

Tour Report of Sh. Ranvir Singh, Assistant Director (Oil Palm), DAC&FW, Ministry of Agriculture and Farmers Welfare visited to Kerala State from 29th September - 02nd October, 2016.

I have attended 39th Annual General Meeting (AGM) of Oil Palm India Limited (OPIL) was held on 30th September, 2016 at 11.00 A.M. in the Registered Office of the Company at Kottayam.

2. Oil Palm India Limited is a nodal agency for implementing the oil palm development programme in the State of Kerala. OPIL is a joint venture of Govt. of India and Govt. of Kerala with share participation of 49:51 respectively engaged in oil palm cultivation in the State. The company was started initially as a subsidiary of 'The plantation Corporation of Kerala Ltd.' in 1977 and later was incorporated as a joint venture in the 1983. The paid share capital of the company is Rs. 11.78 crores. During the fiscal 2014-15, the Company has made a pre-tax profit of Rs. 1.57 crores and paid dividend of Rs. 24.96 lakh to Govt. of India and Rs. 33.97 lakh to Govt. of Kerala.

3. Only Mini Mission-II of NMOOP is being implemented in the State of Kerala. During the year 2016-17, an AAP of the State was approved for an amount of Rs. 23.100 lakh including of Rs. 13.860 lakh as central share for achieving an area of 50 ha under oil palm cultivation. As per their progress report for the month of July, 2016, only Rs. 2.58 lakh has been utilized and covered an area of 7.44 ha under oil palm cultivation. During the current year, no funds were released to the Govt. of Kerala due to lying unspent balance of Rs. 33.70 lakh as on 01.04.2016.

4. OPIL has made total oil palm plantation in about 5700 ha area. Out of which, they have made plantation in area of 3646 ha in three estates viz; Yeroor, Chithara and Kulathupuzha in Kerala. The rest of oil palm plantation area is from small & marginal farmers. The total employee strength is about 1,000.

5. I have also visited the Yeroor estate, which is around 125 km from Kottayam. In the Yeroor estate, OPIL has made oil palm plantations in about 2,000 ha area. There is established an oil palm processing mill having capacity to process 20 MT of fresh fruit bunches (FFBs) per hr with Malaysian Technology with a total investment of Rs. 19.00 crores. The annual production of crude palm oil (CPO) comes to about 7,000 MT. For processing palm kernel, they have set up a palm kernel unit with an investment of about

Rs. 2.5 crores. The annual production of kernel oil comes to about 800 MT and kernel cake is about 1500 MT. The Company is processing FFBs produced in its estates and also procured from the farmers. The empty bunches, fiber and nut-shell are selling @ Rs. 600 per MT, which is being utilized for boiling, paper and firing purpose. A captive power station is also set up for the generation of electricity. The fiber of palm fruits is used as fuel for generation of steam to run the turbine generator. Presently, they are generating 1 MW electricity, which is being utilized in their Yeroor estate. About, 125 persons are engaged in the processing unit, wherein, 45 permanent employees, 50 casuals & contract basis and 30 women and men labour.



01.10.2016

Visited to oil palm seed garden established at Thodupuzha in Idukki district for production of hybrid variety of oil palm seeds. There is 38 ha total land. Seed garden is established in 20 ha area. The seed being produced in the centre are supplied to the farmers/entrepreneurs inside and outside the State. The garden has a capacity to produce about 10.00 lakh seed sprouts annually. During the year 2015-16, around 8.00 lakh seed sprouts were sold to the entrepreneurs and earned the money of Rs. 1.60 crores by selling the seed sprouts. The details entrepreneurs-wise sale of seed sprouts are given below:

Sl. No.	Entrepreneurs	Sprouts Quantity in Nos.
1.	M/s. Shivasais Oil Palm Pvt. Ltd. (Assam)	78,750
2.	M/s. Shivasais Oil Palm Pvt. Ltd. (Nagaland)	1,57,500
3.	M/s. Godrej Agrovet Ltd., (Tamil Nadu)	57,750
4.	M/s. 3F Oil Palm Agrotech Pvt. Ltd. (Arunachal Pradesh)	73,500
5.	M/s. Nava Bharat Agro Products Ltd. (Andhra Pradesh)	3,72,750
6.	M/s. Ruchi Soya Industries Ltd. (Chattisgarh)	26,250
7.	M/s. Ruchi Soya Industries Ltd. (Mizoram)	31,500
8.	M/s. Ruchi Soya Industries Ltd. (Gujarat)	10,500
	Total	8,08,500

2. During the year 2016-17 (April to September, 2016), the details of demand and sale of seed sprouts from oil palm seed garden, Thodupuzha are given below:

Sl. No.	Entrepreneurs	Demand	Sale
1.	M/s. Shivasais Oil Palm Pvt. Ltd. (Assam)	1,00,000	31,500
2.	M/s. Ruchi Soya Industries Ltd.	7,40,000	2,99,250
3.	M/s. Nava Bharat	1,75,000	-
	Total	10,15,000	3,30,750



Observations:

- FFBs of oil palm being processed were not fully ripe and having long stalks left with bunches, which absorb oil during processing and loss of oil along with waste. Therefore, the recovery percentage goes down.
- There was no information available with them about cost of cultivation and profit per ha from oil palm.
- Lack of awareness among the farmers about the profit from oil palm cultivation.
- The FFBs prices of Rs. 6350 per MT were provided to the farmers during the month of August, 2016 is less than the price of Rs. 7792 per MT provided to the farmers in the State of Andhra Pradesh.
- There is more demand of seed sprouts from outside the states viz; Andhra Pradesh, Assam, Arunachal Pradesh, Tamil Nadu, Mizoram, Nagaland, Chattisgarh & Gujarat. A new seed garden can be developed as there is sufficient area of 38 ha available with OPIL at Thodupuzha.
- Seed sprouts laboratory and seed garden established at Thodupuzha are being maintained very-well by engaging one Manager, one Research Officer, Senior Assistant as permanent employees and two Technical Assistant on contract basis.

Action Points

- (i) Always use fully ripend bunches so that higher percentage of oil can be recovered.
- (ii) OPIL should get the study on cost of cultivation and profit from oil palm in their estate as well as farmer's field once every two years.
- (iii) Organize more training programmes to educate the farmers about cultivation of oil palm.
- (iv) To recheck the prices of FFBs as per the formula recommended by CACP.
- (v) A proposal for new seed garden after getting recommendation of IIOPR may be sent to this Ministry through Govt. of Kerala for seeking the financial assistance under NMOOP.

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