



TWELFTH KERALA LEGISLATIVE ASSEMBLY

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

THIRTY FOURTH REPORT

(Presented on 24th July, 2007)

SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2007

TWELFTH KERALA LEGISLATIVE ASSEMBLY

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

THIRTY FOURTH REPORT

**On
The action taken by Government on the Recommendations contained in the
Eighty Eighth Report of the Committee on Public Undertakings
(2004-2006) relating to Sitaram Textiles Limited based on the
Report of the Comptroller and Auditor General of India
for the year ended 31st March 2000 (Commercial)**

CONTENTS

	<i>Page</i>
Composition of the Committee	.. v
Introduction	.. vii
Report	.. 1
Replies furnished by Government on the recommendations of the Committee which have been accepted by the Committee	.. 2

COMMITTEE ON PUBLIC UNDERTAKINGS (2006-2008)

Chairman :

Shri Mankode Radhakrishnan

Members :

Shri P. K. Abdu Rabb

„ A. A. Azeez

„ M. Chandran

„ C. M. Dinesh Mani

„ K. T. Jaleel

„ K. K. Jayachandran

„ P. J. Joseph

„ K. Kunhiraman

„ K. Sudhakaran

„ K. C. Venugopal

Legislature Secretariat :

Dr. N. K. Jayakumar, Secretary

Shri R. Vijayakumar, Joint Secretary

„ K. Mohanakumar, Deputy Secretary

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 Fourth Report on the action taken by Government on the recommendations contained in the Eighty Eighth Report of the Committee on Public Undertakings (2004-2006) on the working of the Sitaram Textiles Limited based on the Report of the Comptroller and Auditor General of India for the year ended 31st March, 2000 [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 Eighty Eighth Report of the Committee on Public Undertakings (2004-2006) on Sitaram Textiles Ltd. based on the Report of the Comptroller and Auditor General of India for the year ended 31st March, 2000 (Commercial) was presented to the House on 10th March, 2005.

The Report contained one recommendation. Government have furnished reply to the recommendation.

The Committee considered reply to the recommendation at its meeting held on 11-1-2007 and approved the same without any comments. The recommendation and its reply is included in this Report.

**Reply furnished by Government which have been
accepted by the Committee**

<i>Sl. No.</i>	<i>Paragraph of the Report</i>	<i>Conclusion/Recommendations</i>	<i>Action Taken by Government</i>
1	2	<p>The Committee concludes that the decision to buy the Calico Rapid Jet Dyeing Machine costing Rs. 13.04 lakhs was taken without foresight. This hasty act led to a great loss to the Exchequer. The Committee therefore recommends that action should be initiated against those responsible for making such a purchase without any foresight. The Committee also suggests that a proper evaluation of the necessity and utility of new machinery should be undertaken before executing costly purchase.</p>	<p>The above purchase was made on the basis of the recommendations by the Purchase Committee (Sub Committee of the Board) held on 30-6-1993. The members of the Sub-Committee were—</p> <ol style="list-style-type: none"> 1. Shri K. V. Menon, Chairman & Managing Director. 2. Prof. R. Govindarajalu, Director (Technical Expert) and nominee of the Industries Department. 3. Smt. P. A. Subhaidabeevi, Director. <p>Shri K. V. Menon expired on 1996. Smt. P. A. Subhaidabeevi, Director is also not in service. Shri Govindarajalu, Director is a non-official. In the circumstances no disciplinary action could be taken against them. The suggestions of the Committee is noted for future guidance.</p>

Thiruvananthapuram,
24th July, 2007.

MANKODE RADHAKRISHNAN,
Chairman,
Committee on Public Undertakings.