

MINUTES OF 2ND MEETING OF THE KENDU LEAF COORDINATION COMMITTEE (KLCC) FOR 2023 CROP YEAR HELD ON 12.12.2023

The 2nd meeting of Kendu Leaf Co-ordination Committee (KLCC) for the crop year'2023 was held under the chairmanship of the Chief Secretary on dated 12.12.2023 in the Conference Hall of Chief Secretary.

The list of participants is at **Annexure-A**.

The Principal Chief Conservator of Forests (KL) welcomed all members of the committee and with permission of the chair, made a detailed presentation agenda wise.

I. At the outset, the PCCF(KL) apprised the committee of the status of KL, 2022 crop, which is as follows.

(A) Status of KL working of 2022 crop

- (i) Production- 2.785 lakh qtls. was produced during 2022 crop comprising 2.29715 lakh qtls. of processed KL, 0.45755 lakh qtls. of Phal KL and 0.03042 lakh qtls. of Grower's leaves.
- (ii) All KL stock of 2022 crop have been sold out fetching sale value of Rs 589.80 Crores with an average sale value of Rs 21,176.95 per Qtl.
- (iii) The Working Fund expenditure is Rs 412.84 crores.
- (iv) The OFDC commission is Rs 61.60 crores against which Rs 60.36 crores have already been paid from KL Joint account to OFDC towards KL commission for 2022 crop.
- (v) The Trade Surplus is Rs 115.36 crores against which 105.60 Crores have already been received from KL Joint account towards Trade surplus for 2022 crop.

The committee noted the status.

(B) TOTAL WFA EXPENDITURE-2022
(FIXED COST + VARIABLE COST) (RUPEES IN LAKHS)

Budget Head	Approved Cost by KLCC	Revised Provision	Actual Expenditure
Fixed Cost	15741.00	14941.00	14026.52
Variable Cost	28138.00	27270.16	27258.38
Total	43879.00	42211.16	41284.54

(C) Utilization of Trade Surplus of 2022 crop

As per decision taken by Govt, following Welfare assistances to the tune of Rs 250.75 Crores were extended to kendu leaf beneficiaries for the year 2022 in 3 (three) phases, which is all time highest in a single crop year. All these benefits have been provided from Kendu Leaf Development Fund (KLDF) out of Trade surplus.

- (i) In the 1st phase, Rs 83.34 Crores were distributed to 8,13,660 nos of beneficiaries towards Financial Assistance @ Rs 1000 /- to each plucker and Rs 1500 /- to Binders & Seasonal staff, as approved by Govt vide Letter No 20770/FE & CC dated 24.11.2022.
- (ii) In the 2nd phase, Rs 111.21 Crores were distributed to 8,13,660 nos of beneficiaries towards Financial Assistance @ Rs 1000 /- to each plucker and Rs 1500 /- to Binders and Seasonal staff besides Rs 360 /- to pluckers towards Water bottle and chappal allowance, as approved by Govt vide OSWAS File No FE-P&C-EP&C-0033-2023 dated 04.05.2023.
- (iii) In the 3rd phase, Rs 56.20 Crores were distributed to 8,13,660 nos of beneficiaries towards 25 % Bonus to Pluckers and 5 % Incentives to Binders and Seasonal staff, as approved by Govt vide Letter No 15230/FE & CC dated 20.07.2023.

Details of welfare benefits extended to kendu leaf beneficiaries for 2022 crop is as follows.

Sl No	Description	Provision (in Crores)	Expenditure made (in Crores)	Further expenditure likely to be made (in Crores)	Total expenditure (in Crores)
1	Financial assistance to 7,74,117 nos of Pluckers @ Rs 2000 /-	154.82	154.82	0	154.82
2	Financial assistance to 39543 nos of Binders & Seasonal staff @ Rs 3000 /-	11.86	11.86	0	11.86
3	Bonus to 7,74,117 nos of Pluckers @ 25 %	50.92	50.92	0	50.92
4	Incentives 39543 nos of Binders & Seasonal staff @ 5 %	5.28	5.28	0	5.28
5	Water Bottle allowance to 7,74,117 nos of Pluckers@ Rs 200 /-	15.48	15.48	0	15.48

6	Chappal allowance to 7,74,117 nos of Pluckers@ Rs 160 /-	12.39	12.39	0	12.39
7	Employees provident Fund (EPF) to Seasonal staff (Employer share)	9.00	6.55	2.45	9.00
8	Payment of Compassionate Grant @ Rs 2.0 lakh	10.94	4.94	6.00	10.94
	Total	270.69	262.24	8.45	270.69

The Committee noted the status.

