



THIRTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC UNDERTAKINGS
(2011-2014)**

THIRTY FOURTH REPORT
(Presented on 28th January, 2014)

SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2014

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**COMMITTEE
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(2011-2014)**

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On

**The Action Taken by Government on the Recommendations contained in the
Hundred and Twelfth Report of the Committee on Public Undertakings
(2004-06) relating to Kerala State Road Transport Corporation
based on the Report of the Comptroller and Auditor General
of India for the years ended 31-3-2000, 31-3-2001 and
31-3-2002 (Commercial)**

385/2014.

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COMMITTEE ON PUBLIC UNDERTAKINGS (2011-2014)

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Legislature Secretariat:

Shri P. D. Sarangadharan, Secretary

„ K. S. Anas, Joint Secretary

„ S. Prasanna kumar, Deputy Secretary

Smt. Lima Francis, Under Secretary.

INTRODUCTION

I, the Chairman, Committee on Public Undertakings having been authorised by the Committee to present the Report on their behalf, present this Thirty Fourth Report on the Action Taken by Government on the recommendations contained in the Hundred and Twelfth Report of the Committee on Public Undertakings (2004-06) on the working of the Kerala State Road Transport Corporation based on the Report of the Comptroller and Auditor General of India for the years ended 31-3-2000, 31-3-2001 and 31-3-2002 (Commercial).

The Statements of Action Taken by the Government included in this Report were considered by the Committee constituted for the year (2004-06).

This Report was considered and approved by the Committee at the meeting held on 27-11-2013.

The Committee place on record their appreciation of the assistance rendered to them by the Accountant General (Audit), Kerala in the examination of the Audit Paragraphs included in this Report.

Thiruvananthapuram,
28th January, 2014.

K. N. A. KHADER,
Chairman,
Committee on Public Undertakings.

REPORT

This Report deals with the Action Taken by Government on the recommendations contained in the 112th Report of Committee on Public Undertakings (2004-06). The 112th Report is relating to Kerala State Road Transport Corporation and is based on the Report of the Comptroller and Auditor General of India for the years ended 31-3-2000, 31-3-2001 and 31-3-2002 (Commercial), which were presented to the House on 2-7-2001, 15-3-2002 and 16-6-2003 respectively.

The Report contained 11 recommendations. The Government have furnished replies to all these recommendations. The Committee (2011-14) considered the replies at its meeting held on 17-9-2012.

The Committee accepted the replies to recommendation Nos. 2(6), 3(7), 4(15), 8(22), 9(23), 10(25) and 11(27) without any remarks. These recommendations and their replies form Chapter I of this Report.

The replies to recommendation Nos. 1(5), 5(16), 6(18) and 7(20) were accepted by the Committee with remarks. These recommendations, their replies and remarks of the Committee form Chapter II of this Report.

CHAPTER I

REPLIES FURNISHED BY GOVERNMENT ON THE RECOMMENDATIONS OF
THE COMMITTEE WHICH HAVE BEEN ACCEPTED BY THE COMMITTEE
WITHOUT ANY REMARKS

<i>Sl. Para</i>		<i>Department</i>	<i>Conclusions/</i>	<i>Action Taken by the Government</i>
<i>No.</i>	<i>No.</i>	<i>concerned</i>	<i>Recommendations</i>	
(1)	(2)	(3)	(4)	(5)
2	6	Transport	<p>The Committee feels this as highly deplorable and desires to be furnished with the following details immediately:</p> <ol style="list-style-type: none"> The details of stalls in K.S.R.T.C. bus stands which are illegally occupied as on 31-12-2005. The details of cases registered on the issue, as on 31st December, 2005. The details of illegal occupants against whom no action has been taken so far. The details of cases in which action has been taken invoking the provisions contained in the Kerala Public Buildings (Eviction of Unauthorised Occupants) Act, 1968. 	<ol style="list-style-type: none"> Illegal occupants as on 31-12-2005—Nil Details of cases registered as on 31-12-2005—Nil Details of illegal occupants against whom no action has been taken so far—Nil Eviction of unauthorised occupant—Nil <p>There is no illegal occupants of stalls, booths etc. But some licensees have not made good arrears, and K.S.R.T.C. has taken measures including R.R. steps for collecting the arrears. There are some instances where competition without taking into economic viability resulted in the hike of licence fee in huge amount. In all such cases either the party forfeited the EMD or even after occupation, closed down the premises. Even the present auctioned/ tendered rate of the premises are Stall No. I-₹ 8,500, Stall No. III-₹ 7,252, Stall No. IV-₹ 2,300 and Stall No. V-₹ 6500 (all are of Thiruvalla Bus Station).</p> <p>The Board of Directors in its 331st meeting held on 4-1-2007 decided to revise the terms and conditions to</p>

(1)	(2)	(3)	(4)	(5)
3	7	Transport	<p>The Committee finds that by proper financial management, the Corporation can be turned into a profit-making enterprise, at the same time providing decent transportation facilities to the public. Hence the Committee recommends that steps should be taken to fix responsibility for leasing out stalls in various stations of the Corporation and also for collection of rent and renewal of the same at the right time and to take proper action for eviction of illegal occupants of stalls. The Committee also suggests that the financial management of the corporation should take care of all these aspects while leasing out and take steps for proper management. The steps taken in this regard should be intimated to the Committee.</p>	<p>give licence to stalls, booths etc.</p> <p>Steps are being taken for proper management. As measure to overcome the financial loss. Board of Directors in its meeting held on 4-1-2007 decided to switch over the present system of awarding licence to run the stalls, booths etc. as given below:</p> <ol style="list-style-type: none"> 1. The period of licence of all category of building is fixed as one year instead of three years. 2. Licence period would be extended subject to the enhancement of 10% on the existing licence fee on licensee's request. If the licensee disagree to enhance 10% on licence fee, steps will be taken to tender the establishment. 3. Bank guarantee, solvency certificate or surety of income tax payers is made applicable while inviting tenders to ensure financial capability of the tenderer and to realise the pending dues if the licensee makes default in remittance. <p>Usually licence are given to the highest bidder after inviting tender. The Board of Directors in its 331st meeting held on 4-1-2007 decided to extend the licence period for a further period of one year on an annual increase by 10% on the licence fee if the licensee is willing. This decision was taken to maintain a business friendly atmosphere and to avoid unhealthy competitions.</p>

