



TWELFTH KERALA LEGISLATIVE ASSEMBLY

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

NINETEENTH REPORT

(Presented on 13th 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 Thirteenth Report of the Committee on
Public Undertakings (2001-2004) relating to
Plantation Corporation of Kerala Limited
Based on the Report of the Comptroller
and Auditor General of India for the
year ended 31st March 1998
(Commercial)**

CONTENTS

	<i>Page</i>
Composition of the Committee	.. v
Introduction	.. vii
Report	.. 1
Chapter I	
Replies furnished by Government on the Recommendations of the Committee which have been accepted by the Committee	.. 2
Chapter II	
Replies furnished by Government on the Recommendations of the Committee which have been accepted by the Committee with remarks	.. 15
Chapter III	
General Recommendations/suggestions of the Committee	.. 24

COMMITTEE ON PUBLIC UNDERTAKINGS (2006-2008)

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Shri R. Vijayakumar, Joint Secretary

„ K. Mohanakumar, Deputy Secretary

„ C. R. Reghunathan Pillai, Under Secretary.

INTRODUCTION

I, Chairman, Committee on Public Undertakings having been authorised by the Committee to present the Report on their behalf, present this Nineteenth Report on the action taken by the Government on the recommendations contained in the 13th Report of the Committee on Public Undertakings (2001-2004) on the Working of the Plantation Corporation of Kerala Limited based on the Report of the Comptroller and Auditor General of India for the year ended 31-3-1998 (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 14-2-2007.

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.

MANKODE RADHAKRISHNAN,

Thiruvananthapuram,
13th March, 2007.

Chairman,
Committee on Public Undertakings.

REPORT

The Thirteenth Report of the Committee on Public Undertakings (2001-2004) on Plantation Corporation of Kerala Limited, based on the Report of the Comptroller and Auditor General of India for the year ended March 31st, 1998 (Commercial) was presented to the House on 1st July 2002.

The Report contained 10 recommendations. Government have furnished replies to all the recommendations. The Committee considered the replies received from Government at its meeting held on 5th October, 2005.

The Committee accepted the replies to recommendations No. 1(21), 2 (22), 3 (23) and 10 (30) without any remarks. These recommendations and their replies form Chapter I of the Report.

The Committee accepted the replies to recommendations No. 4 (24), 5 (25), 6 (26), 7 (27), 8 (28) and 9 (29) with remarks. These recommendations, their replies and the remarks of the Committee form Chapter II of the Report.

General recommendations of the Committee form Chapter III of the Report.

The Committee visited the Kodumon Estate on 15-12-2005 and decided to put forth certain suggestions before the Government for earlier action. These suggestions of the Committee form Chapter III of the Report.

CHAPTER I

**Replies furnished by Government which have been accepted
by the Committee without Remarks**

<i>Sl. No.</i>	<i>Para No.</i>	<i>Department</i>	<i>Conclusions/Recommendations</i>	<i>Action Taken by Government</i>
(1)	(2)	(3)	(4)	(5)
1	21	Agriculture	The Committee point out that from the evidence tendered by the witness it was clear that the Plantation Corporation had failed to invoke the general management clause in the tender notice which enabled penalization of parties in the tender contractors who backed out from honoring the tenders after quoting the highest prices in the auction. Had the Company invoked this clause, the backing out of the contractors could have been prevented and the extra expenditure incurred by the Company for retendering of the work repeatedly could have been avoided. The Committee view this as a serious lapse on the part of the Company and desire that such instances are not repeated in future.	Accepting the view expressed by the Committee on Public Sector Undertakings, the management shall try to avoid unscrupulous instances can be reduced to the maximum extent possible.
1	22	Agriculture	The Committee opine that the contention of the company examined thoroughly by that they had benefited from the delay in auctioning the trees cannot be accepted as such because the total loss were seen not considered	The issue has been examined thoroughly by the company taking into account all intrinsic and relevant factors which were not considered