II. Compliance to the decisions of last KLCC meeting held on 29.04.2023 is as follows.

Sl No	Observations	Compliance
1	Geo tagging of Bush Cutting Command area KLCC Chairman suggested for Geo tagging Bush cutting command area	During 2023 Crop, 6,47,086 Ha of Bush cutting areas were coppiced in 7300 phadis utilising 9,83,000 mandays incurring expenditure of Rs 36.67 Crores. After completion of Processing work during November'2023, GPS coordinates of Bush cutting command areas in each phadi are being undertaken by field staff and will be completed within a month and after completion, the GPS maps with coordinates will be uploaded in iKLMS application.
2	BSKY and Scholarship: The Chairman, KLCC discussed regarding inclusion of KL Pluckers and workers under BSKY and the eligible children of KL Pluckers & workers regarding scholarship availing of ST & SC Development Department	During November'2022, Hon'ble Chief Minister, Odisha declared to cover all kendu leaf pluckers and workers under Biju Swasthya Kalyan Yojana (BSKY) and all eligible children of kendu leaf pluckers and workers will be awarded scholarship. Accordingly, initiation has been taken through extensive awareness programmes to achieve the goal. One coordination meeting of all DFOs (KL) with all District Welfare officers was arranged at SCSTRTI, Bhubaneswar on 02.09.2023. Till date 7,85,010 nos of beneficiaries have been provided with BSKY coverage out of 8,12,339 nos of beneficiaries. 21,191 nos are not eligible and 6138 nos are not having ration cards. The achievement is 99.22 %. Similarly, eligible children of 1,65,002 nos of beneficiaries have been provided with scholarship and financial assistance and balance 12,458 KL workers don't have Adhar Seeding. The achievement is 93% .

3	Cap for Pluckers and Workers	During last KLCC meeting held on 29.04.2023, Chief Secretary emphasised on improvement of Cap for KL Pluckers and workers with logo. As decided by KLCC earlier, Cap allowance @ Rs 100 are given once in 3 years to all Pluckers and Seasonal staff. Accordingly, during 2016, 2019 and 2022, 7.25 Crores, 8.52 Crores and 7.79 Crores were distributed towards Cap allowance and next cap allowance is due during 2025.
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The Committee perused and noted the status.

III. Agenda: Status of Production and Sale of KL crop 2023

(A) Production Target and Achievement of 2023 (in lakh qtl.):

Type	Pre-Collection Target	Post-Collection Target	Action taken/Achievement
Processed Leaves	2.50	2.17550	2.167494
Grower's Leaves	0.01	0.01000	0.0217440
Phal Leaves	0.50	0.46314	0.4631472
Total Production	3.01	2.64864	2.6523852

Shortfall in production with respect to Pre-Collection target was due to intermittent rain during collection period resulting less collection of leaves in processed and phal areas.

The Committee noted the achievement status of 2023 crop.

(B) WFA BUDGET & EXPENDITURE OF 2023 CROP:

(i) FIXED COST-2023 (RUPEES IN LAKHS)

Sl. No.	Item of Work	Approved Budget by KLCC	Actual Expenditure upto Nov, 2023	Further Requirement (Dec-March)	Revised Provision
1	Bush Cutting	3680.0	3666.59	-	3666.59
2	R & M Phadis	1900.0	1667.26	232.74	1900.0
3	Seasonal Staff	7600.0	6347.34	352.66	6700.0
4	Seasonal Staff Gratuity	500.0	260.75	139.25	400.00
5	Research & Training	20.0	0.00	20.0	20.0
6	Publicity & Advertisement	40.0	7.46	32.54	40.0

7	Computer Facility	190.0	0.50	69.50	70.00
8	Deployment	60.0	15.08	14.92	30.00
9	Building Maintenance	500.0	152.60	347.40	500.0
10	Misc. Contingency	2130.0	1222.53	277.47	1500.0
Total		16620.0	13340.11	1486.48	14826.59

Note: The overall expenditure will be less.

(ii) VARIABLE COST-2023(RUPEES IN LAKHS)

Sl. No.	Item of Work	Approved Budget by KLCC	Actual Expenditure upto Nov' 2023	Further Requirement (Dec-March)	Revised Provision
1	PPKL/GL (Kerri price)	23685.0	19730.84	-	19730.84
2	Drying & Storage	1499.0	1167.10	-	1167.10
3	PBB	6172.0	5228.96	51.94	5280.90
4	Transportation	350.0	271.44	-	271.44
5	Unforeseen	18.0	0.00	-	-
Total		31724.0	26398.34	51.94	26450.28

Note: The overall expenditure will be less.

