



FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

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

SEVENTY EIGHTH REPORT
(Presented on 4th December 2018)

**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM**

2018

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

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

SEVENTY EIGHTH REPORT

On

**The Action Taken by Government on the Recommendations contained
in the Thirty Sixth Report of the Committee on Public Undertakings
(2016-2019) relating to Kerala Small Industries Development
Corporation Limited, based on the Report of the Comptroller
and Auditor General of India (Commercial) for the
year ended 31 March 2008.**

CONTENTS

	<i>Page</i>
Composition of the Committee	.. v
Introduction	.. vii
Report	.. 1
Reply furnished by the Government on the recommendation of the Committee which has been accepted by the Committee	.. 2
<i>without remarks</i>	

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 Eighth Report on the Action Taken by Government on the Recommendation contained in the Thirty Sixth Report of the Committee on Public Undertakings (2016-2019) relating to Kerala Small Industries Development Corporation Limited based on the Report of the Comptroller and Auditor General of India (Commercial) for the year ended 31st March, 2008.

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 meeting 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 officials of Industries Department and SIDCO who were present during the consideration of the Action Taken Statements included in this Report.

Thiruvananthapuram,
19th November, 2018.

C. DIVAKARAN,
Chairman,
Committee on Public Undertakings.

REPORT

This Report deals with the Action Taken by Government on the recommendations contained in the Thirty Sixth Report of the Committee on Public Undertakings (2016-2019) relating to Kerala Small Industries Development Corporation Limited based on the Report of the Comptroller and Auditor General of India (Commercial) for the year ended 31st March 2008.

The Thirty Sixth Report of the Committee on Public Undertakings (2016-2019) was presented to the House on 18th May 2017. The Report contained 1 recommendation in para number 2 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. 2 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	Conclusions/Recommendations	Action Taken by the Government
1	2	3	4	5
1	2	Industries	It is with grave concern that the Committee observed that the Company had over burdened the SSI units with the customs duty that was exempted by adding expenditure that was not actually incurred. The Committee remarks that the Company's action defeats the very objective of developing SSI units for which it was constituted. The Committee points out that the Company could have avoided the over burden on SSI units by obtaining a counter guarantee from SSI units for any liability of the Company towards customs duty. The Committee directs the Company to be more vigilant in taking decisions that affect SSI units adversely.	SIDCO have charged the customs duty in the cost sheet of paraffin wax sold to SSI units all over Kerala. The exemption of customs duty has been received after the disposal of the whole quantity of imported wax. It is true that SIDCO have not refund the amount charged in the cost sheet towards customs duty to their customers. SIDCO have utilized the whole amount received towards the sale of the imported wax for the purchase of indigenous wax and distribute to the same through 14 districts depots in a nominal margin, Company have distributed an average

1	2	3	4	5
				<p>quantity of 450 MT per month amounting to ₹ 300 lakhs which has benefited an average No. of 5000 SSI units all over Kerala. SIDCO have no intention to exploit SSI candle manufacturing units in the state. Company management has given sound direction to the concerned officers for taking care in this matter.</p>

Thiruvananthapuram,
19th November, 2018.

C. DIVAKARAN,
Chairman,
Committee on Public Undertakings.

©
Kerala Legislature Secretariat
2019

KERALA NIYAMASABHA PRINTING PRESS.