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FIFTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2021-2023)**

THIRTY SEVENTH REPORT

(Presented on 10th August, 2023)



**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2023**

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**COMMITTEE
ON
PUBLIC ACCOUNTS
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THIRTY SEVENTH REPORT

On

**Action Taken by Government on the Recommendations contained in the Forty
Fifth Report of the Committee on Public Accounts (2006-2008)**

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COMMITTEE ON PUBLIC ACCOUNTS
(2021-2023)

COMPOSITION

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Shri P. S. Selvarajan, Joint Secretary

Shri Jomy K. Joseph, Deputy Secretary

Smt.Mable Antony., Under Secretary.

INTRODUCTION

I, The Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the Thirty Seventh Report on Action Taken by Government on the Recommendations contained in the Forty Fifth Report of the Committee on Public Accounts (2006-2008).

The Committee considered and finalised this Report at the meeting held on 12th July, 2023.

Thiruvananthapuram,
10th August, 2023.

SUNNY JOSEPH,
Chairman,
Committee on Public Accounts.

REPORT

This Report deals with the Action Taken by the Government on the recommendations contained in the 45th Report of the Committee on Public Accounts (2006-2008)

The 45th Report of the Committee on Public Accounts (2006-2008) was presented in the House on 17th March 2008. The Report contained 15 recommendations relating to Forest and Wild Life, Home, Higher Education, Transport and Finance Departments. The Report was forwarded to government on 25-3-2008 seeking the Statements of Action on the recommendations contained in the report and the final reply was received on 10-9-2020.

The committee Examined the statements of Action Taken received from the government at its meetings held on 22-9-2010, 1-8-2012, 15-5-2013, 27-8-2013, 23-7-2014, 30-11-2016, 17-10-2017, 18-9-2019, 22-4-2021 and 22-9-2021.

The Committee was not satisfied with the action taken by the Departments on the recommendation contained in Paragraph 54. The recommendation, reply furnished thereon and further recommendation of the Committee are included in Chapter I of this report. The Committee decided not to pursue action on the remaining recommendations in the light of the replies furnished by the Government. Such recommendations/comments and their replies are incorporated in the Chapter II of this report.

CHAPTER I

RECOMMENDATIONS IN RESPECT OF WHICH ACTION TAKEN BY THE GOVERNMENT ARE NOT SATISFACTORY AND WHICH REQUIRE REITERATION

TRANSPORT DEPARTMENT

Recommendation

(Sl.No.12, para No. 54)

1.1 The Committee desires to know whether action has been taken against those officers who responsible for short levy of additional tax amounting to Rs.2.76 lakh which was due to the short assessment of the additional tax.

Action TakenRTO Idukki

1.2 Accountant General (Audit) in its inspection of Regional Transport Office, Idukki for the period 2001-2002 in Part II A Para II has - pointed out that there is short levy of additional tax in respect of 495 NTVs for which tax collected from 20-4-1999 to 14-9-2001. The additional tax from the above 495 vehicles were collected only for a quarter instead for one year and thus resulted a revenue loss of Rs.88,589/-. An amount of Rs.36,833/-has been collected from 217 vehicles.

1.3 The balance amount be collected is Rs.51,756/- against 278 vehicles. All the vehicles detected by the Audit are non transport vehicles. There is every possibility that most vehicles might have sold or transferred to other offices. However earnest effort is still going on to collect the remaining arrears. All the details have since been entered in the computer systems so that the arrear can be collected as and when any service is rendered for the vehicle. Also it may be noted that no Revenue Recovery steps can be initiated as the amount is below Rs.1000/- for each individual case.

1.4 The short levy was occurred only due to mis-interpretation of mode of calculation of Additional Tax for one quarter instead of one year by the counter clerk. No supervision was necessary at that time. Hence, there was no willfull negligence or deliberate attempt on the part of any officers resulted in the short levy. In this connection, it is also reported that no disciplinary action was initiated against the officers concerned.

1.5 In view of the above facts stated above this report may be accepted and further action may be dropped.

RTO Kannur

1.6 29 Vehicles are involved in the Part II A Para IV of LAR 2001-2002 amounting to Rs. 82,788/-. Out of this total due collected from 20 vehicles are Rs. 52,803/-. Other vehicles mentioned in the list have completed an age of 15 years. Objections are entered in the system and any service to these vehicles will be done only after clearing dues.

Further Recommendation

1.7 The Committee rejected the departments plea that audit objection may be dropped in various cases and directed the department to continue the collection of the amount due.

CHAPTER - II

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN THE LIGHT OF THE REPLIES FURNISHED BY THE GOVERNMENT.

FOREST AND WILDLIFE DEPARTMENT

Recommendation

(Sl. No. 1, Para No.16)

2.1 The Committee requires the Department to inform whether the amount due from KFDC has been settled.

Action Taken

2.2 An amount of Rs.5,04,79,250.54/- was due from the Kerala Forest Development Corporation (KFDC) to Government. As per G.O. (Rt.) No.4/ 2020/ F&WLD dated 5-1-2020, Government have adjusted the amount of Rs. 5,04,79,250.54 (Rupees Five Crore Four Lakhs Seventy Nine Thousand Two Hundred and Fifty only) due from the Kerala Forest Development Corporation to Government with the amount of Rs. 5,42,36,375.72 (Rupees Five Crore Forty Two Lakhs Thirty Six Thousand Three Hundred and Seventy Five Only) due to the Kerala Forest Development Corporation from Government, as recommended by PAC (Annexure I).

Recommendation

(Sl.No.2, Para No.17)

2.3 The Committee enquires whether the lease agreement with KSEB has been fully executed and also whether the collection of balance amount due to the department has been realised.

Action Taken

2.4 The land in question was transferred to KSEB on 31-3-2006 much before the draft lease deed was approved by the Government. Though Divisional Forest Officers were directed to sign the agreement on behalf of the Government the KSEB declined to sign the same quoting several reasons. KSEB has suggested to amend some clauses of lease deed as these are against the interest of KSEB. This issue is not only in Malayattoor Division but also in various other divisions. A High Level Committee was constituted by the Government as per GO(Rt) No. 110/2010/PD dated 18-5-2010 to sort out this issue. In the meeting held on 8-9-2010, the High Level Committee decided that KSEB should execute the lease agreement subject to the clauses relating to penal interests and claims of Forest Department with respect to penal interest from KSEB, in consultation with Finance Department, Law Department, Forest Department, Power Department and KSEB. After execution of lease agreement the issue of reconciliation of the amount due from KSEB to Forest Department towards lease rent/lease rent arrears in lieu of forest land diverted and the amounts due from Forest Department to KSEB remitted as seigniorage value can be discussed and settled. A total area of 13825.9275 ha is under the possession of KSEB and amount due as lease rent as on 1-4-2011 is Rs. 53,68,30,342/-. Though a counter signed challan was issued by the DFO, Malayattoor, the KSEB has not remitted the amount. Hence it is decided to convene another High Level Committee meeting to settle this issue.

Recommendation

(Sl No. 3, Para No.18)

2.5 The Committee asks the department to inform the latest position regarding the remittance of lease rent due from Plantation Corporation of Kerala Limited.

Action Taken

2.6 Plantation Corporation of Kerala Ltd. have already paid Rs.7 crore and Rs.91 crore is outstanding. The balance amount due can be considered only after fixing lease rent. The issue was discussed in the meeting held on 6-3-2012 at Government level with representatives of PSUs in which it was decided that arrears @ Rs.1300/ha has to be collected from PSUs and arrears to be remitted by them soon.

Recommendation

(Sl. No. 4, Para 19)

2.7 The Committee points out that though the court has directed the Public Sector Undertakings to convert arrears of lease rent to share capital, the department maintains the stand that such move was not considered. The Committee requires the department to give definite reply on the present position of the issue.

Action Taken

2.8 The State Farming Corporation of Kerala has been remitting lease rent @ Rs. 1300 per hectore per annum since 2004-05 onwards. For settling the lease rent arrears for the period from 1992-93, to 2003-04 a meeting was convened at Government level on 19-3-2012. In the meeting the State Farming Corporation of Kerala has requested to waive/adjust arrears of lease rent against the amount due from Hortcorp and also compensation claim of State Farming Corporation of Kerala against transfer of Nilakkal Estate. The possibility of the same is being examined.

Recommendation

(Sl. No. 10, Para No.43)

2.9 The Committee requires that Department to inform about the latest position of 19 cases.

Action Taken

2.10 a) The original auctions were conducted on 17-12-2000, 20-3-2000 and 8-3-2000. The ID proofs were verified during the time of auction but not seen kept in the file now.

b) The defaulters were timber merchants from Hunsur district Karnataka State. They were not blacklisted. They have not participated in any auctions conducted in Wayanad district there after. An attempt was made by Assistant Wildlife Warden, Sulthan Bathery by conducting enquiry in Hunsur area, but failed to trace the defaulters as the address given by them at the time of auction was bogus.

c) Several attempts were made by Wild Life Warden, Wayanad through the District Collector, Wayanad to realize the Government loss of Rs.11,06,070/- through revenue recovery on the basis of which the Deputy Commissioner, Mysore had deputed Deputy Tahasildar for revenue recovery on 18-11-2009. The Deputy Commissioner, Mysore has now informed that the address of defaulters is bogus and hence revenue recovery is not possible.

d) Steps are being taken to instruct the Principal Chief Conservator of Forest & HOFF to ensure that adequate safeguards should be put in place in order to avoid recurrence of such instances in future.