**(iii) TOTAL WFA EXPENDITURE-2023
(FIXED COST + VARIABLE COST) (RUPEES IN LAKHS)**

Budget Head	Approved Cost by KLCC	Actual Expr. upto Nov' 2023)	Further Expr Dec-March' 2024 anticipated	Revised Provision
Fixed Cost	16620.0	13340.11	1486.48	14826.59
Variable Cost	31724.0	26398.34	51.94	26450.28
Total	48344.0	39738.45	1538.42	41276.87

NB: The overall expenditure will be 96.27 % of the revised provision.

The entire Working fund to the tune of Rs 39738.45 lakhs upto November'2023 has been advanced by OFDC, out of which Rs 30068.81 lakhs has been arranged by OFDC by availing DRI loan and from their own sources while the remaining amount of Rs 9669.64 lakhs has been taken from KL Joint account of sale proceeds. Against the advanced amount of

Rs 30068.81 lakhs, Rs 23550.00 has already been refunded from sale proceeds and there is balance of Rs 6518.81 to be refunded to OFDC.

The Committee perused and approved the revised provision.

(C) Sale of 2023 Crop:

Marketing upto 30.10.2023	Quantity put to sale	Quantity sold	Sale value	% of Sale
	2.46 lakh qtls.	1.74 lakh qtls.	419.09 Crores	70.73 %

- (i) Keeping the present sale and market trend in view, the anticipated sale value will be around Rs.570.00 Crores.
- (ii) Anticipated OFDC commission payable is Rs.60.00 Crores.
- (iii) Anticipated Trade Surplus is around Rs.100.00 Crores.

The Committee perused the sale status of 2023 Crop.

(D) Status of Trade Surplus of 2022 & 2023 Crop

Sl No	Items	2022 Crop	2023 Crop
1	Production in Lakh Qtls	2.785	2.65
2	Quantity sold in Qtls	2.785	1.52
3	Total working fund expenditure	Rs 412.84	412.77 (Anticipated)
4	Sale value achieved in Crores	589.80	419.09
5	Average sale value per Qtl	Rs 21,077	Rs 24,085
6	Anticipated Sale value in Crores	589.80	570.00 (Anticipated)
7	KL Commission due in Crores	61.60	60.00 (Anticipated)
8	KL Commission paid in Crores	60.36	-
9	Trade Surplus due in Crores	115.36	100.00 (Anticipated)
10	Trade surplus received in Crores	105.60	-

The Committee perused the status.

(E) Then the committee was apprised of deregulated system of KL working as follows.

- (i) KL Working in entire Nabarangpur KL Division was deregulated vide Notification No. 9781 dt. 08.05.2013 of Govt of Odisha, F&E Deptt.
- (ii) KL working in Malkangiri District of Jeypore KL Division was deregulated vide Notification No. 70 dt. 01.01.2014 of Govt of Odisha, F&E Deptt.
- (iii) KL working in 19 villages in Bhawanipatna KL Division was deregulated vide Notification No. 23717 dt. 17.11.2017 (6 villages), Notification No. 25000 dt.17.11.2018 (4 villages) & Notification No. 4617 dt. 02.03.2021 (9 villages) of Govt of Odisha, F&E Deptt.

Deregulation system continued during 2023 as well. After deregulation, the villagers have the option to sale Kendu Leaves either to KL organization or to any Private Traders.

(F) The committee was also apprised of the New Schemes introduced this year which are as follows.

- (i) One new scheme “ Mukhyamantri Kendu leaf Welfare Fund” with provision of Rs 50.0 Crores from state budget has been introduced during the Financial year 2023-24 which will supplement the Trade surplus and the entire fund will be utilized for welfare of the beneficiaries. One proposal for 25% advance Bonus to Pluckers & 5% advance Incentives to Binders & Seasonal Staff for 2023 crop has been submitted to Govt. for necessary approval.
- (ii) Similarly, Rs 50.0 lakhs has also been provisioned in the Supplementary budget for publication of IEC materials during the current financial year which will be spent for Newspaper advertisement and big sized hoardings.

The Committee perused the status

The meeting ended with thanks to the chair.


CHIEF SECRETARY

Annexure-A

Members present in the 2 nd meeting of Kendu Leaf Coordination Committee (KLCC) for the Crop Year'2023 on dated 12.12.2023 at 3.45 PM		
Sl No	Members present	
1	Sri Pradeep Kumar Jena, IAS Chief Secretary	In Chair
2	Sri Satyabrta Sahu, IAS Addl Chief Secretary to Govt Forest, Environment & Climate Change Department	
3	Sri Debidutta Biswal, IFS PCCF & HoFF, Odisha & PCCF(KL)	
4	Sri Suresh Pant, IFS, Managing Director, OFDC Ltd	
5	Sri Satyabrata Rout Special Secretary to Govt Finance Department	
6	Sri D.K. Jena OSD Cum Special Secretary to Govt, P & C Department	