(1)	(2)	(3)	(4)	(5)
				<p>The responsibility for leasing out stalls in various stations of the Corporation, collection of rent, renewal of licence in time, eviction of illegal occupants are vested with the Unit Officers (D.T.O./A.T.O.) and the Administrative Officer/Superintendent. K.S.R.T.C. is taking stringent action against the officers who are non-complying the above direction.</p> <p>Booths closed earlier due to unhealthy competitions are re-opened because of new business atmosphere. The possibility of establishing business for a long period in the bus stations attracts more business people resulting in healthy competitions for awarding licence.</p>
4	15	Transport	<p>The Corporation should examine once more the system of using reclaimed oil being followed in other States.</p> <p>The Committee finds malafide intention in</p>	<p>The Corporation accepted the recommendation of the Committee and has constituted a Technical Committee to examine once more the system of using reclaimed oil being followed in other States.</p>
8	22	„	<p>the Board's decision to procure chassis in the ratio 2:1 favouring Ashok Leyland and Leyland Limited. The Board continued with this ratio even after and Tata Engineering and resolved to purchase new Leyland L o c o m o t i v e Chassis and Tata Chassis in the ratio 2:1 and thereafter the purchase was reduced the price being done accordingly in 2:1 ratio. of its Chassis</p>	<p>The policy followed by K.S.R.T.C. since from its formation regarding the procurement of chassis was 1:1 between M/s. Ashok Leyland and M/s. Tata Motors. This policy was changed with effect from 11-1-1994 and the then Board of Directors resolved to purchase new Leyland Chassis and Tata Chassis in the ratio 2:1 and thereafter the purchase was reduced the price being done accordingly in 2:1 ratio. In the year 1997, the Hon'ble</p>

(1)	(2)	(3)	(4)	(5)
			<p>by ₹ 17,412, ₹ 20,885 per chassis. The Corporation also did not pay heed to the advice of the Central Institute of Road Transport, Pune for the price advantage and adopt the ratio 1:1 as was being done in the three large transport undertakings in the States of Andhra Pradesh, Maharashtra and Karnataka. To make things worse, the Board failed to comply with Government direction issued in December 1997 to purchase chassis in the ratio 1:1 in adherence to Store Purchase Manual and relevant procedures to maintain financial discipline. The Board of a public sector undertaking has no power to act against Government directions. The very policy of the Corporation had led to a financial loss of ₹ 0.60 crore for purchase made during the period from July 1998 to July 2000</p>	<p>Minister for Transport, Forest and Devaswom vide his note dated 16-12-1997 directed to implement 1:1 ratio in the purchase of chassis under Section 34(1) of the RTC Act. Being a policy matter, the proposal to purchase vehicles in the ratio 1:1 was placed before the Board of Directors in the 262nd meeting held on 30-3-1998 (Agenda No. 261/97). But the Board had not taken any decision regarding the change in ratio proposed by the Hon'ble Minister of Transport, as there were difference in opinion among the various Board Members on the above matter.</p> <p>In this situation the Chairman and Managing Director continued the purchase in 1:1 ratio on the strength of the Government directions under Section 34 of the RTC Act till 10-7-1998. On 10-7-1998, the then Chairman and Managing Director issued directions (Note File Para No.180 of File No. SRA 1/7925/97) to restore the 2:1 ratio in between M/s. Ashok Leyland and M/s. Tata Motors in the purchase of chassis in continuation of the discussions he had with the Hon'ble Minister for Transport and in the light of a declaration made by him in the floor of Legislative Assembly. But it is found that no official communication is seen made from his office in this respect. Thus K.S.R.T.C. followed 1:1 ratio till 1994 and 2:1 ratio from 1994 to 2006 and from 2006 onwards</p>

(1)	(2)	(3)	(4)	(5)
			<p>alone. The Committee is shocked at the financial indiscipline in the Corporation and strongly recommends that such irregular practices should be dispensed with.</p>	<p>K.S.R.T.C. began purchasing Chassis through open tender.</p> <p>To inculcate financial discipline K.S.R.T.C. is adopting clear cut policies of purchases before entering into all contracts. From 2006 onwards, all purchase were made by inviting, "Open Tender" giving wide publicity in various medias including website. Despite the existing vehicle ratio, K.S.R.T.C. is procuring vehicles in a ratio which is based on the performance and cost from among the vehicle manufacturers who quoted the lowest rate in the tender. The past experience of K.S.R.T.C. with the vehicles supplied by these firms are also accounted when purchase is decided. Major STU's viz. AndhraPradesh, Karnataka and Maharashtra are also adopting this type of procedure. The new purchase contract of 1000 vehicles is the citing example of the new policy of K.S.R.T.C.</p>
9	23	Transport	<p>The details regarding the Board of Directors and Government nominees during the period from July 1998 to July 2000 should be furnished to the Committee immediately.</p>	<p>The details of Board of Directors from 3/98 to 8/2000 are furnished as desired.</p> <p><i>Board of Directors—3/98 to 1/2000</i></p> <ol style="list-style-type: none"> 1. M. N. Krishnamoorthy, I.P.S., Chairman & Managing Director, K.S.R.T.C. 2. Dr. A. K. Dubey, Secretary, Finance Expenditure Department, Government Secretariat. 3. N. M. Krishnan, Additional Fiance

