



FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC UNDERTAKINGS
(2016-2019)**

SEVENTY SEVENTH REPORT

(Presented on 4th December 2018)

**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM**

2018

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC UNDERTAKINGS
(2016-2019)**

SEVENTY SEVENTH REPORT

On

**The Action Taken by the Government on the Recommendations contained in
the Eleventh Report of the Committee on Public Undertakings (2016-19)
relating to Kerala Electrical and Allied Engineering Company
Limited, based on the Report of the Comptroller and
Auditor General of India (Commercial) for the
year ended 31 March 2013**

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**COMMITTEE ON PUBLIC UNDERTAKINGS
(2016-2019)**

COMPOSITION

Chairman:

Shri C. Divakaran.

Members:

- Shri T. A. Ahammed Kabeer
- Shri K. B. Ganesh Kumar
- Shri C. Krishnan
- Shri S. Rajendran
- Shri Thiruvanchoor Radhakrishnan
- Shri P. T. A. Rahim
- Shri Raju Abraham
- Shri Sunny Joseph
- Shri C. F. Thomas
- Shri P. Unni.

Legislature Secretariat:

- Shri V. K. Babu Prakash, Secretary
- Shri K. Suresh Kumar, Joint Secretary
- Shri Harish G., Deputy Secretary
- Smt. Deepa V., Under Secretary.

INTRODUCTION

I, the Chairman, Committee on Public Undertakings (2016-2019) having been authorised by the Committee to present the Report on their behalf, present this Seventy Seventh Report on the Action Taken by the Government on the Recommendation contained in the Eleventh Report of the Committee on Public Undertakings (2016-2019) relating to Kerala Electrical and Allied Engineering Company Limited based on the Report of the Comptroller and Auditor General of India (Commercial) for the year ended 31 March, 2013.

The Statement of Action Taken by the Government included in this Report was considered by the Committee constituted for the year (2016-2019) at its meetings held on 25-7-2018.

This report was considered and approved by the Committee at its meeting held on 19-11-2018.

The Committee place on record its appreciation for the assistance rendered to them by the Accountant General (Audit), Kerala, the officials of Industries Department and Kerala Electrical & Allied Engineering Company Limited who were present during the consideration of the Action Taken Statement included in this Report.

Thiruvananthapuram,
19th November 2018.

C. DIVAKARAN,
Chairman,
Committee on Public Undertakings.

REPORT

This Report deals with the Action Taken by the Government on the recommendation contained in the Eleventh Report of the Committee on Public Undertakings (2016-2019) relating to Kerala Electrical and Allied Engineering Company Limited, based on the Report of the Comptroller and Auditor General of India (Commercial) for the year ended 31 March 2013 .

The Eleventh Report of the Committee on Public Undertakings (2016-2019) was presented to the House on 8th November 2016. The Report contained one recommendation in para No. 5 of which the Government furnished Action Taken Statement. The Committee (2016-2019) considered the Action Taken Statement furnished by the Government at its meeting held on 25-7-2018.

The Committee accepted the reply to the recommendation in Para No. 5 without remarks.

**REPLY FURNISHED BY THE GOVERNMENT ON THE
RECOMMENDATION OF THE COMMITTEE WHICH
HAS BEEN ACCEPTED BY THE COMMITTEE**

Sl. No.	Para. No.	Department Concerned	Conclusion/ Recommendation	Action Taken by the Government
1	5	Industries	<p>The Committee finds that the Company has miserably failed to comply with excise norms in preferring claim for the refund of excise duty in time. Meanwhile the Committee learns that owing to the late intimation of IEEMA index from KSEB, the Company is not in a position to claim the refund of excise duty within the stipulated period of one year and this corrigendum needs to be corrected permanently. Therefore, it is recommended that, in future, the Company should try hard to get the price of its products reassessed based on the raw material price index of Indian Electronic and Electrical Manufacturers Association (IEEMA) and explore the possibility of getting revised rates quarterly, so that the Company can submit timely claims for quarterly refunds.</p>	<p>Kerala Electrical & Allied Engineering Company Ltd (KEL) was unable to claim the refund of excise duty within the permissible period of one year as the settlement of price variation bills by KSEB was delayed.</p> <p>KEL is now trying to avert recurrence of the situation by sending provisional part bills to KSEB in cases where negative price variation exist on a quarterly basis and claim excise duty refund wherever applicable. As such, no further instance of recurrence has been reported.</p>

Thiruvananthapuram,
19th November 2018.

C. DIVAKARAN,
Chairman,
Committee on Public Undertakings.

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