# 18th Annual Report 1980

THE PLANTATION CORPORATION OF KERALA LTD.

# THE PLANTATION CORPORATION OF KERALA LIMITED

# THE PLANTATION CORPORATION OF KERALA LIMITED

## BOARD OF DIRECTORS

VAKKOM BHARATHAN
Chairman, (from 2-8-1980)

E.P. EAPEN, Chairman
(from 24-8-1978 to 30-4-1980)

P.M. ABRAHAM, I.A.S.,
Chairman (from 30-4-1980 to 2-8-1980)
Director, (from 14-6-1979 to 22-12-1980)

P.T. DEVASSY, I.F.S.
(from 26-12-1979 to 31-1-1980)

C.P. KUNHALIKUTT/KEYI,
(fom 24-8-1978 to 28-9-1979 and from 11-10-1979 to 30-4-1980)

Y. THOMAS,
(from 24-8-1978 to 28-9-1979 and from 2-8-1980)

S.G. SUNDARAM, I.A.S.
(from 28-9-1978)

M.S. JOSEPH, I.A.S.
(from 7-2-1979 to 30-4-1980)

K. BABU,
(from 28-3-1979 to 30-4-1980 and from 2-8-1980)

M.L. FRANCIS
(from 28-4-1979 to 30-4-1980)

T.N. JAYACHANDRAN, I.A.S.
(from 14-6-1979 to 30-4-1980)

P. BALAKRISHNAN NAIR,
(from 28-9-1979 to 2-8-1980)

M.N. SUKUMARAN NAIR,
(from 11-10-1979 to 30-4-1980)

V. GOVINDA MENON,
(from 11-10-1979 to 30-4-1980)

P.V. THAMPI,
(from 11-10-1979 to 30-4-1980)

V.K. ABRAHAM
(from 3-12-1979 to 30-4-1980)

K.K. NAIR, I.F.S.
(from 31-1-1980 to 2-8-1980)

C.K. UNNIKRISHNAN,
(from 2-8-1980)

KOTTARA GOPALAKRISHNAN,
(from 2-8-1980)

T.M. PRABHA,
(from 2-8-1980)

GERVACIS AREEKAL,
(from 2-8-1980)

A. HASSANKUTTY,
(from 2-8-1980)

K.V. HARIKRISHNAN NAIR,
(from 2-8-1980)

A.K.K. NAMBIAR, I.A.S.,
(from 22-12-1980)

K.J. JOSEPH, I.F.S., Managing Director
(from 11-3-1979 to 27-4-1981)

P. SUSEELAN,
Director (from 2-8-1980) Managing Director
(from 27-4-1981 to 18-5-1981)

T.S.G. NAIR
Managing Director (from 18-5-1981)

## SECRETARY

PHILIP JACOB, B.Sc., B.Com., A.C.S.

## BANKERS

State Bank of Travancore
Indian Overseas Bank
Syndicate Bank
Canara Bank
Central Bank of India
Union Bank of India
Kottayam District Co-operative Bank
State Bank of India

## AUDITORS

M/s. John & Co.
Chartered Accountants,
Collectorate Junction, Kottayam

## LEGAL ADVISERS

M/s. Joseph & Markos,
Advocates, Kottayam

M/s. Menon & Pai,
Advocates, Ernakulam

M/s. Meenattoor & Dias
Advocates, Ernakulam

M/s. Ninan & Manuel,
Lawyers & Notaries, Kottayam

Justice M.U. Issac (Rtd.)
Consultant, Southern Law Chambers,
Ernakulam

**Registered Office : Kottayam-4**

## NOTICE TO SHAREHOLDERS

Notice is hereby given that the 18th Annual General Meeting of the Corporation will be held at the Registered Office of the Corporation at 10–30 A.M. on Monday the 22nd December 1980 to transact the following business.

(i) To receive and adopt the Directors' and Auditors' Reports and the audited Balance Sheet as on 31st March 1980 and the Profit and Loss Account for the year ended that date.

(ii) To record the appointment of Directors by the Governor of Kerala in the place of Directors retiring at the Annual General Meeting under Article 63 (2) of the Articles of Association. The following Directors retire and are eligible for reappointment.

1. Shri. C.K. Unnikrishnan
2. ,, T.M. Prabha
3. ,, Y. Thomas
4. ,, Kottara Gopalakrishnan
5. ,, K. Babu
6. ,, Gervacis Areekal
7. ,, A.K.K. Nambiar
8. ,, P. Suseelan
9. ,, A. Hassankutty
10. ,, S.G. Sundaram
11. ,, K.V. Harikrishnan Nair

**(iii) Special Business**

To consider and, if thought fit, to pass the following as a Special Resolution with or without modifications.

Resolved that sanction of the Company in General Meeting be and is hereby accorded under Sec. 314 of the Companies Act for enhancing the remuneration payable to the Chairman of the Corporation from Rs. 500/– p.m. to Rs. 750/– p. m. as directed by Government vide G.O. Rt. No. 2417/80/AD dated 29–8–1980.

By Order of the Board,
For The Plantation Corporation of Kerala Limited

Sd/–
PHILIP JACOB
Secretary

Kottayam,
1–12–1980.

Note: —A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. A form of proxy is attached. This must be returned duly completed to reach the office not less than 48 hours before the meeting.

### Explanatory Note under Sec. 173(2) of the Companies Act.

Government have ordered vide G.O. Rt. No. 2417/80/AD. dated 29–8–1980 that the honorarium payable to the Chairman of the Corporation be enhanced to Rs. 750/– p.m. with immediate effect.

As per section 314 of the Companies Act, sanction had already been obtained for the payment of honorarium of Rs.500/- to the Chairman of the Company, on 14th June 1969. Under the same section, it is also provided that sanction by a Special Resolution will be necessary for enhancement of remuneration to Directors etc. The matter is, therefore, brought before the Company in General Meeting for approval of the enhanced remuneration by the Special Resolution.

## NOTICE TO SHAREHOLDERS

Notice is hereby given that the 18th adjourned Annual General Meeting of the Corporation will be held at the Registered Office of the Corporation at 11 A.M. on Monday the twenty third February 1981 to transact the following business.

To receive and adopt the Directors' and Auditors' Reports and audited Balance Sheet as on 31–3–'80. and the Profit and Loss Account for the year ended that date.

By Order of the Board
For The Plantation Corporation of Kerala Limited

Sd/–
PHILIP JACOB
Secretary.

Kottayam,
9th February 1981.

Note: —A member entitled to attend the meeting is entitled to appoint a proxy to attend the meeting instead of himself and a proxy need not be a member. A form of proxy is attached. This must be returned duly completed to reach the office not less than 48 hours before the meeting.

# DIRECTORS' REPORT

Gentlemen,

Your Directors have pleasure in presenting before you the 18th Annual Report of the Corporation for the year ended 31st March, 1980.

## FINANCIAL POSITION

The Authorised Capital of the Corporation stands at Rs. 7.5 crores while the Paid-up Capital has been raised from Rs. 510.10 lakhs as on 31st March 1979 to Rs.530.10 lakhs as on 31st March 1980. Since then, there has been a further increase of Rs. 10 lakhs by issue of shares to the Government of Kerala and as on date of the Report, the Paid-up Capital stands at Rs. 540.10 lakhs.

It is a matter of satisfaction that the financial position of the Corporation has continued to show improvement during the year, mainly due to the increase in price of rubber.

## AUDIT

The accounts of the Company were audited by M/s. John & Company who were appointed by the Government of India as Auditors under Section 619 of the Companies Act for the second year in succession.