(1)	(2)	(3)	(4)	(5)
				Advisor, Ministry of Surface Transport, Government of India, New Delhi.
			4.	K. K. Hamsa, K. K. House, Post Muttill, Kalpetta, Wayanad.
			5.	N. Padmalochanan, Sea View, Thankacherry, Kollam.
			6.	G. Balakrishnan Nair, Sree Bhavan, Konchira, Vembayam, Thiruvananthapuram.
			7.	K. P. Sankara Das, No. 7, Kalpaka Nagar, Chackai, Thiruvananthapuram.
			8.	Charupara Ravi, Vasantha Vilasom, Vithura P.O., Thiruvananthapuram.
			9.	P. C. George, M.L.A., Plathottam, Erattupetta.
				<i>Board of Directors—2/2000 to 4/2000</i>
				<i>Board of Directors—5/2000 to 8/2000</i>
			1.	Dr. Sathyanarayana Dash, (Chairman-K.S.R.T.C.), Principal Secretary to Government, Social Welfare Department, i/c of Transport Department, Government Secretariat.
				<i>Board of Directors—5/2000 to 8/2000</i>
			2.	S. Dharmarajan, Additional Secretary to Government, Finance Department.
				<i>Board of Directors—5/2000 to 8/2000</i>
			3.	James K. Joseph, Managing Director, K.S.R.T.C.
				<i>Board of Directors—5/2000 to 8/2000</i>
			4.	Ramu Gupta, Asst. Financial Advisor, Ministry of Surface Transport, Government of India, New Delhi.

(1)	(2)	(3)	(4)	(5)
				<i>Board of Directors—5/2000 to 8/2000</i>
				5. Smt. Rajasree Ajith, Managing Director, Kerala Transport Development Finance Corporation Ltd.
				6. M. Chandran, Melepurath Veedu, Anakkara P. O., Palakkad.
				7. G. Balakrishnan Nair, Sree Bhavan, Konchira, Vembayam, Thiruvananthapuram.
				8. P. C. George, M.L.A., Plathottam, Erattupettah.
				9. N. V. Pradeep Kumar, Swamiyar Madom, Kottayam.
				10. S.Thyagarajan, Ex. M.L.A., "Samas", Mundakkal, Kollam.
				11. B. Krishnan Nair, Thakidi Veedu, Ookkode P.O., Nemom, Thiruvananthapuram.
				12. Prof. N. M. Joseph, Arunapuram P.O., Pala, Kottayam.
10	25	Transport The Committee finds that Corporation had conferred an undue benefit of ₹ 39.03 lakh on Modi Rubber Limited by not negotiating and scaling down its price to that of the lowest tenderer (i.e. Appollo Tyres Ltd.) while finalising the tenders the year 1998-99 as was done in the previous and succeeding years. The Committee recommends that an enquiry should be		The recommendation of the Committee to conduct an enquiry in the matter is accepted by the Corporation. As per the directions contained in section 8(1) (h) of Central Vigilance Commission Ordinance, 1998, post tender negotiations except with L1 (Lowest tender) is banned. This is the reason for not negotiating during the year 1998-99. Copy of enquiry report is enclosed herewith for reference.

(1)	(2)	(3)	(4)	(5)
			<p>conducted to find out the exact reason for not negotiating during the year 1998-99 and the results should also be intimated to the Committee at the earliest.</p>	
11	27	Transport	<p>The Committee feels that the Corporation should have negotiated and tried to reduce the price citing delayed supply. The Corporation's stand that there was paucity of funds is unacceptable to the Committee since funds totalling ₹ 30.90 crore received from Kerala Transport Development Finance Corporation was available with the Corporation and only ₹ 11.99 crore was required for payment to suppliers. An explanation in this regard should be furnished to the Committee.</p>	<p>It is true that there was paucity of funds in the Corporation. During the period 1999-2000, the payment to previous suppliers of chassis were not effected in time, which resulted in delay of further supply by firms. The split up details of the loan received from Kerala Transport Development Financed Corporation, during the year 1999-2000 and the details of expenses are detailed below:</p>

(1)	(2)	(3)	(4)	(5)
<i>Loan No.</i>	<i>Amount Received Date</i>	<i>Amount Paid (₹)</i>	<i>Name of Supplier</i>	<i>Date</i>
76	₹ 50,00,000 dt. 28-4-1999	50,00,000	I.O.C.	28-4-1999
77	₹ 50,00,000 dt. 28-4-1999	50,00,000	Body Building	28-4-1999
78	₹ 73,26,693 dt. 15-5-1999 ₹ 91,79,968 dt. 15-5-1999	1,65,06,661	Telco, Ashok L/L Body Building	11-5-1999
79	₹ 1,24,71,914 dt. 31-5-1999	1,24,71,914	Body Building	31-5-1999
80	₹ 98,90,000 dt. 15-7-1999	1,61,97,200	Ashok L/L, Telco	15-7-1999
81	₹ 92,96,117 dt. 23-7-1999 ₹ 37,94,152 dt. 23-7-1999	1,30,90,269	Ashok L/L, Telco	23-7-1999
82	₹ 99,17,456 dt. 18-8-1999 ₹ 58,61,354 dt. 18-8-1999	1,57,78,810	Ashok l/L, Telco	18-8-1999
83	₹ 22,50,00,000 dt. 29-3-2000	22,50,00,000	Vehicle loan	29-3-2000

It can be seen that a nominal share was only received in 1999-2000 as on 28-3-2000 and lion's share was received on 29-3-2000 as such there is reason that the payment was delayed due to paucity of funds.

