



**TWELFTH KERALA LEGISLATIVE ASSEMBLY**

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

**THIRTY THIRD REPORT**

(Presented on 24th July, 2007)

SECRETARIAT OF THE KERALA LEGISLATURE  
THIRUVANANTHAPURAM  
2007

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ON  
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(2006-2008)**

**THIRTY THIRD REPORT**

**On**

**The action taken by Government on the Recommendations contained in the  
Eighty Seventh Report of the Committee on Public Undertakings  
(2004-2006) relating to Kerala State Industrial Enterprises Limited,  
based on the Report of the Comptroller and Auditor General  
of India for the year ended 31st March 1999 (Commercial)**

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COMMITTEE ON PUBLIC UNDERTAKINGS (2006-2008)

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Smt. L. Sailaja, Under Secretary.

## INTRODUCTION

I, Chairman, Committee on Public Undertakings having been authorised by the Committee to present the Report on their behalf, present this Thirty Third Report on the action taken by Government on the recommendations contained in the Eighty Seventh Report of the Committee on Public Undertakings (2004-2006) on the working of the Kerala State Industrial Enterprises Limited based on the Report of the Comptroller and Auditor General of India for the year ended 31st March, 1999 [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 18-7-2007.

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,  
24th July, 2007.

MANKODE RADHAKRISHNAN,  
*Chairman,*  
*Committee on Public Undertakings.*

## **REPORT**

The Report deals with the Action Taken by Government on the recommendation contained in the Eighty Seventh Report of the Committee (2004-2006) relating to Kerala State Industrial Enterprises Limited based on the Report of the Comptroller and Auditor General of India for the year ended 31-3-1999 (Commercial) which was presented to the House on March 10, 2005.

The Report contained only one recommendation and the Government furnished its reply to the recommendation. The Committee (2006-2008) considered the reply received from Government at its meeting held on 13-6-2007.

The Committee accepted the reply to the recommendation without any remarks. The recommendation of the committee and the reply furnished by Government are given in the succeeding page.

## CHAPTER I

**The Reply furnished by Government on the recommendation  
which has been accepted by the Committee**

<i>Sl. No.</i>	<i>Para No.</i>	<i>Department</i>	<i>Recommendation of Committee</i>	<i>Action Taken by Government</i>
1	2	Industries	<p>The Committee feels that as there was no statutory restriction on the Company running the Air Cargo Complex in the airport even after its elevation to international status, the Company need not have transferred custodianship of the complex to International Airport Authority of India. The Committee understands that the Company failed to safeguard its interest by not obtaining a commitment from IAAI to make good the loss of revenue to the Company and to get a return on the investment in the Air Cargo Complex.</p> <p>The Committee therefore recommends that henceforth the officials of the Company should be vigilant and see that in all transactions, the company's interest are safeguard.</p>	<p>Instructions have already been issued to the officials of KSIE to comply with the recommendations of the Committee. The recommendations of the Committee are well taken by the officials of the company in letter and spirit. After retransfer of the Trivandrum Air Cargo Complex to KSIE, the company has been functioning on profit. During the year 2004-2005 the company has earned a net profit of Rs. 264.18 lakh from a turnover of Rs. 1091.00 lakh.</p>

Thiruvananthapuram,  
24th July, 2007.

MANKODE RADHAKRISHNAN,  
*Chairman,*  
*Committee on Public Undertakings.*