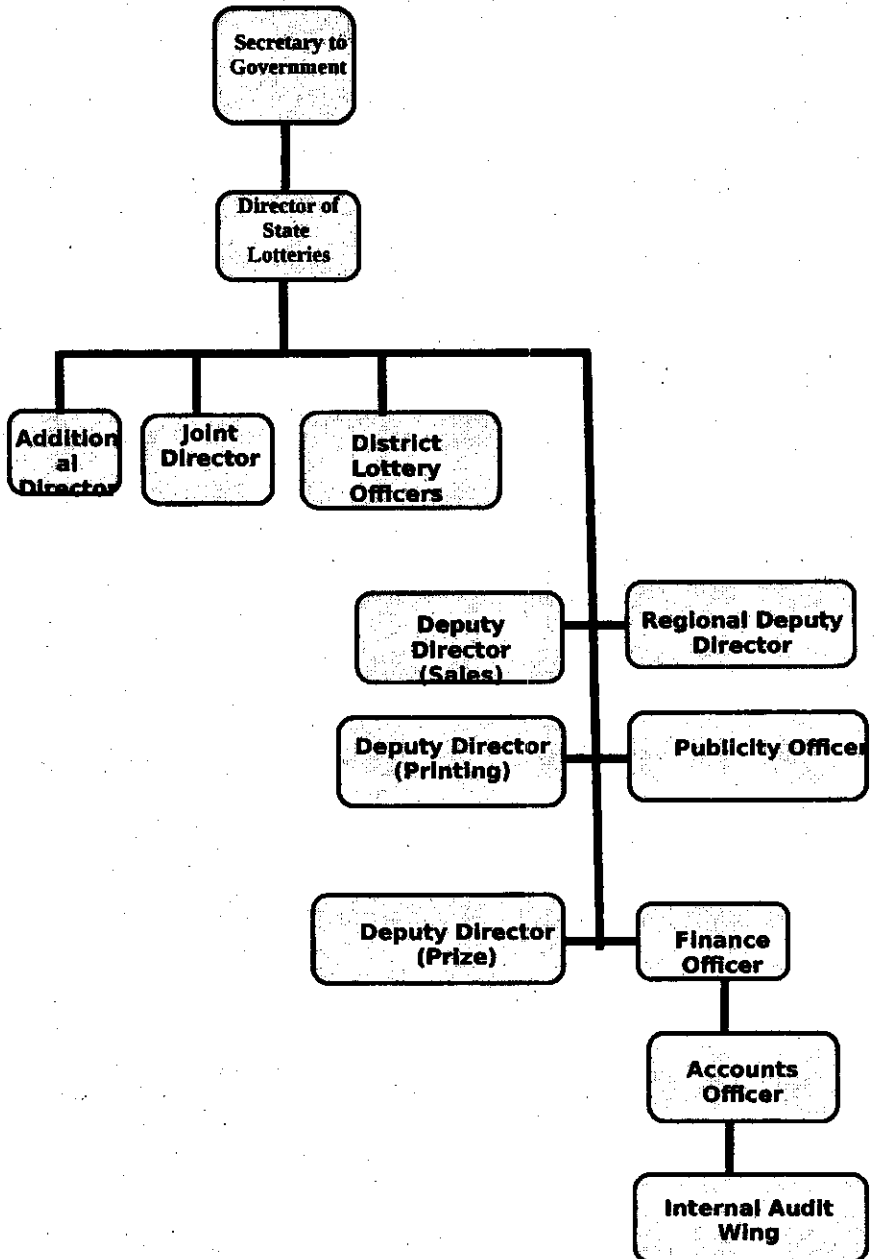
Kerala is the pioneer state which started Government run lottery in India. The aim of conducting lotteries was to enhance the State non-tax revenue and providing a stable income source to the poor and the common. A separate Department called " Directorate of Lotteries" was formed in 1967 under the administrative control of Secretary (Taxes). The functions of the Department were computerised using a web based Lottery Information Management System (LIMS) in the year 2008 developed by a State PSU, M/s.KELTRON.

Scope and methodology

The audit was conducted during January to May 2012 for the period from, 2006-07 to 2010-11 at the Directorate and selected units and at the selected offices of Commercial Taxes Department with a view to ascertain the efficiency and efficacy of the Department in revenue collection and employment generation. Before taking up the audit, an Entry Conference was held on 24 January 2012 with the Joint Secretary (Taxes and Commissioner of Commercial Taxes wherein the scope and methodology of audit was discussed. The Joint Secretary assured full co-operation in the conduct of the review. An Exit Conference was conducted with the Additional Secretary (Taxes) and Director of State Lotteries on 25 June 2012 wherein the audit findings were discussed in detail. The reply received (August 2012) from Department has been incorporated.

Organogram

The organogram of the Department is given below:



Acknowledgement

The audit acknowledges the co-operation of the State Lotteries Department, the Commercial Taxes Department and M/s Keltron in providing the necessary information and records for audit.

Audit Findings

Trend of Receipts

The Lotteries Department projects the total sale proceeds of lotteries as the total revenue collection of the Department without excluding expenses relating to discount to agents, prize moneys, agents prizes, incentives etc. and other administrative expenses. An analysis of the total and net revenue for the period covered in audit revealed that despite steady increase in total revenue collection during the period, lotteries failed to provide significant contribution to the State revenue both tax as well as non tax revenue.

(₹ in crore)

Year	Budget estimate	Actual Receipts	Percentage of variation	Total Expenditure	Net Revenue	Total Non tax revenue of the state	Percentage of contribution to non tax revenue	Total Tax revenue of the State	Tax on paper lotteries	Percentage to total tax revenue
2006-07	191.00	236.26	23.70	200.35	35.91	937.57	3.83	11941.82	5.50	0.05
2007-08	251.45	333.91	32.79	282.75	51.16	1209.55	4.23	13668.95	19.93	0.15
2008-09	420.00	484.76	15.42	382.11	102.65	1559.29	6.58	15990.18	28.07	0.18
2009-10	474.60	625.74	31.85	513.03	112.71	1852.22	6.09	17625.02	29.62	0.17
2010-11	694.60	557.69	-19.71	470.44	87.25	1930.79	4.52	21721.69	24.15	0.11

It would be seen from the above that the percentage of variation between the Budget estimates and actual was more than 15 per cent in all the years. The actual receipts during 2010-11 were 19.71 per cent less than the budget estimates. The huge variation indicates that the budget estimates were not realistic.

After this was pointed out, the Department intimated that the decrease in actual receipts during the year 2010-11 was due to the cancellation of draws consequent upon the High Court orders.

System defects

The following defects were noticed on scrutiny of the data of LIMS installed in the Department.

Non utilisation of barcode/secret code system

LIMS has provision for ensuring the genuineness of the ticket before payment of prizes, through "barcode (secret code) reader". As per Rule 9 (9) of the Kerala Paper Lotteries (Regulation) Rules 2005, criminal proceedings shall be initiated against those who produce forged tickets.

As per the data obtained from LIMS for the period 2008-2011, 118 multiple claims¹ were received against 91 prize winning tickets. In 67 cases, amounts aggregating to ₹ 73,200 were paid to the second claimant. The remaining 51 cases involving prize money of ₹ 67,800 were not settled and are pending verification. It was noticed that admitting of false claim was due to non-reading the barcode of the ticket to ascertain genuineness of the ticket.

After this was pointed out, the Department admitted that in some cases payments were made without reading barcode, however now prize payments are made after reading the barcode of the tickets with computer scanner and ascertaining its genuineness. It was also intimated that criminal proceedings were initiated in one case. Thus non-observance of the system resulted in admitting multiple claims and disputes in distribution of the prizes.

1 Claim submitted by more than one person on a single lottery ticket.

It is recommended that the Department may ensure that provisions for ascertaining the genuineness of tickets before payment of prizes are strictly observed by the Department.

Paragraph 8.1 to 8.1.5.2 contained in the report of the Comptroller and Auditor General of India for the year ended 31st March 2012 (Revenue Receipts)

[Notes furnished by Government on the above audit paragraph is included as Appendix II]

8. While considering the audit observation about non-utilisation of barcode/Secret code system, the Committee enquired why the department made prize payments without reading barcode. The officer from the office of the Accountant General informed that prize amount was being distributed only after verifying the barcode. He added that eventhough department had asserted of no duplication after the implementation of LIMS, defects were still persisted on a review conducted in 2016-17.

9. The witness, Secretary, Taxes Department informed that it was happening in certain cases where agents were giving out prizes upto ₹5000 on fake tickets. He added that actually agents were suffering losses.

10. The Committee opined that any how, the system lost its credibility by giving the prize amount without ascertaining the genuineness of the tickets. Illegal lotteries were deliberately introduced inorder to defeat the credibility of State lotteries. Therefore, the Committee suggested that department should be more vigilant to deal with illegal lotteries and insisted that the prize amount should be given out only after checking the genuineness of the ticket.

11. The witness, Secretary, Taxes department appraised that problem had already been settled after the implementation of the software. He added that certain claimants approached the agents with fake tickets and were paid out immediately. The agents could be aware of the delude only when it was produced before department for checking. The Committee came to know that there was no mechanism at the agent level to check the genuineness of the ticket.

12. When the Committee enquired about the mechanism to read the barcode, it was informed that software in the department could read both ticket number and secret code with the help of scanner. But the agents could only read the ticket number and not the secret code. Presently certain security features were included in the tickets and training was given to the agents to enable them to check the genuineness of tickets. The Committee suggested that specific direction should be given to the agents to give out the prize money only after reading the barcode.

13. The Committee came to know that non-observance of guidelines resulted in admitting multiple claims and disputes in distribution of prizes. Therefore, the Committee recommended that the department must ensure the genuineness of the tickets before making payment and strictly adhere to the guidelines in this regard.

Conclusions/Recommendations

14. The Committee opines that illegal lotteries were deliberately introduced in order to defeat the credibility of state lotteries. Therefore the Committee suggests that departments should be more vigilant in dealing with illegal lotteries and insists that the prize amount should be given out only after checking the genuineness of the ticket.

15. The Committee points out that there was no mechanism at the agent level to check the genuineness of the ticket. So the Committee recommends that specific direction should be given to the agents to give out the prize money only after reading the barcode.

16. As non-observance of guidelines resulted in admitting multiple claims and disputes in distribution of prizes, the Committee recommends that the department must ensure the genuineness of the tickets before making payment and strictly adhere to the guidelines in this regard.

Absence of validation controls in LIMS

LIMS has provisions to check the number of prizes offered and paid for each scheme of lottery. The number and the amount of prizes to be paid in each draw are fed in LIMS.

Audit analyzed the data relating to prizes offered vis-a-vis prizes paid available in the LIMS during the period from August 2008 to September 2010 and found that the Department had distributed 30,262 prizes involving ₹ 25.80 lakh in excess of the number of prizes offered in 66 draws. The excess grant of the prizes shown by the LIMS needs investigation. Besides, validation controls need to be put in place in the system to ensure that prizes distributed match with the prizes offered.

After this was pointed out, the Government stated that the matter is being investigated and report would be submitted.

Software certification

The Department had initiated the software certification for LIMS and the first phase of certification by Standardisation Testing and Quality Certification (STQC) started on 8 March 2010. Neither work order nor payment was released by the Government so far and STQC discontinued the certification process.

The cash accounting of the district lottery offices relies entirely on the LIMS. Even after the lapse of four years from its implementation, the accuracy and reliability of the software was not tested by a competent authority to ensure that all the system controls exist.

After the case was pointed out in audit, the Department stated that steps had been taken for software certification.

Mistake in publication of prize winning lottery ticket

As per Rule 8 of Kerala Paper Lotteries (Regulation) Rules 2005, draws of each lottery are conducted by the Government under the supervision of a panel of judges approved by the Government using tokens and manually operated drums and the results announced after verification with the list of unsold tickets.

The second prize of Thiruvonam Bumper Lottery-2011 won by ticket number IR-339602 was wrongly published as TH-339602. Accordingly, the purchaser of ticket number TH-339602 made a claim and after verification the claim was rejected by the Department since the prize was won by ticket No. IR-339602. The necessary corrections were made by the Department through

print and visual media. However, taking into account the mental agony suffered by the claimant, for non disbursal of his claim, the Government accorded sanction of ₹ 2 lakh as special compensation vide Government Order dated 29 May 2012. The Department stated that this might be due to a mistake in the computer system and strict preventive measures were being taken to ensure correct uploading of results.

However, the fact remains that in addition to the mental agony suffered by the incorrect claimant, the mistake has resulted in a compensation of ₹ 2 lakh paid by the Department.

Repeated winning of prizes by persons from particular addresses

The data regarding prize winning tickets from LIMS were analysed to ascertain the trend if any and it was noticed that out of 1,162 major prizes (Above ₹ one lakh) amounting to ₹ 216.19 crore claimed during 2008-09 to 2010-11, 344 prizes (29.6 per cent) amounting to ₹ 27.31 crore were claimed by persons residing in other States. Out of the 344 prizes, 69 prizes (20.06 per cent) amounting to ₹ 3.94 crore were won repeatedly by persons residing at 30 households in Mumbai. This is a pointer to the possibility of fraudulent practice in claiming prizes.

After the case was pointed out in audit, the Department stated that claims submitted from Thane and Mumbai in Maharashtra were referred to Crime Branch, Economic Offences Wing, Thiruvananthapuram. It was also stated that the matter has been taken up with the Government and due to stringent action, the number of outside claims received seemed reduced.

It is recommended that the Department may pursue the cases with the crime branch for ensuring credibility.

Non preparation of scheme wise and draw wise accounts of lotteries

LIMS software provides facility for finalisation of accounts of lotteries - scheme wise and draw wise. However, it was noticed that the Department was not preparing the accounts of lotteries scheme wise/draw wise. Thus three lotteries that suffered loss of ₹ 1.33 crore could not be stopped immediately. Of these lottery 'Adithya' was stopped after 22 draws while 'Aiswarya' and 'Amulya' were stopped after five and four draws respectively.

Audit recommends that the Department may finalise accounts of lotteries scheme wise and draw wise for the efficient conduct of lotteries.

Lack of adequate safeguards in handling of cash

The daily cash collection in the DLOs ranged from ₹ 22 lakh to ₹ 89 lakh on the test checked days in the selected districts. This amount is remitted into the bank account only on the next day. It was stated that this amount is kept in a cash chest and no security personnel for safeguarding the cash overnight was provided. Facilities like counting machines or fake currency detectors had not been provided in the DLOs so as to enable speedy sales, safe and accurate handling of the money received, remitted or distributed.

After the case was pointed out in audit, the department stated that steps had been taken for implementation of e-payment. However, no time frame has been fixed for the same.

It is recommended that a time frame for e-payment may be fixed and adequate security measures and necessary facilities may be provided till full fledged e-payment is established in the Department.

Absence of data to assess the progress made in providing employment

Providing a stable income source to the poor and the common is one of the aims of the Department. But no data was available with the department to analyse and compare the figures periodically to ascertain the progress made in this regard. Further, audit analysis of the prizes distributed to agents during 2010-11 revealed that out of 214 prizes amounting to ₹ 810.29 lakh, two² agents had got ₹ 447.21 lakh in 122 prizes. It was 55.19 per cent of the total amount indicating monopoly of the agents.

After this was pointed out, the Department stated that eventhough no authenticated reports are available with the Department, it was assumed that the persons who are engaged in indirect employment would be around five to ten times the number of registered agents. It was stated that the tentative number of registered agents was about 40,000. Out of these, active agents were stated to be

around 20,000. The above facts indicate that the Department does not have actual figures of registered agents and achievement of the objective that lottery is providing a stable income source to the poor and the common is not being monitored.

It is recommended that the Department may ensure a databank of all the persons involved directly or indirectly by making suitable provisions in the software LIMS and obtaining information from all persons involved.

Paragraphs 8.1.5.3 to 8.1.5.9 contained in the report of the Comptroller and Auditor General of India for the year ended 31st March 2012 (Revenue Receipts)

[Notes furnished by Government on the above audit paragraphs are included as Appendix II]

17. When enquired about the audit observation about absence of validation control in LIMS, the witness informed that considering the difficulty in entering small prizes, prizes were entered in bulk while implementing the software in 2008. He added that audit observation was upto 2010, the year in which barcode scanning was introduced.

18. The Committee was surprised to note that ₹ 25.80 lakh was lost by the Government in 66 draws. The Committee remarked that the department was betrayed by many fake claims through forged tickets. When enquired about the steps taken to recover the lost amount, the witness informed that since the cases were bygone, it was very difficult to trace the details.

19. The Committee came to know that the agents were empowered to distribute the prize money upto ₹ 5000. Eventhough identity of the agents was available with the department, the agents had no details on the identity of the persons who claimed prize money through them.

20. Therefore, the Committee recommended that in order to avoid multiple claims, department should either issue bar code reader to the agents or direct all the authorised agents to maintain a register to write down the details of claimants as well as to retain their Aadhar copies.

21. While considering the audit para about software certification, an officer from the Office of the Accountant General informed that testing of accuracy and reliability of the software by Standardisation Testing and Quality Certification (STQC) had been discontinued half way. The Secretary, Taxes department informed that they were planning to introduce a new software. The officer from the office of the Accountant General informed that whenever the software got modified testing needed to be done by an accredited agency and a certificate in this regard should also be obtained and the whole process involved considerable expenditure.

22. The Committee decided to recommend that in order to ensure the accuracy and reliability of the software, and to ensure that all the system controls exist proper software testing should be done by a competent authority.

23. The Committee approved the report furnished by the department on the paragraph 8.1.5.5.

24. While considering the audit objection about repeated winning of prizes by persons from particular addresses, the Committee enquired about its present status and the ways to find out the repeated addresses in the software. The witness informed that repeated winning of prizes had been considerably reduced since the amount were transferred to the account of concerned persons instead of paying through cheque/DD as it was done previously. He added that claims from Bombay based addresses had been ceased since it was re-examined by a Committee constituted in the department and issued the prize amount only after obtaining the reason, for buying tickets from another state, in writing.

25. While observing about Crime Branch enquiry in the audit para, the Committee directed the Taxes department to furnish the present status of the Crime Branch enquiry conducted on repeated winning of prizes by persons from particular addresses. The witness agreed to do so.

26. While considering the audit observation about non-preparation of scheme-wise and draw-wise accounts of lotteries, an officer from the office of the Accountant General remarked that eventhough LIMS software provided facility for finalisation of accounts of lotteries it could not be ascertained that whether a

particular draw was success or not. Therefore, the Committee decided to recommend that in order to conduct the lotteries efficiently and to ascertain the profit and loss of individual draws, the department should finalise the accounts of lotteries in scheme wise and draw wise.

27. When enquired about the running lotteries, the witness replied that seven weekly lotteries were there in addition to Bumber lottery. The Committee then stressed the importance of maintaining state lotteries so as to prevent the penetration of other state lotteries that were mainly of gambling nature. Then the Committee remarked that a tendency for addiction to lotteries could be seen in certain sections of the public and it would cause certain social implications. The Committee opined that the department could conduct a study on the addiction of lotteries with the help of any research institutions.

28. When the Committee enquired about the lack of adequate safeguards in handling of cash, an Officer from the Office of Accountant General informed that department had commenced e-payment facility. The Committee accepted the reply.

29. While considering the audit observation about absence of data to assess the progress made in providing employment, the Committee enquired whether there was any account about the number of persons who were employed in this sector. The witness replied that persons who registered according to the software and persons who registered in the welfare Board were only available with the department. When the Committee enquired about the number of persons who registered in the welfare board, the witness replied that 54811 persons got registered upto 31-3-2017 according to the data available with the department.

30. An officer from the office of the Accountant General informed that there exists illegal and fake lotteries. He suggested that if all the agents were brought under the monitoring of the department the persons who were selling lotteries could be identified and hence fake lotteries could be prevented to a greater extent.

31. The witness remarked that the agents were selling lotteries directly and indirectly. The department was not aware of the sub agents and other retailers who were employed in this field. The Committee came to know that due to those reasons exact employability in this field could not be ascertained. Therefore, the Committee recommended that department should upkeep a data bank of all the

persons involved directly or indirectly in the field of lottery selling by making suitable provisions in LIMS software. The Committee also directed the department to take strict measures to ensure effective prevention of counterfeit lotteries.

32. The Committee expressed its displeasure over the fact that huge amount was spent for advertisement. Therefore, the Committee recommended that the department should examine the need and method of advertisement done for selling lotteries and to check whether the amount spent for advertisement could be reduced.

Conclusions/Recommendations

33. The Committee came to know that the agents were empowered to distribute the prize money upto ₹5000. Even though identity of the agents was available with the department, the agents had no details on the identity of the persons who claimed prize money through them. Therefore the Committee recommends that in order to avoid multiple claims, department should either issue barcode reader to the agents or direct all the authorised agents to maintain a register to write down the details of claimants as well as to retain their Aadhar copies.

34. Regarding software certification, the Committee recommends that in order to ensure the accuracy and reliability of the software and to ensure that all the system controls exist, proper software testing should be done by a competent authority.