2.11 In the circumstances as stated above the report may kindly be accepted and further action may kindly be dropped.

Further Recommendation

2.12 The Committee observed that the main reason for the failure to trace out the defaulters who participated in the auction was the absence of their ID proofs in the File. The Committee recommended to take urgent steps to find the defaulters and also to take steps for safely keeping the ID Proofs in order to avoid recurrences of such instances in future. The Committee also recommended to take stringent action against the aberrant officers in this regard.

Action Taken

2.13 As timber is now auctioned through E-Auction procedure, through MSTC and the ID Proofs are obtained at the time of registration and filed. As this process of registration has been centralized such instances will not be repeated in future.

2.14 Several attempts were made by Wildlife warden, Wayanad and District Collector, to trace the defaulters and recover the amount by way of revenue recovery through the Deputy Commissioner, Mysore. But the Deputy Commissioner has informed that the defaulters could not be traced as the addresses were found bogus. All, possible action had been taken by the Department for recovery. The auctions were conducted in the year 2000 when there were no possibilities for verifications of ID Proof as done now. The fact that the addresses

were available shows that ID Proofs were obtained. Most of the aberrant officers have since retired and hence possibility of taking action against them at present is considered not feasible.

2.15 In these circumstances as all possible action has been taken by the department in this regard, it is requested that the para may kindly be dropped.

Recommendation

(Sl. No. 14, Para No. 59)

2.16 The Committee requires the department to inform whether the amount of Rs.29.5 lakh due to Forest Department from KFDC by way of Forest Development Tax has been deducted from the subsidy payable to KFDC.

Recommendation

(Sl. No. 15, Para No.60)

2.17 The Committee understands that the issue regarding the excess payment of subsidy to KFDC has not yet been settled. The Committee requires both the Finance and Forest Departments to speed up the actions regarding the settlement of the issue.

Action Taken (for paras 59 & 60)

2.18 As per the recommendations of the Public Accounts Committee Government have examined the subsidy claims of Kerala Forest Development Corporation towards supply of raw materials to the industrial concerns in the State for the period From 1997-98 to 2003-2004. It has been found that an amount of Rs. 26,56,745/- was due to KFDC over the years as subsidy from Government. At the same time it is also found that KFDC is owing an amount of Rs.33.33 lakh to Government towards arrears of Forest Development Tax and Sales Tax, the major portion being Forest Development Tax. After adjusting the subsidy claim of Rs. 26,56,745/- from the amount due to Government, it is seen that an amount of Rs.6,76,255/- is further due from the KFDC. Government vide G.O.(MS)8/11/F & WLD dated 11-2-2011, ordered KFDC to remit the amount to State account and KFDC has remitted the amount to the State account under the head of account "0406-01-101-96-Receipt" from Forest Development Tax. (Annexure II)

HOME DEPARTMENT**Recommendation**

(Sl. No.5, Para No.35)

2.19 Taking exception to the stand that the difference in amount of arrears pending collection is negligible the Committee points out that the department has to account for the difference in amount calculated by Audit and that furnished by the department. The Committee desires to know whether the actual amount to be collected by the department has been recalculated. The Committee requires the Department to furnish a statement regarding the latest details of arrears to be calculated from various institutions towards the cost of deployment of police personnel.

Action Taken

2.20 The actual amount to be collected by the department has been recalculated and the statement regarding the details of arrears of Bill of Cost to be collected is shown in Annexure-III.

Recommendation

(Sl. No.6, Para No. 36)

2.21 The Committee understands that share of expenditure incurred on Railway Police during the period between 1984-85 and 1991-97 has not been fully realized/adjusted even after 8 years. Expressing dissatisfaction over the casual attitude shown towards the settling of the amount, the Committee requires the department to take immediate steps to settle the issue.

Action Taken

2.22 During the last several years Southern Railways did not paid the amount due to Police Department in full instead they adjusted the amount due to them from various departments of the State against the amount due to Police Department. The Additional Chief Secretary (Home & Vigilance) convened a meeting of the concerned in this regard on 15-11-2007 and in the meeting it was decided not to adjust the amount due to Southern Railway from various

Departments against the amount due to Police Department by Southern Railway from 2008 onwards. Regarding the settlement of pendency from 1988-99 onwards it was decided the Departments concerned should remit the amount to Southern Railways and they in turn return the amount so collected to Police Department. Accordingly an amount of Rs.37,11,713/- remitted by PWD to southern Railway has been received in the Police Department during 2008. It was also decided regarding the pending dues prior to 1998, the Departments concerned should examine the matter in consultation with the Southern Railway. A copy of the minutes of the meeting is enclosed (Annexure IV). Regarding the reimbursement of the cost for the year 2007-08 Audit certificate has been furnished to Southern Railway and the payment is awaited.

FINANCE DEPARTMENT

Further Recommendation

2.23 The Committee suggested that if the Finance Department has not yet issued necessary guidelines for settlement of pending dues to Railways from the departments concerned and the pending dues to Police Department by Railways as decided in the meeting dated 15-11-2007 between the Additional Chief Secretary (Home & Vigilance) and Railway Authorities, the same should be emanated urgently.

Action Taken

2.24 In 2007, when this issue was taken up by Finance Department, the remarks offered is as follows: "The Administrative Department is informed that the statement furnished by Southern Railway may be forwarded to concerned Department/Autonomous bodies to verify the correctness of the amount and if the details are found to be correct the concerned Departments/Autonomous bodies may be requested to remit the amount dues directly to the Revenue Head of Police Department. As it has been decided in the meeting held on 15-11-2007 that there will be no adjustments of dues to Police Department from 2008 onwards there appears no question of issuing general instruction/guideline in this regard. Administrative department is also advised to look into the dues payable by Railways for periods prior to 1998 and take steps to recover the same from Railways if any amount is still outstanding" Several meeting were conducted by

Home Department and in the last meeting held on 4-8-2016, it was decided to constitute a Committee consisting of representatives from Police, Railways, LSG Departments and an Audit Officer from Finance. Finance Department already nominated Shri K. Ramesh, Audit Officer, State Audit Department, Housing Board Office, Thiruvananthapuram and intimated the same to Home Department.

HOME DEPARTMENT

Recommendation

(Sl.No.7, Para No.37)

2.25 The Committee notes that there is no provision for charging interest and penal interest for delay in remittance of dues by beneficiary institutions the Police Department is bearing unnecessary financial loss. The Committee, therefore recommends introduction of necessary provisions in the Rule/Manual of the Police Department for levying interest and penal interest on belated payment of dues to the department.

Action Taken

2.26 Government have introduced the following conditions for realizing Bill of Cost for providing Guard/Security to Government institutions and to private/commercial establishments vide G.O.(Ms)No. 35/2013/Home dated 8-2-2013.

i) No interest or penal interest will be levied from Government Departments and institutions for belated payment of Bill of Cost of Guard/Security provided by Police Department.

ii) For providing Police Guard/Security to private establishments/ commercial undertakings, those institutions need to make advance payment of the Bill of Cost to the Police Department.

2.27 It was also ordered therein that necessary amendments to the above effect will be made in the Rule/Manual of Police Department.

A copy of the above said G. O. is also attached (Annexure V)

HIGHER EDUCATION DEPARTMENT**Recommendation**

(Sl.No. 8, Para No.40)

2.28 The Committee opines that as the Government is still entrusting the KBPS with work of printing of text books, the issue of sale proceeds of wastage may go on indefinitely unless an appropriate action is taken to address it. Prolonging the issue is not in the interest of the Government or of the society. The Committee therefore suggests that action be taken for an earlier settlement of the issue through bilateral discussions.

Action Taken

2.29 The Action Taken Report on para 40, 41 in the 45th report had been forwarded to the Accountant General for vetting the report on 20-8-2011. The AG has returned the ATR without vetting, pointing out the following defects.

(1) Documentary evidence for adjusting the sale proceeds of work paper up to 31-3-2006 as per G.O.(Ms) 45/00/H.Edn. Dated 28-3-2000 was not available in the Government file.

(2) The orders finalizing the appeal was not filed by Government .

As suggested by the A.G. Government have examined the matter and modified the G.O.(Ms)45/00/H.Edn dated 28-3-2000, by extending the period up to 31-3-2006 as per G.O.(MS)No.141/14/H.Edn. Dated 20-3-2014. Copy of the order enclosed herewith Annexure VI.

Recommendation

(Sl. No. 9, Para No.41)

2.30 The Committee requires the department to inform whether any decision has been taken on the appeal against the recovery of the amount of sale proceeds of waste paper. The Committee also requires the department to inform the reason for dropping the proposal for converting KBPS into the Government department.