## PROFIT & LOSS ACCOUNT

As against the net profit of Rs. 34,85,344.59 for the previous year, the Corporation has earned a net profit of Rs. 32,90,139.64 during the year under review. This has been arrived at after making the following appropriations and provisions.

| | | | |
|---|---|---|---|
| (a) | Interest on loans and guarantee commission | .. | Rs. 40,04,810.38 |
| (b) | Rehabilitation Reserve | .. | 9,30,347.69 |
| (c) | Depreciation | .. | 16,30,231.23 |
| (d) | Losses and write off | .. | 2,006.00 |
| (e) | Bonus net payment after deduction of provision | .. | 38,58,956.33 |
| (f) | Provision for taxation | .. | 61,25,000.00 |
| (g) | Provision for bonus | .. | 12,00,000.00 |
| | Total | .. | 1,80,51,351.63 |

*ESTATES*

## RUBBER AND CASHEW

Management of extensive rubber and cashew plantations continues to be the major activity of the Corporation. The break-up of the total area with the Corporation is as follows :—

| | | |
|---|---|---|
| Area under rubber including area for building, factories roads, canals, marshy area, rocks, fire belts etc. | .. | 7458 ha. |
| Area under cashew (in rubber estates) | .. | 920 ha. |
| Submergible area | .. | 220 ha. |
| Area to be planted | .. | 30 ha. |
| Kasargod cashew plantations | .. | 2321 ha. |
| Cheemeni cashew plantations | .. | 975 ha. |
| Rajapuram cashew plantations | .. | 750 ha. |
| Total Area | .. | 12674 ha. |

An extent of about 2165 hectares is yet to be handed over to the Corporation by the Forest Department and action is being taken to expedite this.

At present 5755 hectares are put under tapping and 1447 hectares are under immature stage.

## CARDAMOM AND COFFEE

The Alakode Estates under the management of the Corporation has Cardamom and Coffee plantations besides rubber. The Government have asked the Corporation to take over the estates immediately. Due to adverse factors in the way of a take-over, this has not taken place so far.

## WORLD BANK SCHEMES FOR CASHEW

Besides the original World Bank scheme for cashew, a Multi-State Cashew Development programme has also been initiated involving 2275 hectares. Establishment of a Pilot Plant for cashew apple processing is being implemented. Study is also going on, on the possibility of setting up a fenny and or brandy factory from cashew apple.

## RUBBER-BASED INDUSTRIES

We are making efforts to obtain market survey reports for identifying economically feasible rubber-based products for manufacture. Based on studies, further steps would be taken.

## PRODUCTION

Against the revised target of 5146 M.T. we could achieve a production of 4652 M.T. inspite or of the spread of brown-bast disease, cyclone damage and adverse climatical conditions. All the field operations like spraying, fertiliser application, weeding etc. were carried out in time during this year. We could process almost the entire quantity of rubber produced due to higher capacity utilisation of the machines involved.

## SALES

During the year, sale of rubber (4540.57 M.T.) realised Rs. 5,51,79,808.63. Prices have shown a uniformly upward trend.

## CASHEW

We have Sold 232·4 M.T. for Rs. 11,02,277.26.

## PERSONNEL AND INDUSTRIAL RELATIONS

During the year, relations among management, staff and workers remained quite cordial. There was no industry-wide strike and apart from minor token strikes, the Corporation did not have to face any major strike.

## LABOUR WELFARE

As in previous years, the Corporation continues to place emphasis on labour welfare activities like provision of free electricity, water supply, accommodation, uniforms, weather protectives, medical and educational facilities etc. A total amount of Rs. 42 lakhs was spent towards welfare amenities during the year and out of this about 15 lakhs went towards medical facilities.

The Corporation is also thinking of various schemes to improve the employment opportunities to the dependents of the workers. The Corporation also maintains canteens, creches, nursery school, library and recreation clubs in the estates for the benefit of the workers.

## BOARD OF DIRECTORS

The Board of Directors had been re-constituted on 30-4-1980 by the Government of Kerala under Article 63 of the Articles of Association of the Corporation and the following Directors were appointed.

1. Shri P.M. Abraham
2. Shri K.K. Nair
3. Shri S.G. Sundaram
4. Shri P. Balakrishanan Nair

Shri P.M. Abraham was appointed Chairman of the Corporation. Shri P.T. Devassy vacated office as Director on his retirement from the Service as Chief Conservator of Forests with effect from 31–1–1980 and Shri K.K. Nair, Chief Conservator of Forests was appointed as Director.

Subsequently, the Board of Directors has again been re-constituted on 2–8–1980 by the Government of Kerala under Article 63 of the Articles of Association with the following Directors, and Shri Vakkom Bharathan as Chairman.

1. Shri Vakkom Bharathan
2. ,, C.K. Unnikrishnan
3. ,, Y. Thomas
4. ,, T.M. Prabha
5. ,, Kottara Gopalakrishanan
6. ,, K. Babu
7. ,, Gervacis Areekal
8. ,, S.G. Sundaram
9. ,, A. Hassankutty
10. ,, K.V. Harikrishnan Nair
11. ,, P. Suseelan
12. ,, P.M. Abraham.

Shri A.K.K. Nambiar, Agriculatural Production Commissioner has been appointed Director in place of Shri P.M. Abraham with effect from 22–12–1980.

The Board of Directors as well as the Corporation suffered a severe loss on the sudden demise of Shri P. Balakrishnan Nair, Director, whose services to the Company were invaluable.

## MANAGING DIRECTOR

Shri. K.J. Joseph, I.F.S. continued to be the Managing Director and his term has been extended for a further period of one year from 11–3–1980 by G.O. Rt. No. 1466/80/AD dated 21–5–1980.

## SUBSIDIARY COMPANY

The share holding of the Corporation in its Subsidiary Company, Oil Palm India Limited stands at Rs. 102 lakhs.

## ACKNOWLEDGEMENT

The Directors record their gratitude and appreciation of the services rendered by out-going Directors S/s. P.T. Devassy, A.K. Singh, C.P. Kunhalikutty Keyi, P. Unnikrishnan Nair, N. Hemachandran, Joseph Alexander, M.S. Joseph, M.L. Francis, T.N. Jayachandran, T.M. Thomas, P. Balakrishnan Nair (deceased), M.N. Sukumaran Nair, V. Govinda Menon, P.V. Thampi, V.K. Abraham, K. K. Nair and P.M. Abraham.

The Directors are also immensely grateful to the Central and the State Governments, World Bank, Rubber Board, Central Plantation Crops Research Institute, Agricultural University, Agricultural College, International Labour Organisation and such other organisations for their guidance and assistance in the progress of the Corporation's activities.

The Directors also express their gratitude to the Officers, staff and workers of the Corporation for their good-will, whole-hearted involvement and valuable contribution to the growth, well-being and progress of the organisation.

For and on behalf of the Board of Directors,

Sd/–
VAKKOM BHARATHAN
Chairman

Kottayam,
5–11–1980.

# REVIEW OF THE ACCOUNTS OF THE PLANTATION CORPORATION OF KERALA LIMITED FOR THE YEAR ENDED 31ST MARCH 1980 BY THE ACCOUNTANT GENERAL KERALA

## 1. FINANCIAL POSITION

The table below summarises the financial position of the Company under broad headings for the three years upto 1979-80.

| Liabilities | | 1977-78 | 1978-79 (Rupees in lakhs) | 1979-80 |
|---|---|---|---|---|
| (a) | Paid up capital | 449.44 | 515.10 | 530.10 |
| (b) | Reserves & Surplus | 50.80 | 102.96 | 148.66 |
| (c) | Borrowings | 463.84 | 436.22 | 440.65 |
| (d) | Trade dues and current liabilities including provision | 173.21 | 234.06 | 348.60 |
| | | 1,137.29 | 1,288.34 | 1,468.01 |
| **Assets** | | | | |
| (a) | Gross block | 422.05 | 496.47 | 521.15 |
| (b) | Less: Depreciation | 102.53 | 118.52 | 132.82 |
| (c) | Net fixed assets | 319.52 | 377.95 | 388.33 |
| (d) | Development of Property | 499.98 | 582.66 | 638.22 |
| (e) | Buildings and roads under construction, machinery under erection | 55.13 | 36.41 | 63.56 |
| (f) | Investments | 0.45 | 102.41 | 102.41 |
| (g) | Current assets, loans and advances | 261.04 | 187.09 | 272.81 |
| (h) | Intangible assets Misc. expenditure | 1.17 | 1.82 | 2.68 |
| | | 1,137.29 | 1,288.34 | 1,468.01 |
| | Capital employed | 907.33 | 913.64 | 950.76 |
| | Net worth | 499.07 | 616.24 | 676.08 |

Note: —1. Capital employed represents net fixed assets plus working capital.