35. The Committee takes note of the repeated claims with dubious nature from particular addresses outside the state and directs the department to furnish report on the present status of the Crime Branch enquiry conducted on such cases.

36. The Committee opines that even though LIMS software is having a provision for finalisation of accounts of lotteries it is not possible from it to ascertain whether an individual draw is a success or not. Therefore the Committee recommends that in order to conduct the lotteries efficiently and to ascertain the profit and loss of individual draws, the department should finalise the accounts of lotteries in scheme wise and draw wise.

37. The Committee remarks that a tendency for addiction to lotteries could be seen in certain sections of the public and it would cause certain negative social implications. The Committee opines that the department should conduct a study on the addiction of lotteries with the help of any research institution.

38. The Committee observes that the whereabouts of the sub agents and other retailers are unknown to the department and hence the exact employability in this field could not be ascertained. Therefore the committee recommends that the

department should upkeep a data bank of all the persons involved directly or indirectly in the field of lottery selling by making suitable provisions in LIMS software. The Committee also directs the department to take strict measures to ensure effective prevention of counterfeit lotteries.

39. The Committee expresses its displeasure over spending huge amount by Lottery Department for advertisement purposes and recommends that the department should examine the need and method of advertisement done for selling lotteries and to check whether the amount spent for advertisement could be reduced to a certain extent.

INTEREST RECEIPTS

Non-realisation of interest on loans

Under the provisions of Article 234 of the Kerala Financial Code Volume I Chapter IX, before sanctioning and disbursing a loan the sanctioning authority is required to specify the terms and conditions including the date of commencement of payment of installments, the periodicity and time within which each loan has to be fully repaid with interest due. Interest is to be determined on the balance of loan outstanding till the dues are fully paid. Any default in the payment of interest upon a loan or in the repayment of the principal, the authority concerned should immediately take steps to get the default remedied. Further, the Government in its circular⁴ instructed the Administrative Departments to maintain a separate register to closely monitor remittance of principal loan and interest and issue demand notices to defaulters.

Government sanctions interest bearing loans to institutions³ and individuals for various purposes. The loans ie, principal and interest as prescribed are recoverable within a stipulated period in equal periodical installments as per terms and conditions of the sanction orders. In case of default in repayment of loan or any installment of loan or any installment or interest due as per the terms and conditions of the sanction, penal interest is chargeable from loanees.

3 Commercial and public sector undertakings, co-operative societies, Local bodies, Industries etc.

4 Circular No.56/98/Fin. Dated 10 August 1998.

Mention was made in paragraph 10.1 of the Report of the Comptroller and Auditor General of India (Revenue Receipts) for the year ended 31 March 1997 highlighting the short comings during the years 1992-93 to 1995-96 regarding recoveries of interest on loans and advances. The Public accounts Committee (PAC 2001-2004) in their 47th Report recommended that separate centralised control mechanism should be evolved in Finance Department for the co-ordination and effective monitoring of recovery of loans and interest and for that the Finance Department may issue instructions to the concerned authorities for compliance of guidelines in this regard. To ensure compliance of instructions and monitor recoveries in the Finance Department was required to scrutinise the records from time to time. However, a separate centralised control mechanism in Finance Department for the effective monitoring of recovery of loans and interest as recommended by the PAC has not been implemented so far. Due to the absence of monitoring action on the part of the Department, interest and penal interest amounting to ₹ 17.02 crore continued to be outstanding on 31 loans sanctioned between 1979 and 2009 as given detailed in **Appendix III**.

Further, in respect of 101 cases, the terms and conditions have not been fixed while sanctioning the loan during the period from 1982 to 2010 which resulted in non-levy of interest of ₹ 189.56 crore including penal interest as detailed in **Appendix III**.

After this was pointed out (July 2012) the Government stated (August 2012) that for the co-ordination and effective monitoring of recovery of loans sanctioned by the Government, the Finance Department had issued instruction to all the Administrative Departments and the Heads of various Departments to initiate urgent action to fix the terms and conditions of past cases of loans and also to take steps for repayment of the instalments of loans and interest dues.

Paragraph 8.2 contained in the report of the Comptroller and Auditor General of India for the year ended 31st March 2012 (Revenue Receipts)

[Notes furnished by Government on the above audit paragraph is included as Appendix II]

40. While considering the audit observation about non-realisation of interest on loans, the Committee enquired about the particular cases mentioned in the audit para. The witness, Joint Secretary Finance department informed that steps would be taken by the department to add interest provision in the software and remarked that most of the administrative department did not respond eventhough they were reminded regularly. He added that interest receipts from Public Undertakings were getting reduced year by year. When the Committee enquired about the reason for that, the witness informed that none of the institutions repaid the loan systematically and moreover, loan taken as for working capital was utilised to distribute salary and bonus. Some companies avail loans towards purchase of raw materials also. After a period of time loans were written off without making repayment. The witness added that majority of the loanee companies were not functioning presently. During the last Onam season about ₹ 50 crore was given to these companies as working capital. But the amount was utilized for giving Bonus and like issues other than productive purposes.

41. The Committee was displeased to note that earlier recommendation of the Committee in this regard had not been implemented so far. An officer from the Office of the Accountant General informed that eventhough in the action taken statement of the Finance department it was stated that details of administrative departments would be forwarded to PAC, AG and Legislature Secretariat, none of the departments gave the details so far.

42. The Committee was of the opinion that if the department implemented a separate centralised control mechanism, as in the earlier recommendation of the Committee, penal interest amounting to ₹ 17.02 crore could have been avoided. Therefore, the Committee reiterated its earlier recommendation that a separate centralised control mechanism should be evolved in Finance Department for the co-ordination and effective monitoring of recovery of loans and interest and for that the Finance Department may issue instructions to the concerned authorities for compliance of guidelines in this regard. Strict measures should also be taken to obtain half yearly statements from the loanees.

43. The Committee directed the Finance department to take measures to keep track of the repayments including interest against the loans released by Government to various institutions and the details of loans that were written off.

CONCLUSIONS/RECOMMENDATIONS

44. The Committee opines that if the department implemented a separate centralised control mechanism as in the earlier recommendation of the Committee (2001-2004), penal interest amounting to ₹ 17.02 crore could have been avoided. The Committee reiterates its earlier recommendation that a separate centralised control mechanism should be evolved in Finance Department for the co-ordination and effective monitoring of recovery of loans and the interest thereon. The Committee also directs that the Finance Department should issue instructions to the concerned authorities for compliance of guidelines in this regard. Strict measures should also be taken to obtain half yearly statements from the loanees.

45. The Committee directs the Finance Department to take measures to keep track of the repayments including interest against the loans released by Government to various institutions and the details of loans that were written off.

Thiruvananthapuram,
1st July, 2019.

V. D. SATHEESAN,
Chairman,
Committee on Public Accounts.

APPENDIX-I

SUMMARY OF MAIN CONCLUSIONS/RECOMMENDATIONS

Sl. No.	Para No.	Department Concerned	Conclusions/Recommendations
1	2	3	4
1	5	Power	The Committee opines that there was lack of clarity about the remittance of electricity duty and surcharge on whether it was to be retained by the Board or paid to the Government and it leads to audit objection. The Committee suggests that in order to avoid such confusions in future a permanent system should be adopted to guideline whether the amount received by KSEB as electricity duty is to be retained by the Board for funding its terminal liability or to be paid to Government at the end of every financial year.
2	6	Power	The Committee demands the department to furnish the latest position of the recovery process initiated against Thrissur Municipal Corporation towards the defaulted duty remittance.
3	7	Power	The Committee directs the department to furnish the present status of the collection of arrears of Kannan Devan Hill Plantation (P) Company Ltd. at the earliest.
4	14	Lotteries	The Committee opines that illegal lotteries were deliberately introduced in order to defeat the credibility of state lotteries. Therefore the Committee suggests that departments should be more vigilant in dealing with illegal lotteries and insists that the prize amount should be given out only after checking the genuineness of the ticket.

1	2	3	4
5	15	Lotteries	The Committee points out that there was no mechanism at the agent level to check the genuineness of the ticket. So the Committee recommends that specific direction should be given to the agents to give out the prize money only after reading the barcode.
6	16	Lotteries	As non-observance of guidelines resulted in admitting multiple claims and disputes in distribution of prizes, the Committee recommends that the department must ensure the genuineness of the tickets before making payment and strictly adhere to the guidelines in this regard.
7	33	Lotteries	The Committee came to know that the agents were empowered to distribute the prize money upto ₹ 5000. Even though identity of the agents was available with the department, the agents had no details on the identity of the persons who claimed prize money through them. Therefore the Committee recommends that in order to avoid multiple claims, department should either issue barcode reader to the agents or direct all the authorised agents to maintain a register to write down the details of claimants as well as to retain their Aadhar copies.
8	34	Lotteries	Regarding software certification, the Committee recommends that in order to ensure the accuracy and reliability of the software and to ensure that all the system controls exist, proper software testing should be done by a competent authority.

1	2	3	4
9	35	Lotteries	The Committee takes note of the repeated claims with dubious nature from particular addresses outside the state and directs the department to furnish report on the present status of the Crime Branch enquiry conducted on such cases.
10	36	Lotteries	The Committee opines that eventhough LIMS software is having a provision for finalisation of accounts of lotteries, it is not possible from it to ascertain whether an individual draw is a success or not. Therefore the Committee recommends that in order to conduct the lotteries efficiently and to ascertain the profit and loss of individual draws, the department should finalise the accounts of lotteries in scheme wise and draw wise.
11	37	Lotteries	The Committee remarks that a tendency for addiction to lotteries could be seen in certain sections of the public and it would cause certain negative social implications. The Committee opines that the department should conduct a study on the addiction of lotteries with the help of any research institution.
12	38	Lotteries	The Committee observes that the whereabouts of the sub agents and other retailers are unknown to the department and hence the exact employability in this field could not be ascertained. Therefore the committee recommends that the department should upkeep a data bank of all the persons involved directly or indirectly in the field of lottery selling by making suitable provisions in LIMS software. The Committee also directs the department to take strict measures to ensure effective prevention of counterfeit lotteries.

1	2	3	4
13	39	Lotteries	The Committee expresses its displeasure over spending huge amount by Lottery Department for advertisement purposes and recommends that the department should examine the need and method of advertisement done for selling lotteries and to check whether the amount spent for advertisement could be reduced to a certain extent.
14	44	Finance	The Committee opines that if the department implemented a separate centralised control mechanism as in the earlier recommendation of the Committee (2001-2004), penal interest amounting to ₹ 17.02 crore could have been avoided. The Committee reiterates its earlier recommendation that a separate centralised control mechanism should be evolved in Finance Department for the co-ordination and effective monitoring of recovery of loans and the interest thereon. The Committee also directs that the Finance Department should issue instructions to the concerned authorities for compliance of guidelines in this regard. Strict measures should also be taken to obtain half yearly statements from the loanees.
15	45	Finance	The Committee directs the Finance Department to take measures to keep track of the repayments including interest against the loans released by Government to various institutions and the details of loans that were written off.

**STATEMENT OF REMEDIAL MEASURES TAKEN BY GOVERNMENT ON THE AUDIT PARA 7.1-7.8
CONTAINED IN THE REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA FOR
THE YEAR ENDED 31/03/2012 (REVENUE RECEIPTS)**

REMEDIAL MEASURES TAKEN BY GOVERNMENT

PARA C & AG OBSERVATIONS

NO.

7.1

Tax Administration

Government of Kerala levies duty and surcharge on the sale and consumption of electricity under Kerala Electricity Duty Act, 1963 and Kerala State Electricity Surcharge (Levy and Collection) Act, 1989. The rate are as follows:

Category	Electricity Duty	Surcharge
Duty payable on sale of energy by licensees	At the rate of six paise per unit on energy sold at a price of more than 12 paise per unit (under Section 3)	
Domestic and commercial consumers	10 per cent of the price indicated in invoice (under Section 4)	
Public Lighting	NIL	
Consumer of energy for agricultural purposes	10 per cent of the price indicated in invoice (under Section 4)	
Industrial consumers taking energy at point 11 KV and above	10 paise per unit of energy consumed (under Section 4)	Maximum of 5 paise per unit.
Consumer generating energy for their own consumption	1.2 paise per unit of energy generated and consumed.	
Interest	At a rate not exceeding 18 per cent (under Section 5)	At a rate not exceeding 12 per cent (under Section 5)

No Comments

The Kerala Electricity Duty Act, 1963 and Rules made there under govern the levy of duty on the sale and consumption of electrical energy in the State. Power Department is under the control of the Secretary (Power) at the Government level and the Chief Electrical Inspector administers the Act.

Government of Kerala have appointed nine licensees for the sale of electricity. The collection of duties and surcharge is through self assessment made by the licensees.

Trend of Receipts

Actual receipts from electricity duty during the last five years (2007-08 to 2011-12) along with the budget estimates during the same period is exhibited in the following table and graph.

Year	Budget Estimate	Actual Receipts	Variation	Percentage variation in	Total receipts of the State	Percentage of receipts of the State	(Rs. in crore)	
							Percentage of actual receipts vis a vis total receipts	Percentage of growth
2007-08	250.01	39.04	(-)	10.97	13,668.95	0.28	20.84	
2008-09	136.20	56.00	(-)	84.38	15,980.18	0.35	43.44	
2009-10	47.24	24.76	(-)	58.88	17,625.02	0.15	(-)	55.75
2010-11	64.40	20.71	(-)	22.46	21,721.69	0.09	(-)	16.49
2011-12	29.31	21.28	(-)	43.69	25,718.60	0.08	(-)	2.75
				27.30				

The actual receipts from electricity duty was less than the budget estimate during the last five years.

The Department of Electrical Inspectorate prepares the budget estimate according to the trend of receipts towards electricity duty and surcharge in previous years. The main reason for the variation between the actual and the budget estimate is attributable to the non remittance of electricity duty and surcharge to Government. KSEB which was being collected from consumer KSEB has not been remitting the electricity duty collected from the consumers to Government for over a decade. According to KSEB, huge amount were payable by the Government to KSEB towards subsidy for achieving 3% rate towards subsidy for allowing pre-92 tariff and also recently announced subsidies. KSEB has taken the stand that at any point of time the amount payable by Government to KSEB has been much more than that the Electricity Duty payable by the Board Government and that if Government had released the subsidy amount in the past in the relevant years, the Board would have paid the electricity duty in time. The reconciliation of accounts between Government and the Board has been completed up to 2005 only. Now that the assets of all facilities of the erstwhile KSEB, vested in

Government, have been re-vested in the Government Company, viz, Kerala State Electricity Board Limited vide the Kerala Electricity Second Transfer Scheme (Re-vesting), 2013 notified as per G. O (P) No. 46/13/PD dated 31-10-2011. Government have decided to issue formal order on netting off the dues and reconciliation accounts between Government and KSEB as on 31-10-2013, the date of re-vesting. A copy of the aforesaid G. O is attached as Annexure I.

Accordingly the then Additional Chief Secretary (Power) held a meeting on 17/12/2013 to discuss the reconciliation and netting off dues between Government & KSEB. After detailed discussion it was decided interalia, that the CEI and the Director (Finance) KSEB Ltd would engage a team of their officers for the reconciliation of accounts respect of electricity duty and surcharge payable by KSEB to Government as on 31/03/2013. A copy of the minutes of the meeting is enclosed as Annexure II. The process of reconciliation has not been completed yet.

It is expected that KSEB will make timely remittance of the electricity duty into Government account after completing the process of reconciliation and issuance of formal orders on netting off of dues, so that variation between the actual collection of duty and budget estimate can be reduced considerably.

The Chief Electrical Inspector has constituted a Committee comprising Accounts Officer, Administrative Assistant (administration), Senior

Working of Internal Audit Wing

The functioning of the Internal Audit Wing (IAW) of the Electrical

Inspectorate is monitored by the Chief Electrical Inspector. The LAW consists of one Accounts Officer, one Administrative and Junior Superintendent, five Upper Division clerks (Budget/Firance) for preparing the Internal Audit Manual as far as the Department of Electrical Inspectorate is concerned. The CEI has informed that in case of permanent Internal Audit wing for conducting internal audit in the Head Office and its 15 subordinate Offices, the following additional posts are required.

1. Accounts Officer (in the scale of Administrative Assistant)
2. Senior Superintendent
3. Two Senior Clerk

7.5

Audit Observations

Scrutiny of records of the Chief Electrical Inspectorate and various Electrical Inspectorates revealed several cases of non-compliance of the provision in the Kerala Electricity Duty Act, 1963 and Kerala State Electricity Surcharge (Levy and Collections) Act, 1989, etc and other cases as mentioned in the succeeding paragraphs in this chapter. These cases are illustrative and are based on a test check carried out in audit. Such omissions on the part of the Electrical Inspectors remain undetected till we conduct an audit. There is need for the Government to improve the internal control system.

The request for creation of the posts will be considered by Government on receipt of separate proposal for the same form the CEI. Two temporary Internal Audit wing were also constituted for conducting Internal Audit for the Chief Electrical Inspectorate and its subordinate Offices.

7.6

Non levy of surcharge

It was noticed January 2012 from the duty remittance Statement furnished by KINESCO Power and Utilities Private Ltd. that they sold 42163172 units of electrical energy to various HT Consumers during 2010-11 for which they did not remit the surcharge due. Though the information was readily available with the Department, no action was taken to realise the dues. Non levy of surcharge Rs.10,66,086/- Out of this Rs.3,02106/- was

The Chief Electrical Inspector has reported that the total dutiable units was 4,21,63,172 where as the licensee had remitted surcharge for 4,29,27,899 units, resulting an excess remittance of Rs.22,548/- The total amount remitted is Rs.10,66,086/-

works out to Rs 11.49 lakh including interest (up to December 2011). The matter was pointed out to the Department (January 2012) and the Department stated that action would be taken to realise the same with penal interest. The case was reported to the Government in March 2012, their reply has not been received. (December 2012)

remitted to KSEB and Rs 70,3,980/- remitted to Government account. The amount collected by KSEB has yet not been transferred to Government account. According to the CEI no arrears is pending from KINESCO. KSEB has informed that the surcharge had been levied from the licensee viz M/s KINESCO Power Utilities (P) Ltd along with monthly invoices till 08/2010. The Electric Inspectorate vide letter dated 14/07/2010 has directed the licensees to remit the surcharge to Government w.e.f. 2010 onwards. Hence KSEB has dispensed with the levying of surcharge since September 2010.

KSEB has also pointed out that as per clause (k) of schedule (v) of Annexure I G.O (P) No.46/2011/ PD dated 31st October 2013, Government agreed and permitted that the electricity duty collected by KSEB for the period from 01.04.2008 to 31.03.2012 to be retained in the Kerala State Electricity Board Limited as its contribution for funding the terminal liability. Hence KSEB Ltd is permitted to retain the surcharge collected from KINESCO during the period 04/2010 to 07/2010

Non Payment of Electricity Duty on Self Consumption of Energy and Excess Transmission loss.

It was noticed (January 2012) from the statements regarding remittance of duty filed by Thrissur Municipal Corporation that it had not paid electricity duty from April to June 2011, in respect of energy consumed for own purposes. It was also noticed that the assessee was claiming transmission loss in excess of permissible

Thrissur Corporation is a long term defaulter of duty remittance. As directed by Government in the letter No. 2395/A3/2012/PD dated 02-05-2013, the CEI has initiated revenue recovery process against the Corporation. The revenue recovery request was placed before the District Collector, Thrissur on 01/11/2013.

limit during the year. The non payment of duty in this regard works out to Rs. 11.07 lakh including interest. When the matter was pointed out to the Department (January 2012), the Department stated that the licensee had not furnished the final accounts and no inspection had been conducted. Action would be taken to realise the amount at the time of inspection. Further report has not been received (December 2012).
The matter was reported to the Government (March 2012); their reply has not been received (December 2012).

7.8

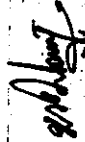
Short levy of Electricity duty and interest there on.

It was noticed (January 2012) that Kannan Devan Hill Plantation Co. (P) Ltd. (KDHP) collected electricity duty at the rate of 10 paise per unit instead of 10 per cent of invoice price from eight non-industrial HT consumers during the period 2010-11, which resulted in short levy of electricity duty amounting to Rs. 6.78 lakh including interest (up to December 2011).

The matter was pointed out to the Department (January 2012) and the Department stated that inspection of accounts maintained by the assessee had not been conducted and action would be initiated to realise the electricity duty short levied along with interest and penal interest. Further report has not been received (December 2012).

The matter was reported to the Government (March 2012); their reply has not been received. (December 2012).

As per G. O (Rt) No. 208/2010/PD dated 31-01-2010, Electricity Duty has to be collected @ 10% of the current charge. Necessary instructions have been issued to the Licensees for complying with Government Order. Action is being taken to collect the arrear amount from 1989 onwards. Collection details are being collected from the Licensees concerned.