Action Taken

2.31 KBPS is established for the printing of text books and the paper required for the printing is supplied by the Controller of Stationary free of cost. As per G.O.(P)No.17/76/H.Edn dated 17-2-1976 KBPS was specifically established to run as a commercial unit. Accordingly service conditions were brought under the Workers Compensation Act 1923. KSR cannot be implemented in KBPS as per existing provisions. If KBPS is converted into a Government run printing unit, MOA and the other relevant provisions of the Society will have to be amended and the implementation of KSR will result in huge financial commitments which the society will not be able to sustain. Hence Government have decided not to convert KBPS into a Government run printing unit under the Department of Printing.

2.32 Since the AG has directed Government to issue orders finalizing the appeal, G.O.(Rt)No.2548/14/H.Edn. Dated 27-10-2014 has been issued rejecting the request of Managing Director, Kerala Books & Publications Society.

TRANSPORT DEPARTMENT

Recommendation

(Sl. No. 11, Para No.53)

2.33 The Committee learns that correspondence is on with other States regarding short levy of composite tax on vehicles. The Committee requires the department to inform whether there has been any progress in realizing the short levy of composite tax. The Committee also desires to know whether computerization of the offices of the Motor Vehicles Department and that of check posts has been completed.

Action Taken

2.34 Even after repeated reminders no reply has been received from the concerned State Transport Authorities/ Transport Commissioners regarding the short collection of composite tax and the composite tax on multi axled vehicles. Government convened a meeting of Transport Commissioners/ Secretaries of all States on 6-3-2009 to sort out the issues arising out of collection of composite tax. The meeting tentatively decided to open new bank crediting the amount of

composite tax. Government of India is also contemplating an 'ex-payment' system for collection of composite fee on national permits. The computerization of Motor Vehicles Department and of Check Posts have been completed.

Recommendation

(Sl. No. 13, Para No.55)

2.35 The Committee requires the department to inform whether tax due on the remaining 20 cases of wrong classification of private service vehicles were levied/collected.

Action Taken

R.T.Office, Idukki

2.36 Accountant General in its inspection of Regional Transport Office, Idukki for the period 2001-2002 in Part II A Para I, has pointed out that 12 vehicles during the above period was classified as Omnibus for private use, even though these vehicles belongs to companies. The final remarks is submitted herewith.

1. KL.06.7999- The short levy of Rs.4720/- pointed out by Accountant General was collected on 4-12-2012 vide TR 5 Receipt No.126/45/2002.

2. KL.06.A.5100- collected Rs.7300/- as balance tax for the period up to 30-9-2003 vide TR 5 Receipt No.6 dated 12-8-2003 and collected Rs.800/- vide TR Receipt No.59 dated 12-8-2003.

3. KL. 06.A.5150- This Vehicle was registered in the name of M.E. Meeran, Managing Partner, M/s Eastern Spices and Condiments, Adimaly.

2.37 In this connection it may be noted that Transport Commissioner, vide Circular No.07/2000, based on the letter No. RT-11036/I3/1997/MVI dated 15-3-2000 of Ministry of Surface Transport, New Delhi, classified that as per Section 2(29) of Motor Vehicles Act 1988 any vehicle constructed or adapted to carry more than six passengers excluding the driver may be categorized as 'omnibus'. This letter also clarifies that while considering the registration of such vehicles in the name of the individual owner, the same may be allowed under the category of 'Non Transport Vehicles' or 'Transport Vehicle', depending upon the declaration given by the individual owner regarding their use.

2.38 In this case, this vehicle is registered as omnibus for Private Use, in the name of an individual based on the affidavit submitted by him declaring that this vehicle is solely used for his personal purpose only.

4. KL.06.A.5165 - Collected Rs.5840/- vide TR 5 Receipt No. 68/126/2002, 981/144/2002, and 99/144/2002 dated 19-12-2002.

5. KL.06.A.5181- This vehicle is registered in the name of Shri Varghese Cherian, Managing Partner, Spices Trading Company, Adimaly.

2.39 In this connection it may be noted that Transport Commissioner vide Circular No.07/2000, based on the letter No.RT-11036/13/1997/ MVI dated 15-3-2000 of Ministry of Surface Transport, New Delhi classified that as per section 2(29) of Motor Vehicles Act 1988, any vehicle constructed or adapted to carry more than six passengers excluding the driver may be categorized as omnibus. This letter also clarifies that while considering the registration of such vehicles in the name of the individual owner, the same may be allowed under the category of 'Non Transport Vehicle or Transport Vehicle' depending upon the declaration given by the individual owner regarding their use.

2.40 In this case this vehicle is registered as omnibus for private use, in the name of an individual based on the affidavit submitted by him declaring that this vehicle is solely used for his personal purpose only.

6. KL. 06.7997 - The short collection of Rs. 4720/- pointed out by Accountant General was collected vide TR5 Receipt No. 45/126/2002/ dated 4-12-2002.

7. KL.06.A.5186 - Collected Rs.8190/- vide TR 5 No.60/04/2003 dated 2-4-2003 and then classified as Transport Vehicles (PSV).

8. KL. 06.A.5087 - This vehicle was registered in the name of Dr. Kripa Jacob, Medical Officer, Tata Tea Limited, Munnar

2.41 In this connection it may be noted that Transport Commissioner vide Circular No. 07/2000, based on the letter No. RT - 11036/13/1997/MVI dated 15-3-2000 of Ministry of Surface Transport, New Delhi, classified that as per section 2(29) of

Motor Vehicles Act 1988, any vehicle constructed or adapted to carry more than six passengers excluding the driver may be categorized as omnibus. This letter also clarifies that while considering the registration of such vehicles in the name of the individual owner, the same may be allowed under the category of 'Non Transport Vehicle or Transport Vehicle' depending upon the declaration given by the individual owner regarding their use.

2.42 In this case, this vehicle is registered as omnibus for private use, in the name of an individual based on the affidavit submitted by him declaring that this vehicle is solely used for his personal purpose only.

9. KL.06.A.5233 - This vehicle was registered in the name of Dr. Paulose, Navajyothi Ayurvedic Hospital, Adimaly.

2.43 In this connection it may be noted that Transport Commissioner vide Circular No.07/2000, based on the letter No. RT-110336/I3/1997/MVI dated 15-3-2000 of Ministry of Surface Transport, New Delhi classified that as per section 2(29) of Motor Vehicles Act 1988, any vehicle constructed or adapted to carry more than six passengers excluding the driver may be categorized as omnibus. This letter also clarifies that while considering the registration of such vehicles in the name of the individual owner, the same may be allowed under the category of 'Non Transport Vehicle or Transport Vehicle' depending upon the declaration given by the individual owner regarding their use.

2.44 In this case, this vehicle is registered as omnibus for private use, in the name of an individual based on the affidavit submitted by him declaring that this vehicle is solely used for his personal purpose only.

10. KL.06.A.5285 - This vehicle was registered in the name of one Jaya Prakash, Tata Tea Limited, General Hospital, Munnar.

2.45 In this connection it may be noted that Transport Commissioner vide Circular No.07/2000, based on the letter No. RT-11036/I3/1997/MVI dated 15-3-2000 of Ministry of Surface Transport, New Delhi, classified that as per Section 2(29) of Motor Vehicles Act 1988, any vehicle constructed or adapted to carry more than

six passengers excluding the driver may be categorized as Omnibus. This letter also clarifies that while considering the registration of such vehicles in the name of the individual owner, the same may be allowed under the category of 'Non Transport Vehicle or Transport Vehicle' depending upon the declaration given by the individual owner regarding their use.

2.46 In this case, this vehicles is registered as omnibus for private use, in the name of an individual based on the affidavit submitted by him declaring that this vehicle is solely used for his personal purpose only.

11. KL.06.A.5365- Collected Rs. 6300/- vide TR 5 Receipt No.9/I02/2002 dated 24-9-2002 being the short collection upto 30-9-2002.

12. KL.06.B.195 - This vehicle was registered in the name of one sister Tessy Maria, D. M. Convent, Marayoor.

2.47 In this connection it may be noted that Transport Commissioner vide Circular No. 07/2000, based on the letter No. RT.11036/I3/1997/MVI dated 15-3-2000 of Ministry of Surface Transport, New Delhi classified that as per Section 2(29) of Motor vehicles Act 1988, any vehicle constructed or adapted to carry more than six passengers excluding the driver may be categorized as omnibus. This letter also clarifies that while considering the registration of such vehicles in the name of the individual owner, the same may be allowed under the category of 'Non Transport Vehicle or Transport Vehicle', depending upon the declaration given by the individual owner regarding their use.

2.48 In this case, this vehicle is registered as omnibus for private use, in the name of an individual based on the affidavit submitted by him declaring that this vehicles is solely used for his personal purpose only.

RT Office Kannur

2.49 Direction has been already issued to registered owner of KL.13.G.5283 to reclassify the vehicle as PSV and to remit the balance tax. Since, the vehicle is providing service of Mobile Dispensary for Beedi Workers Welfare Fund, Nileswar, Kanhangad, enquiry has been conducted through Joint Regional Transport Officer, Kanghangad. He has reported that the vehicle is now used as

mobile Dispensary for Beedi Workers Welfare Fund. Hence, direction has been issued to Joint Regional Transport Officer, Kanghangad to seize the RC of the vehicle and forward to the office of the Motor Vehicles Department for further action.

