



**THIRTEENTH KERALA LEGISLATIVE ASSEMBLY**

**COMMITTEE  
ON  
PUBLIC UNDERTAKINGS  
(2014-2016)**

**SEVENTY EIGHTH REPORT**  
(Presented on 23rd March, 2015)

SECRETARIAT OF THE KERALA LEGISLATURE  
THIRUVANANTHAPURAM  
2015

THIRTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE  
ON  
PUBLIC UNDERTAKINGS  
(2014-2016)**

**SEVENTY EIGHTH REPORT**

**on**

**The Action Taken by Government on the Recommendations contained in the  
Seventh Report of the Committee on Public Undertakings (2011-14)  
relating to Kerala Electrical and Allied Engineering Company  
Limited based on the Report of the Comptroller and Auditor  
General of India for the year ended 31st March, 2008  
(Commercial)**

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COMMITTEE ON PUBLIC UNDERTAKINGS (2014-2016)

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„ M. K. Surendra Lal, Joint Secretary

Smt. M. R. Maheswary, Deputy Secretary

Shri P. S. Selvarajan, 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 Seventy Eighth Report on the Action Taken by Government on the recommendations contained in the Seventh Report of the Committee on Public Undertakings (2011-14) on the working of the Kerala Electrical and Allied Engineering Company Limited based on the Report of the Comptroller and Auditor General of India for the year ended 31st March, 2008 (Commercial).

The Statement of Action Taken by the Government included in this Report was considered by the Committee constituted for the year (2014-16).

This Report was considered and approved by the Committee at the meeting held on 11-2-2015.

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

Thiruvananthapuram,  
23rd March, 2015.

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

## **REPORT**

This Report deals with the Action Taken by Government on the recommendation contained in the Seventh Report of the Committee on Public Undertakings (2011–14) relating to Kerala Electrical and Allied Engineering Company Limited based on the Report of the Comptroller and Auditor General of India for the year ended 31st March, 2008 (Commercial).

The Seventh Report of the Committee on Public Undertakings (2011–14) was presented to the House on 21st June, 2012.

The Report contained only one recommendation. Government furnished reply to this recommendation. The Committee (2014–16) considered the reply received from the Government at its meeting held on 12-11-2014.

The Committee accepted the reply to this recommendation without any remark. This recommendation and its reply are included in the Report.

REPLY FURNISHED BY GOVERNMENT WHICH HAS BEEN ACCEPTED BY THE COMMITTEE  
WITHOUT REMARKS

<i>Sl. No.</i>	<i>Para No.</i>	<i>Department concerned</i>	<i>Conclusion/Recommendation</i>	<i>Action Taken by Government</i>
(1)	(2)	(3)	(4)	(5)
1	4	Industries	The Committee opines that the reply to the audit objection should have been furnished at the time of audit. If this was done the audit paragraph itself could have been avoided. Furnishing of the explanation with regard to the 'special clause' was not done when audited and in the draft paragraph stage. The Committee therefore directs that strict order should be given to Managing Directors of all Public Sector Undertakings to furnish replies to findings of Accountant General in time. Government has been directed to monitor this at the Secretary level.	As per Circular No. 23923/PS/12/ID. dated 27-8-2012, (copy enclosed-Annexure I) the Managing Directors of Public Sector Undertakings under Industries Department have been directed to furnish replies to the findings of the Accountant General in time and all sections of Industries Department have also been directed to monitor periodically whether the Public Sector Undertakings under them have furnished replies to the draft/audit paras of Accountant General in time.

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Thiruvananthapuram,  
23rd March, 2015.

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

ANNEXURE I  
GOVERNMENT OF KERALA  
**Industries (PS) Department**

No. 23923/PS/12/ID.

*Dated, Thiruvananthapuram, 27th August, 2012.*

CIRCULAR

*Sub:*—Committee on Public Undertakings (2011-14)—7th Report on Kerala Electrical and Allied Engineering Company Limited (KEL)—Reg.

*Ref:*—Letter No. 18673/PUC.B<sub>2</sub>/09/Leg. dated 26-6-2012 from the Secretary, Kerala Legislative Assembly.

The Committee on Public Undertakings (2011-14) after considering the paragraph on Kerala Electrical and Allied Engineering Company Limited (KEL) contained in the Report of the Comptroller and Auditor General of India for the year ended 31-3-2008 (Commercial) made the following recommendations:

“The Committee opines that the reply to the audit objection should have been furnished at the time of audit. If this was done the audit paragraph itself could have been avoided. Furnishing of the explanation with regard to the ‘special clause’ was not done when audited and in the draft paragraph stage. The Committee therefore directs that strict order should be given to Managing Directors of all Public Sector Undertakings to furnish replies to findings of Accountant General in time. Government have been directed to monitor this at the Secretary level”.

In view of the above recommendation, the Managing Directors of Public Sector Undertakings are directed to furnish replies to the findings of the Accountant General in time and furnish report to the concerned Administrative Department.

All sections of Industries Department shall ensure that Public Sector Undertakings under them has furnished replies to draft/audit paras, by periodical monitoring of those reports.

JAPABALAN OLIVER,  
*Additional Secretary to Government.*

To

The MDs of PSUs under Industries Department  
The Secretary, RIAB, Thiruvananthapuram  
All sections of Industries Department.

*Copy to:*

PA to ACS  
CA to Secretary (IP)/Special Secretary  
S/F, O/C.

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