K. J. ANTONY
Additional Secretary
Power Department
Cant. Secretariat, Thiruvananthapuram. Ph: 2516283.

ANNEXURE I

©
Government of Kerala
കേരള സർക്കാർ
2013



Regn. No. KERBIL/2012/45073
dated 5-9-2012 with RNI

Reg. No. രജി. നമ്പർ
KL/TV(N)/634/2012-14

KERALA GAZETTE

കേരള ഗസറ്റ്

EXTRAORDINARY

അസാധാരണം

PUBLISHED BY AUTHORITY

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്

Vol. II വാല്യം 2	Thiruvananthapuram, Thursday തിരുവനന്തപുരം, വ്യാഴം	31st October 2013 2013 ഒക്ടോബർ 31 9th Karthika 1935 1935 കാർത്തികം 9	No. } നമ്പർ } 3103
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GOVERNMENT OF KERALA

Power (C) Department

NOTIFICATION

G. O. (P) No. 46/2013/PD.

Dated, Thiruvananthapuram, 31st October, 2013.

S. R. O. No. 871/2013.—WHEREAS, in exercise of powers conferred under sub-sections (1), (2), (5), (6) and (7) of section 131 and section 133 of the Electricity Act, 2003 (Central Act 36 of 2003) the Government of Kerala had made the Kerala Electricity First Transfer Scheme, 2008 issued under GO (Ms.) No. 37/2008/PD dated 25th September, 2008 and published as S.R.O. No. 990/2008 in the Kerala Gazette Extraordinary No. 2090 dated 25th September, 2008, for the purpose of vesting of functions, properties, interests, rights, obligations and liabilities of the Kerala State Electricity Board in the State Government on such terms as agreed to by the Kerala State Electricity Board and the State Government and re-vesting thereof by the State Government in a corporate entity

and also for the transfer of personnel of the Board to the corporate entity and for determining the terms and conditions on which such transfers and vesting shall be made;

AND WHEREAS, all the functions, properties and all interests, rights in properties, all rights and liabilities of the Board stand vested in the State Government on such term agreed between the Kerala State Electricity Board and the State Government under the said transfer scheme;

AND WHEREAS, all interests, rights in properties, all rights and liabilities of the Board so vested in the State Government and administered by the Government in the name as 'Kerala State Electricity Board' by appointing a Special Officer and a Managing Committee has to be re-vested in a company, subject to the provisions of the Electricity Act, 2003 and the Kerala Electricity First Transfer Scheme, 2008;

NOW, THEREFORE, in exercise of the powers conferred under sub-section (2) of section 131 of the Electricity Act, 2003, the Government of Kerala hereby make the following Scheme for the transfer (re-vesting) of all the functions, properties and all interests, rights in properties, all rights and liabilities of the Board vested in the State Government under clause 4 of the Kerala Electricity First Transfer Scheme, 2008 and administered by the Government in the name as "Kerala State Electricity Board" to a Company.

SCHEME

1. Short title and commencement.—(1) This Scheme may be called the Kerala Electricity Second Transfer Scheme (Re-vesting), 2013.

(2) It shall come into force at once.

2. Definitions.—(1) In this Scheme, unless the context otherwise requires,—

(a) "Act" means the Electricity Act, 2003 (Central Act 36 of 2003);

(b) "Board" means the Kerala State Electricity Board constituted under sub-section (1) of section 5 of the erstwhile Electricity (Supply) Act, 1948 (54 of 1948), of which, all functions, properties, all interests, assets, liabilities and personnel were vested in the State Government in the name as "Kerala State Electricity Board" after the notification of the Kerala Electricity First Transfer Scheme, 2008 ;

(c) "Company" means the company incorporated as a fully owned Government Company under the Companies Act, 1956 (Central Act 1 of 1956) ;

(d) **“date of the transfer”** means the date of publication of this Transfer Scheme in the Official Gazette ;

(e) **“existing Pensioners”** means all the persons eligible for pension as on the date of re-vesting including that of the erstwhile Board and shall include eligible family members of the pensioners;

(f) **“First Transfer Scheme”** means the Kerala Electricity First Transfer Scheme, 2008 issued by notification under G. O. (Ms.) No. 37/2008/PD dated 25th September, 2008 and published as S.R.O. No. 990/2008 in the Kerala Gazette Extra ordinary No. 2090 dated 25th September, 2008 ;

(g) **“Kerala State Electricity Board (KSEB)”** means the undertakings of the Board vested in the Government of Kerala through the Kerala Electricity First Transfer Scheme, 2008, through which the State Government administer the functions of the erstwhile Board by appointing a Special Officer and a Managing Committee till the date of re-vesting of the functions, properties, interests, rights, liabilities, proceedings and personnel to the Transferee in accordance with the Act and this Scheme;

(h) **“Kerala State Electricity Board Limited”** means a Company incorporated under the Companies Act, 1956 (Central Act 1 of 1956) fully owned by the Government of Kerala, in which the Government shall re-vest the functions, properties, interests, rights, liabilities, proceedings and personnel in accordance with sub-section (2) of section 131 and section 133 of the Act. and this Scheme;

(i) **“liabilities”** include all liabilities, debts, duties, obligations and other outgoings including statutory liabilities and Government levies of whatever nature and contingent liabilities which may arise in regard to the dealings before the date of the re-vesting of the Undertakings of the erstwhile Board under this Scheme;

(j) **“Master Trust”** means the Trust to be constituted to manage the funds and disburse terminal benefits, pension, etc. and to ensure the interest of the existing pensioners and the personnel transferred to the Transferee as on the date of re-vesting in respect of payment of Terminal Benefits;

(k) **“personnel”** means workmen, employees, staff and officers of the erstwhile Board by whatever name called and includes trainees, if any, for the recruitment in the erstwhile Board and those on deputation from the erstwhile Board to other organizations or institutions;

(l) **“proceedings”** means the proceedings of whatever nature including suits, appeals, complaints, petitions, applications, conciliatory, arbitration, whether civil or criminal or otherwise;

(m) **“property”** means all assets including power systems, plant, machinery, land, building, offices, stores, furniture, fixtures, vehicles, residential quarters and guest houses and amenities and installations pertaining and attached thereto and other movable and immovable assets, cash in hand, cash at bank, investments, book debts - corporeal and incorporeal, tangible and intangible assets, benefits, licenses, consents, authorities, registrations, concessions, grants, patents, trade marks and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, contracts, deeds, schemes, bonds, shares, agreements and other instruments and interest of whatever nature and wherever situated belonging to the erstwhile Board ;

(n) **“Schedule”** means a Schedule appended to this Scheme;

(o) **“Strategic Business Units (SBUs)”** means the three Units of the Kerala State Electricity Board Limited through which the Kerala State Electricity Board Limited shall manage the activities of Transmission, Generation and Distribution, namely:—

(i) **SBU-T** means the Transmission Unit of the Kerala State Electricity Board Limited to which the Transmission sub-undertakings are to be transferred in accordance with this Scheme;

(ii) **SBU-G** means the Generation Unit of the Kerala State Electricity Board Limited to which the Generation sub-undertakings are to be transferred in accordance with this Scheme;

(iii) **SBU-D** means the Distribution Unit of the Kerala State Electricity Board Limited to which the Distribution sub-undertakings are to be transferred in accordance with this Scheme;

(p) **“State”** means the State of Kerala ;

(q) **“State Government”** means the Government of Kerala;

(r) **“SERC”** means the Kerala State Electricity Regulatory Commission;

(s) **“Successor entity”** means the transferee as defined in sub clause (u) of Clause 2;

(t) **“terminal benefits”** means the Kerala State Electricity Board's employee-related liabilities, payments of pension, gratuity, leave encashment, general provident fund and any other retirement benefits and other applicable benefits including the right to have appropriate revisions in the above benefits consistent with the practices that were prevalent in the erstwhile Board ;

(u) **“Transferee”** means the Kerala State Electricity Board Limited;

(v) **"Tripartite Agreement"** means an agreement, entered into between the State Government, the Kerala State Electricity Board Limited and the Employees' Unions for protection of Service Conditions and payment of terminal benefits;

(w) **"Undertaking"** means the functions, business properties, interests, rights, liabilities, obligations, proceedings and personnel to the extent and in the manner specified as a part of the undertakings and such other properties, interests, rights, liabilities, obligations, and proceedings of the erstwhile Board and wherever the context so admits shall include the Personnel as specified in this Scheme relevant to the functions;

(x) **"sub-undertaking"** means the functions, business and a block or blocks of properties, interests, rights to the extent and in the manner identified to belong to the functions of transmission, generation, distribution of the erstwhile Board and transferred by this Scheme to the respective Strategic Business Units;

(2) Words and expressions used in this Scheme and defined in the Act but not defined in this Scheme shall have the same meaning respectively as assigned to them in the Act.

3. Classification of Undertakings of the erstwhile Board.— (1) The undertakings of the Kerala State Electricity Board are classified in the following Schedules, namely :—

(a) The Kerala State Electricity Board Limited undertakings as set out in Schedule 'A'

(b) Transmission sub-undertakings as set out in Schedule—'A1'

(c) Generation sub-undertaking as set out in Schedule—'A2'

(d) Distribution sub-undertakings as set out in Schedule—'A3'

(2) Where the assets of the Undertaking under sub-clause (1) of clause 3 are subject to security documents or arrangements in favour of third parties for any financial assistance or obligation taken by the erstwhile Board or the Kerala State Electricity Board the liabilities arising from such security documents or arrangements shall vest with the Kerala State Electricity Board Limited.

4. Transfer of Undertaking to the State.—In exercise of the powers conferred under sub-sections (1), (2), (5), (6) and (7) of section 131 and section 133 of the Act, the Government of Kerala vide G.O. (Ms) No. 37/2008/PD dated 25th September, 2008 notified the Kerala Electricity First Transfer Scheme for the purpose of vesting the functions, properties, interests, rights, obligations and

liabilities of the Kerala State Electricity Board in the State Government on the terms agreed to by the Kerala State Electricity Board and the State Government and the re-vesting thereof by the State Government in the Kerala State Electricity Board Limited, a corporate entity, and also for the transfer of personnel of the Kerala State Electricity Board to the Kerala State Electricity Board Limited and for determining the terms and conditions on which such transfers and vesting shall be made.

5. Transfer of Undertaking by the State to the Kerala State Electricity Board Limited with decentralized functions.—In exercise of the powers conferred to the State Government under Sub clause (1) of clause 6 of the Kerala Electricity First Transfer Scheme dated 25th September, 2008, the State Government hereby re-vest the Undertaking as per sections 131 and 133 of the Electricity Act, 2003, as under:—

(i) The functions, properties, liabilities and proceedings as set out in Schedule - 'A' shall stand transferred to and vested in the Kerala State Electricity Board Limited on and from the date of the transfer ;

(ii) The functions, business and sub-undertaking, forming part of Transmission as set out in Schedule — 'A1' shall denote SBU-T of the Kerala State Electricity Board Limited on and from the date of the transfer;

(iii) The functions, business and sub-undertaking, forming part of Generation as set out in Schedule — 'A2' shall denote SBU-G of the Kerala State Electricity Board Limited on and from the date of the transfer;

(iv) The functions, business and sub-undertaking, forming part of Distribution as set out in Schedule — 'A3' shall denote SBU-D of the Kerala State Electricity Board Limited on and from the date of the transfer ;

(v) On such transfer and vesting of the functions, business and undertakings, properties, liabilities and proceedings above and except as otherwise provided, the Kerala State Electricity Board Limited shall be responsible for all functions, contracts, rights, deeds, schemes, bonds, agreements and other instruments of whatever nature relating to the respective functions, business and undertakings, properties, liabilities and proceedings transferred to it to which the erstwhile Board or KSEB was a party, subsisting or having effect on the date of the transfer, in the same manner as the erstwhile Board or KSEB was liable immediately before the date of the transfer, and the same shall remain in force and effect against or in favour of the Transferee and may be enforced effectively as if the Transferee had been a party thereto;

(vi) As consideration for the transfer and vesting of the functions, business and undertakings, properties, liabilities and proceedings as specified in this Scheme, Kerala State Electricity Board Limited shall have the financials and opening balance sheet and the Kerala State Electricity Board Limited shall issue shares and for instruments as the State Government may notify by order. The opening Balance Sheet of the Kerala State Electricity Board Limited as on 1st April, 2012 has been drawn up based on provisional Balance Sheet of KSEB as on 31st March, 2012. Any adjustments subsequent will be adjusted within the provisional period of one year from the date of re-vesting;

(vii) The State Government may by an order to be issued for the purpose amend, vary, modify, add, delete or otherwise change the terms and conditions specified in the Schedules at any time during the provisional period mentioned in clause 9 of this Scheme;

(viii) Within the provisional period of one year from the date of re-vesting, the accounts of the three SBUs will be segregated by the Transferee so as to facilitate the evaluation of financial performance of these units. Separate balance sheets will be prepared for the three SBUs and suitable transfer pricing mechanism between the SBUs shall be worked out by the Transferee taking into consideration the financial soundness of the three SBUs ;

6. Transfer of Personnel by the State.— (1) The transfer of personnel shall be subject to the terms and conditions contained in sections 133 and 134 of the Act.

(2) From the date of the transfer, the personnel of the Kerala State Electricity Board shall stand assigned to the services of the Transferee and they shall continue to officiate in the place where they are posted on the date of re-vesting and thereafter shall be under the disposal of the Transferee:

Provided that the transfer shall be governed by the conditions enumerated in Schedule-B of this Scheme;

(3) The Transferee shall absorb all permanent eligible personnel so transferred to it in its permanent services and the personnel shall form part of the services of the Transferee, in the post, scale of pay etc. in accordance with the orders that may be issued by the Transferee for this purpose, without any further act, deed or thing to be done by the State Government or the personnel and the State Government or the Transferee shall issue appropriate orders in the case of all other provisional, contingent, part time, temporary personnel engaged by the Board or KSEB prior to the vesting;

(4) All the employees shall remain on the rolls of the ~~Kerala State Electricity Board Limited who shall be responsible for their pay, benefits and other service conditions.~~ The personnel needed by the SBU's shall be deputed to them and their cost shall be accounted as part of the cost of the SBU's. However, the responsibility of managing the personnel shall be with the Kerala State Electricity Board Limited;

(5) Notwithstanding anything contained elsewhere,

(a) the Transferee and the State Government shall be jointly and severally responsible to duly make all such payments to the personnel in respect of the rights, responsibilities, liabilities and obligations and personnel related matters including the statutory dues such as salary, wages, gratuity, pension, provident fund, compensation, terminal and retirement benefits till the date of re-vesting and thereafter by the Transferee;

(b) the KSEB Employees' Welfare fund will be managed in future in the same manner as at present and the existing rules and regulations will continue to govern the functioning of the Employees' Welfare Fund. ;

(6) Subject to the provisions of the Act and this Scheme, the Transferee shall be entitled to modify or frame new regulations governing the conditions of service of personnel transferred to the Transferee under this Scheme, with the consent of Government, but the rank, scale of pay, salary, allowances and other pecuniary benefits including terminal benefits after the effective date of the transfer shall not in any manner be inferior to those applicable to them immediately before the date of the transfer.

(7) In respect of all statutory and other Schemes and employment related matters including the provident fund, gratuity, pension and any other superannuation fund or any other fund created or existing for the benefit of the personnel, the Transferee shall stand substituted for the erstwhile Board for all intents and purposes, rights, powers and obligations of the erstwhile Board and the services of the personnel shall be treated as continuing for the above purpose;

(8) The State Government shall notify appropriate arrangements in respect of the funding of the terminal benefits to the extent they are unfunded on the date of the transfer of the Personnel from the erstwhile Board or KSEB. As per actuarial valuation carried out by registered valuer, the provisional figure of unfunded liability is approximately ₹ 7584 Crores (Seven thousand Five hundred and Eighty Four crores) as on 30th September, 2011. Actuarial valuation of terminal liabilities at the time of transfer will be made as provided under

Clause 9 (3) of the scheme. Till such time arrangements are made, the Transferee and the State Government shall be jointly and severally responsible to duly make such payments to the existing pensioners as well as the personnel who retire after the date of transfer but before the arrangements are put in place. The State Government, Kerala State Electricity Board Limited and employees' unions may enter into a tripartite agreement in consideration of the promises and mutual conditions set forth therein. A model Tripartite Agreement is appended as Schedule-C;

(9) The State Government will fund ₹ 3186 crores (Three thousand One hundred and Eighty six Crores) over a period of next 10 years to the Kerala State Electricity Board Limited on annual basis for meeting the unfunded terminal liabilities.

(a) The Kerala State Electricity Board Limited will issue two series of bonds to a master trust.

- (i) 20 year bond with a coupon of rate 10% p.a. for ₹ 5021 Crores (Five thousand and Twenty one crores).
- (ii) 10 year bond with a coupon of rate 9% p.a. for ₹ 2039 Crores (Two thousand and Thirty nine cores).

(b) Bonds will be issued to the trust which shall meet the liability of pension etc. in future from the interest and principal repayment from Kerala State Electricity Board Limited against the bonds issued in favour of the trust. With these arrangements the fund shall have a liability towards pension etc. of ₹ 7584 Crores (Seven thousand Five hundred and Eighty four crores) (app.) as on 30th September, 2011 with matching investments in securities issued by the Kerala State Electricity Board Limited for ₹ 7060 Crores (Seven thousand and Sixty crores) only.

(c) Another ₹ 524 crores (Five Hundred and twenty four crores) will be funded by State Government through budgetary provision over the next 10 years in equal installments as per G. O. (Ms.) No. 43/2011/PD dated 3rd November, 2011.

(d) State Government will permit that the electricity duty collected by KSEB for the period from 1-4-2008 to 31-3-2012 to be retained in the Kerala State Electricity Board Limited as its contribution for funding the terminal liability.

(e) In addition to the interest on bonds and repayment of principal, the Kerala State Electricity Board Limited will be paying the annual pension contribution based on actuarial valuation to the Master Trust in respect of the

personnel transferred to the Kerala State Electricity Board Limited. The unfunded liability upto the date of transfer will be borne and shared between the State Government and the Kerala State Electricity Board Limited. Any addition to the liability of ₹ 7584 Crores (Seven thousand Five hundred and Eighty Four crores) will be borne and shared by the State Government and the Kerala State Electricity Board Limited in the ratio of 35.4 : 64.6 respectively.

(10) All proceedings including disciplinary proceedings pending against the personnel as on the date of vesting and initiated thereafter till re-vesting which relates to misconduct, lapses or acts of commission or omission committed before the date of transfer, shall not abate and may be continued by the Transferee.

(11) (a) The personnel transferred to the Transferee shall be deemed to have entered into an agreement with the Transferee to repay loans, advances and other sums due and perform obligations undertaken by them to the Board or Kerala State Electricity Board which remain outstanding as on the date of the transfer in the same manner and on the same terms and conditions as existed prior to the vesting.

(b) The transferee shall make all payments due to the personnel in the same manner and on the same terms and conditions that existed prior to re-vesting subject to relevant Long Term Settlement negotiations and agreements entered into from time to time except in the case of payment of Terminal benefits, which shall be administered through the Master Trust.

(12) Payment of pension of personnel who have joined the service in KSEB on or after 1-4-2013 will be governed by the National Pension System (NPS) adopted vide BO (FB) No. 843/2013 (PRC/335/2013), dated 9-4-2013 and the Government orders, Circulars and guidelines issued from time to time in this regard;

(13) KSEB General Provident Fund in respect of employees on the rolls of KSEB as on 31-3-2013 will continue to be managed in the same manner as at present and the existing rules and regulations will continue to govern the functioning of the Provident Fund. The Government in exercise of powers conferred by sub-section 3 of section 8 of the Provident Fund Act, 1925, will issue necessary notification to add the name of the Kerala State Electricity Board Limited, in the Schedule to the Provident Fund Act, 1925 to enjoy the benefits under the Act. The employees recruited from 1-4-2013 are covered under the National Pension System (NPS) and will not come under the purview of the Kerala State Electricity Board General Provident Fund constituted under the Provident Fund Act, 1925. Inter transfer of GP Fund with pension fund is banned and separate funds shall be maintained for pension fund;

(14) Nothing contained in this Scheme shall apply to the personnel of the State Government or other organisations who are on deputation to the Kerala State Electricity Board as on the date of the re-vesting but such personnel shall continue on deputation to the Transferee till the expiry of the term of deputation.

7. Rights and obligations of third parties restricted.— Upon the transfer being effected in accordance with the provisions of the Act and this Scheme, the rights and obligations of all persons shall be restricted to the Transferee. In case anything contrary to the above is found contained in any deed, documents, instruments, agreements or arrangements which such person has with the Government or Kerala State Electricity Board/Board, the same will continue as such, and the third party shall not claim any rights or interest against the State Government or erstwhile Kerala State Electricity Board/Board, except those contained in such deed, documents, instruments, agreements, arrangements, etc.

8. Pending suits, Proceedings, etc.— (1) All Proceedings of whatever nature by or against the erstwhile Board or the Kerala State Electricity Board pending on the date of the transfer shall not abate or discontinue or otherwise in any way prejudicially affected by reason of the transfer under this Scheme and the proceedings shall be continued, prosecuted and enforced by or against the Transferee ;

(2) The proceedings covered under sub-clause (1) above shall be continued in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the erstwhile Board or Kerala State Electricity Board as if the transfer specified in this Scheme had not been made.