(1)	(2)	(3)	(4)	(5)
1	22	Agriculture incurred due to re-tendering of the felling operations and the income from the new plantations that would have accrued had the estates been planted as scheduled had not been worked out by the Company. Hence the Committee recommended that a detailed analysis of the whole operations be done on the above line and a report submitted to them.		<p>to arrive at the loss. While admitting the delay of one year for executing the replanting in 3881 ha. of rubber and 246 ha. of Oil Palm on account of postponement of replanting by one year which was necessitated due to the circumstances which were beyond the anticipation and control of the company, the following information are submitted for kind consideration.</p> <p>1. In the project report for replanting prepared in 1983, it is seen stated by the project officer that there will be difficulty in actual operation and as such the scheme may be scrutinized and revised after every five years. This unequivocally makes clear that the replanting programme prepared was subject to correction and changes when problems arise on actual execution. The project report permits changes if required after every five years of the projects span of 20 years, and</p>

(1)	(2)	(3)	(4)	(5)
1	22	Agriculture		<p>accordingly allows four stages of correction. It may be noted that, the Company has faced problems only in the first and second year of project execution and made the required correction during the 2nd year itself, which eliminated further correction at the later stages.</p> <p>As a matter of fact, for any project, there is an in-built mechanism of correction at appropriate stages for de-bottlenecking by project evaluation and revision. This element was also seen not brought to the attention of the Audit at the appropriate stages.</p> <p>2. The data relied upon by the Audit to calculate the loss are:—</p> <p>(i) Production @ 1450 Kg./ha. for rubber @ Rs.53.80 per Kg. for rubber and Rs.1.04 lakhs/ha. for oil palm.</p> <p>Regarding the above it is submitted that the above production figures taken may not project an exact picture because of the fact that the company has planted multiple clones of G.T.I. RRIM-600 AND RRII-105, the RRII-105 comes barely 30% of the area under analysis. As per the Rubber Board records and statistics, the immaturity period of the above clones are as follows:—</p> <ol style="list-style-type: none"> 1. GTI - 7 to 8 years 2. RRIM-600 - 8.4 years 3. RRII-105 - 7.2 years

(1) (2) (3) (4)

(5)

The Rubber Board records also state the production of rubber on year wise basis, which are reproduced below:—

Clone Average Production from opening year to 9th year (Kgs)

	1	2	3	4	5	6	7	8	9
GT-1	496	924	1056	1096	1143	1112	134.8	1321	1311
RRIM-600	684	1014	1192	1310	1415	1460	1629	1510	1514
RRII-105	808	1253	1561	1786	1704	181	1780	1658	..

The above statistics show that the production of each clones varies and stabilizes in the 7th or 8th year of opening of trees for tapping and after stabilizing, the production declines.

Average immaturity period of rubber planted by the company is 8 years viz., the opening of trees for tapping can be effected after 8th year. But due to best management practices adopted for maintenance, including injecting water in drought conditions almost all the plantations brought under the audit purview could be opened in the 7th year by which the company has saved production for one year, which may compensate the one year postponement.

3. The life of rubber plantations was seen calculated as 25 years by the Audit ie., 20 years for actual tapping and 5 years for slaughter tapping. The company has introduced D-4 system of tapping which may give 'A' side and 'B' side virgin bark a life span of 16 years, which in the previous 'D'+3 system was 12 years. Another 16 years will receive for 'C' and 'D' panels plus 8 years for the newly introduced Controlled Upward Tapping (CUT). Hence now the company is able to prolong the life span of rubber trees upto 40 years with improved yield, besides reducing tapping gestation from 8 years to 7 years. Moreover by introducing this system, the strength of tapers were reduced to 50% and thus brought down labour cost considerably without suffering any production loss. From the above it may be seen that the Company has not suffered actual loss as pointed out by the Audit. Further the average price of Rs. 53.80 per kg. taken by

(1) (2) (3) (4)

(5)

the audit does not have a bearing on the real market situations already explained. In the immediate past, the rubber prices crashed to the level of Rs.20 to 22 per Kg. and in the last one year certain improvements have been shown in the prices. It is a fact that due to unremunerative prices of rubber and on account of higher wage higher fertilizer cost, higher tax rates, higher lease rent etc, the Company also faced a situation of close down. From past experience, a study market for rubber cannot be predicted and ensured and hence the average price of Rs.53.80 fixed was hypothetical/unscientific and cannot be relied upon to project any future ground realities.

4. The average per ha. yield is barely 5 to 6 MT's per annum from Oil Palm Plantations and the average price/MT varied from Rs.2000 to 3000 and hence the projected loss of Rs.2.04 lakhs per ha. from Oil Palm Plantation of Plantation Corporation of Kerala does not have any firm basis as far as the exact position of yield is taken into account.