RTO Wayanad

2.50 During the Local Audit Enquiry for 2001-2002 short collections of tax were reported in respect of the PSV. Among them the Registered Owners of five vehicles having numbers KL.12/4041, KL.12/7418, KL.12.A/1588, KL.12A/4839 and KL.12A/2649 approached the Hon'ble High court of Kerala by filing original petitions and Hon'ble High Court on 31-10-2002 and 21-1-2002 in O.P.Nos. 9412/2002 and 34865/2002(A) declared that congregations owned by the priests and nuns are only religious so they cannot be said to be involved in any trade or business, their vehicles can be treated as omnibus for private use as the private service vehicles means " Motor Vehicles" used for the purpose of carrying persons or in connection with his trade or business. At the behest of the above decrees of the Hon'ble High Court the above vehicles owned by the congregations are treated as omnibus for Private Use.

2.51 The Hon'ble High court pronounced the judgement in O.P.No. 34865/2002 (A) on the basis of the judgment in O.P. No. 9412/2002 placed as annexure VII to this report.

FINANCE DEPARTMENT

Recommendation

(Sl. No. 15, Para No. 60)

2.52 The Committee understands that the issue regarding the excess payment of subsidy to KFDC has not yet been settled. The Committee requires both the Finance and Forest Departments to speed up the actions regarding the settlement of the issue.

Action Taken

2.53 Finance Department has examined in detail the excess subsidy claim of KFDC based on the figures furnished by Forest Department. Finance Department had observed that the net subsidy amount due to the Corporation was Rs. 26,56,744/- A Sum of Rs.33.33 lakh was due from KFDC as Sales Tax and Forest Department Tax. As per G.O.(MS) No.8/2011/F & WLD dated 11-2-2011,

Government had ordered that KFDC should remit the balance amount of Rs. 6,76,255/- due to Government by way of taxes, to the head of account " 0406-01-101-96-Receipt " from Forest Development Tax. It was also ordered that the CCF(D) should take necessary steps to get an amount of Rs.26,56,745/- adjusted from the head of account "2406-01-800-72-subsidy towards loss incurred by KFDC by supply of raw materials to industries in the state" with contra credit to the receipt head of account "0406-01-101-96-Receipt, from Forest Development Tax" after obtaining necessary additional funds under the head of account "2406-01-800-72-33-subsidies(NP)" from Government so that there will not be any cash out flow from Government. Accordingly an amount of Rs.26,56,000/- was provided under the head of account "2406-01-800-72-33-subsidies (NP)" to carry out the accountal adjustment by contra crediting the amount to "0406-01-101-96-" KFDC has remitted the amount of Rs.6,76,255/- to the state account under the head of account "0406-01-101-96-Receipt" from Forest Development Tax.

Thiruvananthapuram,
10th August, 2023.

Sunny Joseph,
Chairman,
Committee on Public Accounts.

APPENDIX

Summary of Main Conclusion / Recommendation

Sl. No.	Para No.	Department concerned	Conclusion / Recommendation
1	1.7	Transport	The Committee rejected the departments plea that audit objection may be dropped in various cases and directed the department to continue the collection of the amount due.

GOVERNMENT OF KERALAAbstract

Forest & Wildlife Department - The amount due to Government from Kerala Forest Development Corporation and the amount due to Kerala Forest Development Corporation from Government - Adjusting of - sanctioned - Orders issued.

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FOREST & WILDLIFE (D) DEPARTMENT

G.O.(Rt)No.4/2020/F&WLD

Dated,Thiruvananthapuram 05/01/2020

=====

- Read:-
- 1) G.O.(Rt) No.56/89/F&WLD dated 24/01/1989.
 - 2) G.O.(Rt) No.423/92/F&WLD dated 20/11/1992.
 - 3) G.O.(Rt) No. 438/94/F&WLD dated 27/10/1994.
 - 4) G.O.(Rt) No. 457/94/F&WLD dated 10/11/1994.
 - 5) G.O.(Rt) No. 292/95/F&WLD dated 03/08/199.
 - 6) G.O.(Rt) No. 44/97/F&WLD dated 02/07/1997.
 - 7) G.O.(Rt) No. 298/91/F&WLD dated 16/08/1991.
 - 8) G.O.(Rt) No. 20/96/F&WLD dated 16/01/1996.
 - 9) G.O.(MS)No.2/2002/F& WLD dated 05/01/2002.
 - 10) G.O.(MS)No.25/2003/F&WLD dated 15/05/2003.
 - 11) The 44th Annual report 2017-18 of the Kerala Forest Development Corporation.
 - 12) Government Letter No. 7311/C2/97/F&WLD dated 13/06/97.
 - 13) Pro(7) – 5529/2011 dated 20/10/2014, 13/08/2015, 13/06/2019 from the Principal Chief Conservator of Forests (FM).
 - 14) Letter No. C2-359/96 dated 31/03/1997, 26/11/2001, 24/04/2003, 08/11/2006, 08/01/2007 and 23/03/2019 from the Managing Director, KFDC.

ORDER

As per the 45th Report of Public Accounts Committee (2006–2008) on Para 16, it was recommended to settle the amount due from the Kerala Forest Development Corporation (KFDC). Moreover, the Audit Monitoring Committee Meetings held on 04/04/2016 and 5/12/2016 had directed the Forest Department to adjust the amount due in between KFDC and Government.

2. Accordingly, the Principal Chief Conservator of Forests (Forest Management) had collected the connected documents and audited statements of the corresponding years of the Kerala Forest Development Corporation and verified the accuracy of the amount involved. Then, as per the letter read as 13th paper above had prepared and submitted adjustment proposal as follows:-

A	<u>AMOUNT DUE TO KERALA FOREST DEVELOPMENT CORPORATION FROM GOVERNMENT.</u>	
1.	Loss on account of sale of Eucalyptus to Grasim Industries and Hindustan News Print Limited as per direction of Government at rates less than the selling price.	Amount in Rs.
(a)	Grasim Industries during the period 1988 - 89 to 1996-97	3,95,89,620.90
(b)	Hindustan News Print Limited during the period 1992-93 to 1995-96	77,66,754.82
2.	Valuation of 252 ha of Plantations handed over to Agasthyavanam Biological Park during 1991-92	68,80,000.00
	TOTAL	5,42,36,375.72
B	<u>AMOUNT DUE TO GOVERNMENT FROM KERALA FOREST DEVELOPMENT CORPORATION</u>	
1	Amount of firewood as part of Firewood Supply Scheme	63,01,082.57
2	Coupe sale and plantations transferred to Kerala Forest Development Corporation from Forest Department	96,63,018.70
3	Sale of wind fallen trees by Kerala Forest Development Corporation	1,71,73,054.75
4	Sale of wind fallen Rosewood trees by Kerala Forest Development Corporation	24,59,489.00
5	Mathikettan Cardamom Sale	13,40,253.00
6	Arrears of lease rent payable upto 2009 -10	1,35,42,352.52
	TOTAL	5,04,79,250.54
C	<u>NET AMOUNT DUE TO KERALA FOREST DEVELOPMENT CORPORATION FROM GOVERNMENT (A - B)</u>	37,57,125.18

A. I (a) & (b) As per Government Orders read as 1 to 5 above had been directed the Kerala Forest Development Corporation to supply raw materials to M/s. Grasim Industries Ltd and M/s. Hindustan Newsprint Ltd. Accordingly, Kerala Forest Development Corporation had been supplying Eucalyptus wood to the wood based industries viz. Hindustan Newsprint Limited and Grasim

Industries at subsidised rates for below the rates under the Kerala Price Fixation Act. The amount of subsidy is the difference between the rate as per the Price Fixation Act and the subsidized rates fixed by the Government. Also, as per Government Orders read as 6th paper above, it was categorically mentioned that the difference between the prices shall be given to KFDC as subsidy by the Forest Department. The subsidy declared by the Government from time to time to KFDC has been calculated. The calculation statement is given as Annexure I. The final claim figures on account of supplies to Grasim Industries is Rs.3,95,89,620.90 and to the Hindustan News Print Limited is Rs.77,66,754.82 (Total Rs.4,73,56,375.72).

A. 2 As per GO read as 7th paper above, an area of 252 hectares of Eucalyptus hybrid, Casuarina, Albizia and Cashew plantations raised by KFDC were handed over to the Kerala Forest Department during 1992. Later vide GO read as 8th paper above the G.O.(Rt) No. 298/91/F&WLD dated 16.8.1991 had cancelled. Subsequently, as per letter dated 31/03/1997 read as 14th paper above Managing Director, KFDC requested Government to return the above area if the area is not required by the Forest Department. Accordingly as per letter read 12th paper above, it was decided by the Government that, the above area not to be returned to Kerala Forest Development Corporation. Hence the Managing Director, KFDC as per letter 14th paper above had requested Government to allow the valuation of the plantations which handed over to the Kerala Forest Department. The total value of the plantations calculated by KFDC is Rs.68,80,000.00. The break up cost of valuation statement is given as Annexure II.