9. Classifications and re-vesting of property, rights, liabilities and proceedings to be provisional in the first instance.—(1) The classification and transfer of Undertakings including personnel under this Scheme, unless otherwise specified in any order made by the State Government, shall be provisional for a period of one year from the date of the transfer;

(2) At any time within a period of one year from the date of the transfer, the State Government may by order to be notified, amend, vary, modify, add, reduce, delete or otherwise change terms and conditions of the re-vesting as the State Government may consider appropriate. Any such modifications, additions etc. shall be made only after discussions with Trade Unions/Associations of officers.

(3) Actuarial valuation of terminal liabilities at the time of transfer will be made during the provisional period and necessary arrangements will be made by the Transferee and the State Government to ensure the sufficiency of funds for uninterrupted payment of terminal benefits;

(4) On the expiry of the period of one year from the date of the transfer and subject to any directions given by the State Government, the re-vesting of undertakings, properties, interests, rights, liabilities, personnel and proceedings made in accordance with this Scheme shall become final;

(5) Those undertakings, properties, interests, rights and liabilities left out unnoticed, or not listed specifically in the Schedules or omitted inadvertently or discovered subsequently shall be deemed to have been vested in Government and re-vested to the Transferee on such future date(s) as may be notified by the Government.

10. *Autonomy of Management.*—The successor entity shall have full powers to take investment decisions and authority to decide with the consent of the state Government on issues of creation of posts below company level, personnel recruitment and selection, objective performance assessments of personnel, performance linked promotion, compensation and incentives will be made through Kerala Public Service Commission as was done immediately before the date of the transfer. The successor entity on its part shall not be seeking any financial support from the Government except as provided in the scheme and cases mandated by the Act. In the event of successor entity seeking financial assistance in any other circumstances, it shall be governed by any restrictions imposed by Government.

11. *Decision of State Government to be final.*—(1) If any doubt, dispute, difference or issue arises in regard to the transfer under this Scheme, subject to the provisions of the Act, the decision of the State Government thereon shall be final and binding on all parties.

(2) The State Government may, by order published in the official Gazette, amend this Scheme and make such provisions, not inconsistent with the provisions of the Act, as may appear to be necessary for effecting re-vesting under this Scheme including notification of supplementary transfer scheme.

By order of the Governor,

DR. NIVEDITA P. HARAN,
Additional Chief Secretary to Government.

Explanatory Note

(This does not form part of the notification, but is intended to indicate its general purport.)

As per the G. O. (Ms.) No. 29/2008/PD dated 25th August, 2008, the Government have decided to restructure the Kerala State Electricity Board as a Company under the Companies Act, 1956 (Central Act 1 of 1956) as stipulated in the Electricity Act, 2003 (Central Act 36 of 2003). Under sections 131 and 133 of the Electricity Act, 2003, the Government are required to prepare a transfer scheme to vest the assets and liabilities of the Kerala State Electricity Board in Government on such terms as agreed to between the Government and the Board and re-vest it in a Government Company or in a Company or Companies in accordance with the Transfer Scheme so published.

As per the Kerala Electricity First Transfer Scheme issued by notification under G.O. (Ms.) No. 37/2008/PD dated 25th September, 2008, and published as S.R.O. No. 990/2008 in the Kerala Gazette Extraordinary No. 2090 dated 25th September, 2008, the Government of Kerala took over all the functions, properties, and all interests, rights in properties, all rights and liabilities of the Kerala State Electricity Board. As per sub-clause (1) of clause 6 of the said Scheme, the functions and undertakings of the Board set out in the Schedule thereto and as vested in Government under clause 4 shall stand re-vested in the Company on and from the date of publication the transfer of the scheme to be notified by the State Government for the purpose of re-vesting, subject to the provisions of the Act and the Scheme.

The notification is intended to achieve the above object.

SCHEDULE A

(See Clauses 3 and 5)

PART I

**ASSETS, LIABILITIES AND PROPERTIES TO BE VESTED IN THE
KERALA STATE ELECTRICITY BOARD LIMITED**

The assets, liabilities, properties and proceedings belonging to the Kerala State Electricity Board concerning the Transmission, Generation and Distribution as listed in Schedules A1, A2 and A3 below shall vest in the Kerala State Electricity Board Limited.

I. General

1. All Independent and stand-alone Rest houses / Installations of the Kerala State Electricity Board.
2. The office establishment and other buildings and lands, not covered in Schedule A1, A2 and A3, which are occupied/used for the activities of the Kerala State Electricity Board as on the effective date of re-vesting.

II. Miscellaneous

1. Contracts, agreements, interests and arrangements to the extent they are associated with or related to activities or to the Undertakings or assets referred to in Schedule A1, A2 and A3 and Para I above including power purchase and bulk power transmission agreements.
2. Loans, secured and unsecured to the extent they are associated with or related to activities or to the Undertakings or assets referred to in Schedule A1, A2 and A3 and Para I above.
3. Other current assets to the extent they are associated with or related to activities or to the Undertakings or assets referred to in Schedule A1, A2 and A3 and Para I above.
4. Other Current liabilities and provisions to the extent they are associated with or related to activities or the Undertakings or Assets referred to in Schedule A1, A2 and A3 and Para I above.
5. Contingent liabilities to the extent they are recognized and are associated with or related to, activities or to the Undertakings or Assets referred to in Schedule A1, A2 and A3 and Para I above.

6. Other liabilities to the extent they are associated with or related to activities or to the Undertakings or Assets referred to in Schedule A1, A2 and A3 and Para I above.

7. Proceedings to the extent they are associated with or related to activities or to the Undertakings or Assets referred to in Schedule A1, A2 and A3 above and Para I above.

8. Shares, assets, interests and liabilities connected with allotment of Baitarni West Coal block, Cheemeni Thermal Power Project, membership of Indian Energy Exchange and Power Exchange India Ltd., Baitarni West Coal Company limited and shares in Kerala State Power and Infrastructure Development Corporation.

9. Shares, assets, interests and liabilities existing and not mentioned elsewhere in the schedule.

10. Any residual assets or liabilities not forming part of Schedule and not otherwise adjusted or settled by the State Government.

PART II

AGGREGATE ASSETS AND LIABILITIES OF KERALA STATE ELECTRICITY BOARD LIMITED

<i>Schedule</i>	<i>Sl No.</i>	<i>Particulars</i>	<i>Opening Balance Sheet as on 1-4-2012 (Rupees in Crores)</i>
(1)	(2)	(3)	(4)
NET ASSETS			
19	(a)	Net Fixed Assets	
	1	Gross Block	16073.79
	2	Less: Accumulated Depreciation	5314.75
	3	Net Fixed Assets (1 - 2)	10759.04
21	4	Capital Expenditure in Progress	1088.64
22	5	Assets Not in Use	
23	6	Deferred Costs	53.96

(1)	(2)	(3)	
24	7	Intangible Assets	
25	8	Investments	19.50
	(b)	Net Current Assets	
26	9	Current Assets	
26 (a)	(a)	Stock	393.63
26 (b)	(b)	Receivables against supply of power	634.86
26 (c)	(c)	Cash and Bank Balance	634.71
26 (d)	(d)	Loans and advances	133.64
26 (e)	(e)	Sundry Receivables	362.30
		Total Current Assets	2159.14
		Less: Total Current Liabilities	
27	10	Security Deposits from Consumers	1583.97
28	11	Other Current Liabilities	2639.02
	12	Total Current Liabilities (10 + 11)	4222.99
	13	Net Current Assets (9 - 12)	(2063.85)
29	14	Subsidies Receivable from Government	524.00
29(a)	15	Net Subsidy Netted Off to be Written Off	
	16	Contribution Receivable from State Govt. towards Pension Liability	3186.00
29(b)	17	Regulatory Asset	924.47
		Net Assets (3 to 8 + 13 + 14 to 16)	14491.76
		Financed by	
30	18	Borrowings for Working Capital	1114.49
31	19	Payments due on Capital Liabilities	
32	20	Capital Liabilities	1356.34
33	21	Funds from State Government	

		(3)	(4)
33 A	22	Equity Capital	3499.00
34	23	Contributions, Grants and Subsidies towards Cost of Capital Assets	
35	24	Reserve and Reserve Funds	
35 A	25	Terminal Benefit Fund and Provident Fund	
		(i) Terminal Benefit Fund—Rs.7584.00 Crores	
		(ii) Provident Fund Rs. 937.93 Crores	8521.93
	26	Surplus/(Deficit)	
Total Funds			14491.76

GENERAL

In consideration of the transfer mentioned above, the State Government may, direct Kerala State Electricity Board Limited to issue 349,90,00,000 number of equity shares of Rs. 10 each in favour of the State Government taking into account the assets and liabilities transferred to Kerala State Electricity Board Limited.

PART III

FUNCTIONS AND DUTIES OF KERALA STATE ELECTRICITY BOARD LIMITED

1. To carry out functions as per the objects clause of the Memorandum of Association.
2. To control/supervise/monitor the functions of the SBUs of Transmission, Generation and Distribution Units.
3. To carry out the functions related with generation, transmission and distribution of electricity in accordance with the Act and Rules thereunder and this transfer scheme through SBU-T, SBU-G and SBU-D.

4. To frame policies that will govern the functioning of the three SBU's, coordinate their functioning for achieving the overall strategic goals and to carry out the common functions of the three SBU's.
5. To manage the human resources of Kerala State Electricity Board Limited, including persons deputed to SBU's, recruitment, training, performance evaluation, promotions, disciplinary actions, pay and emoluments and any other matter related to HR functions.
6. To administer and manage the existing power purchase contracts and bulk power transmission contracts including the agreements, arrangements, allocation and other commitments for purchase of electricity and transmission thereof.
7. To enter into power purchase and supply agreements based on long-term, medium-term and short-term demand for power in the State.
8. To liaise with the governments, regulatory and appellate agencies and other statutory agencies in respect of issues specific to any of the SBU's.
9. To ensure compliance to various legislations including Company's Act, Taxation laws and to prepare and maintain documents necessary for compliance.
10. To manage the funds of Kerala State Electricity Board Limited including raising of resources for capital investments for the SBU's, to ensure liquidity, deploy in short, medium or long term surplus funds.
11. Control over and supervision of Common Assets and the Management of the Common Facilities and Common Services.
12. To frame the regulations and service conditions of the personnel transferred.
13. Any other functions covered under the Memorandum and Articles of Association (MoA & AoA) of the Kerala State Electricity Board Limited.

SCHEDULE 'A1'

(See Clause 3 and 5)

TRANSMISSION SUB-UNDERTAKING**PART I****ASSETS AND LIABILITIES OF KERALA STATE ELECTRICITY BOARD
LIMITED
(SBU-T)**

The transmission sub-undertaking shall comprise of all Assets, Liabilities, properties and proceedings, including the following but not limited to them, belonging to the Kerala State Electricity Board, concerning the transmission of electricity:—

I. Transmission Assets:

All the Assets and Liabilities belonging to the Kerala State Electricity Board concerning the transmission of electricity including but not limited to the following:

All the existing transmission substations and lines (listed in Annexure 1) as well as those under construction having the capacity to carry electricity at voltages of 33 kV and above (notwithstanding the same are presently charged at voltages below 66 kV) of various capacities with all associated and related equipment, including step up, step-down transformers, circuit breakers, metering arrangements and other protective devices with power-line communication system; allied control rooms, load despatch centre, lands (including right of way), buildings, roads and other auxiliary assets spread over within and outside the territory of the State including such assets under construction and assets acquired, transferred or rights of which were vested with the Board by transfer, sale, lease or otherwise, but excluding such constructions or installations lawfully owned and operated by others.

II. General Assets:

The following, if they exclusively or primarily pertain to the projects referred to in Para I above or activities related to transmission projects:

Special tools and equipment, material handling equipment, earth movers, bulldozers, concrete mixtures, cranes, trailers, heavy and light vehicles, furniture, fixtures, office equipment, air conditioners, refrigerators, computers

and signal systems, spares, consumables, raw materials, lands and civil works installations including roads, buildings, staff quarters, rest houses, properties and structures and their associated buildings, schools, dispensaries, testing laboratories and equipment, workshops, works in progress, machinery and equipment sent for repairs, scraps and obsolete.

PART II

FUNCTIONS AND DUTIES OF KERALA STATE ELECTRICITY BOARD LIMITED

(SBU-T)

The functions and duties of the Transmission Unit shall be:—

1. to undertake transmission of electricity through Intra-State transmission system;
2. to discharge all functions of planning and co-ordination relating to Intra-State transmission system in co-ordination with—
 - (i) Central Transmission Utility;
 - (ii) State Governments;
 - (iii) Generating companies;
 - (iv) Regional Power Committees;
 - (v) Authority;
 - (vi) Licensees;
 - (vii) any other person notified by the State Government in this behalf;
3. to ensure development of an efficient, co-ordinated and economical system of intra-State transmission lines for smooth flow of electricity from a generating station to the load centres;
4. to provide non-discriminatory open access to its transmission system for use by—
 - (i) any licensee or generating company on payment of the transmission charges; or
 - (ii) any consumer as and when such open access is provided by the State Commission under sub-section (2) of section 42, on payment of the transmission charges and a surcharge thereon, as may be specified by the State Commission;

5. to build, maintain and operate an efficient, co-ordinated and economical Inter-State transmission system or Intra-State transmission;

6. To develop and execute long term plans for evacuation and supply of power at voltages of and above 33 kV, in consultation and co-ordination with the other SBUs and under the policy framework developed by Kerala State Electricity Board Limited so as to satisfy the present and future needs to the generation and distribution SBUs;

7. To liaise and comply with the directions of the Regional Load Despatch Centre;

8. To carry out the functions of the State Load Despatch Centre;

9. Any other functions, duties and responsibilities entrusted by the State Government or as required under the Act.

SCHEDULE A2

(See clauses 3 and 5)

GENERATION SUB-UNDERTAKINGS

PART I

ASSETS AND LIABILITIES OF KERALA STATE ELECTRICITY BOARD LIMITED

(SBU-G)

The Assets and liabilities belonging to the Kerala State Electricity Board concerning the generation of electricity including but not limited to the following:

I. Existing Power Stations:

The list of existing power stations of Kerala State Electricity Board is attached as Annexure 2.

II. Power Projects Under Construction

The list of generation projects under construction is attached as Annexure 3.

III. General Assets:

The following, if they exclusively or primarily pertain to the generating stations or projects referred to in Para I & II above or activities related to such generating stations or projects:

Special tools and equipment, material handling equipment, earth movers, bulldozers, concrete mixtures, cranes, trailers, heavy and light vehicles, furniture, fixtures, office equipment, air conditioners, refrigerators, computers and signal systems, spares, consumables, raw materials, lands and civil works installations including dams, barrages, canals, tunnels, penstocks, roads, buildings, staff quarters, rest houses, properties and structures and their associated buildings, schools, dispensaries, testing laboratories and equipment, workshops, works in progress, machinery and equipment sent for repairs, scraps and obsolete.

PART II

FUNCTIONS AND DUTIES OF KERALA STATE ELECTRICITY BOARD LIMITED

(SBU-G)

The functions and duties of a Generation Unit shall be:

1. To identify potential for and verify the feasibility of, establish, operate and maintain generating stations, tie-lines, sub-stations and dedicated transmission lines (up to the evacuation yards), connected therewith in accordance with the provisions of the Act or the rules or regulations made thereunder.

2. Generation Unit may supply electricity to any licensee or any consumer in accordance with the Act and the rules and regulations made thereunder through SBU-D of Kerala State Electricity Board Limited.

Generation Unit shall:—

- (a) submit technical details regarding its generating stations to the Appropriate Commission and the Authority;
- (b) coordinate with the Central Transmission Utility or the State Transmission Utility, as the case may be, for transmission of the electricity generated by it;
- (c) comply with the directions of the State Load Despatch centre.

Any other functions, duties and responsibilities entrusted by the State Government or as required under the Act.

SCHEDULE A3

(See Clauses 3 and 5)

DISTRIBUTION SUB-UNDERTAKINGS**PART I****ASSETS AND LIABILITIES OF KERALA STATE ELECTRICITY BOARD LIMITED****(SBU-D)**

The Assets, liabilities and proceedings belonging to the Kerala State Electricity Board concerning the distribution of electricity in the area of supply in the state of Kerala except in the areas of other distribution licensees including but not limited to the following:

I. Distribution Assets:

All 33 kV, 22 kV, 11 kV, LT (Single phase 2 wire to 3 phase 5 wire) lines (with overhead lines aerial bunched cables and underground cables) and substations on different types of supports with various sizes of conductors and step up/step down transformers, breakers protective and metering devices and control rooms, testing laboratories, lands (including right of way), buildings, roads, service connections and installations inside consumer's premises, street lighting and signal systems owned by or leased to the Board but excluding fittings, fixtures and installations owned, by private persons or local authorities, including any of the above assets under construction as on effective date of transfer.

II. General Assets:

The following, if they exclusively or primarily pertain to the above mentioned distribution systems, properties or projects or activities related to such distribution systems, properties or projects:

- (a) Special tools and equipment, material handling equipment, earth movers, bulldozers, concrete mixtures, cranes, trailers, heavy and light vehicles, furniture, fixtures, office equipment, air conditioners, compressors, refrigerators, computers and signal systems, spares, consumables, raw materials, lands and civil works installations including roads, buildings, staff quarters, rest houses, properties and structures and their associated buildings, schools, dispensaries, testing laboratories and equipment, training centers, workshops, works in progress, machinery and equipment sent for repairs, scraps and obsolete.

- (b) The office establishment, buildings, lands and all other assets covered elsewhere in this schedule, which are predominantly occupied/used for the activities of Distribution Undertakings as on the effective date of transfer.

PART II

FUNCTIONS AND DUTIES OF KERALA STATE ELECTRICITY BOARD LIMITED

(SBU-D)

The functions and duties of Kerala State Electricity Board Limited (SBU-D) to act as distribution licensee to develop and maintain an efficient, co-ordinated and economical distribution system in its area of supply and to supply electricity in accordance with the provisions contained in the Act and further directions of the Kerala State Electricity Regulatory Commission.

