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FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

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

HUNDRED AND TENTH REPORT

(Presented on 18th January, 2021)

SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM

2021

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

COMMITTEE
ON
PUBLIC UNDERTAKINGS
(2019-2021)

HUNDRED AND TENTH REPORT

On

The Action Taken by Government on the recommendations contained in
the Sixty Fourth Report of the Committee on Public Undertakings
(2014-2016) relating to Kerala State Coconut Development
Corporation Limited, based on the Report of the
Comptroller and Auditor General of India
for the year ended 31st March 2010
(Commercial)

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COMMITTEE ON PUBLIC UNDERTAKINGS (2019-2021)

COMPOSITION

Chairman :

Shri C. Divakaran.

Members :

Shri K. B. Ganesh Kumar

Shri C. Krishnan

Shri Thiruvanchoor Radhakrishnan

Shri P. T. A. Rahim

Shri S. Rajendran

Shri Raju Abraham

Shri Sunny Joseph

Shri M. Ummer

Shri P. Unni.

Legislature Secretariat :

Shri S. V. Unnikrishnan Nair, Secretary

Shri B. Reji, Joint Secretary

Shri A. Jafarkhan, Deputy Secretary

Smt. Reji D. O., Under Secretary.

INTRODUCTION

I, the Chairman, Committee on Public Undertakings (2019-2021) having been authorised by the Committee to present the Report on their behalf, present this Hundred And Tenth Report on the Action Taken by Government on the Recommendations contained in the Sixty Fourth Report of the Committee on Public Undertakings (2014-2016) relating to Kerala State Coconut Development Corporation Limited, based on the Report of the Comptroller and Auditor General of India for the year ended 31st March, 2010 (Commercial).

The Statement of Action Taken by the Government included in this Report was considered by the Committee at its meeting held on 7-11-2018.

This Report was considered and approved by the Committee at its meeting held on 23-12-2020.

The Committee place of record their appreciation for the assistance rendered to them by the Accountant General (Audit), Kerala during the examination of the Action Taken Statement included in this Report.

Thiruvananthapuram,
23rd December, 2020.

C. DIVAKARAN,
Chairman,
Committee on Public Undertakings.

REPORT

This Report deals with the Action Taken by Government on the recommendations contained in the Sixty Fourth Report of the Committee on Public Undertakings (2014-2016) relating to Kerala State Coconut Development Corporation Limited, based on the Report of the Comptroller and Auditor General of India for the year ended 31st March, 2010 (Commercial).

The Sixty Fourth Report of the Committee on Public Undertakings (2014-2016) was presented to the House on 11th December 2014. The Report contained 5 recommendations and the Government furnished replies to all the recommendations. The Committee (2016-2019) considered the replies received from the Government at its meeting held on 7-11-2018. The Committee accepted the replies to the recommendations in Para Nos. 4,5,6,7 & 8 with remarks.

Recommendations of the Committee, the replies furnished by the Government upon the recommendations and the remarks of the Committee made on them form this report.

**REPLIES FURNISHED BY THE GOVERNMENT ON THE
RECOMMENDATIONS OF THE COMMITTEE WHICH
HAVE BEEN ACCEPTED BY THE COMMITTEE
WITH REMARKS**

Sl. No	Para. No.	Department Concerned	Conclusions/ Recommendations	Action Taken by the Government
(1)	(2)	(3)	(4)	(5)
1	4	Agriculture	The Committee on seeing and analyzing the gross mismanagement prevailing in the Corporation observes that it is not at all astonishing that the Corporation has become non-functional since 1998 on account of continuous loss and thus failing to achieve its main objective. The Committee wants to be furnished with the details of all movable and immovable assets held by the Corporation and the title deed in respect of	An amount of Rs. 49.27 lakh was received from the sale of scrap from Mamom Unit and Thiruvangoor Unit. The furniture, Tin making machine, items in the Tool room of Mamom Unit has not been disposed. Details of all movable and immovable assets held by the Corporation may be seen at Annexure I a, I b and I c . Mechanical and electrical spares from ICPC Mamom were taken to KERAFED, Karunagappalli Plant. The machineries of the Thiruvangoor Unit had been disposed to M/s. Steel Industries Kerala Ltd. and the usable furniture had been transferred to KERAFED Office.

			<p>the landed property owned by them. The Committee wants to be apprised about the actions taken regarding the eviction of encroachers from Corporation's property and directs to furnish all the copies of the correspondences that had been done with the District Collector, Ernakulam in this matter.</p>	<p>The unusable Furniture, Tin making Machine and miscellaneous items of Thiruvangoor unit were disposed in auction and Rs. 23,100, Rs. 30,000 and Rs. 1,300 were collected as sale value.</p> <p>The Equipments used in the Hair Oil Division Elathur-Kozhikode along with Furniture had been transferred to KERAFED Coconut Complex-Naduvannur as per decision in the 162nd & 163rd & 170th meetings of BoD of KSCDC.</p> <p>KERAFED had been utilizing the Building at Elathur as their Regional Office as per decision taken in the 168th Meeting of Board of Directors of KSCDC.</p> <p>The details of Landed Property held by the Company and the title deeds of property is as detailed below.</p>
		In Acres		
1	Mamom-Attingal Thiruvananthapuram (PATTA)	5.0000	Patta Tax Receipt dated 24-7-2017	