The total Amount due to Kerala Forest Development Corporation from Government on account of A.1(a)& (b) and A.2 is Rs. 5,42,36,375.72 as detailed above.

B.1, 2, 3, 4 & 5: The amounts are as per the Audited Accounts of Kerala Forest Development Corporation. These amounts are shown as the Amount Due to Government in the Audited Accounts read 11th paper above.

B. 6: The Kerala Forest Development Corporation was holding land since 1976, but the lease rent was fixed only during 2002 as per GO read as 9th paper above. As per the Audited Accounts of Kerala Forest Development Corporation read 11th paper above, under the item Other Liabilities – Lease Rent Payable an amount of Rs.1,35,42,352.52 is shown. Hence the lease rent liability is taken as Rs.1,35,42,352.52. The Kerala Forest Development Corporation had earlier reported the lease rent liability since inception in 1976 to 2001-02 as Rs.1,20,39,687.68. But Kerala Forest Development Corporation was not paying the lease rent for 1212.59 Ha of Revenue land in Kannan Devan Hills area at Silent Valley in Munnar during the period up to 08.10.2010 when the Kannan

Devan Reserve was notified as a proposed Reserve Forest under Sec.4 of the Kerala Forest Act vide G.O.(P) No.67/2010/F&WLD dated 08.10.2010 and S.R.O.No.965/2010. The exact calculation details of the amount of Rs.1,35,42,352.52 figuring in the Kerala Forest Development Corporation accounts is provided by the Managing Director. As such, Government adopted the figure of Rs.1,35,42,352.52 provided in the Audited Accounts of Kerala Forest Development Corporation for the year 2017-18 as the Lease Rent Payable, treating it as the correct figure.

The total amount due to the Government from Kerala Forest Development Corporation on account of B 1 to 6 is Rs.5,04,79,250.54. In the result the net amount due to Kerala Forest Development Corporation from Government is A - B above viz Rs.5,42,36,375.72 - Rs. 5,04,79,250.54 = Rs.37,57,125.18.

3. As per letter dated 13/06/2019 read as 13th paper above, the Principal Chief Conservator of Forests (FM) informed that, the Kerala Forest Development Corporation has been paying the annual lease rents from 2010-11 to 2017-18 regularly, but did not pay the lease rent for the year 2018-19 owing to financial constraints. The annual lease rent payable is Rs.7,18,954.00. As such, he is recommended that the net amount due to Kerala Forest Development Corporation from Government viz Rs.37,57,125.00 can be adjusted against the lease rent payable since the year 2018-19.

4. Government have examined the adjustment proposal in detail, the accuracy of the figures are confirmed with the verification of the connected/corroborating documents/audit reports/Government Orders/report of Principal Chief Conservator of Forests(Forest Management)/Managing Director, KFDC etc. The Kerala Forest Development Corporation is a fully Government owned company with 90% shares to Government of Kerala and 10% shares to Government of India. The accounts of Kerala Forest Development Corporation are audited by the Statutory Auditors appointed by Comptroller & Auditor General. The Accountant General, Kerala conducts supplementary Accounts Audits of the Company. The Annual Accounts are scrutinized and commended by the State Finance Department also. As such, the figures provided in the Audited Accounts of the Company is taken as accurate figures.

Even though the Kerala Forest Development Corporation was holding land since 1976, the lease rent was fixed only during 2002 vide GO read as 9th paper above - there is no mention of a penal interest on the arrears of lease rent. In the subsequent Government order read 10th paper above is also no mention of a penal interest on the arrears of lease rent. In this regard, no interest need to be levied from Kerala Forest Development Corporation on the arrears of lease rent payable viz Rs.1,35,42,352.52.

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File No.FWLD-D3/10/2017-FWLD

In the above circumstances, Government are pleased to accord sanction to adjust the amount of Rs.5,04,79,250.54 (Rupees Five Crore Four Lakhs Seventy Nine Thousand Two Hundred and Fifty) due from Kerala Forest Development Corporation to Government with the amount of Rs. 5,42,36,375.72 (Rupees Five Crore Fourty Two Lakhs Thirty Six Thousand Three Hundred and Seventy Five) due to the Kerala Forest Development Corporation from Government as recommended by PAC. Government also sanctioned that, the amount over and above the dues can be adjusted from lease rent payable from 2018-2019.

(By order of the Governor)

DR.ASHA THOMAS IAS

ADDITIONAL CHIEF SECRETARY

To

The Principal Chief Conservator of Forests & Head of Forest Forces,
Thiruvananthapuram.

The Principal Chief Conservator of Forests (FM), Thiruvananthapuram.

The Additional Principal Chief Conservator of Forests (FB&A),
Thiruvananthapuram.

The Managing Director, Kerala Forest Development Corporation Ltd,
Aaranyakom, Karapuzha, Kottayam.

The Principal Accountant General (A&E/Audit), Kerala,
Thiruvananthapuram.

The Finance (Agri-B) Department (Vide No. 405371/PU-B3/16 /2017-Fin).

The Forest & Wildlife (C) Department (Vide No. 7311/C2/97/F&WLD
dated 13/06/97).

The Forest & Wildlife (PS) Department (Vide No. 4644/PS/15/F&WLD
dated 25/02/17).

Information and Public Relations (Web & New Media) Department (for
uploading in Government website).

Stock File / Office Copy.

Forwarded/by order



Section Officer

ANNEXURE - I

GRASIM INDUSTRIES LTD.

Sl. No	Yr of allotment	Yr of supply	GO No. Allotment	Qty Allotted in MT	Quantity supplied in 2M ³ stack (ST)	GO fixing the price for supply	Price as per Govt. Order	GO as per selling price fixation Act.	Price as per selling price fixation Act. (with bark)	Price as per selling price fixation Act. (without bark)	Rate of subsidy due from Govt.	Subsidy Due from Govt.	Remarks
1	1988-89	1989-90	G.O.(Rt) No. 56/89/F&WLD dated 24/01/1989	27340	17425.435	G.O.(Ms) No. 87/88/F&WLD dated 27/10/88 (Rs.250 / tonne inclusive of additional price, FDT, ST & AST)	224.09	G.O.(Ms) No. 56/89/F&WLD dated 24/01/1989	425	518.50	294.41	5136222.32	
2	1990-91	1990-91	CCFs Lr G3-29158/90 dated 25.06.90	30000	23356.527		224.09	G.O.(Ms) No. 32/90/F&WLD dated 30/03/1990	446	544.12	320.03	7474789.34	
3	1991-92	1991-92	CCFs Lr G3-25690/91 dated 29.06.91	30000	*49125.367		224.09	G.O.(Ms) No. 25/91/F&WLD dated 27/03/1991	550	671.00	446.1	21954617.76	*30052.557* 1.8/1.1
		1992-93					220.46	G.O.(Ms) No. 22/92/F&WLD dated 31/03/1992	720	878.40	657.94	3985198.5	
4	1994-95	1994-95	G.O.(Rt) No. 457/94/F&WLD dated 10/11/1994	10000 @50% MC	10000.060		G.O.(Rt) No. 225/98/F&WLD dated 16/05/98 (Rs.832 for 94-95 and Rs.910 for 95-96 / staked tonne (2M ³ stack without bark))	832	G.O.(Ms) No. 12/94/F&WLD dated 25/03/1994	720	878.80	46.8	46800280
		1995-96											
5	1995-96	1995-96	G.O.(Rt) No. 292/95/F&WLD dated 03/08/1995	10000 @50% MC	8739.245		910	G.O.(Ms) No. 14/95/F&WLD dated 28/03/1994	800	976.00	66	57679017	
		1996-97											
Sub Total												39589626.9	


Section Officer

HINDUSTAN NEWSPRINT LTD.

Sl. No	Yr of allotment	Yr of supply	GO No Allotment	Qty Allotted in MT	Quantity supplied in 2M ³ stack (without bark)	GO fixing the price for supply	Price as per Govt. Order	GO as per selling price fixation Act.	Price as per selling price fixation Act. (with bark)	Price as per selling price fixation Act. (without bark)	Rate of subsidy due from Govt.	Subsidy Due from Govt.	Remarks
1	1992-93	1992-93	G.O.(Rt) No. 423/92/F&WLD dated 20/11/1992	25000 tonnes	369.370	Govt. letter No. 9398/D2/89/ F&WLD dated 10/02/92 & 467/92/F&WD dated 19/12/92	543.19	G.O.(Ms) No. 12/94/F&WLD dated 25/03/94	720.00	878.40	335.21	123815.8	
2		1993-94		10000 MT	19018.535		516.59						
3	1994-95	1994-95	G.O.(Rt) No. 438/94/F&WLD dated 27/10/1994		3680.500	Govt. letter No. 41/2001/ F&WLD dated 03/02/01 & Govt. letter No. 8564/D2/05/ F&WLD dated 06/02/06	*798.15	G.O.(Ms) No. 12/94/F&WLD dated ated 25/03/94	720.00	878.40	80.25	295360.126	*832+34.4 +FDT 5% = 899 - 111.57 = 798.15 (703320/63 03.4 = 111.57)
4		1995-96		100000 MT	2622.900		*798.15						
Sub Total												7766754.826	
GRAND TOTAL												Rs. 47356375.72	



Section Officer

ANNEXURE - II

Break up of cost of plantation Agasthyavanam Area of Trivandrum Division transferred to Forest Department

Valuation of Area transferred to Forest Department during 1991-92
(Agasthyavanam Biological Park 252 Ha.)