2. Net worth represents paid-up capital plus reserves and surplus less intangible assets

## 2. CAPITAL STRUCTURE

The debt equity ratio of the Company was 1.03:1 in 1977-78. 0.85:1 in 1978-79 and 0.83:1 in 1979-80.

## 3. RESERVES AND SURPLUS

The reserves and surplus accumulated as at the end of three years upto 1979–80 amounted to Rs. 50.80 lakhs, Rs. 102.96 lakhs and Rs. 148.66 lakhs respectively. The reserves worked out to 4.5 per cent of the total liabilities in 1977–78, 8.0 percent in 1978–79 and 10.1 per cent in 1979–80 and 11.3 per cent of equity capital in 1977-78 20.0 per cent in 1978–79 and 28.0 per cent in 1979–80.

## 4. LIQUIDITY AND SOLVENCY

(a) The percentage of current assets to total net assets varied from 23.0 in 1977–78 to 14.5 in 1978–79 and to 18.6 in 1979–80.

(b) The percentage of current assets to current liabilities (including provisions) decreased from 150.7 in 1977–78 to 79.9 in 1978–79 and to 78.3 in 1979–80.

(c) The percentage of quick assets (sundry debtors, advances cash and bank balances) to current liabilities (excluding provisions) varied from 55.6 in 1977–78 to 67.8 in 1978–79 and to 40.0 in 1979–80.

## 5. WORKING CAPITAL

The working capital (current assets, loans and advances less trade dues and current liabilities) of the Company at the end of the three years upto 1979–80 amounted to Rs. 87.83 lakhs, Rs.(—) 46.97 lakhs and Rs. (—) 75.79 lakhs respectively.

The working capital requirements of the Company during the three years upto 1979–80 were met mainly from unsecured loans from Government of Kerala and overdraft facilities from a bank against Government guarantee.

## 6. SOURCES AND USES OF FUNDS

Funds amounting to Rs. 103.25 lakhs from internal sources (depreciation, provision and reserves) and Rs. 90.72 lakhs from other sources were utilised during 1979–80 as shown below.

| | | *(Rupees in lakhs)* |
|---|---|---|
| Gross fixed assets (including development of property and capital works-in-progress) | | 107.39 |
| Current assets | | 85.72 |
| Miscellaneous expenditure | | 0.86 |
| | Total | 193.97 |

## 7. WORKING RESULTS

The working results of the Company for the three years upto 1979–80 are tabulated below:

| | | | *1977–78* | *1978–79* *(Rupees in lakhs)* | *1979–80* |
|---|---|---|---|---|---|
| (a) | (i) | Profit before tax | 5.70 | 100.30 | 94.15 |
| | (ii) | Tax provision | 0.41 | 65.45 | 61.25 |
| | (iii) | Profit after tax | 5.29 | 34.85 | 32.90 |

| | | | |
|---|---|---|---|
| (b) Percentage of profit before tax to: | | | |
| (i) Sales | 1.5 | 18.6 | 16.7 |
| (ii) Gross fixed assets (including development of property) | 0.6 | 9.3 | 8.1 |
| (iii) Capital employed | 0.6 | 11.0 | 9.9 |
| (c) Percentage of profit after tax to: | | | |
| (i) Net worth | 1.1 | 5.7 | 4.9 |
| (ii) Equity capital | 1.2 | 6.8 | 6.2 |
| (iii) Capital employed | 0.6 | 3.8 | 3.5 |

## 8. COST TRENDS

The table below indicates the sales, cost of sales and percentage of cost of sales to sales for the three years upto 1979–80.

| | *1977–78* | *1978–79* | *1979–80* |
|---|---|---|---|
| | | *(Rupees in lakhs)* | |
| Sales | 381.95 | 538.00 | 562.93 |
| *Less:* Profit before tax | 5.70 | 100.30 | 94.15 |
| Cost of sales | 376.25 | 437.70 | 468.78 |
| Percentage of cost of sales to sales | 98.51 | 81.36 | 83.27 |

## 9. PRODUCTION PERFORMANCE

The value of production for the three years upto 1979–80 is worked out below.

| | *1977–78* | *1978–79* | *1979–80* |
|---|---|---|---|
| | | *(Rupees in Lakhs)* | |
| (a) Sales | 381.95 | 538.00 | 562.93 |
| (b) Closing stock of finished goods, work in process and stock in transit | 30.62 | 43.33 | 54.27 |
| (c) Opening stock of finished goods, work in process and stock in transit | 48.48 | 30.62 | 43.33 |
| (d) Value of production (a+b—c) | 364.09 | 550.71 | 573.87 |

The percentage of value of production to net worth varied from 72.95 in 1977–78 to 89.4 in 1978–79 and 84.9 in 1979–80. The percentage of value of production to total net assets varied from 32.0 in 1977–78 to 42.8 in 1978–79 and to 39.1 in 1979–80.

## 10. INVENTORY AND PRODUCTION

The following table indicates the comparative position of inventory and its distribution at the close of the three years upto 1979–80.

| | | 1977–78 | 1978–79 | 1979–80 |
|---|---|---|---|---|
| | | | (Rupees in lakhs) | |
| (a) | Stores & Spares | | | |
| (i) | General stores and spares | 16.06 | 23.31 | 25.39 |
| (ii) | Engineering stores | 5.77 | 3.60 | 7.50 |
| (b) | Loose tools | 1.48 | 1.49 | 1.81 |
| (c) | Stock-in-trade, Finished goods including work in process | 30.62 | 43.33 | 54.27 |
| (d) | Equipments | 2.59 | 2.82 | 3.29 |
| | | 56.52 | 74.55 | 92.26 |

The stock of general stores and spares was the equialent of 5.9 months' requirments (for production and development of property) during 1979–80 as compared to 6.5 months in 1978–79 and 3.8 months in 1977–78. (Engineering stores intended for capital construction are excluded for the purpose of this analysis).

## 11. SUNDRY DEBTORS AND TURNOVER

The following table indicates the value of book debts and sales for the three years upto 1979–80

| | Total book debts | | | Percentage of debts to sales |
|---|---|---|---|---|
| | Considered good (Rs. in lakhs) | Considered doubtful | Sales | |
| 1978 | 19.65 | .. | 381.95 | 5.1 |
| 1979 | 41.55 | .. | 538.00 | 7.7 |
| 1980 | 25.85 | .. | 562.93 | 4.6 |

The book debts increased by 111.4 per cent in 1978–79 and 31.6 per cent in 1979–80 as compared to 1977–78. The book debts represented about 0.6 months' turnover in 1977–78, about 0.9 months' in 1978–79 and 0.6 months' in 1979–80.

The age–wise break up of the book debts as at 31st March 1980 as given below :

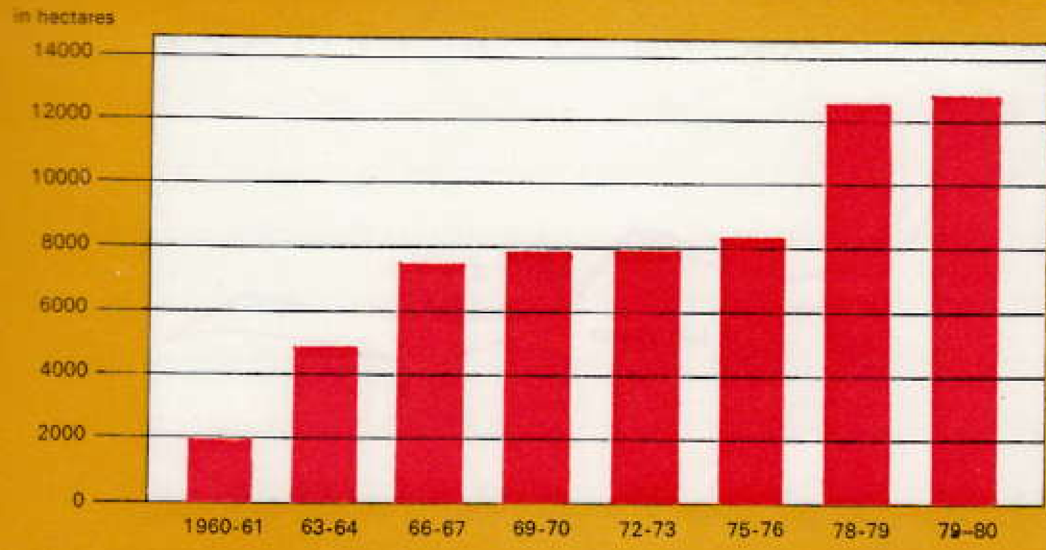
| | | (Rupees in lakhs) |
|---|---|---|
| 1. | Debts outstanding for less than one year | 24.54 |
| 2. | Debts outstanding for more than one year but less than two years | 0.76 |
| 3. | Debts outstanding for more than two years but less than three years | 0.24 |
| 4. | Debts outstanding for three years and more | 0.31 |
| | | 25.85 |