5. It is also brought to the kind attention of the Committee that until two years back, the per kg. production cost of rubber in plantation Corporation of Kerala crossed Rs. 60 and the average sales realization was below Rs. 30 per kg. resulting in an accumulated loss of Rs. 27 crores to the Company which shows that these hidden elements were also not taken into account by the audit in forecasting the loss.

6. It also ought to have noted that eventhough the likely chances of losing one years production, the trees may not actually loose the actual life span, which may prolong by one year without losing production.

7. Besides the above pertinent factors, the company has analyzed the price realized on account of the sale of rubber trees and it shown that the company gained considerable amount on account of the inevitable

(1)	(2)	(3)	(4)	(5)
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postponement of replanting by one year. The sale statistics of rubber trees given below from 1987-88 to 2002-2003 shows that the company has got an additional amount of Rs. 2,53,91,430.

Year	No. of trees sold	Total amount received (Rs.)	Average price per tree	A m o u n t Additional loss gained by postponement of sale of trees
1987-1988	6916	726129	105.00	
1988-1989	39145	4476000	114.34	
1989-90	91644	15746000	171.81	5266780
1990-91	85841	23044000	268.45	8295674
1991-92	184096	25026000	244.57	(-4396260)
1992-93	142244	38742000	272.36	3952960
1993-94	196821	79611000	404.48	26003990
1994-95	108538	52196000	480.90	8294473
1995-96	85139	88100000	1034.77	47155937
1996-97	98292	97956000	996.58	(-3753771)
1997-98	88757	66254000	746.46	(-22199900)
1998-99	131199	55735000	424.81	(-42200158)
1999-2000	72458	38596000	532.66	7814595
2000-2001	35659	12939000	362.85	(-6055254)
2001-2002	28556	7574000	265.23	(-2787636)

It is submitted that the above factors, which were part and parcel of the issue raised herein ought to have taken into consideration for analysis. This was presumably not brought before the Accountant General at the appropriate stages which have resulted in an adverse report.

(1)	(2)	(3)	(4)	(5)
3.	23	Agriculture	<p>The Plantation Corporation of Kerala is one of the biggest rubber planters in the State having around 7400 hectares of plantation. They are undertaking plantation operation since 1962 onwards and hence they have enough experience in plantation activities besides, the Company can seek the help of the Rubber Board in preparing and implementing for the replanting operations of the various estates. Therefore the reasons adduced by the Company for the delay in replanting the various estates under them are not tenable. It was the failure on the part of the Company to raise the required number of polybag plants in the nurseries and the injudicious sale of budded stumps that have resulted in the delay replanting. Consequent purchase of seedlings from outside agencies also contributed to loss of revenue by way of postponing the maturity and yield from the plants. The Committee observe that</p>	<p>The whole question of replanting operation carried out by the company during the period 1998-99 was discussed with the Rubber Production Commissioner of the Rubber Board. In the original replanting scheme prepared by the Company the total replanting was supposed to be completed within a period of 20 years so that idle wages paid to the employees could be avoided, more attention is given to new area, there is no substantial reduction in the rubber production quantity and the area brought under replanting every year is a manageable extent. The subsequent management of the company during the period 1992-99 did not pay much attention to this facts resorted to massive cutting and removal of trees for replanting, mainly because of the reason that the rubber trees were giving a much higher revenue for timber purpose during this period. On many occasions the Estate Managers were forced to carry out replanting operations in extensive</p>

(1)	(2)	(3)	(4)	(5)
			<p>in order to cover up the failure of the company in properly planning and implementing the replanting activities they have given contradictory explanations to the Committee, which were found not correct by the Committee during evidence. The Committee expressed their dissatisfaction over this and recommend that in view of the dire financial position of the Company they should be more vigilant and should work according to a well drawn out plan in future. The Rubber Board should be consulted and their advice sought so as to make the cultivation more scientific and profitable.</p>	<p>areas even upto 800 ha. per year, which is an unmanageable area. The Rubber Board is now of the opinion that in large plantations the replanting operation can extend even upto 30 years instead of previous concept of 20 years. It may be noted that replanting in Rehabilitation Plantation Ltd., which is a joint sector company of the Central and State Governments is strictly adhering to this principle and the entire replanting process is systematically spread out. It may also be noted that the Plantation Corporation of Kerala Limited faced serious financial disaster during the year 1999-2000. Due to the unscientific and heavy replanting process completed in the previous nine years time without making proper analysis of the production loss, subsequent idle wages to be paid to the employees, huge liabilities of Sales Tax that was paid on the sale of rubber trees and the subsequent demand for Central Income Tax on the turnover of the tree sales.</p>

