



FIFTEENTH KERALA LEGISLATIVE ASSEMBLY

COMMITTEE

ON

**PUBLIC UNDERTAKINGS
(2023-2026)**

EIGHTY SECOND REPORT

(Presented on 04.02.2026)

**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2026**

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(2023-2026)**

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**The Action taken by Government on the recommendations contained in the
Twenty Fifth Report of the Committee on Public Undertakings (2023-2026)
relating to Kerala State Electricity Board Limited based on the
Report of the Comptroller and Auditor General of India
for the year ended on 31st March 2015**

(Presented on 04.02.2026)

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COMMITTEE ON PUBLIC UNDERTAKINGS (2023-2026)

COMPOSITION

Chairperson:

Shri. E. Chandrasekharan

Members:

Shri A.P.Anilkumar

Shri Anwar Sadath

Shri Ahammad Devarkovil

Shri T. V. Ibrahim

Shri P. Mammikutty

Shri K. P. Mohanan

Shri D. K. Murali

Shri P. Nandakumar

Shri Kadakampally Surendran

Shri P. Ubaidulla

Legislature Secretariat:

Dr. N. Krishna Kumar, Secretary

Smt. Sheeba Varghese, Joint Secretary

Smt. Sindu T. G., Deputy Secretary

Shri Mohanan O., Under Secretary

INTRODUCTION

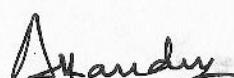
I, the Chairperson, Committee on Public Undertakings (2023-2026) having been authorised by the Committee to present the Report on their behalf, present this Eighty Second.. Report on the Action Taken by Government on the recommendations contained in the Twenty Fifth Report of the Committee on Public Undertakings (2023-2026) relating to Kerala State Electricity Board Limited based on the Report of the Comptroller and Auditor General of India for the year ended 31st March 2015.

The Statements of Action Taken by the Government included in this Report was considered by the Committee at its meeting held on 25.06.2024.

This Report was considered and approved by the Committee at its meeting held on ...03:02:2026.

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

Thiruvananthapuram,
.04:02:2026.


E.CHANDRASEKHARAN
Chairperson,
Committee on Public Undertakings.

REPORT

This Report deals with the action taken by the Government on the recommendations contained in the Twenty Fifth Report of the Committee on Public Undertakings (2023-2026) relating to Kerala State Electricity Board Limited based on the Report of the Comptroller and Auditor General of India for the year ended 31st March 2015.

The Twenty Fifth Report of the Committee on Public Undertakings (2023-2026) was presented to the House on 25th June 2024. The Report contained three recommendations and the Government furnished reply to all of them.

The Committee examined the Statement of Action Taken received from the Government in its meeting held on 17.12.2025 and approved them without any remark. The recommendations and the reply furnished by the Government are included in this Report.

REPLIES FURNISHED BY GOVERNMENT ON THE RECOMMENDATIONS OF THE COMMITTEE

Sl. No.	Para No.	Conclusions/Recommendations	Action taken by the Government
1	1	<p>The Committee opines that a formal agreement has to be executed in time in order to avoid such litigation in future. The Committee insists KSEBL to avoid such lapses and strictly adhere to the norms.</p>	<p>The KSEBL reported that, even though the contract period of M/s Asianet was expired on 31.03.2011, revised agreement could not be executed due to dispute over total number of poles used by M/s Asianet and also on the rate of pole rental charges. A tripartite agreement was executed between KSEBL, M/s. Asianet Satellite Communications Private Ltd. And Asianet Digital Network Private Ltd. for renting of poles for drawal of cables based on the joint inspection held in 2018, with effect from 01.01.2019 for the period up to 31.03.2021.</p> <p>It is also reported that as per the prevailing Board orders in force, M/s Asianet, being an internet service provider through their cable network, is obligated to remit the amount fixed for providing internet services. M/s Asianet, however has remitted pole rent amounts corresponding to the cable TV rates only, resulting in huge arrears.</p>