The K.S.R.T.C. had some financial mismanagement. This can be

(1)	(2)	(3)	(4)	(5)
				<p>explained in terms of purchase of Bus chassis without tender, purchase of large quantity of items by the local purchase, non-maintenance of records in tyre life etc. Action has already been taken to tender the purchase of chassis, body building at the K.S.R.T.C. workshops itself, new procedures for leasing out stores and shops. Proper procedure to are being taken to bring down the purchase of PCTR and Tyre and centralised purchase of spare parts are being arranged. But the financial difficulty of the K.S.R.T.C. is resulted from the accumulated liability. While the K.S.R.T.C. received about ₹ 72 crore in a month the major expenditure of diesel, salary, wages, pension and the repayment of loan alone comes about ₹ 81 crore. Besides, the purchase of tyre, PCTR and spares, payments of MACT, payment of P.F. and pensionary benefits, surrender leave salary, pay revision arrears etc. will take another ₹ 10 crore in a month. The K.S.R.T.C. does not have any single Chartered Accountant in its employment. A good financial control system requires a separate wing of finance experts with the qualification of Chartered/Cost Accounts within the K.S.R.T.C.</p> <p>A large number of the schedules of the K.S.R.T.C. are run without the optimum revenue earnings. Only by reducing uneconomic schedules K.S.R.T.C. can become viable. Similarly the pension burden unless taken care of by other means, other than from the normal revenue of K.S.R.T.C. there is no way in the short run for a financial turn around.</p> <p>Steps taken for the leasing out of stores</p>

and canteens are attached herewith.
(Appendix-I)

CHAPTER II

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

Sl. No.	Para No.	Department concerned	Conclusion reached	Action Taken by the Government
(1)	(2)	(3)	(4)	(5)
1	5	Transport	<p>The Committee is shocked to find that the K.S.R.T.C. authorities are not acting in collusion with the illegal occupants of various stalls in its bus stands resulting in huge financial loss to the Corporation, while the illegal occupants increase their profit manifold. In the case of stall No. 1 at Thiruvalla bus station the Corporation failed to take any action against Shri Mathai Syriac, citing a stay order which was in fact only an injunction order from Sub Court, Thiruvalla against forcible eviction. The Corporation also failed to take action against Shri Abdul Hameed, illegal occupant of stall No. VI at Thiruvalla bus station, even after getting favourable</p>	<p>Revenue Recovery steps have already been initiated against Shri Mathai Syriac and Abdul Hameed, licensees of Stall No. I & Stall No. VI respectively in the Thiruvalla bus station. Against the R.R. steps Shri Mathai Syriac approached the Hon'ble High Court (OP No. 4836/03) and court directed the Chairman & Managing Director to hear him and pass appropriate orders. Accordingly the Chairman and Managing Director heard him in person; the legal advice of Standing Counsel, Ernakulam was sought. Accordingly the Standing Counsel, Ernakulam has opined that:</p> <p>(1)the occupation of the licence till 16-8-2001 is legally valid since his occupation was pursuant to interim orders of Court obtained in Suits, appeal and 2nd appeal.</p> <p>(2)the licence fee paid and</p>

(1)	(2)	(3)	(4)	(5)
			<p>judgement from the Court. At a time when the Corporation could have let out the stalls @ ₹ 18,300 and ₹ 15,086 per month respectively to the highest bidders, the Board decided to fix the rent as ₹ 2,500 with 15% enhancement every year, resulting in great financial loss to the Corporation. The loss in potential revenue computed in these two cases alone is over ₹ 25 lakh, for the period from April 1994 to August 2000, simply due to the inaction of the Corporation. The Committee realises that the loss of potential revenue to the Corporation will run into crores of rupees if such cases in various bus stands in the State are taken into account.</p>	<p>accepted by the Corporation in absence of any agreement or re-tender can't be revisable.</p> <p>(3)No R.R. could be taken against the recovery of licence fee in the absence of a valid agreement.</p> <p>Shri Abdul Hameed was running the Stall No. VI at Thiruvalla Bus station for the period from 1-4-1994 to 31-3-1995 @ ₹ 9,240 as licence fee per month. But he did not vacate the stall and continued till 30-9-1999 on the strength of Court Orders. Due to the occupancy of this stall up to 30-9-1999, corporation sustained a loss of ₹ 12,07,115 Shri Abdul Hameed was requested to remit this loss. Against the demand he had filed OP before the High Court (OP No. 27874/99R). The Hon'ble High Court directed Shri Abdul Hameed to pay ₹ 2,00,000 (Two lakh) within two weeks, but he did not turn up to remit such amount.</p>