				2	Edappally-Kochi Ernakulam (Land Purchased)	3.5600	Title Deed Sketch Tax Receipt dated 27-6-2017
					Acquired by Govt. for NH widening	0.1927	
					Balance area	3.3676	
				3	Elathur- Kozhikode (PATTA)	1.4800	Land Acquisition Order No. G.O. (Rt) No. 2358/80/AD dated 19-8-1980 Tax Receipt dated 22-7-2017.

				4	Thiruvangoor -Quilandy- Kozhikode (PATTA)	10.7900	Patta Procession Certificate Tax Receipt dated 28-6-2011. This land has been given on lease to Kerala Feeds as per records available in KSCDC.
<p>The Revenue Dept. have conducted survey of the Land to identify encroachments and as per the report of the Tahasildar three encroachments had been identified as given below:</p>							
					Survey No. 53 (3A)	50 M ²	Municipality has acquire the area for the purpose of road widening.

				<table border="1"> <tr> <td>Survey No. 53 (3B)</td> <td>14M²</td> <td>In the procession of Sri. Faisal Muhammed owner of Property in Survey No. 54/7.</td> </tr> <tr> <td>Survey No. 53 (3C)</td> <td>0.06 M²</td> <td>In the procession of the Owner of Property in Survey No. 42/1.</td> </tr> </table>	Survey No. 53 (3B)	14M ²	In the procession of Sri. Faisal Muhammed owner of Property in Survey No. 54/7.	Survey No. 53 (3C)	0.06 M ²	In the procession of the Owner of Property in Survey No. 42/1.
Survey No. 53 (3B)	14M ²	In the procession of Sri. Faisal Muhammed owner of Property in Survey No. 54/7.								
Survey No. 53 (3C)	0.06 M ²	In the procession of the Owner of Property in Survey No. 42/1.								
				<p>Encroachers.</p> <p>The details of correspondences done with the District Collector, Ernakulam and Thasildar-Kanayannoor Taluk are listed below:</p> <ol style="list-style-type: none"> 1. Lr.No. KSCDC/Edapalli/110/11-12 dtd. 7-1-2012 to District Collector, Ernakulam (Annexure vii a) 2. D.O. Lr. No. KSCDC/MD/ Edapalli/156/12-13 dtd. 2-3-2013 addressed to Sri. P. I. Shiek Pareeth, District Collector, Ernakulam. (Annexure vii b) 3. Lr. No. KSCDC/Edappally/ 116/12-13 dtd. 10-7-2013 addressed to the Thahasildar, Kanayannoor Taluk.(Annexure viii) <p>(Copies are enclosed)</p>						

2	5	Agriculture	The Committee directs to be furnished with a report from the Collector stating the reasons for the failure in carrying out the eviction as well as procedures undertaken by the revenue authorities as requested by the Corporation.	As per the Survey report of Revenue Department three encroachments had been identified as stated above. 50M ² Encroachment is for Road widening by LSG. In the case of 14M ² Encroachment by Sri Faisal Muhammed, the Company has constructed Compound Wall excluding this Encroachment. The 3rd Encroachment of 0.03M ² is of negligible nature. The report of District Collector, Ernakulam is not available since, the eviction has not been materialized.
3	6	Agriculture	The Committee learns with displeasure that the original Asset Register was not available with the Corporation and the Company held valid title deed only on 3.59 acres of land instead of 20.85 acres. The Committee wants to be furnished with the details about the custodian of original Asset Register and the title deed and decided that enquiry should be conducted and liability be fixed against the concerned officers.	As per G.O. (Ms) No. 183/99/AD dated 29-6-1999, VRS was implemented to the employees of Kerala State Coconut Development Corporation Ltd. The amount of Rs 4.33 crore was released as compensation and all the employees were relieved. In the meanwhile the Registered Office/Head Office of the Company was shifted to different locations which has resulted in loss/misplacement of the records. The allowed period for option of VRS Scheme expired on 8-9-2000 and hence two Officers from KERAFED Sri. A.V. Babu (Asst. Manager-Finance, and Ashokan Kovilan (Cashier) were