	<p>Further the said tripartite agreement had expired on 31.03.2021. Despite several reminders of KSEBL, M/s. Asianet has not provided a positive response to clear arrears arising from discrepancies in pole rent at internet rates versus cable TV rates and to execute a fresh agreement after the expiry of the previous contract.</p> <p>Recently, the firm filed WP(C) No.40017 of 2024 before Hon'ble High Court of Kerala and the Hon'ble Court in its interim order dated 13.11.2024 directed the Secretary, Kerala State Electricity Board Limited that the petitioner M/s Asianet shall continue to pay pre-revised rent of the electric poles used by them for supplying cable network to their subscribers in the meantime and the differential rent of poles shall be subject to the final outcome of the Writ Petition (Copy enclosed as Annexure-I).</p> <p>In addition to the interim order dated 13.11.2024, the Hon'ble High Court has issued a further interim order dated 03.12.2014, directing KSEB Ltd. to "place on record the guidelines issued by KSEB (including safety related guidelines) for drawing cables through</p>
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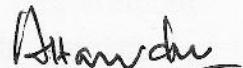
	<p>electric posts. The affidavit shall also highlight any other applicable statutory regulations, detail the steps taken to ensure compliance with safety and statutory provisions, and explain the inaction regarding removal of cables laid in violation of such regulations.” In the light of the foregoing, the subject case remains under consideration and is pending for final disposal. Government of India has notified the Telecommunication (Right of Way) Rules 2024, to be effective from 01.01.2025. The Rules prescribe lower rate (Rs.100/pole/annum) for ‘facility providers’ in terms of the Telecommunication Act 2013.</p> <p>In pursuance of this, Government of Kerala issued letter No.C3/49/2023/Power dated 25.03.2025 (Annexure-II) directing KSEBL to charge only the amount approved by Government of India as (Right of Way) charges under Telecommunication (Right of Way) Rules, 2024. Government is also examining the matter related to issue of a formal Government order adopting the rates mentioned Telecommunication (Right of Way) Rules, 2024 issued by Government of India.</p>
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2	2	<p>While Considering the audit observation about avoidable expenditure due to delay in payment of excise duty of Rs.64.82 lakh, the Committee is of the opinion that the loss incurred by KSEBL stands unresolved and the reply put forward by the witness is not justifiable. The Board shall be more vigilant about the changes in the Acts that directly affects the Board's expenditure and revenue. The Committee recommends to avoid such lapses in future.</p>	<p>The KSEBL reported that, in line with the conclusions and recommendations of the Committee outlined in Audit Para 3.10, all audit observations from the Accountant General were taken with utmost seriousness, and a vigilant approach was implemented regarding matters related to taxes and duties to prevent any recurrence of such lapses. All field officers were instructed to be more vigilant regarding changes in the Acts that affect the cost of fabrication and galvanization works and to ensure the correctness of these matters. No further lapses have been reported till date.</p> <p>The KSEBL further reported that, the Government of India introduced Goods and Service Taxes in India by replacing existing multiple taxes levied by the Central and State Governments such as Excise Duty, VAT and Service Taxes and came into effect from 1st July 2017. The KSEB Ltd. Is having a single registration under GST and hence the GST collected by various offices is verified and remitted to the Government centrally by the Tax Cell at office of the Financial Adviser. Also, as a service recipient, GST Registration of the contractor is made mandatory by KSEBL while</p>
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			submitting tender for the supply and work and this instruction is being strictly followed in KSEBL. Also, GST is issued to the contractors/suppliers after ensuring their GSTIN status is “Active” and their Returns are filed timely.
3	3	The Committee notices that KSEBL would not be able to survive if cost of production of electricity and other costs are not kept to minimum level possible. The Committee also observes that low cost power supply is imminent in near future and hence the very existence of KSEBL will be in danger. Therefore the Committee recommends that timely actions should be taken by the Board to avoid extra expenditure, in future. The Committee wants the KSEBL to adopt latest technologies to lower the cost of production of electricity and to make the Company more profitable. The steps taken in the matter should be intimated to the Committee.	As hydel power generation is the most economical method of electricity generation and it is the low cost power available in Kerala, KSEBL is planning to tap maximum available resources for hydel power generation, mainly through Pumped Storage Projects (PSPs) and feasible Hydro Electric Projects (HEPs). Considering the geographical constraints and distributed living population in the State, KSEBL is not in a position to proceed with most of the large and medium HEPs identified within the State and KSEBL is struggling with Small Hydro Electric Projects (SHEPs) due to the higher cost of generation and seasonal water availability in such projects. In view of the reduction in cost of solar panels and exploring newer technology options like Battery Energy Storage System(BESS), KSEBL is planning for long term options and sustainable capacity addition in Generation.