(1)	(2)	(3)	(4)	(5)
<p>Remarks of the Committee</p>	<p>The Committee desires to be furnished with the copies of Hon'ble High Court that Shri Abdul Hameed the study conducted in this regard by the Executive Director (Technical)</p>	<p>to be informed whether such have been taken to bring to the notice of Hon'ble High Court that Shri Abdul Hameed the study conducted in this regard by the Executive Director (Technical)</p>	<p>to be informed whether such have been taken to bring to the notice of Hon'ble High Court that Shri Abdul Hameed the study conducted in this regard by the Executive Director (Technical) to remit ₹ 2 lakh and also the action taken by the department to recover the amount from him.</p>	
<p>5</p>	<p>16</p>	<p>Transport</p>	<p>Former Executive Directors during the said period were contacted by the present Executive Director (T) and nobody had any knowledge about the report.</p>	<p>Former Executive Directors during the said period were contacted by the present Executive Director (T) and nobody had any knowledge about the report.</p>
<p>Remarks of the Committee:—</p>	<p>Transport The Committee feels that the Corporation should have effected proportionate recovery for the 40428 prematurely failed/non returned tyres out of the 143621 tyres retreaded. The result arrived at on the basis of evaluation of a certain percentage was to be applied to the whole lot and not to the selected percentage only. The Committee therefore, recommends that stringent action should be taken against those responsible for causing financial loss of ₹ 46.63 lakh to the Corporation by excess payment.</p>	<p>The Committee wants the person who currently holds the post of Executive Director to conduct an enquiry and submit a report on whether any technical committee was constituted earlier to study the benefits of using reclaimed oil in place of new engine oil, had submitted any report in this regard. The Committee points out that the reply furnished to para 15 (Chapter I of this report) is contrary to the reply furnished to this para.</p>		
<p>6</p>	<p>18</p>	<p></p>	<p>The reason for the excess payment was due to the mistake that crept in the evaluation procedure. The procedure followed by K.S.R.T.C. was to find out the average mileage of tyres from a minimum 80% of the tyres retreaded, after excluding the tyres which are prematurely removed from vehicles, and the average mileage so assessed from random would be applied to the random quantity only. Thus the payment to the prematurely failed tyres and non-returned tyres were done at the rate</p>	<p>The reason for the excess payment was due to the mistake that crept in the evaluation procedure. The procedure followed by K.S.R.T.C. was to find out the average mileage of tyres from a minimum 80% of the tyres retreaded, after excluding the tyres which are prematurely removed from vehicles, and the average mileage so assessed from random would be applied to the random quantity only. Thus the payment to the prematurely failed tyres and non-returned tyres were done at the rate</p>

(1)	(2)	(3)	(4)	(5)
				<p>of full guaranteed mileage, instead of the average assessed from the random quantity.</p> <p>This system of evaluation was prevalent in K.S.R.T.C. since 1993 and continued till the audit pointed out the fault.</p> <p>The details of officials responsible for causing loss to the Corporation are furnished below:</p> <ol style="list-style-type: none"> 1. Paul Geo (Controller of Purchase & Stores—Retired) 2. K. V. Narayanan (Controller of Purchase & Stores—Retired) 3. K. N. Nagappan (Asst. Controller of Purchase & Stores—Retired) 4. Saseendra Babu (Asst. Controller of Purchase & Stores—Retired) 5. L. Syamala (Superintendent—Retired) 6. R. Raghuvaran Achari (Superintendent—Retired) 7. R. Surendran (Superintendent—Retired) 8. Baboo K. Suresh (Clerk—Retired) 9. M. Pushpangadan (Clerk—Retired) <p>K.S.R.T.C. has reported that all the officials have retired from the service of the Corporation and hence they have to be proceeded against in the Civil Court under Rule 116 KSR Part III in order to</p>

(1)	(2)	(3)	(4)	(5)
<i>Remarks of the Committee:</i>	7 20	Transport	<p>The Committee finds malafide intentions on the part of the Corporation officials in not taking steps to evict the illegal occupant under the provisions contained in the Kerala Public Buildings (Eviction of Unauthorised Occupants) Act, 1968, which resulted in loss of ₹ 0.16 crore in potential r e v e n u e . The Committee recommends that stringent action should be taken against the officials who failed to take action under the Kerala Public Buildings (eviction of unauthorised occupants) Act, 1968 to evict illegal occupants. The Committee further recommends that every year, the licence to run shops in the Corporation's various bus stations should be given to the highest bidder after inviting tenders.</p>	<p>recover the pecuniary loss sustained to the Corporation. The required legal steps in this regard are about to be completed.</p> <p>The Committee wants to be informed about the methodology adopted by the department to ensure the quality of retread tyres.</p> <p>Usually licences are given to the highest bidder after inviting tenders.</p> <p>Action is being taken against the officials who failed to take action under the Kerala Public Buildings (Eviction of Unauthorised Occupants) Act, 1968 to evict illegal occupants.</p>

Remarks of the Committee:—The Committee wants to be informed whether the eviction process has been completed and also the action taken against the officials who failed to take prompt action in the matter.

Thiruvananthapuram,
28th January, 2014.

K. N. A. KHADER,
Chairman,
Committee on Public Undertakings.

APPENDIX I

കേരള സ്റ്റേറ്റ് റോഡ് ട്രാൻസ്പോർട്ട് കോർപ്പറേഷൻ

നമ്പർ ഇ.എസ്.1/33857/2006.

ട്രാൻസ്പോർട്ട് ഭവൻ,
തിരുവനന്തപുരം, 2007 ജനുവരി 11.

മെമ്മോറാണ്ടം

വിഷയം:— കെ.എസ്.ആർ.ടി.സി. ബസ് സ്റ്റേഷനുകളിൽ പ്രവർത്തിക്കുന്ന ക്യാന്റീൻ, സ്റ്റാൾ, എസ്.റ്റി.ഡി. ബൂത്ത്, സി.സി.ടി.വി., വെന്റിലേറ്റ് മെഷീൻ തുടങ്ങിയവയ്ക്കു വേണ്ടിയുള്ള ഏകീകരിച്ച് നവീകരിച്ച ടെൻ്റർ വ്യവസ്ഥകൾ

ജീവനക്കാർക്കും യാത്രക്കാർക്കും ആവശ്യം വേണ്ടതും അതേസമയം കോർപ്പറേഷൻ ടിക്കറ്റിതരവരുമാനം ലഭ്യമാക്കുന്നതുമായ ക്യാന്റീനുകളും മറ്റു സ്റ്റാളുകളും ദീർഘകാലാടിസ്ഥാനത്തിൽ ഏറ്റവും നല്ലനിലയിൽ പ്രവർത്തിപ്പിക്കുന്നതിനായി 4-1-2007-ൽ കൂടിയ ബോർഡ് യോഗം താഴെപ്പറയുന്ന തീരുമാനങ്ങൾ കൈക്കൊണ്ടിട്ടുണ്ട്:

1. ഇനിമുതൽ ലൈസൻസികളെ തീരുമാനിക്കുന്നതിനുവേണ്ടി ദർഘാസുകൾ സ്വീകരിക്കുമ്പോൾ ദർഘാസിനോടൊപ്പം അവർ നൽകാമെന്ന് സമ്മതിക്കുന്ന ലൈസൻസ് ഫീസിന് തുല്യമായ തുകയുടെ ബാങ്ക് ഗ്യാരന്റിയോ സോൾവൻസി സർട്ടിഫിക്കറ്റോ രണ്ട് നികുതിദായകരുടെ ജാമ്യമോ ഏതെങ്കിലും ഒന്ന് നിർബന്ധമായും ഉണ്ടായിരിക്കണം. ഇത് ഇല്ലാത്ത ദർഘാസുകൾ നിരസിക്കുന്നതാണ്.
2. കെ.എസ്.ആർ.ടി.സി. വിവിധ ബിസിനസ്സുകൾക്ക് ലൈസൻസികളെ നിശ്ചയിക്കുമ്പോൾ ലൈസൻസ് പിരീഡ് (ബിസിനസ്സ് ചെയ്യുന്നതിന് നൽകുന്ന കാലാവധി) എല്ലാ ബിസിനസ്സുകൾക്കും ഒരു വർഷമായി നിജപ്പെടുത്തിയിട്ടുണ്ട്.
3. നടപ്പുവർഷം ലൈസൻസി, കെ.എസ്.ആർ.ടി.സി.യുമായുള്ള കരാർവ്യവസ്ഥകൾ പൂർണ്ണമായും പാലിക്കുകയും കൃത്യസമയങ്ങളിൽ ലൈസൻസ് ഫീസ് നൽകുകയും ചെയ്തിട്ടുണ്ടെങ്കിൽ അവരുടെ ലൈസൻസ് കാലാവധി അവസാനിക്കുമ്പോൾ ലൈസൻസ് ഫീസിൽ 10 (പത്ത്) ശതമാനം വർദ്ധനവ് വരുത്തി തുടർന്നുള്ള ഓരോ വർഷവും നീട്ടികൊടുക്കുന്നതാണ്. മറ്റൊരു കാരണത്താലും ഇത്തരത്തിലുള്ള സ്ഥാപനങ്ങൾക്ക് ദർഘാസ്-ലേല നടപടികൾ നടത്തി ലൈസൻസ് നൽകാൻ പാടില്ല. ഈ വ്യവസ്ഥ കെ.എസ്.ആർ.ടി.സി.യുടെ ചീഫ് എഞ്ചിനീയർ അംഗീകരിക്കുന്ന അടിസ്ഥാന ലൈസൻസ് ഫീസിന് തുല്യമോ അതിൽ കൂടുതലോ നൽകുന്ന ലൈസൻസികൾക്ക് മാത്രമേ ബാധകമാകുകയുള്ളൂ.
4. നിശ്ചയിച്ചിരിക്കുന്ന അടിസ്ഥാന ഫീസുകൾക്ക് താഴെമാത്രം നൽകി ബിസിനസ്സ് നടത്തുന്ന ലൈസൻസികൾക്ക് മേൽപ്പറഞ്ഞ വ്യവസ്ഥ ബാധകമല്ലാത്തതും അവ ഓരോ വർഷവും ടെൻ്റർ നടപടികൾക്ക് വിധേയമായി

മാത്രം ലൈസൻസ് നൽകുന്നതുമാണ്.