Year	Area	Nature of Plantation	Valuation Ha	Total Value
1978	28	Eucalyptus Hybrid	70 2M ³ stack @ 550 / stack 38500 / ha.	1078000.00
1983	102.00	Eucalyptus Hybrid	50 2M ³ stack @ 550 / stack 27500 / ha.	2805000.00
1986	49.00	Albizzia	Rs.30000/ha	1470000.00
1988	13.25	Cashew	Rs.25000/ha	331250.00
1990	12.00	Eucalyptus Hybrid	Rs.20000/ha	240000.00
1990	10.50	Casurina	Rs.20000/ha	210000.00
1990	37.25	Albizzia	Rs.20000/ha	745000.00
Total	252.00			6879250.00
		Rounded to	Rs.68.80 lakhs	


Section Officer

Annexure II

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GOVERNMENT OF KERALA

CHALAN

ORIGINAL

Form T. R. 12

[See rules 102 (c) and 124 of Kerala Treasury Code]

Chalan for Payment of Money into the District Treasury/
Sub-Treasury/State Bank of India/State Bank of Travancore

at Kottayam

Computer Seq. No. 737 Date: 11/3/11

Head of Account:

0406	01	101	96
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Receipt DM

Forest Development ^{MAF GSMU} _{Dept} MIN SUB DET OBJ SOBJ

DDO Code: (Dept.) (DDO)

SDO Code:

By Whom paid and Name and address of the person on whose behalf money is paid	Purpose of remittance & authority, if any	Amount in Rs.	Order to the Bank
<u>Managing Director Kerala Forest Development Corporation Ltd. Kottayam</u>	<u>Final settlement of per cent (10%) of 8/11/14 work dt. 11-1-11</u>	<u>6,76,255/-</u>	CORRECT Receive and grant receipt Treasury Officer
Signature & Designation of the Departmental Officer countersigning the remittance	Total	<u>6,76,255/-</u>	

Total in words Six Lakh Seven Six Thousand

Signature of Remitter For Six Hundred and Fifty Five only

Received Rs. 6,76,255/-

(Rupees Six Lakh Seven Six Thousand)

Date: 11/3/11 Seal

Signature of Treasurer/Cashier Treasury Officer/Bank Manager

- Note:
1. The seal/stamp of the Treasury/Bank of Collection shall be affixed
 2. If remittance is in official capacity (*SDO/DDO), write corresponding code in the column provided
 3. If loan repayment of SDO, write instalment number in purpose column.
- G.M. 25/08/2006, 5 lakhs

APPENDIX - I

Sl.No.	Name of Institution	Period and Amount due	Remarks
1.	KERALA STATE ELECTRICITY BOARD (K.S.E.B)	April 1985 to March 2004 - Rs.13,89,34,271/-	The cost of police guards provided to KSEB for the period April 1985 to September 1999 is Rs.9,65,07,442/- and for the period from October, 1999 to March, 2004 is Rs.16,79,17,151/- (Total Rs.26,44,24,593/-). The total electricity charges of the Police Department for the period April 1985 to September 1999 is Rs.3,23,54,826/- and for the period October 1999 to March 2004 is Rs.9,31,34,496/- (Total Rs.12,54,90,322/-). There was no direct payment of electricity charges by the Police Department and cost of police guards by K.S.E.B for the last several years. Hence the amount payable by Police Department against the electricity charges (Rs.12,54,90,322/-) has been adjusted against the amount payable by K.S.E.B (Rs.26,44,24,593/-). The adjustment up to the period September 1999 was done on 04.08.2000 and the remaining period up to March 2004 was done on 02.03.2005. The balance amount payable by K.S.E.B to Police Department as on March 2004 is Rs.13,89,34,271/-. But now K.S.E.B has raised certain objections in the computation of the bill of cost by the Police Department. The matter is under the consideration of Government. The mutual adjustment for the remaining period from April 2004 to March 2009 i.e., till the direct payment system re-introduced, will be done after the clarification of the computation of bill of cost.
2.	Cochin Port Trust	01.04.1994 to 31.03.1998 - Rs.56,86,921/-	The Cochin Port Trust has paid cost for the period 01.04.1989 to 31.03.1994 (Rs.37,55,340/-). Since the CISF was entrusted to guard vital Port Installations, the Port Trust is not willing for payment of cost to Kerala Police since 01.04.1994.
3.	Airport Authority	Balance payment till July 2002 - Rs.1,48,70,360/-	Airport Authority had settled the dues leaving a balance of Rs.1,48,70,360/-. This is being taken up with Airport Authority for payment of the dues.
4.	Southern Railways	1984-85 to 2006-07 - Rs.22,74,66,450/-	During the last several years Southern Railways did not paid the amount due to Police Department in full instead they adjusted the amount due to them from various departments of the State against the amount due to Police Department. The Additional Chief Secretary (Home & Vigilance) convened a meeting of the concerned in this regard on 15.11.2007 and in the meeting it was decided not to adjust the amount due to Southern Railway from various Departments against the amount due to Police Department by Southern Railway from 2008 onwards. Regarding the settlement of pendency from 1998-99 onwards it was decided the Departments concerned should remit the amount to Southern Railways and they in turn return the amount so

			collected to Police Department. Accordingly an amount of Rs.37,11,713/- remitted by PWD to Southern Railway has been received in the Police Department during 2008. It was also decided regarding the pending dues prior to 1998, the Departments concerned should examine the matter in consultation with the Southern Railway. A copy of the minutes of the meeting is enclosed. Regarding the reimbursement of the cost for the year 2007-08, Audit Certificate has been furnished to Southern Railway and the payment is awaited.
5.	M/s Grasim Industries	07.07.1985 to 10.11.1988 - Rs.11,45,640/-	The firm challenged the demand raised by the Police Department for the payment of cost and the matter is pending with High Court, Ernakulam.
6.	SC/ST Development Department		No police guard is being provided to SC/ST Development Department and hence no cost is reimbursable by that department to Police Department. The amount payable is the 50% central share towards the expenditure of Special Mobile Squads at Palakkad, Wayanad and Kasaragod constituted for implementation of PCR Act 1955 and SC/ST POA Act 1989. The matter is under correspondence with the Government for a decision in the matter as it is learnt that Government of India will reimburse 50% share for the first 5 years only for the Centrally Sponsored Schemes.
7.	Peruvasipallam Dam	Up to 31.03.2009 - Rs.48,15,306/-	The matter is under correspondence with the PWD Authorities, Tamil Nadu. They are making part payment and the balance accumulated to such huge amount.
8.	Parambikulam Dam	Up to 31.03.2009 - Rs.50,09,825/-	-do-
9.	Thunakadavu Dam	Up to 31.03.2009 - Rs.30,74,804/-	-do-

B. S. S.

BINAY K.K.
Section Officer
Home (I) & Social
Governance Department
Thiruvananthapuram

Annexure 1V
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Minutes of the meeting of Additional Chief Secretary (Home & Vigilance) with Railway Authorities and officers of other departments held at 3.35 p.m on 15.11.2007.

Participants – As per list attached.

The meeting commenced at 3.45 pm in the chamber of Additional Chief Secretary (Home & Vigilance). At the outset Additional Chief Secretary explained briefly the decision taken in the last meeting held on 13.08.2007 on the issues regarding the dues pending with Southern Railway payable to Kerala Police. It was decided in the meeting that Railway should provide a detailed arrear statement to Police Department and the Police Department should verify and ascertain the actual amount due to Police Department from Railway. Accordingly the Railway authorities submitted division-wise arrear statement for the period from 1998-99 to 2005-06 payable to Railway by the various departments of the state and the amount thus due to Railway has been adjusted by the Railway from the dues payable to Police Department. An amount of Rs.9,75,60,858 has been adjusted by the Southern Railway from the amount due to Police Department on account of Police Service rendered to Railway. The Additional Secretary, LSGD, stated that the pending due to Railway by LSGD is nearly one crore rupees. The Additional Chief Secretary made it clear that no adjustment is possible in future from the amount due to Police Department, since each department has separate Budget allocation. He requested Railway to give yearwise bill to the departments concerned and collect the amount directly from the department, instead of adjusting the amount from Police Department. The Finance Manager, Southern Railway stated that there will be no adjustments from the amount due to Police Department from 2008 onwards. They will collect the amount annually from the departments concerned. Regarding settlement of pending dues to Railway by the departments concerned and the pending dues to Police Department by Railway, Additional Chief Secretary suggested that the

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department concerned should collect the dues from 1998-99 from the agencies concerned under their control and remit it to Police Department or the department concerned should remit the pending dues to Railway and the Railway should remit back the dues payable to Police Department. Additional Secretary, Finance Department stated that the proper way to maintain account is to collect the dues to Railway from the departments concerned and remit it to Railway and Railway should remit back the amount to Police Department. Additional Chief Secretary suggested that the departments concerned should ensure that the amount due to Railway is remitted in time. The Finance Officer, PWD (NH) stated that the amount due to Railway by the PWD (NH) will be given by the Government of India. The Deputy C.A.O, KSEB stated that as far as KSEB is concerned there are no dues to Railway. They have paid in excess.