Trivandrum
Date:

Sd/–
S. SETHURAMAN
Accountant General, Kerala

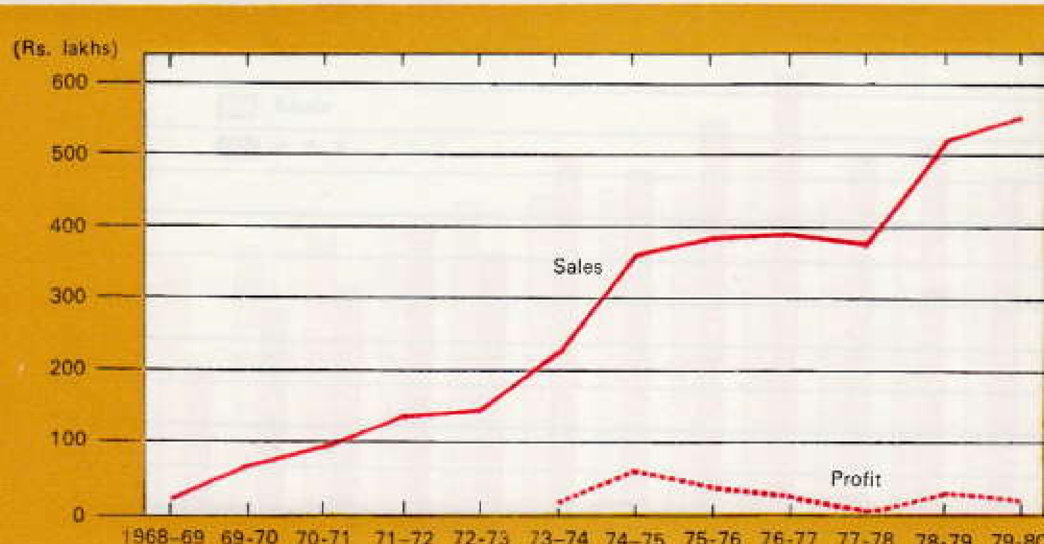
## [illegible] UNDER [illegible] CROPS

| [illegible] | Area (in hectares) |
|---|---|
| [illegible] | 1932 |
| [illegible] | 4701 |
| [illegible] | 7320 |
| [illegible] | 7644 |
| [illegible] | 7644 |
| [illegible] | 8189 |
| [illegible] | 12417 |
| [illegible] | 12574 |



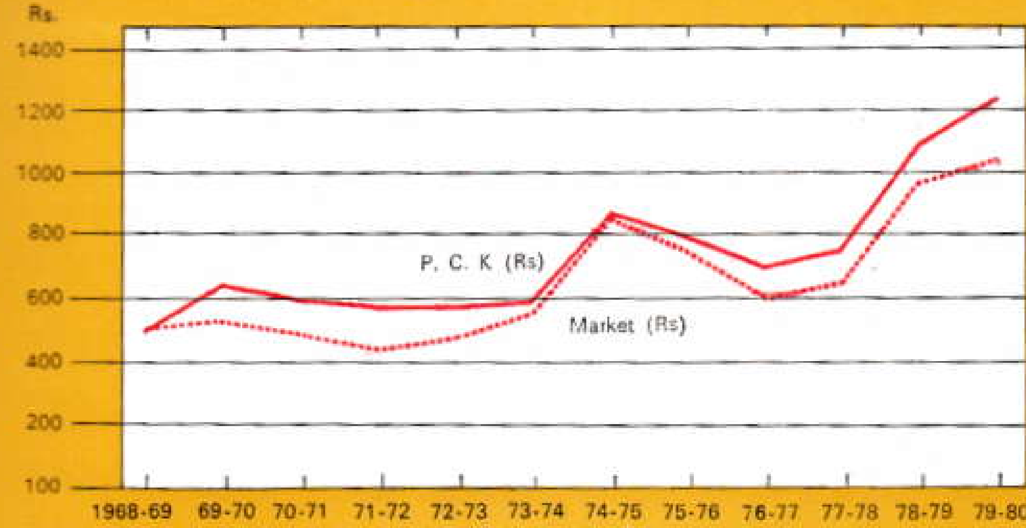

## SALES AND PROFIT

| [illegible] | Sales (Rs. lakhs) | Profit (Rs. lakhs) |
|---|---|---|
| [illegible] | 19 | |
| [illegible] | 63 | |
| [illegible] | 92 | |
| [illegible] | 130 | |
| [illegible] | 145 | |
| [illegible] | 223 | 13 |
| [illegible] | 356 | 57 |
| [illegible] | 379 | 43 |
| [illegible] | 395 | 26 |
| [illegible] | 377 | 5 |
| [illegible] | 523 | 35 |
| [illegible] | 552 | 32 |



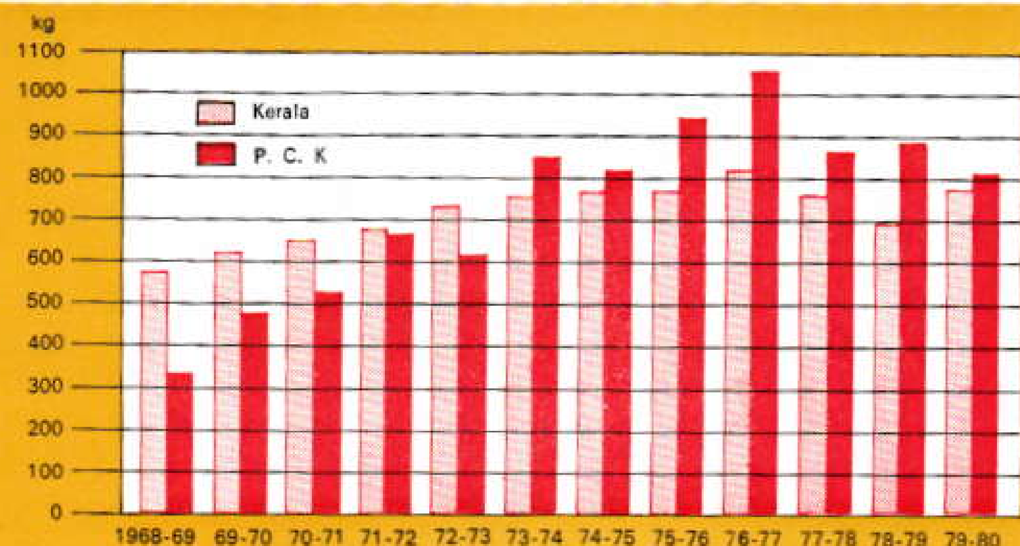
[illegible] PRICE PER QUINTAL

| [illegible] | P. C. K (Rs) | Market (Rs) |
|---|---|---|
| [illegible] | [illegible] | 466 |
| [illegible] | [illegible] | 501 |
| [illegible] | [illegible] | 464 |
| [illegible] | [illegible] | 421 |
| [illegible] | [illegible] | 459 |
| [illegible] | [illegible] | 515 |
| [illegible] | [illegible] | 849 |
| [illegible] | [illegible] | 744 |
| [illegible] | [illegible] | 596 |
| [illegible] | [illegible] | 632 |
| [illegible] | [illegible] | 953 |
| [illegible] | [illegible] | 1017 |