ANNEXURE I

Sl. No. *Transmission—List of Substations
as on 31-3-2012*

(1) (2)

400 KV Substations

1 Madakkathara

220 KV Substations

1 Arcacode

2 Brahimapuram

3 Edamon

4 Edappon

5 Kalamassery

6 Kanhirode

7 Kaniambetta

(1)

(2)

- 8 Kanjikkode (Palakkad)
- 9 Kundara
- 10 Malapparamba
- 11 Mylatty
- 12 Nallalam
- 13 Pallom & New Pallom Switching Station
- 14 Pothencode
- 15 Shornur
- 16 Thalipparamba
- 17 Vadakara

10 KV Substations

- 1 Adimaly
- 2 Agasthyamoozhi
- 3 Aluva
- 4 Ambalappuram
- 5 Aroor
- 6 Aruvikkara
- 7 Athani
- 8 Attingal
- 9 Ayarkunnam
- 10 Ayathil
- 11 Ayyanpuzha
- 12 Azhikode
- 13 Chakkittappara
- 14 Chalakkudy
- 15 Chavara
- 16 Chelari
- 17 Chellanam

(1)	(2)
18	Chengalam (Kumarakom)
19	Chengannoor
20	Cherplassery
21	Cherpu
22	Cherupuzha
23	Cheruvathur
24	Chevayur
25	Chovva
26	Edappal
27	Edappally
28	Edarikkode
29	Edathua
30	Edayar
31	Erattupetta
32	Ezhimala
33	Guruvayur
34	Irnjalakkuda
35	Iritty
36	Kadavanthra
37	Kalladikkode
38	Kaloor
39	Kandanad
40	Kandassankadavu
41	Kanhangad
42	Kanjikkode
43	Kanjikkuzhi
44	Kasargode (Vidyanagar)
45	Kattakkada
46	Kavanadu

(1)	(2)
47	Kayamkulam
48	Kilimanoor
49	Kizhissery
50	Kodakara
51	Koduvally
52	Kollengode
53	Koottanad
54	Koppam
55	Kottarakkara
56	Kottiyam
57	Koyilandy
58	Kozhenchery
59	Kozhinjampara
60	Kubanoor
61	Kunnamangalam (Kzd)
62	Kunnamkulam
63	Kurumassery
64	Kuttipuram
65	Kuttiyadi
66	Malampuzha
67	Malappuram
68	Malayattoor
69	Mallapally
70	Mangad
71	Manjeswaram
72	Mannarkkad
73	Mattanchery
74	Mattannur

(1)	(2)
75	Mavckikkara
76	Medical College (Tvm)
77	Melattoor
78	Meppayur
79	Mulleria
80	Mundayad
81	Muvattupuzha
82	Nadapuram
83	Nedumangad
84	New Vytala
85	North Parur
86	Ollur
87	Ottappalam
88	Pala
89	Panoor
90	Parali
91	Parassala
92	Parippally
93	Paruthippara
94	Pathanamthitta
95	Pathanaprnam
96	Pathiripala
97	Pazhayangadi
98	Payyannur
99	Pazhayannur
100	Perumbavoor
101	Pinarayi
102	Piravom

(1)	(2)
103	Ponnani
104	Pothanikkad
105	Pullazhy
106	Punalur
107	Punnapra
108	Punnayurkulam
109	Ranny
110	Rayonpuram
111	Sasthamcotta
112	Technopark
113	TERLS
114	Thalassery
115	Thirumala
116	Thrikkodithanam
117	Thycattussery
118	Tirur
119	Udumpanoor
120	Vadakara
121	Vadallencherry
122	Vaikom
123	Valappad
124	Varkala
125	Vennakkara (Palakkad)
126	Viyyur
127	Vyttila
128	Walayar
129	Wisland
130	Wadakkencherry
131	Westhill

(1) (2)

66 KV Substations

- 1 Adoor
- 2 Alapuzha
- 3 Ambalapparamba (Mavoor)
- 4 Anchal
- 5 Angamali
- 6 Ayoor
- 7 Changanassery
- 8 Cherthala
- 9 Chittur
- 10 Chumathara
- 11 Edakkara
- 12 Edathala
- 13 Ernakulam (North)
- 14 Ettumanoor
- 15 G. I. S. Fort Kochi
- 16 Gandhinagar
- 17 G. I. S. LA Complex
- 18 G. I. S. Marine Drive
- 19 G. I. S. Power House
- 20 Kakkanad
- 21 Kanjirappally
- 22 Kannampully
- 23 Karimanal
- 24 Karukutty
- 25 Karunagappally
- 26 Karuvatta

(1)	(2)
27	Kattappana
28	Kattoor
29	KEL (Unmanned)
30	Kizhakkambalam
31	Kochin Shipyard (Perumanoor)
32	Kochupampa
33	Kodungallur
34	Koodal
35	Koothattukulam
36	Koratty (Madura Coats)
37	Kothamangalam
38	Kottayam
39	Kulamavu
40	Kuravilangad
41	Kuthumunda
42	Kuthuparamba
43	Kuttanad
44	Kuttikattur
45	Mala
46	Mananthavady
47	Manjeri
48	Mankave
49	Mulavukad
50	Mundakkayam
51	Nangiarkulangara
52	Nedumkandom
53	Nedumpoil

(1)	(2)
54	Nemmara
55	Neyyattinkara
56	Nilambur
57	Njarackal
58	Ossigin (KPCL)
59	Palode
60	Pampady
61	Panampilly Nagar
62	Pathirappally
63	Peerumedu
64	Perinthalmanna
65	Pudukkad
66	Puthencruz
67	Puthiyara G. I. S.
68	Sreekandapuram
69	Sulthan Batheri
70	Thamarassery
71	Thiruvalla
72	Thodupuzha
73	Thrikkakkara
74	Thriveni
75	Vandipperiyar
76	Vattiyoorkavu
77	Vazhathope
78	Veli
79	Vizhinjam
80	Walayar

(1)

(2)

33 KV Substations

- 1 Adichanelloor
- 2 Agali
- 3 Alakkode
- 4 Alangad
- 5 Alanelur
- 6 Alathur
- 7 Ananthapuram
- 8 Anchangadi
- 9 Anthikkadu
- 10 Badiyadukka
- 11 Balussery
- 12 Betur
- 13 Chalissery
- 14 Chavakkad
- 15 Chelakkara
- 16 Chengamanadu
- 17 Chirakkal
- 18 Chittadi
- 19 Chullimanoor
- 20 Dharmadom (Thalasserry Town)
- 21 Edavanna
- 22 Frumapetty
- 23 Ezhukone
- 24 Kadackal
- 25 Kaduthuruthi
- 26 Kaipamangalam

(1)	(2)
27	Kalady
28	Kalikavu
29	Kallambalam
30	Kallettumkara
31	Kalloorkadu
32	Kalpetta
33	Kannur Town
34	Karukachal
35	Kattanam
36	Kidangoor
37	Kodiyeri
38	Koduvayur
39	Kongad
40	Kongannur
41	Konni
42	Kooriyad
43	Kovappady
44	Koratty
45	Kurumassery
46	Kuruppambady
47	Kuthiathodu
48	Kuttiyattor
49	Makaraparamba
50	Maniyampara
51	Mannar
52	Mazhuvannur
53	Meenakshipuram

(1)	(2)
54	Meenangadi
55	Melady
56	Mullassery
57	Mullorkara
58	Mundur
59	Muthalamada
60	Nadukani
61	Neeleswaram
62	Nelliampathy
63	Ollur-Puthur
64	Ochira
65	Othukkungal
66	Padinjarathara
67	Paika
68	Palakkal
69	Pallassena
70	Parappukara
71	Parappur
72	Pariyaram (Kannur)
73	Pariyaram (Thrissur)
74	Pattambi
75	Pattikadu
76	Payyannur Town
77	Pazhassi
78	Peria
79	Poomala
80	Poovar

(1)	(2)
81	Pooyappally
82	Pulamanthole
83	Pulpally
84	Puthenvelikkara
85	Puthiyatheruvu
86	Puthoor
87	Puthur
88	Ramanattukara
89	Ramapuram
90	Ranny-Perinad
91	Sreckrishnapuram
92	Tarur
93	Thakazhy
94	Thambalamanna
95	Thavanoor
96	Thazhekkode
97	Thirunavaya
98	Thiruvallur
99	Tholambra
100	Thottada
101	Thrikkarippur
102	Thrithala
103	Upputhara
104	Unni
105	Vadakkekkara
106	Vadanappally
107	Vagamom

(1)	(2)
108	Valluvambrum
109	Vannamada
110	Varapuzha
111	Velanthavalam
112	Vellagalloor
113	Vellanur
114	Vellarada
115	Vellikulangara
116	Venjarammoodu
117	Vengola
118	Vithura
119	Wandoor
120	West Elery

GENERATING STATIONS

GENERATING STATIONS (as on 31-3-2012)

<i>Sl. No.</i>	<i>Name of Station</i>	<i>Installed Capacity (MW)</i>
(1)	(2)	(3)
I HYDEL		
1	Chembukadavu Stage I (2.7 MW)	2.70
2	Chembukadavu Stage II (3.75 MW)	3.75
3	Idamalayar-Unit I, II	75.00
4	Idukki Unit I-VI	780.00
5	Kakkad Unit I, II	50.00
6	Kallada Unit I, II	15.00
7	Kuttiyady Unit I-III	75.00
8	Kuttiyady Extension	50.00
9	Kuttiady Tail Race	3.75
10	Kuttiyady Additional Extension	100.00
11	Lower Meenmutty Unit I-III	3.50
12	Lower Periyar Unit I-III	180.00
13	Malampuzha	2.50
14	Malankara Unit I-III	10.50
15	Mattupetty	2.00
16	Neriamangalam Unit I-III	52.65
17	Neriamangalam Extension	25.00
18	PL.B.E	16.00
19	Pallivasal Unit I-IV	37.50

(1)	(2)	(3)
20	Panniyar Unit I, II	32.00
21	Peppara	3.00
22	Poozhithodu Small Hep	4.80
23	Poringalkuthu Unit I-IV	32.00
24	Sabarigiri Unit I-VI(Unit # IV Under Rebuilding)	280.00
25	Sengulam Unit I-IV	48.00
26	Sholayar Unit I-III	54.00
27	Urumi I (3.75 MW)	3.75
28	Urumi II (2.4 MW)	2.40
29	Ranni-Perunad	4.00
	Hydel Total	<u>1943.80</u>
II Thermal		
	Brahmapuram Unit I-V	106.60
	Kozhikkode Diesel Power Plant Unit I-VIII	128.00
	Thermal Total	<u>234.60</u>
III Wind		
	Kanjikkode (9 × 0.225)	2.025
	Wind Total	<u>2.025</u>
	Total Installed Capacity (I + II + III)	2185.425

GENERATION PROJECTS UNDER CONSTRUCTION AS ON 31-3-2012.

A. Ongoing Schemes

1. Pallivasal Extension Scheme	..	60 MW, 164.9 Mu
2. Thottiyar HEP	..	40 MW, 99 Mu
3. Sengulam Augmentation Scheme	..	85 Mu
4. Chathankottunada II	..	6 MW, 14.76 Mu
5. Vilangad SHEP	..	7.5 MW, 22.63 Mu
6. Pecchi SHEP	..	1.25 MW, 3.286 Mu
7. Barapole SHEP	..	15 MW, 36 Mu
8. Kakkayam SHEP	..	3 MW, 10.39 Mu
9. Perumthencaruvi SHEP	..	6 MW, 25.77 Mu
10. Chimmony SHEP	..	2.5 MW, 6.7 Mu
11. Sabarigiri (Addl. Capacity)	..	60 MW, 239 Mu

B. Tendered Schemes

1. Athirapilly HEP	..	163 MW, 223 Mu
2. Mankulam HEP	..	40 MW, 82 Mu
3. Vellathooval SHEP	..	3.6 MW, 12.17 Mu
4. Poringalkuthu SHEP	..	24 MW, 45.02 Mu
5. Anakkayam SHEP	..	7.5 MW, 22.83 Mu
6. Adyanpara SHEP	..	3.5 MW, 9.01 Mu

SCHEDULE - B

[See clause 6 (2)]

RE-VESTING OF PERSONNEL

CONDITIONS OF RE-VESTING

The re-vesting of personnel shall be subject to the following conditions:—

I. Re-vesting Scheme for employees

1. The re-vesting of personnel shall be subject to the terms and conditions contained in section 133 of the Act.
2. From the date of publication of the notification of this second transfer scheme, the personnel of the Kerala State Electricity Board shall stand assigned to the services of the Transferee and they shall continue to officiate in the place where they are posted on the date of re-vesting and thereafter shall be under the disposal of the Transferee.
3. The Transferee shall absorb all permanent eligible personnel so re-vested to it in its permanent services and the personnel shall form part of the services of the Transferee, in the post, scale of pay etc. in accordance with the orders that may be issued by the Transferee for this purpose, without any further act, deed or anything to be done by the State Government or the personnel and the State Government or the Transferee shall issue appropriate orders in the case of all other provisional, contingent, part time, temporary personnel engaged by the Board or Kerala State Electricity Board prior to the vesting.
4. All the employees shall remain on the rolls of Kerala State Electricity Board Limited who shall be responsible for their pay, benefits and other service conditions. The personnel needed by the SBUs shall be deputed to them and their cost shall be accounted as part of the cost of the SBUs. However, the responsibility of managing the personnel shall be with the Kerala State Electricity Board Limited.
5. (a) Notwithstanding anything contained elsewhere, the Transferee and the State Government shall be jointly and severally responsible to duly make all such payments to the personnel in respect of the rights, responsibilities, liabilities and obligations and personnel related matters including the statutory dues such as salary, wages, gratuity, pension, provident fund, compensation, terminal and retirement benefits till the date of re-vesting and thereafter by the Transferee.

- (b) Kerala State Electricity Board Employees' Welfare Fund will be managed in future in the same manner as at present and the existing rules and regulations will continue to govern the functioning of the Employees Welfare Fund.
6. Subject to the provisions of the Act and this Scheme, the Transferee shall be entitled to modify or frame new regulations governing the conditions of service of personnel re-vested to the Transferee under this Scheme, with the consent of Government, but the rank, scale of pay, salary, allowances and other pecuniary benefits including terminal benefits after the effective date of transfer shall not in any way be inferior to those applicable to them immediately before such re-vesting.
 7. In respect of all statutory and other schemes and employment related matters including the provident fund, gratuity, pension and any other superannuation fund or any other fund created or existing for the benefit of the personnel, the Transferee shall stand substituted for the erstwhile Board or Kerala State Electricity Board for all intent, purposes, rights, powers and obligations of the erstwhile Board or Kerala State Electricity Board and the services of the personnel shall be treated as continuing for the purpose of the above.
 8. The State Government shall notify appropriate arrangements in regard to the funding of the terminal benefits to the extent they are unfunded on the date of the transfer of the Personnel from the erstwhile Board. As per actuarial valuation carried out by registered valuer, the provisional figure of unfunded liability is approximately ₹ 7584 Crores as on 30-9-2011. Actuarial valuation of terminal liabilities at the time of transfer will be made as provided under clause 9 (3) of this scheme. Till such time arrangements are made, the Transferee and the State Government shall be jointly and severally responsible to duly make such payments to the existing pensioners as well as the personnel who retire after the date of transfer but before the arrangements are put in place. The State Government, Kerala State Electricity Board Limited and employees' union may enter into a tripartite agreement in consideration of the promises and mutual conditions set forth therein. A model Tripartite Agreement is appended as Schedule-C.
 9. The State Government will fund ₹ 3186 Crores over a period of next 10 years to Kerala State Electricity Board Limited on annual basis for meeting the unfunded terminal liabilities.

Kerala State Electricity Board Limited will issue two series of bonds to a Master Trust:—

- (i) 20 year bond with a coupon rate of 10% p.a. for ₹ 5021 Crores.
- (ii) 10 year bond with a coupon rate of 9% p.a. for ₹ 2039 Crores.

Bonds will be issued to the Master Trust to meet the liability of pension etc. in future from the interest and principal repayment from Kerala State Electricity Board Limited against the bonds issued in favour of Master Trust. With these arrangements the Master Trust will have a liability towards pension etc. of ₹ 7584 Crores (approximately) as on 30-9-2011 with matching investments in securities issued by Kerala State Electricity Board Limited for ₹ 7060 Crores only.

Another ₹ 524 Crores will be funded by State Government through budgetary provision over next 10 years in equal installments as per G. O. (Ms.) No. 43/2011/PD dated 3-11-2011.

State Government will permit that the electricity duty collected by Kerala State Electricity Board for a period from 1-4-2008 to 31-3-2012 to be retained in the Kerala State Electricity Board Limited as its contribution for funding the terminal liability.

In addition to the interest on bonds and repayment of principal, Kerala State Electricity Board Limited will be paying the annual pension contribution based on actuarial valuation to the Master Trust in respect of personnel transferred to Kerala State Electricity Board Limited.

The unfunded liability upto the date of transfer will be borne and shared between the State Government and the Kerala State Electricity Board Limited. Any addition to the liability of ₹ 7584 Crores will be borne and shared by the State Government and the Kerala State Electricity Board Limited in the ratio of 35.4 : 64.6 respectively.

10. All proceedings including disciplinary proceedings pending against the personnel as on the date of vesting and initiated thereafter till re-vesting which relates to misconduct, lapses or acts of commission or omission committed before the date of re-vesting, shall not abate and may be continued by the Transferee.
11. The personnel re-vested to the Transferee shall be deemed to have entered into an agreement with the Transferee to repay loans, advances and other sums due and perform obligations undertaken by them to the Kerala State Electricity Board which remain outstanding as on the date of the re-vesting in the same manner and on the same terms and conditions as existed prior to the vesting.

The transferee shall make all payments due to the personnel in the same manner and on the same terms and conditions that existed prior to re-vesting subject to relevant Long Term Settlement negotiations and agreements entered into from time to time except in the case of payment of Terminal benefits, which shall be administered through the Master Trust.

12. Payment of pension of personnel who have joined the service in Kerala State Electricity Board on or after 1-4-2013 will be governed by the National Pension System (NPS) adopted vide BO (FB) No. 843/2013 (PRC/335/2013), dated 9-4-2013 and the Government orders, Circulars and guidelines issued from time to time in this regard.
13. Kerala State Electricity Board General Provident Fund in respect of employees on the rolls of Kerala State Electricity Board as on 31-3-2013 will continue to be managed in the same manner as at present and the existing rules and regulations will continue to govern the functioning of the Provident Fund. The Government in exercise of powers conferred by sub-section (3) of the section 8 of the Provident Fund Act, 1925, will issue necessary notification to add the name of the Kerala State Electricity Board Limited, in the Schedule to the Provident Fund Act of 1925 to enjoy the benefits under the Act. The employees recruited from 1-4-2013 are covered under the National Pension System (NPS) and will not come under the purview of the Kerala State Electricity Board General Provident Fund constituted under the Provident Fund Act of 1925. Inter-transfer of General Provident Fund with pension fund is banned and separate funds shall be maintained for pension fund;
14. Nothing contained in this Scheme shall apply to the personnel of the State Government or other organisations who are on deputation to the Kerala State Electricity Board as on date of the re-vesting but such personnel shall continue on deputation to the Transferee till the expiry of the term of deputation.

II. Redressal of grievances regarding allocation

1. The employees of the Transferee shall be allowed to raise grievance, if any to the Committee for Redressal of Grievances (CRG) which shall be constituted by the Government of Kerala to address such issues.
2. The Committee for Redressal of Grievances (CRG) shall consider the grievances of the employees of the transferee within a period of six months from the date of issue of the notification of the second transfer scheme.
3. Criteria and procedure for consideration of cases will be decided by the Committee.

1. WHEREAS, the Government of Kerala as per G. O. (Ms.) No. 37/2008/PD dated 25-9-2008 notified the Kerala Electricity First Transfer Scheme, 2008 for the purpose of vesting of functions, properties, interests, rights, obligations and liabilities of KSEB to State Government on the terms agreed to by KSEB and State Government.

2. WHEREAS, the Government of Kerala has notified as per G. O. dated.....the Kerala Electricity Second Transfer Scheme (Re-vesting), 2013 for re-vesting the functions, properties, interests, rights, obligations and liabilities of Board / KSEB from State Government to Kerala State Electricity Board Limited and also for the transfer of personnel of the erstwhile Board/KSEB to Kerala State Electricity Board Limited and for determining the terms and conditions on which such transfers and re-vesting shall be made.

3. WHEREAS, the State Government, the KSEB Limited and the employees and officers of the Board/KSEB are desirous of entering into an agreement to ensure the service conditions consequent to the re-vesting as envisaged under the Electricity Act, 2003 with a view to facilitate smooth implementation of the re-vesting scheme.

4. Now, THEREFORE, in consideration of the promises and mutual conditions set forth herein, it is agreed by and among the parties as follows:

(1) In so far as this Tripartite Agreement is concerned:

- (i) "Board" means Kerala State Electricity Board constituted under Section 5 of the erstwhile Electricity (Supply) Act, 1948 (54 of 1948), of which all functions, properties, all interests, assets, liabilities and personnel were vested in the State Government in the name of "Kerala State Electricity Board" after the notification of transfer scheme dated 25-9-2008;
- (ii) "Kerala State Electricity Board (KSEB)" means the undertakings of the Board vested in Government of Kerala through notification vide S.R.O. No. 990/2008 dated 25-9-2008 by which State Government is administering the functions of the Board by appointing the Special Officer and a Managing Committee till the date of re-vesting of the functions, properties, interests, rights, liabilities, proceedings and personnel to the transferee in accordance with the Electricity Act, 2003 and the Kerala Electricity Second Transfer (Re-vesting) Scheme, 2013;

- (iii) **“Kerala State Electricity Board Ltd.”** means the Company incorporated under Companies Act, 1956 (1 of 1956) wholly owned by the Government of Kerala, in which the Government will re-vest the functions, properties, interests, rights, liabilities, proceedings and personnel in accordance with sub-section (2) of Section 131 & Section 133 of Electricity Act, 2003 and the Kerala Electricity Second Transfer (Re-vesting) Scheme, 2013;
- (iv) **“Master Trust”** means the Trust to be constituted to manage the funds and to disburse terminal benefits, pension etc. and ensure interest of the existing pensioners and the personnel transferred to the Kerala State Electricity Board Limited as on the date of revesting as regards payment of Terminal Benefits as defined in the Kerala Electricity Second Transfer (Re-vesting) Scheme, 2013.
- (2) The State Government and the KSEB Ltd. hereby guarantee that:
- (a) There will be no retrenchment of employees for any reason and their status/services will be protected.
 - (b) All the existing permanent employees will be absorbed to KSEB Ltd.
 - (c) The terms and conditions of services of the existing employees such as promotions, transfers, wages, compensations, leave, allowances etc. upon transfer to KSEB Ltd. shall continue to be regulated by existing regulations/service rules in vogue and is guaranteed to continue as indicated hereunder.
 - (d) With regard to wage/pay revision, the present system of periodic bipartite negotiations and agreements shall continue.
 - (e) The State Government and KSEB Ltd. shall take all steps to assure the payment of pension including dearness relief and other terminal benefits of the existing employees and pensioners as on the date of revesting, in the same pattern as on today including periodical revisions as applicable. To ensure this the Government has allowed the KSEB Ltd. to retain the electricity duty collected for a limited initial period upto ₹..... crores per year and the Government is open to review this retention based on the adequacy of the corpus fund thus created.