After detailed discussion the following decision were taken.

- 1) The amount payable to Police Department by the Southern Railway on account of services rendered cannot be adjusted from 2008 onwards. The Railway should remit the specified amount directly to Police Department in time.
- 2) Regarding settlement of pending dues to Railway by the departments concerned and the pending dues to Police Department by Railway, the department concerned should remit the dues from 1998-99 onwards to Railway and the amount thus collected should be returned to Police Department by Railway.
- 3) Regarding the recovery of pending dues to Railway from the departments concerned and clearing the pending due to Police Department by Railways, necessary guidelines will be issued by the Finance Department.
- 4) The question of settling pending dues prior to 1998 should be examined by the departments concerned in consultation with Railway.
- 5) The Superintendent of Police, Railway should ensure that the amount due to Police Department on account of Police Service rendered is remitted to

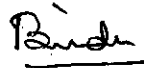
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Police Department in time from 2008 onwards, by preferring the claims in time.

The meeting came to an end at 4.30 pm.

List of Participants:

- 1) Shri.A.Govindarajan, Southern Railway.
- 2) Shri.M.N.Krsihnamurthy IPS, Inspector General of Police (Administration)
- 3) Shri.S.Arockiadoss, Assistant Divisional Finance Manager, Madhurai
- 4) Shri.P.R.Devaraj, FM & CAO, Kerala Water Authority
- 5) Sri.A.Mohanan, Superintendent of Police, Railways, Thiruvananthapuram
- 6) Shri.A.K.Venugopal, Dy.SP, DCRB
- 7) Shri.Johnson Jacob, CE (General and Tariff), KSEB
- 8) Shri.Binu Jacob Kurian, Dy CAO, O/o FA, Kerala State Electricity Board
- 9) Shri.P.G.Chandran, Assistant Divisional Finance Manager, Thiruvananthapuram
- 10) Shri.P.Ganasekharan, Senior Section Officer, Railway Division, Madhurai
- 11) Shri.K.Chinnannan, Southern Railway/Madhurai
- 12) Shri.P.Justine, UDC, O/o the Superintendent of Police, Railway, Thiruvananthapuram
- 13) Smt.S.B.Ushakumari, Additional Secretary, Home Department
- 14) Shri.R.Madhusoodanan Nair, Under Secretary, Home Department
- 15) Shri.P.Radhakrishnan, SO(A)
- 16) Shri.C.Padmakumar, SO/Southern Railway
- 17) Smt.G.S.Padmakumari Amma, Additional Secretary, Finance Department
- 18) Smt.M.S.Santhi, Additional Secretary, LSGD
- 19) Shri.V.S.Pradeep, Accounts Manager
- 20) Shri.P.O.Poulose, ADFM, Palghat
- 21) Shri.N.Padmukumar, Senior Finance Officer, PWD (Roads & Bridges)
- 22) Shri.T.Sanal Kumar, FO, NH, PWD
- 23) Smt.P.K.Chandrika Devi, Additional Secretary, PWD
- 24) Shri.V.B.Ramesh Kumar, Dy.SP, Administration, Railway


BINDU K.K.
Section Officer
Home (E) Department
Government Secretariat
Thiruvananthapuram



Annexure V

GOVERNMENT OF KERALA

Abstract

Home Department – Implementation of the recommendation in Para 37 of 45th report of PAC (2006-2008)- Introduction of necessary provisions in the Rule/Manual of the Police Department- Sanction accorded – Orders issued.

HOME (E) DEPARTMENT

G.O. (Ms) No.35/2013/Home

Dated, Thiruvananthapuram, 08.02 .2013

Read:- Letters No: B6/409/2006 dated 16/06/2009 and 12/10/2010 from the State Police Chief, Kerala, Thiruvananthapuram.

ORDER

At present the State Police give Guard/Security to Government Enterprises and Public Sector Undertakings according to their needs. As per Police Standing Order [PSO Vol 2 Duties Chapter XVIII Rule 431 and Rule 506 of Chapter XX] there is provision to provide guard/security etc. on request to private parties also. The procedure for claiming Bill of Cost is as laid down in the PHQ Circular No. 124/70. But at present there is no provision for collecting interest/penal interest on belated payments from the parties concerned.

The Public Accounts Committee (2006-2008) in Para 37 of its 45th Report commented as follows.

“The Committee notes that as there is no provision for charging interest and penal interest for delay in remittance of dues by beneficiary institutions the police department is bearing unnecessary financial loss. The Committee, therefore recommends introduction of necessary provisions in the Rule/Manual of the police department for levying interest and penal interest on belated payment of dues to the department”.

In view of the above comment the State Police Chief vide his letter read above has reported that the primary duty of the Police Department is to protect life and property of the people. It is not practical to charge interest/penal interest on belated payments of Bill of Cost from the beneficiary institutions under Government Sector. Therefore, there is no need for realization of interest/penal interest from Government Organizations. But it is quite natural to realize the Bill of Cost from the private sector. The payment of Bill of Cost in advance may be insisted from these institutions for providing Police Guard/Security. Once this is insisted, the question of penal interest will not arise.

(Contd on page ..2)

Government have examined the matter in detail and are pleased to introduce the following conditions for realizing Bill of Cost for providing Guard/Security to Government Institutions and to Private/Commercial establishments.

- i) No interest or penal interest will be levied from Government Departments and institutions for belated payment of Bill of Cost of Guard/Security provided by Police Department.
- ii) For providing Police Guard/Security to private establishments /commercial undertakings, those institutions need to make advance payment of the Bill of Cost to the Police Department.

Necessary amendments to the above effect will be made in the Rules/Manual of the Police Department .

(By order of the Governor)
SAJEN PETER
Principal Secretary to Government

To

The State Police Chief , Kerala, Thiruvananthapuram,
The Secretary, Legislature Secretariat, Vikas Bhavan , Thiruvananthapuram, (with C/L)
The Principal Accountant General (Audit) Kerala, Thiruvananthapuram,
The Accountant General (A&E) Kerala, Thiruvananthapuram,
The Finance Department,
(Vide U.O. No. 44374/Exp.B1/2012/Fin dated 22.09.2012)
The Law Department
(Vide U.O.No. 2438/E1/2012/law dated 13.04.2012)
Home (A) Department
The Information and Public Relations (New Media) Division Department
(For publishing in the website)
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Section Officer



GOVERNMENT OF KERALA

Abstract

Kerala Books and Publications Society – Apportionment of sale proceeds of waste paper in the ratio 6:2 between Kerala Books and Publications Society and Government – Modification and extension of effect – Sanction accorded – Orders issued.

HIGHER EDUCATION (H) DEPARTMENT

G.O. (Ms) No. 141/14/H.Edn.

Dated, Thiruvananthapuram, 20.3.2014.

- Read:-
1. G.O (MS) 80/83/H.Edn. dated 19.4.83.
 2. G.O (Rt) 3598/85/H.Edn dated 30.9.85.
 3. G.O(MS) 45/2000/H.Edn dated 28.3.2000.

ORDER

As per the Government order read as 3rd paper above, sanction was accorded for the apportionment of the sale proceeds of waste paper between Kerala Books and Publications Society and Government in the ratio 6:2 till 28.3.2000, i.e. the date of issue of the Order.

2) As per the order above, the apportionment of the sale proceeds of waste paper was till the date of issue of the order. But the Kerala Books and Publications Society has adjusted the amount of the sale proceeds of waste paper upto 31.03.2006 from the arrears of printing charges due to the Kerala Books and Publications Society. As there is no documentary evidence for adjusting the Sale Proceeds of Waste Paper upto 31.03.2006 the Accountant General returned the statement of action taken without vetting para 40 & 41 contained in the 45th report of the Committee on Public Accounts.

3) In these circumstances Government have examined the matter in detail and G.O.(MS)45/2000/H.Edn dated 28.03.2000, sanctioning the apportionment of sale proceeds of waste paper in the Kerala Books and Publication Society (KBPS)

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supplied for printing of text books, in the ratio 6:2 till 28.03.2000 between KBPS and Government respectively is modified and the effect of the order is extended upto 31.03.2006 and orders are issued accordingly.

(By Order of the Governor)
Dr. RAJU NARAYANA SWAMY
Secretary to Government.