[illegible] YIELD PER HECTARE

| [illegible] | [illegible] | P. C. K (kg) |
|---|---|---|
| [illegible] | [illegible] | 323 |
| [illegible] | [illegible] | 468 |
| [illegible] | [illegible] | 517 |
| [illegible] | [illegible] | 665 |
| [illegible] | [illegible] | 609 |
| [illegible] | [illegible] | 844 |
| [illegible] | [illegible] | 812 |
| [illegible] | [illegible] | 935 |
| [illegible] | [illegible] | 1054 |
| [illegible] | [illegible] | 858 |
| [illegible] | [illegible] | 884 |
| [illegible] | [illegible] | 808 |



# ANNUAL ACCOUNTS AND SCHEDULES

## BALANCE SHEET AS A[T]

| Previous year Rs. P. | LIABILITIES | Rs. P. | Rs. P. |
|---|---|---|---|
| | **SHARE CAPITAL** | | |
| | AUTHORISED | | |
| 7,50,00,000.00 | 75,000 Equity Shares of Rs. 1,000/-each | 7,50,00,000.00 | |
| | SUBSCRIBED | | |
| 5,10,10,000.00 | 53,010 Equity Shares of Rs. 1,000/- each subscribed and paid up (Previous year 51,010 shares) | 5,30,10,000.00 | |
| 3,88,40,000.00 | 40,840 Equity Shares of Rs.1,000/- each fully called up (38,840 shares previous year) | 4,08,40,000.00 | |
| 68,04,000.00 | 6,804 Equity Shares of Rs. 1000/- each allotted as fully paid up pursuant to a contract without payment being received in cash | 68,04,000.00 | |
| 53,66,000.00 | 5,366 Equity Shares allotted as fully paid up pursuant to a contract without payment being received in cash (cost of cashew plantation at Kasergode) | 53,66,000.00 | |
| 5,10,10,000.00 | | | 5,30,10,000.00 |
| 5,00,000.00 | Amount received from Government of Kerala for the issue of shares | | |
| | RESERVES AND SURPLUS | | |
| | Rehabilitation Reserve | 76,20,134.59 | |
| | *Add:* For the year | 9,30,347.69 | |
| | | 85,50,482.28 | |
| | PROFIT AND LOSS ACCOUNT ADJUSTMENT | | |
| | Profit for the year ended 31-3-1980 32,90,139.64 | | |
| 76,89,954.30 | *Add:* Balance profit as on 31-3-1979 69,819.71 | 33,59,959.35 | |
| | | | 1,19,10,441.63 |
| 18,75,000.00 | Subsidy received from Government of Kerala for subsidised Housing Scheme | | 18,75,000.00 |
| 7,30,640.00 | Subsidy received from Government for the upkeep of cashew plantations | | 10,80,640.00 |
| 6,18,05,594.30 | Carried over | | 6,78,76,081.63 |

[illegible] MARCH 1980

| Previous Year Rs. P. | ASSETS | Rs. P. | Rs. P. |
|---|---|---|---|
| | **FIXED ASSETS** | | |
| [illegible],008.84 | (a) Buildings, Roads, Plant and Machinery, Furniture etc. as per Schedule A. | 3,88,33,590.56 | |
| [illegible],580.90 | (b) Development of Property as per Schedule B. | 6,38,21,849.25 | |
| [illegible],144.67 | (c) Buildings and Roads under construction (at cost) and Plant and Machinery under erection | 63,56,283.31 | 10,90,11,723.12 |
| | INVESTMENTS | | |
| 1,000.00 | Investment in Equity Shares of Companies (unquoted) fully paid up (at cost) as per Schedule C. | 1,000.00 | |
| 100.00 | Investment in Equity Shares of Co-operative Society (unquoted) fully paid up (at cost) as per Schedule D. | 100.00 | |
| 40,000.00 | Investment in 7 year National Savings Certificate at cost | 40,000.00 | |
| 1,02,00,000.00 | Investment in Equity Shares of Oil Palm India Limited (Subsidiary Company) 10,200 Equity Shares of Rs. 1000/- each | 1,02,00,000.00 | 1,02,41,100.00 |
| | CURRENT ASSETS, LOANS AND ADVANCES | | |
| 1,43,18,815.61 | A. Current Assets as per Schedule E. | 1,31,71,824.29 | |
| 43,90,550.05 | B. Loans and advances as per Schedule F. | 1,41,08,812.80 | 2,72,80,637.09 |
| 1,81,811.84 | Miscellaneous expenditure to the extent not written off or adjusted as per schedule G. | | 2,67,955.28 |
| 12,88,34,011.91 | Carried over | | 14,68,01,415.49 |

## BALANCE SHEET AS AT

| Previous year Rs. P. | LIABILITIES | Rs. P. | Rs. P. |
|---|---|---|---|
| 6,18,05,594.30 | Brought forward | | |
| 4,11,93,578.00 | Loan from Government of Kerala | 4,17,59,151.00 | |
| 24,28,400.00 | Loan from Government of Kerala for Subsidised Housing Scheme | 23,05,900.00 | |
| 52,53,568.15 | Interest accrued and due on Government loan | 91,02,573.73 | 5,31,67,624.73 |
| | CURRENT LIABILITIES AND PROVISIONS : | | |
| 85,65,481.28 | A. Current liabilities as per Schedule–H | 1,18,44,193.18 | |
| 2,390.18 | Welfare Fund | 3,515.95 | |
| | B. Provisions | | |
| 65,85,000.00 | Provision for taxation for 1978-79 | 65,85,000.00 | |
| – | Provision for taxation for 1979–80 | 61,25,000.00 | |
| 30,00,000.00 | Provision for Bonus | 12,00,000.00 | |
| | | | 2,57,57,709.13 |
| 12,88,34,011.91 | Total | | 14,68,01,415.49 |

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
K. J. JOSEPH
Managing Director

[illegible] MARCH 1980 (contd.)

| Previous Year Rs. P. | ASSETS | Rs. P. | Rs. P. |
|---|---|---|---|
| [illegible] | Brought forward | | 14,68,01,415.49 |
| [illegible]34,011.91 | Total | | 14,68,01,415.49 |

Sd/-
[illegible]LIP JACOB
Secretary

As per our report of even date

For JOHN & Co.,
Sd/-
T. V. JOSEPH,
Partner,
Chartered Accountants.

## PROFIT AND LOSS ACCOUNT FOR

| Previous year Rs. P. | | EXPENDITURE | Rs. P. | This year Rs. P. |
|---|---|---|---|---|
| | To | Opening Stock | | |
| 26,32,655.98 | ,, | Finished Goods/work in process (Rubber) | | 40,07,151.77 |
| 4,28,937.64 | ,, | Stock of cashew nuts | | 3,25,399.01 |
| 40,90,743.01 | ,, | Pay and allowances | | 42,95,709.16 |
| 5,328.00 | ,, | Leave salary and pension contribution to staff | | 4,508.61 |
| 1,15,338.71 | ,, | Gratuity paid | | 1,62,521.92 |
| 4,63,361.04 | ,, | Leave encashment (Privilege leave and sick leave) | | 4,76,502.21 |
| 14,69,435.73 | ,, | Employers contribution to Provident Fund | | 16,77,457.75 |
| 1,01,403.70 | ,, | Deposit linked insurance | | 1,17,024.46 |
| .. | ,, | Bonus | 68,58,956.33 | |
| 17,51,782.10 | ,, | Less provision | 30,00,000.00 | 38,58,956.33 |
| 3,629.03 | ,, | Honorarium to Chairman | | 6,000.00 |
| 30,092.15 | ,, | T.A. and sitting fees to Directors | | 49,172.19 |
| 1,67,999.37 | ,, | T.A. to staff and Officers | | 2,51,968.64 |
| 3,023.04 | ,, | Rent | | 8,081.50 |
| 3,81,547.04 | ,, | Rates and taxes | | 3,52,512.88 |
| 3,92,951.76 | ,, | Electricity charges | | 2,73,728.61 |
| 1,93,352.74 | ,, | Lease rent | | 1,82,956.60 |
| 3,83,632.41 | ,, | Insurance charges | | 4,69,502.23 |
| 13,17,186.41 | ,, | Repairs and Maintenance of Assets-Schedule I | | 17,20,792.58 |
| 1,04,643.04 | ,, | Advertisement charges | | 79,727.25 |
| 53,164.81 | ,, | Legal expenses | | 23,182.74 |
| ... | ,, | Remuneration to Auditors | | |
| 9,000.00 | | For audit | 9,000.00 | |
| 4,255.40 | | For expense | 2,500.00 | 11,500.00 |
| 5,17,132.29 | ,, | Prior period adjustment | | 93,314.49 |
| 1,46,20,595.40 | | Carried over | | 18,44,76,70.93 |