(1)	(2)	(3)	(4)	(5)
				<p>As suggested by the Committee on Public Undertakings a detailed analysis is now being carried out on the entire operation with the help of the Rubber Board.</p>
				<p>The Company has taken necessary action for efficient management as per the new staff pattern recommended by the Rubber Board.</p>
				<p>As per the new system the Estate Manager is in charge of the entire activities going on in the Estate. The Estates are divided into divisions of about 500 ha. under the control of a Field Executive. Each division is again bifurcated into fields of 150 ha. and brought under the control of a Field Assistant. The Field Assistant is accountable for the entire rubber trees in the field and he is responsible for carrying out all the works in his allotted field. In addition to the above, there are Tapping Supervisors directly connected with production. One Tapping Supervisor has to look after 25 Tappers every day and harvest the maximum crop from the blocks. Production target is allotted to each Tapping Supervisor and he is accountable for the shortfall in production, if any.</p>
				<p>In addition to the above categories Surprise Inspection Teams are constituted in the estates to conduct surprise inspections in the estates to</p>

(1)	(2)	(3)	(4)	(5)
				find out irregularities, if any, and take corrective measures. Strict action is also taken to cut down the administrative expenses of the Company. Out of the 6 staff cars 5 of them were disposed off and only 2 cars were replaced. Strict action is being taken to recover electricity charges from employees and this has brought down the monthly power charges to certain extent. The Company has already crossed the production targets for the year 2002-2003 and the Company paid all its statutory liabilities without any external help.
10	30	Agriculture	The Committee find that 90% of the drip irrigation system in 145 Ha. of plantation was damaged due to inter-crop cultivation. The Committee feel that the plantation was hired out for intercrop cultivation knowing fully well that this will damage the drip irrigation system laid there. Hence the Committee desire that a detailed investigation into the hiring out of the	With a view to extract high yield from Oil Palm Plantations, the company has installed drip irrigation system in 145 Ha; oil palm area in Vettilappara estate during 1994-95 through two companies after inviting tenders as shown below:— 1. M/s. Join Irrigation, Jalgon 72.5 Ha. (Rs. 13,13,179) 2. M/s. EPC Irrigation, Coimbatore 72.5 Ha. (Rs. 12,42,500)

(1)	(2)	(3)	(4)	(5)
			<p>plantation for intercrop cultivation may be conducted and the loss sustained by the company for the repair of the irrigation system be realized from the persons responsible for hiring out the plantation. The Committee may be apprised of the action taken in this regard.</p>	<p>An amount of Rs. 3,30,282 was incurred towards the construction of pump houses, wells etc., and an amount of Rs. 2,53,210 was remitted to KSEB for getting power connection to pump house under agricultural scheme. Thus the Company has spent a total amount of Rs. 31,39,171 for the installation of drip irrigation system in 145 ha. Area.</p> <p>Before starting oil palm planting in 1993 company invited tenders for awarding the area for inter cultivation with ginger and banana. Accordingly, an area of 50 Ha. (five blocks of 10 Ha. each) was awarded for ginger and banana cultivation as shown below:—</p> <ol style="list-style-type: none"> 1. Sri. T. L. Antony - 10 Ha. 2. Sri. P. K. Benny - 10 Ha. 3. Sri. T. P. Raju - 10 Ha. 4. Sri. Sebastian - 10 Ha. 5. Sri. P. P. Jose - 10 Ha. <p>The cultivation period awarded was for two years from June 1993 to June 1995. But based on the request from the cultivators</p>