				<p>deputed to KSCDC as per G.O. (Rt) No. 1733/2000/AD dtd. 12-10-2000 for a period of 3 months from 8-9-2000. Vide proceedings of Manging Director, KSCDC (Admn./KSCDC/VRS/Staff/2000-2001/365 dtd. 30-12-2000). Sri. V. Muraleedharan Nair, Store Keeper was relieved under VRS with instruction to hand over charge to Sri. A.V. Babu from KERAFED. The deputation of Sri. A.V. Babu was extended for a further period of 3 months from 8-12-2000 as per G.O.(Rt)No. 121/2001/AD dtd. 21-1-2001 and he was relieved from KSCDC on 25-5-2001 as per G.O.(Rt)No. 933/2001/AD dtd. 24-5-2001.</p> <p>Though instructions were issued to Sri. A. V. Babu to take charge of Assets/Registers, there are no records substantiating the handing over/taking over of Assets/Registers between Sri. A.V.Babu and Sri. V. Muraleedharan Nair who was relieved on 30-12-2000. Eventhough Sri. V. L. Pradeepkumar was reinstated in the Corporation on 30-7-2007, the Assets and Records were also not handed over to him.</p>
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				<p>With regard to the total Landed Property with KSCDC, the Company has been in procession of 20.83 Acres of Land as follows.</p> <table border="1"> <tr> <td>1</td> <td>Mamom-Attingal, TVM</td> <td>5.0000 Acres</td> </tr> <tr> <td>2</td> <td>Edapally-Kochi,EKM</td> <td>3.5600 Acres</td> </tr> <tr> <td>3</td> <td>Elathur-Kozhikode</td> <td>1.4800 Acres</td> </tr> <tr> <td>4</td> <td>Thiruvangoor-Kozhikode</td> <td>10.7900 Acres</td> </tr> <tr> <td></td> <td></td> <td>20.8300 Acres</td> </tr> </table>	1	Mamom-Attingal, TVM	5.0000 Acres	2	Edapally-Kochi,EKM	3.5600 Acres	3	Elathur-Kozhikode	1.4800 Acres	4	Thiruvangoor-Kozhikode	10.7900 Acres			20.8300 Acres
1	Mamom-Attingal, TVM	5.0000 Acres																	
2	Edapally-Kochi,EKM	3.5600 Acres																	
3	Elathur-Kozhikode	1.4800 Acres																	
4	Thiruvangoor-Kozhikode	10.7900 Acres																	
		20.8300 Acres																	
4	7	Agriculture	The Committee recommends to take urgent steps to evict encroachers from Corporation's property and to obtain a copy of the title deed and other relevant documents of the property held by the Corporation.	<p>Though steps have been taken with the District Collector, Ernakulam for the eviction, it could not be finalized. As per records the following are the two major encroachments in the Edapally Plot and there are no/negligible encroachments in the other properties.</p> <table border="1"> <tr> <td>Survey No. 53 (3B)</td> <td>14 M²</td> <td>In the procession of Sri. Faisal Muhammed - owner of Property in Survey No. 54/7</td> </tr> <tr> <td>Survey No. 53 (3C)</td> <td>0.06 M²</td> <td>In the procession of the Owner of Property in Survey No. 42/1</td> </tr> </table> <p>Details of Title Deeds Available and the Property Tax paid are appended as Annexure: Xa,b,c,d.</p>	Survey No. 53 (3B)	14 M ²	In the procession of Sri. Faisal Muhammed - owner of Property in Survey No. 54/7	Survey No. 53 (3C)	0.06 M ²	In the procession of the Owner of Property in Survey No. 42/1									
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5	8	Agriculture	<p>The Committee is astounded to note how the Corporation could function effectively and assess the loss of assets in the absence of a valid Asset Register. The Committee opines that the Corporation is tripping on old mistakes by not maintaining proper records so far. Therefore the Committee recommends that direction should be given to prepare a new asset register and also recommends that earnest effort should be taken to safeguard the remaining assets of the Corporation.</p>	<p>After implementing VRS in 1999, as per G.O. (Ms) No. 65/2014/AD dated 4-3-2014 Govt. have decided to revive the Company. The Corporation has taken steps for recouping the records for preparing Asset Register. The Corporation has also been taking steps to safeguard the remaining assets of the Corporation through valuation of Landed property and buildings at Attingal, Edapally and Elathur.</p> <p>As a part of implementation of the revival package the Head Office has been shifted to Elathur-Kozhikode by retaining the Registered Office at Thiruvananthapuram. A Regional Office has been started at the Edapally site to organise marketing of products. Therefore the Property at the three locations are under regular surveillance of Staff and Security Personnel. The Property at the 3 Locations have clear demarcated boundary and are protected by Compound Wall. In the case of Edapally Plot also there is Boundary Wall all around including the Encroached Locations. Valuation of Landed Property and Buildings at Attingal, Edapally and Elathur had been conducted. Total Assessed value is Rs. 18,879.73 Lakhs.</p>
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Remarks

1. The Committee, at its meeting held on 7-11-2018 observed that the Corporation held valid title deeds only in respect of 3.59 acres of land instead of 20.83 acres. Therefore, the Committee directed the Department to furnish the following details at the earliest. The Committee expresses its strong displeasure as the details sought by the Committee have not been submitted even after one year and demands an explanation for the delay in submitting the details to the Committee.

a) Report regarding the action taken to retrieve the encroached land.

b) Details regarding the landed property owned by the Corporation, land transferred to others and encroached land from Corporation's property.

Thiruvananthapuram,
23rd December, 2020.

C. DIVAKARAN,
Chairman,
Committee on Public Undertakings.