## THE YEAR ENDED 31ST MARCH 1980

| Previous Year Rs. P. | INCOME | | This year Rs. P. |
|---|---|---|---|
| 5,23,27,614.32 | By sale of rubber | .. | 5,51,79,808.63 |
| 14,53,334.52 | „ Sale of cashew | .. | 11,02,277.26 |
| 16,307.42 | „ Sale of agricultural produce | .. | 3,429.11 |
| 1,107.50 | „ Sale of budwood | .. | 1,943.00 |
| .. | „ Sale of tender forms | .. | 2,649.44 |
| 4,959.95 | „ Sale of empties and unserviceables | .. | 56,386.94 |
| 2,172.06 | „ Sale of rubber seeds | .. | 5,242.25 |
| 17,272.91 | „ Sale of fire wood | .. | 1,90,334.00 |
| 37.50 | „ Sale of pureria | | 22,076.95 |
| 75.00 | „ Sale of cashew seedlings | .. | .. |
| 100.00 | „ Sitting fees to Managing Director | .. | .. |
| 7,07,226.61 | „ Service charges Oil Palm | .. | 3,32,457.81 |
| .. | „ Profit on sale on assets | .. | 18,850.25 |
| 1,18,196.85 | „ Interest on deposit | .. | 108.30 |
| — | „ Interest on investment | .. | 4,800.00 |
| 6,476.87 | „ Interest on Motor cycle loan | .. | 8,156.91 |
| 7,000.72 | „ Interest on motor car loan | .. | 7,872.60 |
| — | „ Overdue interest collected | .. | 66,884.03 |
| 43,536.28 | „ Rent of buildings | .. | 45,476.76 |
| 53,332.31 | „ Miscellaneous income and adjustments | .. | 87,841.90 |
| 42,636.68 | „ Prior period adjustment | .. | .. |
| 554.00 | „ Application fee received | .. | 585.00 |
| 2,35,180.24 | „ Lease rent for cultivation | .. | 1,96,730.60 |
| 40,07,151.77 | „ Closing stock finished goods/work in process rubber | .. | 51,93,291.63 |
| 3,25,399.01 | „ Closing stock of cashew nuts | .. | 2,33,211.33 |
| 5,93,99,672.52 | Carried over | | 6,27,60,414.70 |

## PROFIT AND LOSS ACCOUNT FO

| Previous Year Rs. P. | EXPENDITURE | This year Rs. P. |
|---|---|---|
| 1,46,20,595.40 | Brought forward | 1,84,47,670.5 |
| 3,595.00 | To Staff training expenses | 9,580.0 |
| 34,99,505.27 | ,, Welfare expenses—Schedule V | 41,86,245.2 |
| 5,83,507.53 | ,, Miscellaneous expenses and adjustments—Schedule—II | 10,77,442.0 |
| 47,88,180.44 | ,, Cultivation and upkeep of rubber | 54,02,156.4 |
| 85,91,247.34 | ,, Tapping and collection of rubber | 97,40,826.9 |
| 47,18,549.06 | ,, Manufacturing and selling expenses—Schedule III | 54,68,516.7 |
| 10,88,016.98 | ,, Depreciation including loss on revaluation | 11,54,609.8 |
| 61,09,691.28 | ,, Interest on loans and overdraft | 42,79,310.3 |
| | ,, Guarantee Commission | 22,500.0 |
| 1,26,363.97 | ,, Cashew Project expenses Schedule IV. | 73,019.0 |
| 65,45,000.00 | ,, Provision for taxation | 61,25,000.0 |
| 9,99,890.53 | ,, Rehabilitation Reserve | 9,30,347.6 |
| 9,16,228.02 | ,, Cultivation and upkeep of cashew | .. 11,44,139.01 |
| 3,01,407.80 | ,, Collection charges of cashew | 1,85,961.41 |
| 14,316.00 | ,, Remuneration to Visiting Agent | 14,365.00 |
| 8,233.31 | ,, T.A. to Visiting Agent | .. 8,584.25 |
| 30,00,000.00 | ,, Provision for bonus | 12,00,000.00 |
| 34,85,344.59 | ,, Net profit for the year after all provisions and appropriations | 32,90,139.64 |
| 5,93,99,672.52 | Total | 6,27,60,414.70 |

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
K. J. JOSEPH
Managing Director

## THE YEAR ENDED 31ST MARCH 1980 (contd.)

| Previous Year Rs. P. | INCOME | | This year Rs. P. |
|---|---|---|---|
| [illegible] | Brought forward | | 6,27,60,414.70 |
| [illegible],99,672.52 | Total | .. | 6,27,60,414.70 |

As per our report of even date,

For JOHN & Co.
Sd/-
T. V. JOSEPH
Partner
Chartered Accountants

Sd/-
PHILIP JACOB
Secretary

## Development expenditure for the year ended 31st March 1980

(Schedule forming part of Balance Sheet as at 31–3–1980)

| Previous year Rs. P. | ITEMS | Rs. P. | This year Rs. P. |
|---|---|---|---|
| 6,40,344.42 | Overheads brought forward from previous year | 4,52,710.10 | |
| 7,26,707.56 | Pay and allowances | 7,56,263.74 | |
| 90,952.61 | Overtime to staff | 85,759.52 | |
| 539.00 | Leave salary and pension contribution | 1,455.00 | |
| 54,731.99 | Leave encashment | 50,318.14 | |
| 67,590.20 | Employers contribution to P.F. | 89,049.10 | |
| 1,23,421.49 | Bonus | 4,82,771.43 | |
| 34,764.95 | Travelling expenses | 42,862.47 | |
| 11,594.48 | Rates and taxes | 16,385.39 | |
| 2,59,578.83 | Repairs and maintenance of assets Schedule VI | 1,67,714.47 | |
| 49,159.98 | Lease rent | 57,284.57 | |
| 5,650.48 | Advertisement charges | 11,109.73 | |
| 2,647.65 | Prior period adjustments | 3,690.23 | |
| 3,91,425.00 | Welfare expenses | 5,20,943.03 | |
| 92,882.44 | Miscellaneous expense and adjustments Schedule VII | 1,00,905.02 | |
| 3,157.56 | Eviction expenses | .. | |
| 62,076.80 | Depreciation | 91,306.36 | |
| 4,859.61 | Rent | 4,027.64 | |
| 4,708.70 | Deposit linked insurance | 6,227.20 | |
| 283.00 | Labour welfare fund contribution | 290.00 | |
| 26,45,120.22 | Cultivation and upkeep of rubber | 29,24,042.42 | |
| 9,10,123.28 | –do– cashew | 7,92,037.78 | |
| .. | –do– eucalyptus | 3,229.92 | |
| 6,797.86 | Survey | 5,843.98 | |
| 61,89,118.11 | | | 66,66,227.24 |
| | **LESS CREDITS** | | |
| 5,042.12 | Sale of tender forms | 1,446.96 | |
| 554.20 | House rent received | 753.00 | |
| 5,186.44 | Miscellaneous income | 2,511.63 | |
| 809.26 | Interest on motor car & motor cycle loan | 1,362.10 | |
| 3,780.00 | Registration fee from contractors works | 4,125.00 | |
| 2,025.00 | Tongya cultivation | 562.50 | |
| 732.50 | Sale of budwood | 795.00 | |
| ... | Sale of pueriaria seeds | 9,959.73 | |
| ... | Profit on sale of assets | 2,345.27 | |
| 4,52,710.10 | Overheads of incomplete engineering works | 7,02,201.51 | |
| 62,802.34 | Overheads transferred to Oil Palm | .. | |
| 5,33,641.96 | | | 7,26,082.70 |
| 56,55,476.15 | Total | | 59,40,144.54 |