5. നടപ്പുവർഷത്തെ ലൈസൻസ് ഫീസിൽ 10 (പത്ത്) ശതമാനം വർദ്ധനവ് അംഗീകരിക്കാൻ തയ്യാറാകാത്ത ലൈസൻസികൾ നടത്തുന്ന കച്ചവടസ്ഥാപനങ്ങളെ വീണ്ടും ദർഘാസ് പരസ്യം നൽകി ദർഘാസ്-ലേല നടപടികൾക്ക് വിധേയമാക്കേണ്ടതാണ്.
6. അഷോഡ് എമൗണ്ട്, ലൈസൻസ് ഫീസ് തുടങ്ങി പലപേരുകളിൽ കെ.എസ്.ആർ.ടി.സി.-ക്ക് നൽകുന്ന ആകെ തുകയായിരിക്കും നിലവിലുള്ള കച്ചവടസ്ഥാപനങ്ങളുടെ ലൈസൻസ് ഫീസായി പരിഗണിക്കുന്നത്. ആ തുകയുടെ 10% വർദ്ധനവ് നൽകാൻ ലൈസൻസി തയ്യാറാണെങ്കിൽ മാത്രം എക്സറ്റ്റെൻഷൻ നൽകുന്നതാണ്.
7. അഞ്ച് വർഷത്തിലൊരിക്കൽ ഓരോ കച്ചവട സ്ഥാപനത്തിന്റെയും ലൈസൻസ് ഫീസ് അതത് സ്ഥലങ്ങളിലെ കമ്പോളനിലവാരം അനുസരിച്ച് പുതുക്കി നിശ്ചയിക്കുന്നതും, അത് നിലവിലുള്ള ലൈസൻസികൾക്ക് ബാധകമായിരിക്കുന്നതുമാണ്. ഇപ്രകാരം നിശ്ചയിക്കുന്ന ലൈസൻസ് ഫീസ് അംഗീകരിക്കുവാൻ തയ്യാറാകാത്ത ലൈസൻസികൾക്ക് എക്സറ്റ്റെൻഷൻ അനുവദിക്കുന്നതല്ല. അത്തരത്തിലുള്ള കച്ചവടസ്ഥാപനങ്ങൾക്കുവേണ്ടി വീണ്ടും ദർഘാസ്-ലേല നടപടികളിലൂടെ പുതിയ ലൈസൻസിയെ കണ്ടെത്തുന്നതാണ്.
8. ലൈസൻസ് ഫീസ് അടയ്ക്കേണ്ട തവണവ്യവസ്ഥകൾ താഴെ പറയുന്നു:
 - (എ) ദർഘാസ്-ലേല നടപടികളിലൂടെ ഏറ്റവും ഉയർന്ന തുക നൽകാമെന്ന് സമ്മതിച്ചിരിക്കുന്ന വ്യക്തി ഉടൻതന്നെ സമ്മതിച്ച തുകയുടെ 25% കെ.എസ്.ആർ.ടി.സി.ക്ക് നൽകി രസീത് വാങ്ങേണ്ടതാണ്. ഈ തുക ലഭിച്ചതിനു ശേഷം മാത്രമേ തൊട്ടടുത്തുള്ള നിരതദ്രവ്യം തിരികെ നൽകുവാൻ പാടുള്ളൂ. ഉയർന്ന തുക വാഗ്ദാനം ചെയ്തിരിക്കുന്ന വ്യക്തിക്ക് പണം അടയ്ക്കുന്നതിന് 24 മണിക്കൂറിൽ കൂടുതൽ സാവകാശം നൽകാൻ പാടുള്ളതല്ല.
 - (ബി) 25% തുക എഗ്രിമെന്റ് ഒപ്പുവയ്ക്കുന്നതോടൊപ്പം നൽകി രസീത് വാങ്ങേണ്ടതാണ്. ലൈസൻസ് നൽകുന്നതിനുമുമ്പ് എഗ്രിമെന്റിൽ ഒപ്പുവയ്ക്കുകയും ഒരു വർഷത്തെ ലൈസൻസ് ഫീസിന്റെ 50% തുക മുൻകൂറായി അടച്ചിരിക്കുകയും വേണം.
 - (സി) ശേഷിക്കുന്ന 50% തുക, ആദ്യത്തെ 6 മാസത്തിനുള്ളിൽ 2 മാസത്തിലൊരിക്കൽ മൂന്ന് തുല്യഗഡുക്കളായി അടച്ചുതീർക്കേണ്ടതാണ്.
 - (ഡി) വൈദ്യുതി, വെള്ളം എന്നിവയ്ക്ക് വിലയായി ഏകദേശം നൽകേണ്ടി വരുന്ന ഒരു വർഷത്തെ ആകെ തുകയുടെ 25% സെക്യൂരിറ്റിയായി സൂക്ഷിക്കേണ്ടതും അത് കാലാവധി കഴിയുമ്പോൾ തിരികെ നൽകേണ്ടതുമാണ്.
9. ക്യാന്റീൻ, എൽ.ആർ. സ്റ്റാൾ, എസ്.റ്റി.ഡി. ബൂത്ത്, സി.സി.ടി.വി. എന്നിവയുടെ നിരതദ്രവ്യം 25,000 (ഇരുപത്തി അയ്യായിരം) രൂപയായും കിയോസ്ക്, വെന്റീംഗ് മെഷീൻ എന്നിവയ്ക്ക് 10,000 (പതിനായിരം) രൂപയായും നിശ്ചയിച്ചിട്ടുണ്ട്. കച്ചവടം നടത്തുവാൻ ലൈസൻസ് ലഭിക്കുന്ന ലൈസൻസിയുടെ നിരതദ്രവ്യം സെക്യൂരിറ്റിയായി പരിഗണിക്കുന്നതും അത് കാലാവധി കഴി

യൂബോൾ പലിശയില്ലാതെ തിരികെ നൽകുന്നതുമാണ്.

