



TWELFTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC UNDERTAKINGS
(2006-2008)**

TWENTY FIFTH REPORT

(Presented on 21st March, 2007)

SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2007

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On

**The action taken by Government on the Recommendations contained in the
Forty Third Report of the Committee on Public Undertakings (2001-2004)
relating to Handicrafts Development Corporation of Kerala Limited based
on the Report of the Comptroller and Auditor General of India
for the year ended 31st March 1998 (Commercial)**

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COMMITTEE ON PUBLIC UNDERTAKINGS (2006-2008)

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Dr. N. K. Jayakumar, Secretary

Shri R. Vijayakumar, Joint Secretary

- „ K. Mohanakumar, Deputy Secretary
- „ C. R. Reghunathan Pillai, Under Secretary.

INTRODUCTION

I, the Chairman, Committee on Public Undertakings (2006-2008), having been authorised by the Committee to present the Report on their behalf, present this Twenty Fifth Report on the action taken by Government on the recommendations contained in the Forty Third Report of the Committee on Public Undertakings (2001-2004) on the working of the Handicrafts Development Corporation of Kerala Limited based on the Report of the Comptroller and Auditor General of India for the year ended 31st March, 1998 [Commercial]

The Statement of action taken by the Government included in this Report were considered by the Committee constituted for the year 2006-2008.

This Report was considered and approved by the Committee at the meeting held on 15-3-2007.

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,
21st March, 2007.

MANKODE RADHAKRISHNAN,
Chairman,
Committee on Public Undertakings.

REPORT

The Forty-third Report of the Committee on Public Undertakings (2001-2004) on Handicrafts Development Corporation of Kerala Limited, based on the Report of the Comptroller and Auditor General of India for the year ended 31st March, 1998 (Commercial) was presented to the House on July 30, 2003.

The Report contained only one recommendation. Government had furnished reply to this recommendation. The Committee considered the reply received from Government at its meeting held on 6th November, 2006.

The Committee accepted the reply to recommendation No. I (3) without any remarks.

The recommendation of the committee and its reply received from Government is given in succeeding pages of this Report.

CHAPTER I

**The Recommendation of the Committee and its reply received from
Government which has been accepted by the Committee**

<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	3	Industries	The Committee recommends that immediate steps should be taken to realize the arrears of rent from KEL and Department of Industries & Lotteries who occupy the building of the Handicrafts Development Corporation. The action taken in this regard should be intimated to the Committee.	A meeting was convened by the Joint Secretary to Government Industries Department with Managing Director, Handicrafts Development Corporation of Kerala Ltd. (HDCK), Managing Director, Kerala Electrical and Allied Engineering Company Ltd. (KEL) and Additional Director of Industries & Commerce and the following decisions were taken. (a) KEL 1. It was agreed by M/s. KEL that they will pay the entire rent arrears to HDCK in instalments for the space occupied by them in New Delhi 2. The rent from June 2005 onwards in respect of the space occupied by M/s. KEL at the building of the HDCK in New Delhi will be paid every month.

(1)	(2)	(3)	(4)	(5)
				3. It was agreed to increase the rate of electricity charge from Rs 3 per sq. ft. to Rs. 5 per sq. ft. from June 2005 as the electricity charges has gone up since 1993. 4. Both HDCK and KEL agreed that the space occupied by the KEL is 593 sq. ft. and rent to be paid is Rs. 13,639 per month. The total arrears of rent to be paid by M/s KEL is Rs. 6,27,394 from September, 2001 to June 2005. (b) State Industries Department : It was suggested that the amount of Rs. 4,33,393 being the dues to be paid by Industries Department to HDCK for the space occupied by the special Representative, Industries Department from 22-2-1992 to 16-8-1996 may be adjusted against the loan amount to be

(1)	(2)	(3)	(4)	(5)
				repaid by HDCK to Government. The Additional Director of Industries and Commerce has agreed that this can be done with Governments' permission.
				(c) State Lotteries Department : Rent arrears up to December 1995 was paid by the Lotteries Department and hence no further action is required in this regard.

MANKODE RADHAKRISHNAN,

Thiruvananthapuram,
21st March, 2007.

*Chairman,
Committee on Public Undertakings.*