## [illegible] expenditure for the year ended 31st March 1980
([illegible] forming part of Balance Sheet as at 31-3-1980)

| Previous year Rs. P. | ITEMS | Rs. P. | This year Rs. P. |
|---|---|---|---|
| | **CAPITALISED AS UNDER** | | |
| [illegible] | Completed engineering works | 3,26,560.54 | |
| [illegible] | Rubber plantation | 40,14,119.04 | |
| [illegible] | Cashew plantation | 15,90,391.06 | |
| | Eucalyptus plantation | 3,229.92 | |
| [illegible] | Survey | 5,843.98 | |
| [illegible] | Eviction expenses | .. | |
| | | | 59,40,144.54 |
| [illegible] | Total | ... | 59,40,144.54 |

As per our report of even date

For JOHN & Co.
Sd/-
T. V. JOSEPH
Partner
Chartered Accountants

Sd/-
[illegible] BHARATHAN
Chairman

Sd/-
K. J. JOSEPH
Managing Director

Sd/-
PHILIP JACOB
Secretary

SCHEDU

SCHEDULE

(included in and forming par

| Items | ORIGINAL COST | | | DEPRECIATION | | |
|---|---|---|---|---|---|---|
| | Cost as at the end of the Previous year | Additions during the year | Total | As at the end of the Previous year | For the year | Total |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | Rs. P. | Rs. P. | Rs. P. | Rs. P. | Rs. P. | Rs. P. |
| Freehold land | 19,20,347.20 | 1,66,800.45 | 20,87,147.65 | .. | .. | .. |
| Buildings | 2,77,89,735.12 | 12,21,892.37 | 2,90,11,627.49 | 53,87,615.25 | 6,66,250.09 | 60,53,865.34 |
| Vehicles | 24,55,172.12 | 1,35,226.73 | 25,90,398.85 | 18,19,709.92 | 2,07,502.55 | 20,27,212.47 |
| Plant and machinery | 43,56,097.98 | 49,859.89 | 44,05,957.87 | 25,71,828.40 | 3,11,257.52 | 28,83,085.92 |
| Office equipments | 2,47,094.39 | 13,059.65 | 2,60,154.04 | 1,39,811.72 | 17,982.79 | 1,57,794.51 |
| Survey instruments | 9 755.61 | .. | 9,755.61 | 8,926.27 | 124.35 | 9,050.62 |
| Furniture | 6,98,239.32 | 81,706.09 | 7,79,945.41 | 3,45,900.58 | 43,440.50 | 3,89,341.08 |
| Library | 21,996.60 | 9,857.20 | 31,853.80 | 10,057.39 | 2,199.14 | 12,256.53 |
| Roads | 64,93,730.93 | 4,80,016.14 | 69,73,747.07 | .. | .. | .. |
| Fence | 7,67,514.97 | 14,602.68 | 7,82,117.65 | .. | .. | .. |
| Electric fittings | 25,547.35 | 457.00 | 26,004.35 | 16,103.77 | 1,339.28 | 1,74,430.05 |
| Electric installations | 22,43,484.58 | 4,68,662.91 | 27,12,147.49 | 9,12,616.11 | 1,78,092.00 | 10,90,708.11 |
| Electric appliances | 20,184.51 | 16,164.25 | 36,348.76 | 11,503.59 | 3,726.75 | 15,230.34 |
| Telephone | 15,557.38 | .. | 15,557.38 | 9,466.56 | 913.63 | 10,380.19 |
| Wells | 1,677.37 | .. | 1,677.37 | .. | ... | .. |
| Water supply installation | 25,54,721.56 | 94,820.20 | 26,49,541.76 | 6,10,363.38 | 2,04,000.58 | 8,14,363.96 |
| Landing pad | 14,858.51 | .. | 14,858.51 | .. | .. | .. |
| Jhankar | 11,317.00 | 2,500.00 | 13,817.00 | 8,120.72 | 569.63 | 8,690.35 |
| Total | 4,96,47,032.50 | 27,55,625.56 | 5,24,02,658.06 | 1,18,52,023.66 | 16,37,398.81 | 1,34,89,422.47 |

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
K. J. JOSEPH
Managing Director

[illegible] ASSETS

[illegible] Sheet as at 31st March 1980)

| [illegible] AND ADJUSTMENTS | | BALANCE | | |
|---|---|---|---|---|
| *Original cost* | *Depreciation written off* | *Original cost* | *Depreciation to date* | *NET BLOCK* |
| 8 | 9 | 10 | 11 | 12 |
| Rs. P. | Rs. P. | Rs. P. | Rs. P. | Rs. P. |
| .. | .. | 20,87,147.65 | .. | 20,87,147.65 |
| .. | .. | 2,90,11,627.49 | 60,53,865.34 | 2,29,57,762.15 |
| [illegible],889.65 | 2,07,764.24 | 23,28,509.20 | 18,19,448.23 | 5,09,060.97 |
| 4,946.96 | .. | 44,01,010.91 | 28,83,085.92 | 15,17,924.99 |
| .. | .. | 2,60,154.04 | 1,57,794.51 | 1,02,359.53 |
| .. | .. | 9,755.61 | 9,050.62 | 704.99 |
| .. | .. | 7,79,945.41 | 3,89,341.08 | 3,90,604.33 |
| .. | .. | 31,853.80 | 12,256.53 | 19,597.27 |
| .. | .. | 69,73,747.07 | .. | 69,73,747.07 |
| .. | .. | 7,82,117.65 | .. | 7,82,117.65 |
| .. | .. | 26,004.35 | 17,443.05 | 8,561.30 |
| 20,572.66 | .. | 26,91,574.83 | 10,90,708.11 | 16,00,866.72 |
| .. | .. | 36,348.76 | 15,230.34 | 21,118.42 |
| .. | .. | 15,557.38 | 10,380.19 | 5,177.19 |
| .. | .. | 1,677.37 | .. | 1,677.37 |
| .. | .. | 26,49,541.76 | 8,14,363.96 | 18,35,177.80 |
| .. | .. | 14,858.51 | .. | 14,858.51 |
| .. | .. | 13,817.00 | 8,690.35 | 5,126.65 |
| 2,87,409.27 | 2,07,764.24 | 5,21,15,248.79 | 132,81,658.23 | 3,88,33,590.56 |