✓
The Managing Director, Kerala Books and Publications Society,
Kakkanad.P.O, Kochi.
The Accountant General (A&E)/Audit, Kerala, Thiruvananthapuram.
The Director of Public Instructions, Thiruvananthapuram.
The General Education Department.
The Controller of Stationery, Thiruvananthapuram.
The Text Book Officer, Fort, Thiruvananthapuram.
The General Administration (SC) Department (vide item No: 5125)
The Finance Department (vide U.O No.16355/PUC2/13/Fin dated 20.3.13)
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GOVERNMENT OF KERALA

Abstract

Higher Education – Kerala Books and Publications Society (KBPS) – ID.No.85/96-
before the Labour Court, Ernakulam - Request of Kerala Books and Publications
Society -Rejected - Orders issued.

HIGHER EDUCATION (H) DEPARTMENT

G.O. (Rt) No. 2548/14/H.Edn.

Dated, Thiruvananthapuram, 27.10.2014

- Read:-
1. G.O.(P) No.17/76/H.Edn dated 17.2.1976
 2. Award in ID No.85/96 dated 15.3.2005 of the Labour Court ,
Ernakulam.
 3. Letter No.548/P&A3 dated 2005 from the Managing
Director , Kerala Books and Publications Society.
 4. Letter No. 548/P&A3/2890 dated 31.10.2005 from the, Managing
Director, Kerala Books and Publications Society .

ORDER

The Labour Court, Ernakulam vide reference 2 above passed an award on 15-3-2005 in Industrial Dispute No. 85/1996 between Managing Director, Kerala Books and Publications Society & others and the workmen of Kerala Books and Publications Society represented by various trade unions. The Labour Court directed the management to consider the demand of the union for the application of Kerala Service Rule to workers of the Kerala Books and Publications Society or to convert the Kerala Books and Publications Society as a Government run printing unit under the Education Department.

Accordingly, Managing Director, Kerala Books and Publications Society forwarded a copy of the award for appropriate action as per letter read as 3rd paper above. The Managing Director submitted that by introducing Kerala Service Rules in the Society, additional commitments will fall upon the Society which it will not be able to bear without consequent increase in printing charges of text books which will not be in public interest.

Government have examined the matter in detail. The Service Conditions of the Workmen of Kerala Books and Publications Society are as per Industrial Employment (Standing orders) Act 1946, and the wages and service conditions of

the workmen in Kerala Books and Publications Society were revised on 21.11.1992 based on Memorandum of settlement signed between management and employees as provided in Rule 59 of Kerala Industrial Dispute Rules. As the Kerala Books and Publications Society is a society registered under Travancore-Cochin Literary Scientific and Charitable Societies Act, there are certified standing orders applicable to the employees of the society. Also various enactments such as Factories Act, Industrial Dispute Act, Payment of Wages Act, Minimum Wages Act, Gratuity Act, ESI Act, EPF, Workmen Compensation Act, etc are applicable to the workers of Kerala Books and Publications Society.


The request for implementing Kerala Service Rules stems from the fact that the employees will get pension as is being provided to Government Employees. This will result in huge financial commitments which the society will not be able to sustain. Also, there are a large number of Public Sector Undertakings in similar situation under the control of various Departments and it is not possible to convert them as part of the government departments.

Kerala Books and Publications Society was specifically established to run it as a commercial unit as per the Government Order read as 1st paper above. Accordingly, the service conditions were brought under the worker's compensation Act 1923 (Para 13 (r) of MOA). As such, Kerala Service Rules cannot be implemented in Kerala Books and Publications Society as per existing provisions. If Kerala Service Rule is to be implemented, the MOA and the other relevant provisions will have to be amended and the implementation of Kerala Service Rules will result in huge financial commitments which the Society will not be able to sustain. Hence the requests of the Managing Director, Kerala Books and Publications Society in this regard are rejected.

(By Order of the Governor)
Dr. Raju Narayana Swamy IAS
Secretary to Government

The Managing Director, Kerala Books and Publications Society, Kakkanad, Kochi.
The Principal Accountant General (Audit), Kerala, Thiruvananthapuram
The Accountant General (A&E), Kerala, Thiruvananthapuram.
Finance Department (vide U.O. Note No.95196/PUC2/10/Fin dated 05.02.2011).
The I&PRD (Web & New Media) for publishing in the web site.
Stock File / Office copy.

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Section Officer

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GOVERNMENT OF KERALA

ABSTRACT

The Kerala Books and Publications Society - Constitution of - Orders issued.

HIGHER EDUCATION (H) DEPARTMENT

G. O. (P) No. 17/76/ H. Edn.

Dated, Trivandrum, 17th February, 1976.

ORDER

The Government Presses in the State are able to print only about 30% of the requirements of School Text Books. The major portion of the work is therefore being entrusted to private printers. Thus the need for a Government owned modern book printing press was keenly felt. Government have therefore decided to establish a modern Text Book Printing Press at Thrikkakara, Ernakulam District.

2. Government have, considered how best the Text Book Printing Press can be run as a commercial unit and what should be the type of the organisation. The practice followed in the other States was also taken into consideration. After considering all aspects Government are pleased to order that the Text Book Printing Press should be established and run as a separate unit on commercial basis by a Society to be constituted and registered under the Travancore Cochin Literary, Scientific and Charitable Societies Registration Act, 1955.

3. Government are therefore pleased to constitute a Society by name "The Kerala Books and Publications Society" to be registered under the Travancore Cochin Literary, Scientific and Charitable Societies Registration Act, 1955 (Act 12 of 1955) to establish and run the proposed printing press at Thrikkakara. The draft memorandum of Association and the Rules and Regulations of the Society as approved by Government are appended to this order.

4. The first Governing Body of the Society will consist of the following Directors who will subscribe their names to the Memorandum of Association. The Governing Body will remain in office for a period of 3 years.

- | | |
|--|----------|
| 1. Special Secretary to Government, Education Department. | Chairman |
| 2. Additional Secretary to Government,
General Education Department | Member |
| 3. Secretary to Government, Finance Department | " |
| 4. Director of Printing and Stationery | " |
| 5. Director of Public Instruction | " |

6. Dr. N.K. Panikkar, Vice Chancellor, Cochin University
7. Director of Collegiate Education
8. Director of Technical Education
9. Managing Director

5. Sri. P. Kurian John, Superintendent of Government Presses is appointed as Managing Director of the Society on a part-time basis. He will take necessary action to register the society immediately.

6. All expenditure in connection with the registration and running of the society and the establishment of the Printing Press at Thrikkakara will be met from the relevant Department budget heads of accounts which will be adjusted later on against the Government contribution to the society to be decided later.

By order of the Governor,

V. VENKITANARAYANAN,
Special Secretary (Education)

To

- The Directors.
- The Accountant General (This issues with the concurrence of Finance Department).
- The Finance Department (Vide U.O.No. 2593/A2/E & H/75/ Fin. dated 19-2-1975).
- The General Education Department
- The Public Department
- The Law Department
- The Private Secretary to Chief Minister
- Private Secretaries to Ministers.
- Stenographer to Chief Secretary
- The Superintendent of Government Presses (for publication in the Gazette)
- The Director of Public Relations

Annexure VII ^{Ann} Annexure

IN THE HIGH COURT OF KERALA AT ERNABULAM

IN PETITION

THE HONOURABLE MR. JUSTICE G.N. RAMACHANDRAN NAIR

THURSDAY, THE 21ST NOVEMBER 2002 / 30TH KARTHIKA, 1924

OP. NO. 34865 OF 2002(A)

PETITIONER:

1. FR. ELDO PULTHEKANDATHIL,
THE EXECUTIVE DIRECTOR, SREYAS SOCIAL SERVICE
CENTRE, SULTHAN BATHERY, WAYANAD DISTRICT.
2. FR. REJI CHACKO,
THE RECTOR, ST. CARIYUS SEMINARY, MANANTHAVADY,
P. O. NO. 25, WAYANAD DISTRICT.
3. SR. INNOCENT,
CHRISTMAS ISLAND, KATTAYAD ROAD,
SULTHAN BATHERY, WAYANAD DISTRICT.

BY ADV. SRI. TOMY JOHN

RESPONDENTS:

1. STATE OF KERALA,
REP. BY ITS CHIEF SECRETARY, GOVT. SECRETARIAT,
THIRUVANANTHAPURAM.
2. THE TRANSPORT COMMISSIONER,
MOTOR VEHICLES DEPARTMENT, THIRUVANANTHAPURAM.
3. THE REGIONAL TRANSPORT OFFICER,
WAYANAD, KERALA.

BY GOVERNMENT PLEADER SRI. SOJAN JAMES

THIS ORIGINAL PETITION HAVING COME UP FOR
ADMISSION ON 21/11/2002, THE COURT ON THE SAME DAY
DELIVERED THE FOLLOWING:

AA2

JUDGMENT

The issue raised in this case is covered by judgment of this Court in O.S.No.9412 of 2002 in favour of the petitioners. Following the said judgment the petitioners are declared entitled to classify the vehicle as 'Omni bus for private use' and there will be direction to the third respondent not to modify or alter the RC book by reclassification or demand tax at any rate higher than what is being paid now i.e. at the rate application to 'Omni bus for private use'. If excess tax is paid on the basis of the reclassification, the same will be adjusted towards future payment.

Original Petition is disposed of as above.

sd/

C.N.HAMACHANDRAN NAIR, JUDGE

vgs.

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Procedural

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1. Laxmi