



**THIRTEENTH KERALA LEGISLATIVE ASSEMBLY**

**COMMITTEE  
ON  
PUBLIC UNDERTAKINGS  
(2011-2014)**

**TWENTY NINTH REPORT**

(Presented on 28th January, 2014)

SECRETARIAT OF THE KERALA LEGISLATURE  
THIRUVANANTHAPURAM

2014

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**COMMITTEE  
ON  
PUBLIC UNDERTAKINGS  
(2011-2014)**

**TWENTY NINTH REPORT**

**On**

**The Action Taken by Government on the Recommendations contained in the  
Eleventh Report of the Committee on Public Undertakings (2006-08)  
relating to The Plantation Corporation Kerala Ltd. based on the  
Report of the Comptroller and Auditor General of India  
for the year ended 31st March, 2002 (Commercial)**

342/2014.

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COMMITTEE ON PUBLIC UNDERTAKINGS (2011-2014)

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„ K. S. Anas, Joint Secretary

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Smt. Lima Francis, Under Secretary.

## INTRODUCTION

I, the Chairman, Committee on Public Undertakings (2011-14) having been authorised by the Committee to present the Report on their behalf, present this Twenty Ninth Report on the Action Taken by Government on the recommendations contained in the Eleventh Report of the Committee on Public Undertakings (2006-08) on the working of The Plantation Corporation Kerala Ltd. based on the Reports of the Comptroller and Auditor General of India for the year ended 31st March, 2002 (Commercial).

The Statements of Action Taken by the Government included in this Report were considered by the Committee constituted for the year (2011-14).

This Report was considered and approved by the Committee at the meeting held on 27th November, 2013.

The Committee place on record their appreciation of the assistance rendered to them by the Accountant General (Audit), Kerala in the examination of the Statements included in this Report.

Thiruvananthapuram,  
28th January, 2014.

K. N. A. KHADER,  
*Chairman,*  
*Committee on Public Undertakings.*

## **REPORT**

This Report deals with the Action Taken by the Government on the recommendations contained in the Eleventh Report of the Committee on Public Undertakings (2006-08) relating to The Plantation Corporation Kerala Ltd. based on the Report of the Comptroller and Auditor General of India for the year ended 31st March, 2002 (Commercial) which was presented to the House on 16th June, 2003.

The Report contained 3 recommendations and Government have furnished replies to all recommendations. The Committee (2011-14) considered the replies received from the Government at its meeting held on 5th December, 2012. The Committee accepted the reply to the recommendation Nos. 1(9), 2(4), 3(5) without any remarks. This recommendation and its reply furnished by the Government form Chapter I of the Report.

## CHAPTER I

REPLIES FURNISHED BY GOVERNMENT WHICH HAVE BEEN  
ACCEPTED BY THE COMMITTEE WITHOUT ANY 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)
1	9	Agriculture	The Committee is perturbed to learn that pipes worth ₹ 18.30 lakh purchased in 1998 were laying idle till date causing severe financial loss to the company. The company could not proceed with the project due to strong opposition from workers who feared that the new pipeline would badly affect their domestic water supply. The only conclusion that the Committee can reach from the evidence tendered before it is that no fruitful discussion was made on the subject. Since no agreement was made with workers before the commencement of project and purchase of pipes the company could not implement the project even after a lapse of six years after making heavy investment in the purchase of pipes. The Committee pinpoints that the entire story reveals lack of proper planning on the part of the company and opines that the company should be more prudent while executing decisions which involve heavy financial implications in future. The Committee further recommends that fruitful discussion with the workers may be made at an early date to alleviate their fears on the implementation of project so that	After holding discussion with workers, the work of laying pipeline has been started. As on today more than half of the total length of the work is completed.

(1)	(2)	(3)	(4)	(5)
			the company could proceed with the project uninterrupted and the progress should be reported to the Committee without fail.	
2	4	Agriculture	The Committee is aggrieved to learn that the hospital constructed by the Company for its workers at Kasargode was ultimately forced to be closed down due to low patient flow, resulting the entire investment infructuous. The hospital was constructed without conducting proper study on cost benefit of the project. The Committee cannot understand why the company went ahead with the construction ignoring the recommendation of the finance wing that the project would not be viable. The Committee opines that the Board of Directors which approved the project had failed miserably to protect the interest of the company by giving hasty sanction for the project which was advantageous neither to the workers nor to the company. The Committee cannot understand the logic behind the decision of the Board of Directors that made the workers travel a distance of 30 to 50 Km. to avail medical facilities from the company's hospital; while several hospitals with modern facilities were available in nearby areas and workers also got the benefit of reimbursement as per Plantation Labour Act. The Committee therefore recommends that the Company	The Committee's recommendation that the company should desist from venturing in such uneconomic and unviable projects is noted for future.



(1)	(2)	(3)	(4)	(5)
			should desist from venturing such uneconomic and unviable projects in future so as to protect the Company from heavy financial loss.	
3	5	Agriculture	The Committee further recommends that earnest efforts should be made immediately to utilise the building for other purposes beneficial to the Company as well as the plantation labourers without idling it and the details of action taken in this regard should be furnished to the Committee.	The Building initially constructed for hospital is now being utilized as Guest House for the last two years for the stay of Auditors and Officials during their official visit to the Estates in that area (Kasargode Estate, Cheemeni Estate and Rajapuram Estate). There was an annual savings of ₹ 50,000 in the year 2008-09 on account of Hotel room rental which would have been incurred otherwise and the Corporation also proposes to rent out the facility to external Agencies for improving the realization.

Thiruvananthapuram,  
28th January, 2014.

K. N. A. KHADER,  
*Chairman,*  
*Committee on Public Undertakings.*