- 10. 8-ാമത്തെ ഖണ്ഡികയിൽ വിവരിച്ചിട്ടുള്ള തവണവ്യവസ്ഥകളല്ലാതെ കൂടുതൽ തവണകൾ ലൈസൻസ് ഫീസ് അടയ്ക്കുന്നതിന് ഒരു കാരണവശാലും അനുവദിക്കുന്നതല്ല.
- 11. റീജണൽ വർക്ക്ഷോപ്പുകൾ, തിരുവനന്തപുരം സെൻട്രൽ വർക്സ്, പുതുതായി തുടങ്ങുന്ന ബസ് സ്റ്റേഷനുകൾ തുടങ്ങി പ്രത്യേക സാഹചര്യങ്ങളിൽ പ്രവർത്തിക്കുന്ന കച്ചവടസ്ഥാപനങ്ങളുടെ നടത്തിപ്പിന് ആവശ്യമാണെങ്കിൽ നിബന്ധനകൾ ലഘൂകരിക്കുവാനുള്ള അധികാരം മാനേജിംഗ് ഡയറക്ടറിൽ നിക്ഷിപ്തമായിരിക്കും.
- 12. 8-ാമത്തെ ഖണ്ഡികയിൽ വിവരിക്കുന്നപ്രകാരം ലൈസൻസ് ഫീസ് നൽകാൻ കഴിയാതെവന്നാൽ അതിന് ചുമത്തിയിരുന്ന പിഴപ്പലിശ 24%-ൽ നിന്നും 18% ആയി കുറച്ചിട്ടുണ്ട്. ഇത് 5-1-2007 മുതൽ പ്രാബല്യത്തിൽ വന്നിട്ടുള്ളതാണ്. ഇതനുസരിച്ച് 5-1-2007-ന് മുൻപുള്ള കാലയളവിൽ കൂടിശ്ശിക വരുത്തിയതിന് കൊടുക്കേണ്ടുന്ന പിഴപ്പലിശ 24%-വും 5-1-2007 മുതൽ അത് 18%-വും ആയിരിക്കും.
- 13. കെ.എസ്.ആർ.ടി.സി.-യുടെ ഉദ്യോഗസ്ഥന്മാർ, കച്ചവടസ്ഥാപനങ്ങൾ പരിശോധിക്കുമ്പോൾ നിയമങ്ങളും ചട്ടങ്ങളും അനുസരിക്കാതെ പ്രവർത്തിക്കുന്നതായി ബോധ്യപ്പെട്ടാൽ അവയുടെ ലൈസൻസുകളിൽനിന്നും 1,000 (ആയിരം) രൂപ വരെ പിഴ ചുമത്തുന്നതിന് അധികാരമുണ്ടായിരിക്കും.
- 14. എസ്.റ്റി.ഡി. ബുത്തുകൾക്കും വെന്റീംഗ് മെഷീനുകൾക്കും ഇപ്പോൾ നിലവിലുള്ള കമ്മീഷൻ വ്യവസ്ഥകൾ അതുപോലെതന്നെ തുടരുന്നതാണ്.
- 15. ഒന്നുമുതൽ പതിനാലുവരെയുള്ള ഖണ്ഡികകളിൽ വിവരിച്ചിട്ടുള്ള തീരുമാനങ്ങൾ ഇപ്പോൾ നിലവിലുള്ള തീരുമാനങ്ങൾക്ക് ഉപേൽ ബലകമായിരിക്കും. മറ്റ് വ്യവസ്ഥകൾ അതുപോലെതന്നെ തുടരുന്നതാണ്.
- 16. 25 ശതമാനം ലൈസൻസ് ഫീസ് അധികമായി നൽകി മൂന്ന് (3) വർഷത്തെ ലൈസൻസ് കാലാവധിയിൽ തുടരുന്ന കച്ചവടസ്ഥാപനങ്ങൾക്കും നിലവിലുള്ള ഒരു വർഷത്തെ ലൈസൻസ് പിരീഡിൽ തുടരുന്നവർക്കും അവരുടെ കാലാവധി തീരുന്നമുറയ്ക്ക് മേൽ വിവരിച്ച നിയമങ്ങൾ ബാധകമായിരിക്കും.
- 17. ദർഘാസ് നടപടികൾ പൂർത്തിയാക്കിയശേഷം എഗ്രിമെന്റിൽ ഒപ്പുവയ്ക്കാത്തവർക്ക് പുതിയ വ്യവസ്ഥകൾ അനുസരിച്ച് എഗ്രിമെന്റിൽ ഒപ്പുവയ്ക്കുന്നതിനുള്ള സ്വാതന്ത്ര്യം ഉണ്ടായിരിക്കും. ദർഘാസ് വ്യവസ്ഥകൾ വ്യത്യസ്തമായതിനാൽ ലൈസൻസുകളിൽനിന്നും യൂണിറ്റ് ഓഫീസർ സമ്മതപത്രം എഴുതിവാങ്ങിയതിനുശേഷമേ പുതിയ വ്യവസ്ഥകളനുസരിച്ചുള്ള എഗ്രിമെന്റിൽ ഒപ്പുവയ്ക്കാൻ പാടുള്ളൂ.

ദർഘാസ് പരസ്യങ്ങളും ദർഘാസ് വ്യവസ്ഥകളും ശരിയും വ്യക്തവുമായിരിക്കണം. അവ്യക്തതമൂലമോ നടപടി പിഴകുമൂലമോ ഉണ്ടാകുന്ന നഷ്ടങ്ങൾ, നടപടികൾ നടത്തുന്ന ഉദ്യോഗസ്ഥന്മാരിൽനിന്നും ഈടാക്കുന്നതും അവർക്കെതിരെ

കർശനമായ ശിക്ഷാനടപടികൾ സ്വീകരിക്കുന്നതുമാണ്.

ചെയർമാൻ ആന്റ് മാനേജിംഗ് ഡയറക്ടർ

ENQUIRY REPORT

Sub:—Enquiry conducted as recommended by PUC to find out the exact reason for not negotiating with M/s. Modi Rubber Ltd., the L2 tenderer, in the case of purchase of tyres, while finalising the tenders for the same for the year 1998-99-Report furnishing of.

The Committee on Public Undertakings in 112th Report (Para 25) recommended to conduct an enquiry to find out the exact reasons for not negotiating with M/s. Modi Rubber Ltd., held L2 status in the tender, for scaling down the price of tyre to that of lowest tender—Apollo Tyres Ltd. This was connected with the purchase of tyres for the year 1998-99.

I examined the relevant file in detail and the following facts are revealed. Piece meal orders for 1 month, 2 months, 3 months requirement of tyres and tubes were seen issued to M/s. Apollo Tyres and Modi Rubber Ltd., in the ratio 60:40 subject to sanction by Chairman and Managing Director and ratification of Board.

As far as purchase of tyres and tubes are concerned there is specific Government Order to satisfy the required minimum mileage before placing orders. Among 7 firms participated in the tender the status of M/s. Apollo Tyres and Modi Rubber Ltd., were as follows:

<i>Brand</i>	<i>Average life in Km.</i>	<i>Landed cost of tyres (₹)</i>	<i>Cost/Km. (Ps.)</i>	<i>Status on Cheapness</i>
M/s. Apollo Tyres	28655	5,400.00	18.84	C1
M/s. Modi Rubber Ltd.	27220	5,679.99	20.86	C2

Considering both cheapness and cost per Km. (Mileage) M/s. Apollo and M/s. Modi Rubber Ltd. held the L1 and L2 status respectively.

Regarding the reason for not negotiating to M/s. Modi Rubber Ltd., it could be complying with the directions regarding tenders, of Central Vigilance Commission, banning post tender negotiations except with L1 (Lowest tender).

[Ref: Central Vigilance Commission Ordinance 1998 under Section 8(1)(h).]