- (f) All the existing welfare measures for the existing employees as on the date of re-vesting, like the scheme for compassionate appointment, medical reimbursement, family pension, commutation of pension, voluntary retirement, invalid pension etc. shall be continued.
- (g) All benefits of the services rendered by the existing employees in Board/KSEB as on the date of re-vesting shall be protected and be given full effect.
- (h) The period of service of the existing employees under the Board/KSEB and under KSEB Ltd. shall be treated as continuous service for the purposes of the service benefits and terminal benefits payable to the personnel.
- (i) All the existing welfare benefits to the retired employees shall continue. All obligations in respect of payment of pension and other retirement benefits including provident fund, welfare fund, superannuation pension, encashment of leave and gratuity to the employees who have retired and who are going to be retired from the service of the Board/KSEB as on the date of re-vesting shall be the liability of the KSEB Ltd. and in respect of all statutory and other schemes relating to the employees existing on the date of re-vesting, KSEB Ltd. shall stand substituted for the Board/KSEB to all intents and purposes.
- (j) The employees of KSEB Ltd. will be paid gratuity as per the Payment of Gratuity Act, 1972.
- (k) Liabilities in respect of gratuity and superannuation benefits shall be transferred to the 'Master Trust' to be constituted under the Indian Trust Act, 1882. To meet this liability the KSEB Ltd. will issue bonds to the Master Trust to the extent of the unfunded liability of ₹ 7584 Crores as on 30-9-2011. Kerala State Electricity Board Ltd. will issue two series of bonds to the Master Trust.
- * 20 year bond with a coupon rate of 10% p.a. for ₹ 5021 Crores.
 - * 10 year bond with a coupon rate of 9% p.a. for ₹ 2039 Crores.

Another ₹ 524 crore will be funded by the Government through budgetary provision over next ten years in equal installments as per G.O. (Ms.) No. 43/2011/PD dated 3-11-2011.

State Government also agrees that the electricity duty collected by KSEB for the period from 1-4-2008 to 31-3-2012 will be retained in the Kerala State Electricity Board Limited as its contribution for funding the terminal liability.

In addition to the above, the KSEB Ltd. will pay the annual pension contribution based on actuarial valuation to the Master Trust in respect of the personnel transferred to KSEB Ltd.

The unfunded liability upto the date of transfer will be borne and shared between the State Government and the Kerala State Electricity Board Ltd. Any addition to the liability of ₹ 7584 Crores will be borne and shared by the State Government and the Kerala State Electricity Board Ltd. in the ratio of 35.4 : 64.6 respectively.

The liability of ₹ 7584 Crores to the Master Trust will be funded as per clause 6(9) of the Kerala Electricity Second Transfer (Re-vesting) Scheme, 2013.

The KSEB Ltd. shall pay the Master Trust, the accrued interest on the above bonds for the financial year on the first day of April every year.

- (l) If for any reason the Master Trust is not able to meet its obligations relating to payment of pensionary benefits from its fund fully or partially, the State Government and the KSEB Ltd. shall make good such shortages to ensure the payment of terminal benefits without any defaults.
- (m) KSEB Employees Welfare Fund will be managed in future in the same manner as at present under the new set up and after re-vesting, the Governing Body shall meet and resolve on issues like change of name, bank accounts, investments in fixed deposits etc.
- (n) All the existing agreements/settlements and liabilities of KSEB and Board shall be honoured by the KSEB Ltd.
- (o) The existing employees transferred to the service of the KSEB Ltd. shall be deemed to have entered into an agreement/settlement with KSEB Ltd. to fulfill the obligations assumed by them with the Board / KSEB including in respect of repayment of loans, advances and other sums due which remain outstanding from the employees on the effective date. The transferee shall make all payments due to the personnel in the

same manner and on the same terms and conditions that existed prior to re-vesting subject to relevant LTS negotiations and agreements entered into from time to time except in the case of payment of Terminal benefits, which shall be administered through the Master Trust.

- (p) Payment of pension of personnel who have joined the service in KSEB on or after 1-4-2013 will be governed by the National Pension System (NPS) adopted vide BO (FB) No. 843/2013 (PRC/335/2013), dated 9-4-2013 and the Government orders, Circulars and guidelines issued from time to time in this regard;
- (q) KSEB General Provident Fund in respect of employees on the rolls of KSEB/Board as on 31-3-2013 will continue to be managed in the same manner as at present and the existing rules and regulations will continue to govern the functioning of the Provident Fund. The Government in exercise of powers conferred by the Sub section 3 of the Section 8 of the Provident Fund Act, 1925, will issue necessary notification to add the name of the Kerala State Electricity Board Ltd., in the Schedule to the Provident Fund Act of 1925 to enjoy the benefits under the Act. The employees recruited from 1-4-2013 are covered under the National Pension System (NPS) and will not come under the purview of the KSEB General Provident Fund constituted under the Provident Fund Act of 1925. Inter-transfer of GP Fund with pension fund is banned and separate funds shall be maintained for pension fund.
- (r) All official proceedings including disciplinary proceedings pending at the time of re-vesting shall be dealt with by KSEB Ltd.
- (s) All the existing workload norms will be continued and changes from time to time will be finalized through mutually negotiated settlements.
- (t) All the appointments now being done through the Kerala Public Service Commission in accordance with the provisions of the Kerala Public Service Commission (Additional Functions) Act, 1963 will continue as such and amendments in this respect, if necessary, will be notified by the Government.

- (u) The State Government shall ensure that KSEB Ltd. fulfills all its commitments as agreed upon above and Government will issue necessary orders to this effect.
- * This Tripartite agreement shall be read in conjunction with the Kerala Electricity Second Transfer (Re-vesting) Scheme, 2013.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives ON THE DAY MONTH AND YEAR FIRST HEREINABOVE WRITTEN.

SIGNED by Witness
Additional Chief Secretary,
Power Department,
Government of Kerala.

For and on behalf of the Government of Kerala
(Of the First part)

MINUTES OF THE MEETING HELD BY THE ADDITIONAL CHIEF SECRETARY (POWER) AT 2 P.M. ON 17/12/2013 TO DISCUSS THE RECONCILIATION AND NETTING OFF OF DUES BETWEEN GOVT. & KSEB

- Present:- 1. Dr. Nivedita P. Haran,
Additional Chief Secretary (Power).
2. Shri. K.K. Unni,
Chief Electrical Inspector.
3. Shri. S. Venugopal
Director (Finance), Kerala State Electricity Board Limited.
4. Shri. M.Radhakrishnan,
Additional Secretary, Finance Department.
5. Shri. K.J. Antony,
Additional Secretary, Power Department.
6. Smt. Rema P. Nair,
Under Secretary, Power Department.

The meeting began at 3 p.m. with the Additional Chief Secretary (Power) in the Chair. The Additional Chief Secretary informed that it has been decided to issue formal orders on netting off dues and reconciliation of accounts between Govt. and KSEB as on 31-10-2013, the date of re-vesting of the assets and liabilities of the erstwhile KSEB , vested in Government, into the Kerala State Electricity Board Limited , after due consultations and discussions with the CEI and KSEB authorities , as the Second Transfer Scheme (Re-vesting), 2013 provides for a provisional period of one year for finalizing the figures of unfunded terminal liability of the new Company, as on the date of re-vesting.

2. The Chief Electrical Inspector informed that Govt. , vide G.O. dated 9-10-2012 issued orders to net off the dues between KSEB and Govt. as on 31-03-2002. Subsequently in a high level meeting held by the then Principal Secretary (Finance) on 25.11.2006, it was decided to net off dues between KSEB and Govt. as on 31-03-2006. However, formal orders on netting off of dues have not been issued by Govt. so far. According to the CEI, non- inclusion of penal interest portion in the accounts in respect of electricity duty and other levies brings sizeable difference in the dues due to Government from KSEB. He pointed out that it would be improper to set off any amount against future dues of duty when huge amounts towards duty and surcharge collected from public are pending payment. Therefore it was suggested that

assessment of actual liabilities towards duty and surcharge may be done and netting off of dues may be finalized only on the basis of duly reconciled figures.

3. The Director (Finance), Kerala State Electricity Board Limited informed that KSEB has not remitted the electricity duty collected from the consumers to Government for over a decade. He explained that even though provision for penal interest is there in the Electricity Duty Act, huge amounts were payable by the Government to KSEB towards Subsidy for achieving 3% rate of return and towards subsidy for allowing pre-92 tariff. The recently announced subsidies on account of exemption of domestic consumers from the revised tariff and thermal surcharge etc. have also fell in arrears. At any point of time the amount payable by Government to KSEB has been much more than the Electricity Duty payable by the Board to the Government. Despite having the provision for penal interest in the Electricity Duty Act, the Government had not fixed any rate of interest payable under Section 8 of Electricity Duty Act and had not insisted the payment of interest on electricity duty. The Board had been insisting that, had the Government released the subsidy amount in the past in the relevant years, the Board would have paid the electricity duty in time to the Government and there would not have been any scope for levy of penal interest against the Board for non payment of the duty. Therefore, duty payable by KSE Board to Government should have been netted off at the corresponding points of time and the Board had requested the Government not to insist for payment of interest on the duty amount. The Board has also pointed out that interest against non release of subsidy by Government should also be taken into account, if Government insists for interest on electricity duty.

4. The Director (Finance) KSEB Ltd. further pointed out that vide G.O. (Ms.) No. 32/14PD dated 3/11/2011, Govt. accorded in principle approval of the Kerala Electricity Second Transfer Scheme for re-vesting the assets and liabilities of the erstwhile KSEB, as then vested with the Govt. to the newly incorporated company and ordered that the aforesaid amount of Rs. 2500 crore will be provided to the Company for funding the terminal liability. The total amount of Rs. 2500/- crore proposed to be funded by Government was the sum of Rs. 1599.82 crore (rounded to 1600 crore), payable by Govt. to KSEB, on netting off of the amount due to the Board on account of the earlier orders issued by Govt. and the amount payable to Govt. towards electricity duty, surcharge and penal interest, as on 31-03-2008 plus its interest component of Rs. 900 Crore. Thus the dues of KSEB and Govt. was netted off as on 31-03-2008. Now, Government have made the Kerala Electricity Second Transfer Scheme (Re-vesting), vide G.O. (P) No. 46/2013/PD dated 31-10-2013 for re-vesting the assets and liabilities of the Board into the Kerala State Electricity Board Limited, which provides that

the State Govt. will fund Rs. 3186 crores, over a period of 10 years to KSEB Limited on annual basis for meeting the unfunded terminal liabilities, by way of adjustment against electricity duty, collected and payable to Govt. by KSEB.

5. The Additional Secretary (Power) informed that a Committee consisting of the Chief Secretary, Principal Secretary (Finance), Secretary (Power), Secretary (Law) and Chairman, KSEB and the Secretary (Power) was constituted to place specific proposals on the re-organisation of the Kerala State Electricity Board and the Committee submitted recommendation for sharing the unfunded terminal liability of KSEB Ltd. as on 30.09.2011 between the Govt. and KSEB. The Second Transfer Scheme (Re-vesting) has been issued on the basis of the recommendations of the Committee.

6. The Chief Electrical Inspector disputed the figures relied on by the Committee pointing out that the recommendations of the Committee were based solely on the data provided by KSEB and that the Department of Electrical Inspectorate had not been consulted or involved in the process. The Additional Chief Secretary expressed the view that the Power Department was represented by the Chief Secretary in the meeting of the Committee headed by the Additional Secretary (Power) and it would not be desirable to reopen the issues once settled by the Committee and approved by the Government.

7. The Additional Secretary (Finance) Department informed that the Finance Department has always taken the stand that formal orders on settling off of dues between KSEB and Government shall be issued after reconciling the figures of electricity duty and surcharge collected by the KSEB from the consumers with energy targets and liable to be remitted to Government. He added that the decision of the Committee may be revised to the extent of finalising figures of electricity duty and surcharge to be adjusted against the contribution of Government for funding the terminal liability and the matter be placed before the Committee headed by the Chief Secretary for a final decision.

8. The Director (Finance), KSEB Ltd. made it clear that the figures of electricity duty and surcharge are being accounted in the Board and duly audited by the Accountant General for the accounts being submitted to the Kerala State Electricity Regulatory Commission. The general consensus was that the figures of KSEB would be at variance with the accounts approved by the CRI only to the extent of the penal interest payable by the KSEB on account of belated remittance of electricity duty, as per the provisions of the Kerala State Electricity Duty Act, 1963.

9. The Director (Finance), KSEB pointed out that notwithstanding the provision of Section 8 of the Kerala Electricity Duty Act that any sum due on account of Electricity Duty, if

not paid at the time and in the manner prescribed, shall be deemed to be in arrears, and thereupon such interest not exceeding eighteen percent per annum which the Government may by general or special order fix, shall be payable

The Chief Electrical Inspector has been insisting on levying penal interest at the rate of 18 %. The Chief Electrical Inspector informed that it seems that Government had already notified the rate of interest as 18 %. The Additional Chief Secretary suggested that the CEI would confirm the position and report to Government. It was also suggested that the reconciliation process should be completed and holistic figures are to be placed before the Committee for taking an informed decision. When the Chief Electrical Inspector pointed out that reconciliation has been completed up to 2005 only, the Additional Chief Secretary instructed that the lump-sum figures up to 2005 and year and item wise dues (amount and interest separately) from 2006 to 2013 may be prepared for pursuing reconciliation on the basis here of.

After detailed discussion the following decisions were taken in the meeting:

(1) The Chief Electrical Inspector and the Director (Finance), KSEB, will engage a team of their officers for the reconciliation of accounts in respect of electricity duty and interest payable by KSEB to Govt. as on 31-10-2013. The CEI will complete the process of finalisation with KSEB and furnish reconciled figures to Government before 15-1-2014.

(2) The Finance Commission will prepare and furnish the details of arrears due to be remitted to KSEB by the Government as on 31-10-2013.

(3) The CEI will confirm and support the position whether Govt. have issued any notification prescribing the rate of penal interest as 18 % in exercise of powers conferred by Section 4 of the Kerala Electricity Duty Act, 1963.

The meeting ended at 4 pm.

**ACTION TAKEN STATEMENT ON THE REPORT OF THE C&AG OF INDIA FOR THE YEAR
ENDED 31ST MARCH 2012 (REVENUE RECEIPTS)**

Draft para	Recommendations	Action Taken	Remarks
8.1.5.1	<p>The Lotteries Department projects the total sale proceeds of lotteries as the total revenue. collection of the Department without excluding expenses relating to discount to agents, prize moneys, agents prizes, incentives etc. and other administrative expenses. An analysis of the total and net revenue for the period covered in audit revealed that despite steady increase in total revenue collection during the period, lotteries failed to provide significant contribution to the State revenue-both tax as well as non-tax revenue.</p>	<p>Budget Estimate of Revenue Collection is based on the face value of the ticket. The amount expected to be collected based on the face value of the ticket is shown as the Budget estimate of Revenue Collection. It has nothing to do either with the incidental expenses of lottery or with regard to net revenue collection. There is provision under separate heads of accounts to meet the incidental expenses for the conduct of the lottery. Expenses incurred towards prize etc from sale proceeds is transferred to the receipt head from the expenditure head concerned.</p> <p>The lacuna between Budget Estimates and actual in respect of collection from lotteries is due to some other reasons, which are beyond control. Lottery is not a product like that of television, soap, rice etc, the requirement of which can be predetermined to a great extent. Whereas, one cannot precisely foresee the quantum of sale of ticket at the time of launching a ticket. Economic conditions of people, purchasing power, weather, attitude of customers and many other force majeure may affect sale of lottery. If the market conditions are in support of sale, collection would scale up otherwise sale would come down. Hence the gap between Budget Estimate and actual collection, if the</p>	

		<p>Budget estimate is prepared based on the net revenue collection, the aforesaid drawbacks would invariably occur. Hence, net revenue based budget estimate may not make the budget a realistic one as suggested in the report.</p>	
8.1.5.2	<p>It is recommended that the Department may ensure that provisions for ascertaining the genuineness of tickets before payment of prizes are strictly observed by the Department.</p>	<p>Ever since the implementation of LIMS it is virtually impossible to encash the prize amount of a single lottery ticket twice as the software is designed in such a way that it will not accept the same number more than once for payment. As all the prize payment are made exclusively through the LIMS the scope for multiple payment for a single prize winning ticket is almost zero.</p>	
8.1.5.3	<p>LIMS has provisions to check the number of prizes offered and paid for each scheme of lottery. The number and the amount of prizes to be paid in each draw are fed in LIMS.</p> <p>Audit analysed the data relating to prizes offered vis-a-vis prizes paid available in the LIMS during the period from August 2008 to September 2010 and found that the Department had distributed 30,262 prizes involving Rs.25.80 lakh in excess of the number of prizes offered in 66 draws. The excess grant of the prizes shown by the LIMS needs investigation. Besides, validation controls needs to be</p>	<p>Now there is no chance of duplication of prize payment since each and every prize winning tickets is scanned and approved in LIMS before the payment of prize winning tickets. Steps are being taken to assess the excess prize amount paid over and above the prizes offered and to recover the same from the concerned.</p>	

8.1.5.4	<p>put in place in the system to ensure that prizes distributed match with the prizes offered.</p> <p>After this was pointed out, the Government stated that the matter is being investigated and report would be submitted.</p>		<p>Only partial testing (functional) was reportedly completed by STQC and test report furnished by Keltron, the agency which has developed the software. Keltron has informed that the matter will be again taken up as and when the new module for Taluk Lottery Offices is prepared and implemented in LIMS.</p>		<p>The Department had initiated the software certification for LIMS and the first phase of certification by Standardisation Testing and Quality Certification (STQC) started on 8 March 2010. Neither work-order nor payment was released by the Government so far and STQC discontinued the certification process.</p> <p>The cash accounting of the district lottery offices relies entirely on the LIMS. Even after the lapse of four years from its implementation, the accuracy and reliability of the software was not tested by a competent authority to ensure that all the system controls exist.</p> <p>After the case was pointed out in audit, the Department stated that steps had been taken for software certification.</p>

8.1.5.5	<p>As per Rule 8 of Kerala Paper Lotteries (Regulation) Rules 2005, draws of each lottery are conducted by the Government under the supervision of a panel of judges approved by the Government using tokens and manually operated drums and the results announced after verification with the list of unsold tickets.</p> <p>The second prize of Thiruvonam Bumper Lottery 2011 won by ticket number IR-339602 was wrongly published as TH-339602. Accordingly, the purchaser of ticket number TH-339602 made a claim and after verification the claim was rejected by the Department since the prize was won by ticket No.IR-339602. The necessary corrections were made by the Department through print and visual media. However, taking into account the mental agony suffered by the claimant for non-disbursal of the claim, the Government accorded sanction of Rs.2 lakh as special compensation vide Government Order dated 29 May 2012. The Department stated that this might be due to a mistake in the computer system and strict preventive measures were being taken to ensure correct uploading of results.</p>	<p>To avoid recurrence of incidence such as error in the publication of lottery results, the Department has been keeping utmost vigil by cross-checking the drawn out number with the result list before going it to Press and Net. The result published in the news papers are also being subjected to scrutiny every morning by matching it with the numbers in the prize payment register. Hence the chance of incorrect publication of result in the Dailies is being checked by the Department.</p>
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	However, the fact remains that in addition to the mental agony suffered by the incorrect claimant, the mistake has resulted in a compensation of Rs. 2 lakh paid by the Department.	
8.1.5.6	It is recommended that the Department may pursue the cases with the Crime Branch for ensuring credibility.	There has been drastic reduction in the number of lottery prize claims from outside the State of Kerala after the Department had referred 35 outside claims of dubious nature to the Government and Crime Branch. The Department is also observing some stringent measures to curb such claims. Since the lottery tickets are not being sold out in any other States, as a part of the Department's belt and braces measure, the claimant from the States other than Kerala are required to convince the Department in unambiguous terms that the prize winner had purchased the ticket from an authorized vendor and the documents presented are genuine. The Department is keeping a keen eye on this issue and proper following up action is being insisted.
8.1.5.7	Audit recommends that the Department may finalise accounts of Lotteries scheme wise and draw wise for the efficient conduct of lotteries.	Taking into account the audit recommendation the Department now prepares the provisional profit statement of each draw. Scheme wise details of lotteries are also prepared before launching a lottery.
8.1.5.8	It is recommended that a time frame for e-payment may be fixed and adequate security measures and necessary facilities may be provided till full fledged e-payment is established in the Department.	Department of Lotteries commenced e-payment facility for the agents to remit their subscription via SBT branches across Kerala.

	<p>The details of Registered Agents have been uploaded in LIMS. There is large number of persons who are indirectly employed in this Sector like employees in the Sales Outlets of Registered Agents. Hence it is not possible to create an exact data bank of the indirect employees.</p>	<p>8.1.5.9</p> <p>It is recommended that the Department may ensure a databank of all the persons involved directly or indirectly by making suitable provisions in the software LIMS and obtaining information from all persons involved.</p>
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[Signature]
 Additional Secretary
 Tax and Finance Dept.