(1)	(2)	(3)	(4)	(5)
				<p>the contract was further extended to one more year due to heavy wind damage and subsequent loss. The extension was awarded with a lease rent of Rs.3600/- Ha. and as per the extension order, the parties were directed to remit the amount in two equal instalment, the first instalment within one month and the balance within four months. Out of five, four parties remitted only the first instalment for the extended period and failed to remit the balance amount. Hence the area with remaining crop was taken by the company and resorted further steps to realize the amount, they have damaged the drip irrigation system in several places. In order to realize the balance lease amount, compensation to damages caused to drip irrigation system etc., the company filed suits before the Munisiff Court, Irinjalakuda against following four cultivators.</p> <ol style="list-style-type: none"> 1. Sri. T. L. Antony - (O.S. 758/98 for Rs.30660) 2. Sri O. K. Benny - (O.S. 769/98 for Rs.28860) 3. Sri. T. P. Raju - (O.S. 770/98 for Rs.30900) 4. Sri. Sebastian - (O.S. 771/98 for Rs.35960) <p>In the above four suits, O.S. No.769/98 against Sri Benny was decreed and all other suits were dismissed. The execution against Benny is not yet filed, since he is out of station and the details of his property are not available. Since there is decree the revenue recovery proceedings cannot be initiated. The Advocate has informed that there was no scope for appeal and the same was not preferred.</p> <p>The above intercultivation contract was awarded during the tenure of Sri. P. Mukundan Menon, Managing Director, Sri. S. Subramoniya Iyer,</p>

(1)	(2)	(3)	(4)	(5)
				<p>General Manager (Production), and Sri. K. Raghavan, Manager, Vettilappara Estate. Sri. P. Mukundan Menon expired in 2002. Sri. S. Subramoniya Iyer retired from Service on 31-12-1998 and Sri. K. Raghavan retired from service on 28-2-1997.</p> <p>The company during 1997-98 has done certain urgent repairs and made the drip irrigation system operational. An expenditure of Rs. 44,131 has been incurred for the same.</p>

CHAPTER II

**Replies furnished by Government which have been accepted
by the Committee with Remarks**

<i>Sl. No.</i>	<i>Para No.</i>	<i>Department Concerned</i>	<i>Conclusions/Recommendations</i>	<i>Action Taken by Government</i>
(1)	(2)	(3)	(4)	(5)
4.	24	Agriculture	The Committee finds that there was failure on the part of the Company in carrying out the weeding operations properly in the entire plantation in Kodumon "C" division. To the question of the Committee as to why 200 ha. of plantation, where there was no intercropping was left out from weeding, the witness could not give any specific answer. It is understood that the Company was not maintaining any records to ensure that weeding was being done according to the norms prescribed by the Rubber Board. This shows lack of commitment on the part of the Company Management in the upkeep of the plantations under them. The Committee feels that if the Company does not evolve a proper system for the upkeep and maintenance of the plantations held there is every possibility for the Company to slip into a position beyond redemption.	From the current financial year onwards, in addition to manual weeding carried out by the Company's own workers, chemical weeding is also resorted to in immature areas. This has been found very effective and less expensive. In all the rubber plantations of the company the weeds are now well under control and manuring was done during this year only after the weeding is completed.

Remarks of the Committee :

The Committee desires to know the present position of the Inspection conducted by the concerned officials in the plantations owned by the Plantation Corporation.

(1)	(2)	(3)	(4)	(5)
5.	25	Agriculture	<p>The Committee cannot understand the logic behind the immature rubber leasing out the young plantations for the first two plantations for intercrop years is a prevailing practice cultivation when the and the Rubber Board had Company's own General not objected to it. In order Manager (Production) and to minimize heavy the Rubber Board had expenditure incurred by the warned that intercropping Company for weeding inter among young plantations crop cultivation was would adversely affect the permitted. Later when it growth of the plants. From was found to be detrimental the data regarding the gap to the interest of the filling operations, it is seen Company, it was stopped in that during the period from rubber plantations. Both 1993 to 1995 when the decision were taken by intercropping was allowed, the Board.</p> <p>the percentage of gap filling was higher when compared to the earlier and latter periods. Hence the Committee opine that the decision to lease out the young plantations to private parties for intercrop cultivation was injudicious and not in the interest of the Company. The Committee desire to be informed as to whether the Board had taken this decision and if not, at whose instance such a decision was taken.</p>	<p>The intercrop cultivation in the immature rubber plantations for the first two years is a prevailing practice and the Rubber Board had not objected to it. In order to minimize heavy expenditure incurred by the Company for weeding intercrop cultivation was permitted. Later when it was found to be detrimental to the interest of the Company, it was stopped in rubber plantations. Both the decision were taken by the Board.</p> <p>The reason for the huge casuality was not only due to the inter crop cultivation, but due to the planting of sub standard seedlings. Selection of planting material was not possible due to the heavy target of planting.</p> <p>Inter cropping to young plantations is resorted in all major rubber estates of the Company, as an effective method to control weed growth. Unfortunatly in the Company bannana was the major intercrop and this is a</p>