With an intention to explore cost effective methods in electricity generation within the State, KSEBL is planning to augment power generation through PSPs, HEPs, BESS, SHEPs & Wind Farms and aiming for 10GW by 2030. Here, BESS requires a lower gestation period and could be implemented without many hindrances within the premises of KSEBL Substations and could be utilized to offset peak loads. KSEBL has already floated tender for this through SECI and NHPC. As power is much cheaper during solar hours, BESS is a cost effective method of using solar generation. A combination of Solar and PSPs is another method for cost effective usage of renewable generation.

Thiruvananthapuram
03.02.2026


E.Chandrasekharan
Chairperson
Committee on Public Undertakings

D. K. SINGH, J.

W.P. (C) No. 40017 of 2024

Dated this the 13th day of November, 2024

ORDER

1. Despite the time granted to the Kerala State Electricity Board Ltd and the State, no statement/counter affidavit has been filed till date. The members of the petitioner - Association are apprehending the dismantling of their Cable TV network for non-payment of the differential pole rental for using the electricity poles of the Electricity Board.
2. The decision in compliance with the judgment dated 14.06.2024 in W.P.(C) No.38259/2023 and connected cases, is still pending before the State Government and therefore, it will be appropriate to grant an interim order to the effect that the Electricity Board shall not dismantle the Cable TV Network of the members of the petitioner - Association for non-payment of the differential pole rental amount till the next date of posting of this Writ Petition.
3. This interim order would be applicable only in respect of the payment of the differential pole rental amount and not the regular



W.P.(C) No. 40017 of 2024

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Electricity Board will be free to dismantle the Cable TV Network of the said Cable TV Operators.

4. Post this matter along with W.P.(C) No. 19754 of 2024 and other connected matters on 21.11.2024.
5. As an interim measure it is provided that the petitioner shall continue to pay the pre-revised rent of the electric poles used by them for supplying the cable network to their subscribers in the meantime.
6. The differential rent of poles shall be subject to the final outcome of the writ petition.



Sd/-

D. K. SINGH
JUDGE

Svn

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ANNEXURE - II

GOVERNMENT OF KERALA

Power(C) Department

No. PWR-C3/49/2023-POWER

25-03-2025, Thiruvananthapuram

From

Additional Chief Secretary to Government

To

The Chairman & Managing Director,
KSEBL, Thiruvananthapuram.

The Assistant Secretary,
Thrissur Corporation Electricity Department

Sir,

Sub: Power Dept - Implementation of Telecommunication(Right of Way) Rules, 2024 - Instructions issued - Reg.

As per the latest Telecommunication(Right of Way) Rules, 2024, the ROW charges is made uniform (₹100/- per pole) through out the country. In the Chief Secretary's review meeting held, it was decided to instruct KSEBL to charge only that amount approved by Government of India as Right of Way charges.

I am therefore directed to instruct you to charge only the amount of ₹100/- per pole as Right of Way charges from the users in pursuance of Rule 11(8) mentioned in the Telecommunication (Right of Way) Rules, 2024 forthwith.

Rule	Item	Amount
11(8)	Usage of street furniture for installation of small cells and telecommunication line	(a) For installation of small cells: Three hundred rupees per annum for urban area and one hundred and fifty rupees per annum for rural areas per street furniture; and (b) For installation of

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	telecommunication line: One hundred rupees per annum per street furniture.
	Provided that the public entity shall provide the facility provider the option of payment of annual fees in advance for a period of five years, through a consolidated payment equal to five times the amounts specified under clause (a) and clause (b), as applicable.

An action taken report in the matter may be furnished to Government with in 10 days. A copy of the Notification G.S.R. 576 (E) related to Telecommunication (Right of Way) Rules, 2024 is also enclosed for reference.

Yours Faithfully,
K R JYOTHILAL
ADDITIONAL CHIEF SECRETARY

Approved for Issue,

Signed by
Sreesh K.P.
Section Officer.
Date: 25-03-2025 16:54:05