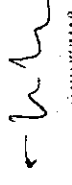
ധനകാര്യ (ജി.ഐ.എം.സി) വകുപ്പ്

ഇന്ത്യയുടെ കംപ് ട്രോളർ ആൻറ് ഓഡിറ്റർ ജനറലിന്റെ 2012 മാർച്ചിൽ അവസാനിച്ച വർഷത്തെ റവന്യൂ വരവ് സംബന്ധിച്ച ഓഡിറ്റ് റിപ്പോർട്ടിന്റെ ഖണ്ഡിക 8.2 ന്റെ സിറികരിച്ച നടപടി ക്രമങ്ങളുടെ റിപ്പോർട്ട്

ക്രമ നമ്പർ	ഓഡിറ്റ് പദമ നമ്പർ	ശിപാർശ	നടപടി റിപ്പോർട്ട്
1	<p>8.2 വായ്പകളിൻമേൽ പലിശ വസൂലാക്കാതിരുന്നത്</p> <p>സ്ഥാപനങ്ങൾക്കും, വ്യക്തികൾക്കും വായ്പകൾ പലിശയുള്ള വായ്പകൾ അനുവദിക്കുന്ന സർക്കാർ അനുവദിക്കുന്ന വായ്പകൾ അനുവദിച്ച ഉത്തരവിലെ ഉപാധികളും നിബന്ധനകളും അനുസരിച്ച് ,നിഷ്കർഷിക്കപ്പെട്ട കാലയളവിനകം തുല്യമായ ആവൃത്തിയിലുള്ള തവണകളിൻ്റെ ,വായ്പ, അതായത് മുതലും നിശ്ചയിക്കപ്പെട്ട പലിശയും അനുവദിക്കേണ്ടതാണ്. വായ്പയുടെ തിരിച്ചടവിലോ അഥവാ ഏതെങ്കിലും തവണയോ ,വായ്പ അനുവദിച്ചതിൽ നിശ്ചയിച്ച ഉപാധികളും നിബന്ധനകളും അനുസരിച്ച വായ്പയുടെ തിരിച്ചടവിലോ അഥവാ ഏതെങ്കിലും തവണയോ ,വായ്പ അനുവദിച്ചതിൽ നിശ്ചയിച്ച നൽകേണ്ട പലിശയോ തിരിച്ചടയ്ക്കുന്നതിലോ കേന്ദ്രകളിൽ വയ്ക്കാരിൽ നിന്നും പലിശ ചുമത്തേണ്ടതാണ്. 1977 മാർച്ച് 31 ന് അവസാനിച്ച വർഷത്തെ ഇന്ത്യയുടെ കംപ് ട്രോളർ ആൻറ് ഓഡിറ്റർ ജനറലിന്റെ റിപ്പോർട്ടിൻ്റെ 10.1 ഖണ്ഡികയിൽ അഡ്വാൻസുകളിന്മേലും സംബന്ധിച്ച 1992-93 മുതൽ 1995-96 വരെ വർഷ</p>	<p>വിവിധ വായ്പകൾ അനുവദിക്കുന്ന ഉപാധികളും നിബന്ധനകളും അനുസരിച്ച് പലിശയും അതായത് തിരിച്ചടവിലോ ,വായ്പ ഉപാധികളും തവണയോ ,വായ്പ വരുത്തുന്ന പലിശ അനുവദിച്ചതിൽ നിന്നും പലിശ ചുമത്തേണ്ടതാണ്. 1977 മാർച്ച് 31 ന് അവസാനിച്ച വർഷത്തെ ഇന്ത്യയുടെ കംപ് ട്രോളർ ആൻറ് ഓഡിറ്റർ ജനറലിന്റെ റിപ്പോർട്ടിൻ്റെ 10.1 ഖണ്ഡികയിൽ അഡ്വാൻസുകളിന്മേലും സംബന്ധിച്ച 1992-93 മുതൽ 1995-96 വരെ വർഷ</p>	<p>29.07.2006 -ലെ സർക്കാർ നമ്പർ 37/ ജി.എം.സി 3/06 /ധന : 28.12.2009 സർക്കാർ നമ്പർ .104 /ജി.എം.സി2/09 /ധന എൻ്റെ പ്രകാരം പൊതു മേഖലാ സ്ഥാപനങ്ങൾ ,തദ്ദേശ സ്ഥാപനങ്ങൾ,സഹകരണ സ്ഥാപനങ്ങൾ,പൊതു മേഖലാ സ്ഥാപനങ്ങളുടെ പരിധിയിൽ വരുന്ന വ്യവസായങ്ങൾ മുതലായവയുടെ ആവശ്യങ്ങൾക്കായി സർക്കാർ അനുവദിക്കുന്ന വായ്പകളിന്മേലും മുൻകൂറുകളിന്മേലുള്ള മുതലിന്റേയും പലിശയുടെയും തിരിച്ചടവ് നിശ്ചയിക്കുന്നതിനായി ശക്തമായ മാർഗ്ഗ നിർദ്ദേശങ്ങൾ പുറപ്പെടുവിച്ചിട്ടുണ്ട്. വായ്പ അനുവദിക്കുകയും വിതരണം ചെയ്യുകയും ചെയ്യുന്നതിന് മുൻപായി തവണകൾ നൽകുന്നത് ആരംഭിക്കുന്ന തീയതി,നൽകേണ്ട പലിശയടക്കം ഓരോ വായ്പയും തിരിച്ചടയ്ക്കേണ്ടത് ഏത് ആവൃത്തിയിലും കാലയളവിലും ആണെന്നത് ഉൾപ്പെടെയുള്ള ഉപാധികളും നിബന്ധനകളും അനുവദിക്കേണ്ട അധികാരി നിശ്ചയിക്കേണ്ടത് ആവശ്യമാണ്. ഇപ്രകാരം പഴയകാല വായ്പകളിന്മേൽ ഉപാധികളും നിബന്ധനകളും നിശ്ചയിച്ചിട്ടില്ലായെങ്കിൽ അവ താമസംവിന നിശ്ചയിക്കണമെന്നും, ഇതിൽ വീഴ്ച വരുത്തരുതെന്നും ഈ ഉത്തരവുകളിൽ ധന വകുപ്പുപ്രത്യേകം നിർദ്ദേശം</p>

<p>കാലയളവിലെ കുറവുകൾ ഉയർത്തിക്കാട്ടിക്കൊണ്ട് പരാമർശം നൽകിയിരുന്നു. വായ്പയും പലിശയും വസൂലാക്കുന്നത് എക്കോക്വിപ്പിക്കുകയും കാര്യക്ഷമമായി നിരീക്ഷിക്കുകയും ചെയ്യുന്നതിന് ധനകാര്യ വകുപ്പിൽ പ്രത്യേക കേന്ദ്രീകൃത നിയന്ത്രണ സംവിധാനം ഉയർതിയോണ്ടുള്ളതാണ്. അതിനായി, ഇക്കാര്യത്തിൽ മാർഗ്ഗ രേഖകൾ അനുവർത്തിക്കുന്നതിനായി ബന്ധപ്പെട്ട അധികാരികൾക്ക് ധനകാര്യ വകുപ്പ് നിർദ്ദേശങ്ങൾ നൽകേണ്ടതാണെന്നും തങ്ങളുടെ 47- മത് റിപ്പോർട്ടിൽ പബ്ലിക് അക്കൗണ്ട്സ് സമിതി (പി എ സി 2001-04 കൂപാർശം ചെയ്ത നിർദ്ദേശങ്ങളുടെ അനുവർത്തനം ഉറപ്പു വരുത്തുന്നതിനും വസൂലാക്കലുകൾ നിരീക്ഷിക്കുന്നതിനുമായി ധനകാര്യ വകുപ്പ് രേഖകൾ പരിശോധിക്കേണ്ടത് ആവശ്യമാണ്. എന്നിരുന്നാലും പി എ സി കൂപാർശം ചെയ്ത പോലെ വായ്പയും പലിശയും വസൂലാക്കുന്നത് പാലാപ്രദായ് നിരീക്ഷിക്കുന്നതിന് ഒരു പ്രത്യേക കേന്ദ്രീകൃത നിയന്ത്രണ സംവിധാനം ഇതുവരെയായും നടപ്പിലാക്കിയിട്ടില്ല. വകുപ്പിന്റെ ഭാഗത്തു നിന്നുണ്ടുള്ള നിരീക്ഷണ നടപടികളുടെ അഭാവം മൂലം, 1979 നും 2009 നും മദ്ധ്യം അനുവദിക്കപ്പെട്ട 31 വായ്പകളിന്മേലുള്ള 17.02 കോടി വരുന്ന പലിശയും പീഴ പലിശയും അനുബന്ധം III ന് വിവേകിച്ച് നിരീക്ഷണതു പോലെ ബാങ്കി നിന്നിരുന്നു.</p>	<p>നൽകിയിട്ടുണ്ട്. വായ്പയും പലിശയും എക്കോക്വിപ്പിക്കുകയും കാര്യക്ഷമമായി നിരീക്ഷിക്കുകയും ചെയ്യുന്നതിന് ധനകാര്യ വകുപ്പിൽ പ്രത്യേക കേന്ദ്രീകൃത നിയന്ത്രണ സംവിധാനം കൊണ്ടുവരുന്നതിന്റെ ഭാഗമായി വായ്പ അനുവദിച്ചു കൊണ്ടുള്ള സർക്കാർ ഉത്തരവുകളുടെ പകർപ്പുകൾ ഈ വകുപ്പിൽ ലഭ്യമാക്കണമെന്നും മാർച്ച് മാസം 31 വരെയും സെപ്റ്റംബർ മാസം 30 വരെയുള്ള വായ്പ തിരിച്ചടവ് സംബന്ധിച്ചുള്ള അർദ്ധ വാർഷിക വിവരണ പത്രിക നിർദ്ദേശ്യ മാതൃകാ രൂപത്തിൽ എല്ലാ വാർഷികം ഏപ്രിൽ 30 നും ഒക്ടോബർ 31 നും മുൻപായി ലഭ്യമാക്കണമെന്നും എല്ലാ പൊതുജനങ്ങളോടും മേൽ സർക്കുലറുകൾ പ്രകാരം പ്രത്യേകം നിർദ്ദേശിച്ചിട്ടുണ്ട്. 09.08.2011-ലെ സർക്കുലർ നമ്പർ 52/ജി.എം.സി 2/11/ധന പ്രകാരം മുൻ സർക്കുലറുകളിൽ പ്രതിപാദിച്ച നിർദ്ദേശങ്ങൾ കർശനമായി പാലിക്കണമെന്ന് വീണ്ടും നിർദ്ദേശിച്ചിട്ടുണ്ട്. 23.11.12, 02.05.13, 20.11.13, 30.04.2014 എന്നീ തീയതികളിലെ 95370/ ജി.എ.എം.സി 2/12/ധന നമ്പർ കത്തുകൾ പ്രകാരം അർദ്ധ വാർഷിക വിവരണ പത്രിക കാല വിഭാഗം കൂടാതെ സമർപ്പിക്കണമെന്നും, വായ്പയുടെയും, അതിന്മേൽ നൽകേണ്ട പലിശയുടെയും തവണകളുടെ തിരിച്ചടവിനായും സന്താന നടപടികൾ ആരംഭിക്കണമെന്നും എല്ലാ പൊതുജനങ്ങളോടും സമാഹരണങ്ങളെയും അറിയിച്ചിട്ടുണ്ട്. 19.08.2014, 20.09.2014 എന്നീ തീയതികളിലെ 7272/ ജി.എ.എം.സി-2/ 14/ ധന (ഇ ഓഫീസ് നമ്പർ ജി.എ.എം.സി-2/ 12/ 2014/ ധന)നമ്പർ</p>
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<p>പലിശയും പീഴ പലിശയും അനുബന്ധം IV ൽ വിശദീകരിച്ചിരിക്കുന്നതു പോലെ ഏതൊതിരിക്കുന്നതിനിടയാക്കി. ഇക്കാര്യം 2012 ജൂലായ് മാസത്തിൽ ചൂണ്ടിക്കാട്ടിയ ശേഷം സർക്കാർ അനുവദിച്ച വായ്പകൾ വസ്തുപരമായ് എകോക്സിക്കുകയും വായ്പകൾ നിരീക്ഷിക്കുകയും ചെയ്യുന്നതിനായി ധന കാര്യ വകുപ്പ് എല്ലാ ഭരണ നിർവ്വഹണ വകുപ്പുകൾക്കും വിവിധ വകുപ്പ് തലവന്മാർക്കും പഴയകാല വായ്പകളിന്മേൽ ഉപാധികളും നിബന്ധനകളും നിശ്ചയിക്കുന്നതിനും വായ്പയുടേയും അതിന്മേൽ നിലകണ്ട പലിശയുടേയും തവണകളുടെ തിരിച്ചടവിനായും സൗജന്യ നടപടികൾ ആരംഭിക്കുന്നതിന് നിർദ്ദേശങ്ങൾ നൽകിയിട്ടുള്ളതായി മറുപടി നൽകപ്പെട്ടു.</p>	<p>അനാഭോഗിക കമ്പികൾ പ്രകാരം കമ്പ് ടോളർ ആൻറ് ടെഡിംഗർ ജനറൽ ഓഫ് ഇന്ത്യയുടെ 2012 മാർച്ചിൽ അവസാനിച്ച വർഷത്തെ റവന്യൂ വരവ് സംബന്ധിച്ച ടെഡിംഗ് റിപ്പോർട്ടിന്റെ ബന്ധിക 8.2 ന്റെ പ്രസ്തുത ഭാഗവും പ്രസ്തുത റിപ്പോർട്ടിലെ അനുബന്ധം II, IV എന്നിവയുടെ പകർപ്പും ബന്ധപ്പെട്ട ഭരണ നിർവ്വഹണ വകുപ്പുകൾക്ക് അയച്ചുകൊടുക്കുകയും ഇതിന്മേൽ സ്വീകരിച്ച നടപടി അടിയന്തിരമായി ആവശ്യപ്പെടുകയും ചെയ്തിട്ടുണ്ട്. 03.12.2014, 09.01.2015 എന്നീ തീയതികളിലെ ഇതേ നമ്പർ അർദ്ധ ഓഡോഗിക കമ്മ്യൂണിക്കേഷൻ പ്രകാരം ദീർഘകാലമായി തീർപ്പാക്കാതെ കിടക്കുന്ന ഈ വിഷയത്തിൽ അന്തിമമായി സ്വീകരിച്ച നടപടി സൗജന്യമായി കേരള നിയമ സഭ സെക്രട്ടറിക്കും അക്കൗണ്ടന്റ് ജനറലിനും സമർപ്പിക്കേണ്ടതാണെന്നും ബോധ്യപ്പെടുത്തിയത് ഇതിൽ വീഴ്ച വരുത്തുന്നത് പബ്ലിക് അക്കൗണ്ട്സ് കമ്മിറ്റിയുടെ കടുത്ത നിരസവും താക്കീതം കജണിഷ്യവരുത്തുന്നതിന് ഇടയാക്കുമെന്നും ആയതിനാൽ ഇക്കാര്യത്തിൽ സൗജന്യ ബന്ധിതമായി നടപടിയെടുത്ത് അറിയിക്കണമെന്നും ബന്ധപ്പെട്ട ഭരണ നിർവ്വഹണ വകുപ്പുകളെ അറിയിച്ചിട്ടുണ്ട്. പ്രസ്തുത വകുപ്പുകളിൽ നിന്നും അന്തിമ മറുപടി കിട്ടുന്ന മുറയ്ക്ക് ശുപാർശകളിന്മേൽ നടപടി സ്വീകരിക്കുന്നതാണ്.</p>
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 A. R. AJAYAKUMAR
 Additional Secretary (Finance)
 Govt. of Kerala

APPENDIX-III

C & AG's Report

Details of Loan sanctioned to various PSUs - Agricultural Department

(Para 8.2)

Sl. No.	Name of PSU	Sanctioned Amount	Date of Disbursement	Rate of Interest (%)	Term (Months)	Term (Years)	Interest Paid	Interest Due	Amount Repaid	Amount Outstanding	
											Rs.
1	KARCO 1.GO(MS) No. 13679/AD dated 22.03.79	5,00,000	29.03.1979	10.75	2.5	2,30,772	2,69,228		9,55,959	2,23,316	11,78,274
2	2.GO(MS) No. 303786/AD dated 08.04.80	6,00,000	21.08.80	10.5	2.5	1,20,000	4,80,000		15,94,159	3,79,562	19,73,721
3	3.GO(MS) No. 185681/AD dated 28.07.81	1,00,000	07.08.81	11	2.5	30,000	70,000	2,200	2,36,147	53,676	2,87,617
4	4.GO(MS) No. 186681/AD dated 28.07.81	75,000	07.08.81	11	2.5	22,500	52,500	1,850	1,77,111	48,252	2,15,713
5	5.GO(R) No. 214881/AD dated 05.09.81	1,00,000	08.09.81	11	2.5	30,000	70,000	2,000	2,35,472	53,516	2,86,989
6	6.GO(R) No. 214881/AD dated 05.09.81	1,50,000	08.09.81	11	2.5	45,000	1,05,000	3,500	3,53,208	80,275	4,29,983
7	7.GO(R) No. 221681/AD dated 21.09.81	1,00,000	13.10.81	11	2.5	30,000	70,000	2,200	2,34,754	53,349	2,85,983
8	8.GO(R) No. 213182/AD dated 11.08.82	3,00,000	19.08.82	12	2.5	60,000	2,40,000	3,600	8,53,506	177,814	10,27,719
9	9.GO(R) No. 314182/AD dated 07.12.82	2,66,000	15.12.82	12	2.5	53,200	2,12,800	2,926	7,48,520	1,55,942	9,01,536
10	10.GO(R) No. 210583/AD	75,000	19.08.83	12	2.5	7,500	67,500		2,31,948	48,323	2,80,271

Sl No.	Name of PSU	Sanction Order No.	Sanctioned Amount (₹)	Date of disbursement	Rate of Interest (%)	Rate of Penal interest (%)	Loan Repaid (₹)	Loan amount outstanding (₹)	Interest paid (₹)	Interest (₹)	Penal Interest (₹)	Total Int. to be paid (d + e + f) (₹)
11		dated 11.08.83 11.GOR(L) No. 2896/83/AD dated 07.11.83	2,25,000	18.11.83	12	2.5	22,500	2,02,500	6,89,787	14,37,406	8,33,493	
12		14.GOMS) No. 242/90/AD dated 10.09.90	50,00,000	22.11.90	17.5	2.25		50,00,000	1,86,98,630	24,04,110	2,11,02,740	
13		15.GOMS) No. 262/97/AD dated 17.09.97	25,00,000	23.10.97	19.5	2.75		25,00,000	70,42,705	9,93,202	80,35,908	
14		16.GOMS) No. 128/98/AD dated 29.06.98	50,00,000	28.10.98	19.5	2.75		50,00,000	1,30,97,055	18,47,021	1,49,44,075	
15		17.GOR(L) No. 399/05/AD 15.03.05	2,00,000	04.04.05	15.5	2.75		2,00,000	2,16,830	38,470	2,55,300	
16		19.GOR(L) No. 488/06/AD dated 31.03.06	89,99,000	31.03.06	15.5	2.75		89,99,000	83,76,713	14,86,191	98,62,904	
17		21.GOR(L) No. 565/09/AD dated 31.03.09	90,00,000	31.03.09	14.5	2.5		90,00,000	39,18,575	6,75,616	45,94,192	
18	KSCDC	1.GOR(L) No. 671/80/AD dated 15.03.80	16,00,000	02.04.1980	10.75	2.5	123077	14,76,923	5,16,000	50,83,225	11,82,145	57,49,370
19		2.GOR(L) No. 1315/1981/AD dated 15.05.81	2,25,000	27.05.1981	14	2.5	0	2,25,000	45,000	7,63,927	1,73,620	8,92,547
20		3.GOR(L) No. 1521/81/AD dated 10.06.81	4,55,000	22.06.1981	11	2.5	0	4,55,000	89,000	15,41,266	3,50,288	18,02,553
21		4.GOR(L) No. 830/1982/AD dated 25.03.82	20,00,000	26.03.1982	11	2.5	0	20,00,000	2,00,000	66,07,836	1,50,1781	79,09,616
22		5.GOR(L) No.	22,50,000	05.07.1982	11	2.5	0	22,50,000		73,65,329	16,73,938	90,39,267