(1)	(2)	(3)	(4)	(5)
				<p>great extent has affected the physical growth of the rubber trees and company resorted to other crops like ginger, turmeric, pineapple etc. which would have not affected the physical growth of the young rubber plants.</p> <p>The Company has already issued an order banning bannana intercropping with effect from 1st April, 2003. Once the existing banana plants are removed, no new cropping with banana will be allowed. However, the management still believe that in young areas where weed growth is very high inter cropping with ginger, turmeric and pineapple is a good solution and this will not affect the physical growth of the plants since such inter crop will not grow beyond 2 f. in height. It is confirmed by the Board and there was no ban in cultivating banana and hence it was done.</p>

Remarks of the Committee :

The Committee enquired whether the concurrence of the Rubber Board had been obtained by the Plantation Corporation for planting Banana plants. The Committee also desires to know the reason for planting low quality seedlings.

(1)	(2)	(3)	(4)	(5)
6.	26	Agriculture	<p>The Committee learn that about 40% of the plantations under P. C. K. was unproductive. The main reason for the unproductiveness was the unscientific approach adopted by the company in replanting and up keeping of trees. The committee find that there is lack of proper planning in planting or replanting and reglignce in maintaining nurseries. It is understood that even after the observation of the Rubber Board that some of the areas under the company should be blocked from plantation. The Company had not conducted any extensive study about the soil condition and suitability of rubber plantations in such areas. The Committee therefore recommend that a schedule should be drawn up for the various plantation activities and implemented so that the present situation of running into loss could be avoided. The Committee also recommend that a detailed study should be conducted about the soil conditions in the various plantations and their suitability be ascertained for</p>	<p>The first phase of replanting is completed in the Company's plantations. The total area replanted is 5498 ha. The balance area to be replanted is 934 ha. This area is under CUT tapping at present. The planting material used during the first phase of replanting was RRH-105, RRIM-600 and GT-I etc. All these varieties are recommended by the Rubber Board.</p> <p>The second phase or replanting will start by the year 2006. As suggested by the Committee, the Company will conduct a detailed study about the soil conditions in various plantations and its suitability for rubber will be ascertained in consultation with the Rubber Board before launching the second phase of replanting.</p> <p>Now the Company has taken a strong decision based on the recommendation of Committee on Public Sector Undertakings to do further replanting only under the strict supervision of the Rubber Board.</p>

(1)	(2)	(3)	(4)	(5)
			rubber plantation before embarking upon further plantation activities. The Committee suggest that the Co-operation of the Rubber Board may be sought for in this regard.	No intercropping of banana will be allowed in the new area to be replanted and the only high yielding varieties of rubber will be replanted. The next replanting is scheduled in June 2004.

Remarks of the Committee :

The Committee wants to know the present position of the re-plantation in the farms owned by the Corporation and wanted to know whether any study had been conducted by the Corporation regarding the suitability of soils for Rubber Cultivation in different farms owned by the Plantation Corporation.

7	27	Agriculture	The Committee desire that a detailed investigation regarding the delay in tapping should be conducted and necessary steps be taken for the proper exploitation of the plantations.	In the case of Rubber normal maturity period is 7 to 8 years as per the book published by R.R.I.I., "COMMERCIAL YIELD PERFORMANCE OF HEVEA CLONES IN INDIA" and yielding life of tree is in an average 25 years. The period of immaturity varies depending upon the factors like variance in structure of soil, climate, elevation of land etc. The maturity period of RRIM-600 is 8.4 years as per the above book, the maturity period of GT-I is 7.8 years and RRII-105 are 7.2 years. Major areas of the
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(1)	(2)	(3)	(4)	(5)
				<p>company's plantation were planted with the above varieties and it is seen that all the areas were brought under tapping within the stipulated period.</p> <p>Even though the poly bag plants are expected to attain tapping girth on completion of 6th year of planting, a good number of plants would not attain the required girth for tapping during this period. These trees could be brought under tapping about two/three years gap. Moreover all clones could not acquire girth simultaneously. So also the gap filled plants would take more time to attain the tapping girth. Further even though scientific agricultural practices are adopted to accelerate the growth of plants, the growth would slow down due to the soil texture, fertility of soil, wind, terrain of the land etc. The Rubber Board norms are arrived at based on experimental results, which is not always possible to emulate everywhere. The estate of P. C. K. are scattered all over the estate with totally contrasting soil structure, varying weather conditions etc. In the circumstances, the non attainment of tapping girth of all trees in the 7th year planting are due to general natural reasons and not due to the fault on the Company.</p> <p>Now the Company has adopted scientific method of tapping (D4 system) as per the recommendation of the Rubber Board and the result is very much encouraging. Now the Company has attained a level of self-sufficiency and the productivity is expected to cross the state average within two years when the yield from all the younger plantations stabilize.</p>

Remarks of the Committee :

The Committee desires to know the average productivity of Rubber in the state and the productivity of rubber by the plantation corporation at present.

(1)	(2)	(3)	(4)	(5)
8	28	Agriculture	<p>The Committee recommend that a systematic study regarding the utilization of Labour force under the various plantations of P. C. K. may be done, urgent steps taken for the proper deployment and utilization of the workers.</p>	<p>A study regarding Labour utilization was conducted by Kerala State Productivity Council during 2000 and found that there is excess Labour in the company. However no action was taken to reduce the Labour strength till 2001, due to trade union interference. But during 2002, a new Labour pattern was implemented in P. C. K. in consultation with the Rubber Board. Accordingly each Estate was divided into fields of 150 ha. and 10 workers were posted in each field. The balance workers were declared as excess and taken steps to discharge the excess workers, subject to availability of funds to pay their retirement benefits. So far 270 Nos. of excess workers were discharge. The balance workers will also be discharged very soon.</p> <p>The Board of Directors of the Company has made a study regarding the utilization of the labour</p>

(1)	(2)	(3)	(4)	(5)
				<p>force under various plantations. According to the new arrangement D4 system of tapping is introduced in all mature plantations where one tapper is expected to tap 4 blocks each containing 375 trees. As regards the general workers, the total general workers allowed for 150 ha. ie., one field is limited to 10. All the surplus work force has been identified and offered a Medical Retirement Scheme. The Company has brought out about 250 workers under this scheme and applications from 400 workers are pending. In so far as this scheme is implemented, all the excess labour force will be weeded out and this weeding operation is also applicable to officers and staff. More than 300 posts in the staff category were abolished and 10 numbers of posts in the officer's category.</p>

Remarks of the Committee :

The Committee wanted to have a detailed report on the work load of labourers in different estates of the Plantation Corporation.

(1)	(2)	(3)	(4)	(5)
9	29	Agriculture	The Committee desire that an enquiry may be conducted into the purchase of under aged seedlings and subsequent loss of plants. The details of enquiry conducted and the action taken against those responsible for the loss may be informed to the Committee.	Regarding the plant loss, an enquiry has been conducted against the concerned and recovered Rs. 10,000 from the retirement benefit of the concerned officer. The General Manager (P) is already directed to conduct a detailed enquiry and submit the report. He is given time upto 30th September 2003 to complete the enquiry and submit the report.

Remarks of the Committee :

The Committee wants to know the details of the enquiry report of General Manager regarding the purchase of immature seedlings.

CHAPTER III

General Recommendations

The following suggestions are also put forth by the Committee for urgent action :

1. The Committee recommends that Government should take urgent steps to retain the existing Regional office of the Plantation Corporation in Malabar area itself.

2. The Committee suggests that more labourers should be appointed through Employment Exchange and the work may be renamed as 'piece work' instead of 'contract work'.

3. The Committee recommends that the Cashew Plantations should be expanded to more areas since it earns more foreign exchange and doesn't need much care.

4. The Committee noted that the shortage of Labourers in the estates of the Corporation will affect the nursing of the existing plants as well as the production in the estates of the Corporation. It will also badly affect the intercrop cultivation. Hence the Committee recommends to fulfill the shortage of Labourers at the earliest so as to get maximum yield.

Thiruvananthapuram,
13-3-2007.

MANKODE RADHAKRISHNAN,
Chairman,
Committee on Public Undertakings.

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2007

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