Sl No.	Name of PSU	Sanction Order	Sanctioned Amount (₹)	Date of disbursement	Rate of Interest (%)	Rate of Penal interest (%)	Loan Repaid (₹)	Loan amount outstanding (₹)	Interest paid (₹)	Interest (₹)	Penal Interest (₹)	Total Int. to be paid [(b) + (c) + (a)] (₹)
		1762/82/AD dated 03.07.82										
23		6.GOR(I) No. 1139/82/AD dated 22.04.82	5,00,000	24.04.1982	11	2.5	0	5,00,000		16,47,589	3,74,452	20,22,041
24		7.GOR(I) No. 975/83/AD dated 23.04.83	4,50,000	26.04.1983	12	2.5	0	4,50,000		15,63,337	3,25,695	18,89,032
25		8.GOR(I) No. 2641/83/AD dated 10.10.83	8,50,000	30.03.1984	12	2.5	0	8,50,000		28,58,236	5,95,466	34,53,701
26		9.GOR(I) No. 885/85/AD dated 29.03.85	13,00,000	30.03.1985	13.5	2.5	0	13,00,000		47,42,347	8,78,212	56,20,559
27		10.GOR(I) No. 892/93/AD dated 13.07.93	23,871	20.08.1993	15	2.5	0	23,871		66,688	11,115	77,803
28		11.GOR(I) No. 573/90/AD dated 30.03.90	20,00,000	31.03.1990	14.5	2.25	0	20,00,000		63,84,767	9,90,740	73,75,507
29		12.GOR(I) No. 380/91/AD dated 23.02.91	20,00,000	11.03.1991	14.5	2.25	0	20,00,000		61,10,658	9,48,205	70,58,863
30		13.GOR(I) No. 398/93/AD dated 22.03.93	9,29,392	31.03.1993	15	2.5	0	9,29,392		26,59,677	4,41,779	30,97,456
31	KLDC	GO (MS) No. 338/89/AD dated 10.12.1999	1,74,00,000	10.12.1999	19.5	2.75	0	174,00,000		4,17,85,027	58,92,760	4,76,77,788
		Total	6,51,73,263					64,30,4214		14,68,31,968	241,93,530	17,91,57,422

* [(Loan amt - Loan repaid) * rate of int./ 365] * No. of days from date of drawal to 31/3/12

** [(Loan amt - Loan repaid) * rate of Penal int./ 365] * No. of days from date of drawal to 31/3/12

Interest receipts
(Para 8.2)

Sl. No.	Name of beneficiary	Sanction order No. & date	Year of sanction	Loan Amount	Rate of interest of loan per annum	Interest due as on 31.03.2012	Penal interest due (as on 31.03.2012)	Total Interest
				₹	(%)	(₹)	(₹)	(₹)
1	KAICO	1.GOR(R) No. 3141/82/AD dated 07.12.82	1982	6,00,000	12	21,12,066	4,40,014	25,52,079
2	KAICO	2.GOR(R) No. 3141/82/AD dated 07.12.82	1982	7,00,000	12	24,64,077	5,13,349	29,77,426
3	KSCDC	2.GOR(L) No.1106/93/AD dated 21.08.93	1993	6,00,000	15	16,75,973	2,79,329	19,55,301
4	KSCDC	1.GOR(R) No. 480/94/AD dated 26.03.94	1994	7,64,500	15	20,67,292	3,44,549	24,11,840
5	KSCDC	3.GOR(L) No. 1220/94/AD dated 07.09.94	1994	2,76,500	15	7,28,937	1,21,490	8,50,427
6	Steel Complex Ltd.	1. GO(R) No. 1040/95/ ID dated 7.12.1995	1995	1,16,38,000	10	1,90,00,231	47,30,038	2,37,30,288
7	KSCDC	4.GOR(L) No. 3937/95/Fin dated 02.09.95	1995	10,00,000	15	24,88,356	4,14,726	29,03,082
8	KSCDC	5.GOR(L) No. 4741/95/Fin dated 07.11.95	1995	12,50,000	15	30,76,541	5,12,757	35,89,298
9	Handicrafts Development Corporation	1.GOR(R) No 1328/97 ID dated 18/12/1997	1997	10,00,000	10	14,29,315	3,37,329	17,66,644
10	Scooters Kerala	4.GOR(R) No. 1133/97/ ID dated 23/10/1997	1997	1,40,00,000	10	2,02,25,205	50,56,301	2,52,81,507
11	Kerala State Sulfonate & Chemicals	1. GO(R) No. 1201/98/ ID dated 24.12.1998	1998	2,50,000	10	3,31,918	82,979	4,14,897
12	Punalur Paper Mills	GO(R) No. 694/98/ID dated 10.08.1998	1998	761,000	10	10,38,713	2,59,678	12,98,391
13	TELK	1. GO(Ms.) No 89/98/ ID dated 19.06.1998	1998	1,58,00,000	10	2,17,91,014	54,87,753	2,72,38,767
14	KSCDC	6.GO(MS.) No. 34/98/AD dated	1998	8,00,00,000	19.5	22,08,36,164	2,83,12,329	24,91,48,493

Sl No.	Name of loanee	Sanction order No. & date	Year of sanction	Loan Amount (₹)	Rate of interest of contemporary loan	Interest due as on 31.03.2012 (₹)	Penal interest (₹)	Total (Interest + Penal Interest) (₹)
15	KSCDC	66.02.98 7 GO(MS) No.55/98/AD dated 04.03.98	1998	80,00,000	19.5	21,97,2493	28,16,986	2,47,89,479
16	KELTRON	1. GO(Ms) No. 109/99/ ID dated 22.07.1999	1999	1,00,00,000	10	1,27,01,370	31,75,342	1,58,76,712
17	Kerala Ceramics Ltd	1. GO(Ms) No 91/99/ ID dated 17.06.1999	1999	2,10,25,000	10	2,69,06,240	67,26,560	3,36,32,800
18	Kerala state Salicylat & Chemicals	2. GO(Ms) No. 819/99/ID dated 20.08.1999	1999	22,00,000	10	27,76,822	6,94,205	34,71,027
19	Kerala state Salicylat & Chemicals	3. GO(Ms) No. 1058/ 99/ ID dated 27.10.1999	1999	44,00,000	10	54,71,671	13,67,918	68,39,589
20	KSCDC	1. GO(R) No 250/99/ ID dated 18.03.1999	1999	3,44,00,000	10	4,48,80,219	1,12,20,055	5,61,00,274
21	Scooters Kerala	1. GO (R) No. 93/99/ ID dated 03.2.1999	1999	55,00,000	10	72,40,411	18,10,103	90,50,514
22	Scooters Kerala	2. GO(MS) No. 819/99/ ID dated 20.08.1999	1999	80,00,000	10	1,00,97,534	25,24,384	1,26,21,918
23	TELK	2. GO(Ms.) No 22/99/ ID dated 03.02.1999	1999	1,17,24,000	10	1,54,33,923	38,58,481	1,92,92,404
24	KSCDC	8. GO(MS) No.38.99/AD did 12.02.99	1999	25,00,000	19.5	64,95,616	8,21,233	72,26,849
25	CAPEX	1. GO(Ms) No 77/00 ID dated 19.06.2000	2000	1,69,000	10	1,99,235	49,809	2,49,043
26	CAPEX	2. GO(Ms) No 148/00 ID dated 04.12.2000	2000	12,80,00,000	10	14,50,08,219	362,32,055	18,12,60,274
27	CAPEX	3. GO(R) No 981/00 ID dated 02.09.2000	2000	1,25,00,000	10	1,44,79,452	36,19,863	1,80,99,315
28	Chalakkudi Refractories	1. GO(R) No 659/00/ ID dated 15.06.2000	2000	1,03,000	10	1,21,540	30,385	1,51,925
29	TELK	3. GO(Ms.) No 132/00/ ID dated 06.12.2000	2000	1,62,00,000	10	1,83,43,726	45,85,932	2,29,29,658
30	Kerala Soaps and Oils Ltd	1. GO(Ms) NO. 163/01/ ID dated 15.12.2001	2001	3,72,00,000	10	3,83,10,904	95,77,726	4,78,88,630

Sl No.	Name of loanee	Sanction order No. & date	Year of sanction	Tam Amount (₹)	Rate of interest of contract. per cent. p. ann.	Interest due as on 31.03.2013 (₹)	Penal interest due (₹ 2.5%) (₹)	Total Interest + Penal Interest (₹)
31	KSBC	1. GO (R) No 2000/01 ID dated 22.02.2001	2001	30,00,000	10	33,32,877	8,33,219	41,66,096
32	Metro Politan Engineering Co.	1. GO (Ms) No 34/01/ID dated 23.02.2001	2001	70,00,000	10	77,74,795	19,43,699	97,18,493
33	KELTRON	2. GO (R) No. 82/02/ ID dated 03.08.2002	2002	4,25,00,000	10	4,08,86,137	1,02,21,534	5,11,07,671
34	Kerala state Salicylate & Chemicals	4. GO (R) No. 601/02/ ID dated 12.07.2002	2002	20,00,000	10	19,45,205	4,86,301	24,31,507
35	Kerala state Salicylate & Chemicals	5. GO (R) NO. 771/00/ ID dated 2.9.2002	2002	1,90,000	10	1,82,088	45,522	2,27,610
36	KSCDC	2. GO (R) No 134/02/ ID dated 14.03.2002	2002	12,00,00,000	10	12,06,57,534	3,01,64,384	15,08,21,918
37	Astral Watches	1. GO (Ms) No 37/03/ ID dated 24.03.2003	2003	10,00,000	10	9,02,740	2,25,685	11,28,425
38.	Autocast Ltd	1. GO (Ms) No 37/03/ ID dated 24.03.2003	2003	15,00,000	10	13,54,110	3,38,527	16,92,637
39.	Chalakkudi Refractories	2. GO (Ms) No 1113/03/ ID dated 22/03/2003	2003	2,06,000	10	1,86,077	46,519	2,32,597
40	Co- Operative Sugars Ltd. Chittur	1. GO (Ms). No. 37/03. ID dated 24.03.2003	2003	20,00,000	10	18,05,479	4,51,370	22,56,849
41	Keltron Counters	1. GO (Ms) No. 67/03/ ID dated 24.03.2003	2003	30,00,000	10	27,08,219	6,77,055	33,85,274
42	Kerala Garments	1. GO (Ms) No. 37/03/ID dated 24.03.2003	2003	10,00,000	10	9,02,740	2,25,685	11,28,425
43	Kerala Rectifiers Ltd.	GO (Ms) No. 37/03/ID dated 24.03.2003	2003	10,00,000	10	9,02,740	2,25,685	11,28,425
44	Kerala Soaps and Oils Ltd	2. GO (Ms) No 37/03/ ID dated 24.03.2003	2003	25,00,000	10	22,56,849	5,64,212	28,21,062
45	Kerala State Detergents & Chemicals	GO (Ms) No. 37/03/ ID dated 24.03.2003	2003	15,00,000	10	13,54,110	3,38,527	16,92,637
46	Kerala state Salicylate & Chemicals	6. GO (Ms) No. 37/03/ ID dated 24.03.2003	2003	15,00,000	10	13,54,110	3,38,527	16,92,637
47	Metro Politan Engineering Co.	2. GO (Ms) No 37/03/ ID dated 24.03.2003	2003	10,00,000	10	9,02,740	2,25,685	11,28,425

Sl No.	Name of bank	Sanction order No.& date	Year of sanction	Loan Amount (₹)	Rate of interest of contingency loan	Interest due as on 31.03.2012 (₹)	Penal interest due (@ 2.5%) (₹)	Total (Interest + Penal Interest) (₹)
48	Quilon Co-operative Spinning Mill	1. GO(Ms) No. 37/03/ ID dated 24.3.2003	2003	20,00,000	10	18,05,479	4,51,370	22,56,849
49	Scooters Kerala	3. GO(Ms) NO. 37/03/ ID dated 24.03.2003	2003	10,00,000	10	9,02,740	2,25,685	11,28,425
50	Sitharam Textiles Ltd	1. GO (R) 37/03/ ID dated 24.03.2003	2003	10,00,000	10	9,02,740	2,25,685	11,28,425
51	Sitharam Textiles Ltd	2. GO (Ms) No03/2003/ ID dated 04.01.2003	2003	1,00,00,000	10	92,43,836	23,10,959	1,15,54,795
52	Steel Complex Ltd.	2. GO(Ms) No. 37/03/ ID dated 24.03.2003	2003	15,00,000	10	13,54,110	3,38,527	16,92,637
53	Travancore Sugars and Chemicals	GO(Ms) No. 37/03/ ID dated 24.03.2003	2003	10,00,000	10	9,02,740	2,25,685	11,28,425
54	Trivandrum Spinning Mill	GO(Ms) No. 37/03/ ID dated 24.03.2003	2003	30,00,000	10	27,08,219	6,77,055	33,85,274
55	KSCDC	3. GO(R) No 6783/04 ID dated 8.10.2004	2004	20,50,00,000	12.5	19,17,31,164	3,83,46,233	23,00,77,397
56	Steel Complex Ltd	3. GO (R) No. 1121/07/ ID dated 24.08.2004	2004	5,87,00,000	12.5	5,58,05,205	1,11,61,041	6,69,66,247
57	Co-Operative sugars Ltd. Chittur	2. GO(R) No. 525/05/ ID dated 26.05.2005	2005	7,37,00,000	11.5	5,80,74,590	1,26,24,911	7,06,99,501
58	KSTC	1. GO(R) No. 225/05/ ID dated 14.03.2005	2005	6,58,000	12.5	5,80,032	1,16,006	6,96,038
59	KAICO	3.GO(R) No. 1318/05/AD dtd 05.09.05	2005	1,50,00,000	15.5	1,52,81,301	24,64,726	1,77,46,027
60	KSDP	GO(R) No 1271/06 ID dated 30.11.2006	2006	3,00,00,000	11.5	1,86,01,644	40,45,836	2,26,47,480
61	Sitharam Textiles Ltd	3. GO (Ms) No. 382/06 / ID dated 31.03.2006	2006	75,00,000	11.5	51,79,726	11,26,027	63,05,753
62	CAPEX	4. GO(R) No 977/07/ ID dated 21.07.2007	2007	9,00,00,000	11.5	4,86,30,822	1,05,71,918	5,92,02,740
63	KSBC	2. GO(R) No 1116/07 ID dated 23.08.2007	2007	93,00,000	11.5	49,28,490	10,71,411	59,99,901
64	KSCDC	4. GO(R) No 978/08/ ID dated 21.07.2007	2007	16,00,00,000	11.5	8,25,73,151	1,79,50,685	10,05,23,836

Sl No.	Name of loanee	Sanction order No. & date	Year of sanction	Loan Amount (₹)	Rate of interest of contemporary loan	Interest due as on 31.03.2012 (₹)	Penal interest due (@ 2.5%) (₹)	Total Interest + Penal Interest (₹)
65	OUJETCOS	GO(R) No.622/07/ID dated 28.03.2007	2007	33,90,000	11.5	19,54,590	4,24,911	23,79,501
66	Sitharam Textiles Ltd	4. Go(R) No.149K/ID Dated 23.11.2007	2007	50,00,000	11.5	25,04,795	5,44,521	30,49,315
67	Sitharam Textiles Ltd	5. GO (MS) No. 1022/07 dated 29.12.2007	2007	75,00,000	11.5	36,72,123	7,98,288	44,70,411
68	Steel Complex Ltd.	4. GO(R) No. 34/07/ID dated 16.03.2007	2007	2,00,00,000	11.5	1,16,07,123	25,23,288	1,41,30,411
69	KAICO	4.GO(R) No. 511A/7/AD did 28.03.07	2007	80,00,000	14.5	58,15,890	1,00,2,740	68,18,630
70	Autocast Ltd.	2. GO(R) No. 170 /08/ ID dated 21.02.2008	2008	29,000	11.5	13,705	2,979	16,685
71	Co-Operative sugars Ltd. Chittoor	3. GO(R) No. 278/08/ID dated 19.03.2008	2008	1,69,95,000	11.5	78,87,310	17,14,633	96,01,942
72	Keltron Counters	2.GO(R) No. 87/08/ID dated 27.6.2008	2008	1,45,00,000	11.5	62,72,541	13,63,596	76,36,137
73	Kerala Garments	2. GO (R) No. 278/08/ID dated 19.03.2008	2008	39,37,000	11.5	18,27,146	3,97,206	22,24,351
74	Kerala State Drugs and Pharma	GO(R) No.278/08/ID dated 19.03.2008	2008	81,88,000	11.5	38,00,017	8,26,091	46,26,108
75	Kerala state Salicylate & Chemicals	7. GO(RT). No. 340/08/ID dated 31.03.2008	2008	1,14,96,000	11.5	52,91,782	11,50,387	64,42,169
76	KSCDC	5. GO(R) No 1153/08/ ID dated 06.10.2008	2008	13,22,000	11.5	5,29,814	1,15,177	6,44,991
77	Travancore Plywood Industries Ltd	1. GO(R) No. 278/08/ ID dated 19.03.2008	2008	1,29,77,000	11.5	60,22,572	13,09,255	73,31,827
78	Travancore Titanium Products	GO(R) No 690/08/ ID dated 04.07.2008	2008	3,00,00,000	11.5	1,29,11,507	28,06,849	1,57,18,356
79	Chalakkudi Refractories	3. GO(R) No 600/09/ ID dated 27.05.2009	2009	30,00,000	11.5	9,82,068	2,13,493	11,95,562
80	Handicrafts Development Corporation	2.GO(R) No1022/09 ID dated 04.08.2009	2009	97,00,000	11.5	29,64,479	6,44,452	36,08,932
81	Kerala Automobiles Ltd.	GO(R) No. 66/09/ ID dated 09.06.2009	2009	1,50,00,000	11.5	48,48,904	10,54,110	59,03,014

SJ No.	Name of loanee	Sanction order No. & date	Year of sanction	Loan Amount (₹)	Rate of interest of contract priority loan	Interest due as on 31.03.2012** (₹)	Penal interest due (₹ 2.5%) (₹)	Total (Interest + Penal Interest) (₹)
82	Kerala Ceramics Ltd.	2. GO(R) No. 974/2009/ ID dated 25.07.2009	2009	92,35,000	11.5	28,51,464	619,884	34,71,348
83	Kerala State Detergents & Chemicals	1. GO(R) No. 422/09/ ID dated 28.03.2009	2009	5,13,23,000	11.5	1,77,71,116	38,63,286	2,16,34,402
84	KSCDC	6. GO(R) No. 375/09/ ID dated 24.03.2009	2009	12,78,000	11.5	4,44,131	96,350	5,40,682
85	KSIDC	GO(R) No. 1152/09/ID dated 29.08.2009	2009	5,18,00,000	11.5	1,54,22,918	33,52,808	1,87,75,726
86	KSTC	2.GO(R) No. 529/09/ID dated 05.05.2009	2009	115,69,000	11.5	38,67,374	8,40,733	47,08,108
87	Quilon Co-operative Spinning Mill	2. GO(R) No. 884/09/ ID dated 09.07.2009	2009	85,00,000	11.5	26,67,370	5,79,863	32,47,233
88	Sitharam Textiles Ltd	6. GO (Ms) No. 144/09 / ID dated 2.02.2009	2009	46,06,000	11.5	16,73,240	3,63,748	20,36,988
89.	Steel and Industrial forgings Ltd.	1. GO(R) No. 1211/09/ ID dated 16.09.2009	2009	3,00,00,000	11.5	87,62,055	19,04,795	1,06,66,849
90	Steel and Industrial forgings Ltd.	2. GO(R) No. 1517/09/ ID dated 1.12.2009	2009	1,31,78,000	11.5	35,33,329	7,68,115	43,01,444
91	Travancore Plywood Industries Ltd	2. GO(R) No. 550/09/ ID dated 8.5.2009	2009	53,94,000	11.5	17,98,049	3,90,880	21,88,930
92	Autocast Ltd.	3. GO (Ms) No. 394/10/ ID dated 24.03.2010	2010	1,84,21,000	11.5	42,83,261	9,31,144	52,14,405
93	Kerala Ceramics Ltd.	3. GO(R) No. 394/10/ ID dated 24.03.2010	2010	95,00,000	11.5	22,08,945	4,80,205	26,89,151
94	Kerala State Detergents & Chemicals	2. GO(R) No. 394/10/ Id dated 24.03.2010	2010	62,37,000	11.5	21,67,486	4,71,193	26,38,678
95	KSCDC	7. GO(Ms) No 05/10: ID dated 06.01.2010	2010	73,08,000	11.5	18,76,554	4,07,947	22,84,501
96	KSTC	3. GO(R) No. 382/ 10/ID dated 23.3.2010	2010	8,00,00,000	11.5	1,86,26,849	40,49,315	2,26,76,164
97	KSTC	4. GO(R) No 313/10/ID dated 16.03.2010	2010	5,00,00,000	11.5	1,17,52,055	25,54,795	1,43,06,849
98	Kunnathara Textiles	GO(R) No. 1597/07 / ID dated 16.03.2010	2010	500,00,000	11.5	1,17,52,055	25,54,795	1,43,06,849

Sl. No.	Name of loanee	Sanction order No. & date	Year of sanction	Loan Amount (₹)	Rate of interest of contem- porary loan	Interest due as on 31.03.2012 (₹)	Penal interest @ 2.5% (₹)	Total (Interest + Penal Interest) (₹)
99	Metro Politan Engineering Co.	3. GO(Rt) No 394/10/ ID dated 24.03.2010	2010	1,04,000	11.5	24,182	5,257	29,439
100	Traco Cable Company	GO(Rt) No 394/10/ ID dated 24.03.2010	2010	3,96,00,000	11.5	92,07,814	20,01,699	1,12,09,512
101	KAICO	5. GO(Rt) No. 640/10/AD dtd 31.03.10	2010	2,15,00,000	14.5	62,43,541	10,76,473	73,20,014
Total						1,56,40,69,871	33,15,13,030	1,89,55,82,901

** [(1 loan amount * rate of int.) 365] * No. of days from date of G.O to 31/3/12

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