As per our report of even date

For JOHN & Co.
Sd/-
T. V. JOSEPH
Partner
Chartered Accountants

Sd/-
[illegible]LIP JACOB
Secretary

**SCHED**

DEVELOPMEN

(included in and forming pa

| Item | Till last year | Kodumon | Chandanappally | Adirappally | Kallada | Vettilappa |
|---|---|---|---|---|---|---|
| | | Additions during the | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1959 Plantation | 7,17,074.89 | .. | .. | .. | .. | .. |
| 1960 ,, | 5,62,467.87 | .. | .. | .. | .. | .. |
| 1961 ,, | 71,35,037.26 | .. | .. | .. | .. | .. |
| 1962 ,, | 45,64,998.12 | .. | .. | .. | .. | .. |
| 1963 ,, | 44,37,542.96 | .. | .. | .. | .. | .. |
| 1964 ,, | 20,37,593.07 | .. | .. | .. | .. | .. |
| 1965 ,, | 49,55,526.49 | .. | .. | .. | .. | .. |
| 1966 ,, | 22,55,711.48 | .. | .. | .. | .. | .. |
| 1967 ,, | 37,69,476.47 | .. | .. | .. | .. | .. |
| 1968 ,, | 32,02,101.36 | .. | .. | .. | .. | .. |
| 1969 ,, | 5,42,665.32 | .. | .. | .. | .. | .. |
| 1970 ,, | 9,90,797.76 | .. | .. | .. | .. | .. |
| 1971 ,, | 10,04,184.66 | .. | .. | .. | .. | .. |
| 1972 ,, | 8,68,422.27 | .. | .. | .. | .. | 9,673.7 |
| 1973 ,, | 16,39,843.73 | 1,23,548.91 | 27,345.13 | .. | .. | .. |
| 1974 ,, | 33,41,801.18 | 87,243.28 | 30,929.93 | .. | .. | .. |
| 1975 ,, | 8,53,317.40 | 14,209.54 | 46,473.41 | 1,77,742.74 | .. | .. |
| 1976 ,, | 24,56,539.27 | .. | 10,277.11 | 2,10,381.28 | 3,67,760.38 | 29,130. |
| 1977 ,, | 16,03,126.27 | .. | .. | 2,69,722.00 | .. | .. |
| 1978 ,, | 3,17,890.76 | .. | .. | .. | .. | .. |
| 1979 ,, | 21,450.32 | .. | .. | .. | .. | .. |
| 1967 replanting | 8,99,989.98 | .. | .. | .. | .. | .. |
| 1968 ,, | 1,76,105.28 | .. | .. | .. | .. | .. |
| 1969 ,, | 4,99,906.84 | .. | .. | .. | .. | .. |
| 1970 ,, | 70,505.30 | .. | .. | .. | .. | .. |
| 1971 ,, | 3,14,844.42 | .. | .. | .. | .. | .. |
| 1972 ,, | 1,93,284.63 | .. | .. | 25,645.39 | .. | .. |
| 1973 ,, | 9,69,421.42 | .. | .. | 55,082.32 | 53,173.76 | .. |
| 1974 ,, | 90,662.31 | .. | .. | .. | 49,873.61 | .. |
| Coconut | 795.36 | .. | .. | .. | .. | .. |
| Evicted area expenses | 14,58,397.65 | .. | .. | .. | .. | .. |
| Survey | 1,47,866.39 | .. | .. | 249.48 | 350.00 | .. |
| Eucalyptus | 12,733.45 | .. | .. | .. | .. | 3,229.9 |
| Kasergode cashew plantation | 36,36,554.42 | .. | .. | .. | .. | .. |
| Cashew 1976 | 71,445.22 | .. | .. | .. | .. | .. |
| Cashew 1977 | 8,21,908.45 | .. | .. | .. | .. | .. |
| Cashew 1978 | 5,24,441.52 | .. | .. | .. | .. | .. |
| Cashew 1979 | .. | .. | .. | .. | .. | .. |
| Cashew | 10,99,149.35 | .. | 18,921.62 | 73,220.71 | 15,016.54 | 16,717.93 |
| Total | 5,82,65,580.90 | 2,25,001.73 | 1,33,947.20 | 8,12,043.92 | 4,86,174.29 | 58,752.44 |

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
K. J. JOSEPH
Managing Director

B

PROPERTY

the Balance Sheet as on 31-1-1980)

| Additions for the year | | | | | | | |
|---|---|---|---|---|---|---|---|
| *Perambra* | *Thannithode* | *Kasergode* | *Cheemeni* | *Rajapuram* | *Total* | *Disposals* | *Cost to date* |
| 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| .. | .. | .. | .. | .. | 7,17,074.89 | .. | 7,17,074.89 |
| .. | .. | .. | .. | .. | 5,62,467.87 | .. | 5,62,467.87 |
| .. | .. | .. | .. | .. | 71,35,037.26 | .. | 71,35,037.26 |
| .. | .. | .. | .. | | 45,64,998.12 | .. | 45,64,998.12 |
| .. | .. | .. | | .. | 44,37,542.96 | .. | 44,37,542.96 |
| | .. | .. | .. | .. | 20,37,593.07 | .. | 20,37,593.07 |
| .. | .. | .. | .. | .. | 49,55,526.49 | .. | 49,55,526.49 |
| .. | .. | .. | .. | .. | 22,55,711.48 | .. | 22,55,711.48 |
| .. | .. | .. | .. | .. | 37,69,476.47 | .. | 37,69,476.47 |
| .. | .. | .. | .. | .. | 32,02,101.36 | .. | 32,02,101.36 |
| .. | .. | .. | .. | .. | 5,42,665.32 | .. | 5,42,665.32 |
| .. | .. | .. | .. | .. | 9,90,797.76 | .. | 9,90,797.76 |
| .. | .. | .. | .. | .. | 10,04,184.66 | .. | 10,04,184.66 |
| 1,01,201.55 | .. | .. | .. | .. | 9,79,297.60 | .. | 9,79,297.60 |
| 1.08,531.24 | .. | .. | .. | .. | 18,99,269.01 | .. | 18,99,269.01 |
| 34,902.52 | 5,70,894.21 | .. | .. | .. | 40,65,771.12 | .. | 40,65,771.12 |
| .. | .. | .. | .. | .. | 10,91,743.09 | .. | 10,91,743.09 |
| 2,75,580.50 | .. | .. | .. | .. | 33,49,669.35 | 38,513.61 | 33,11,155.74 |
| 1,17,088.14 | 3,10,699.70 | .. | .. | .. | 23,00,636.11 | .. | 23,00,636.11 |
| .. | 1,66,986.79 | .. | .. | .. | 4,84,877.55 | .. | 4,84,877.55 |
| 2,59,183.00 | 4,68,669.52 | .. | .. | .. | 7,49,302.84 | .. | 7,49,302.84 |
| .. | .. | .. | .. | .. | 8,99,989.98 | .. | 8,99,989.98 |
| .. | .. | .. | .. | .. | 1,76,105.28 | .. | 1,76,105.28 |
| .. | .. | .. | .. | .. | 4,99,906.84 | .. | 4,99,906.84 |
| .. | .. | .. | .. | .. | 70,505.30 | .. | 70,505.30 |
| .. | .. | .. | .. | .. | 3,14,844.42 | .. | 3,14,844.42 |
| .. | .. | .. | .. | .. | 2,18,930.02 | .. | 2,18,930.02 |
| .. | .. | .. | .. | .. | 10,77,677.50 | .. | 10,77,677.50 |
| 12,168.49 | .. | .. | .. | .. | 1,52,704.41 | .. | 1,52,704.41 |
| .. | .. | .. | .. | .. | 795.36 | .. | 795.36 |
| .. | .. | .. | .. | .. | 14,58,397.65 | .. | 14,58,397.65 |
| 5,244.50 | .. | .. | .. | .. | 1,53,710.37 | .. | 1,53,710.37 |
| .. | .. | .. | .. | .. | 15,963.37 | .. | 15,963.37 |
| .. | .. | 655.84 | .. | .. | 36,37,210.26 | 4,175.05 | 36,33,035.21 |
| .. | .. | .. | .. | 78,623.84 | 1,50,069.06 | .. | 1,50,069.06 |
| .. | .. | .. | 4,57,374.79 | 56,786.49 | 13,36,069.73 | 11,535.92 | 13,24,533.81 |
| .. | .. | .. | .. | 4,18,688.39 | 9,43,129.91 | .. | 9,43,129.91 |
| .. | .. | .. | .. | 2,08,741.77 | 2,08,741.77 | .. | 2,08,741.77 |
| 2,36,173.28 | 9,469.86 | .. | .. | .. | 14,68,669.29 | 3,091.07 | 14,65,578.22 |
| 11,50,073.22 | 15,26,720.08 | 655.84 | 4,57,374.79 | 7,62,840.49 | 6,38,79,164.90 | 57,315.65 | 6,38,21,849.25 |

As per our report of even date
For JOHN & Co.
Sd/-
T. V. JOSEPH
Partner
Chartered Accountants

Sd/-
PHILIP JACOB
Secretary

## SCHEDULE—C

(included in and forming part of Balance Sheet as at 31st March 1980)

| Previous Year Rs. P. | ITEM | | This Year Rs. P. |
|---|---|---|---|
| | Other investments: Unquoted fully paid up shares | | |
| 1,000.00 | 10 Equity Shares of Rs. 100/–each paid up in the Banana and Fruit Development Corporation Limited, Madras. | | 1,000.00 |
| 1,000.00 | | Total | 1,000.00 |

## SCHEDULE—D

(included in and forming part of Balance Sheet as at 31st March 1980)

| Previous year Rs. P. | ITEM | | This year Rs. P. |
|---|---|---|---|
| | Other investment: Unquoted fully paid up shares | | |
| 100.00 | 1 A class share of Rs.100/-each fully paid up in the Mannam Sugar Mills Co-operative Stores Limited No. 4324. | | 100.00 |
| 100.00 | | Total | 100.00 |

## SCHEDULE—E

(Included in and forming part of Balance Sheet as at 31st March 1980)

| Previous Year Rs. P. | ITEMS | | This Year Rs. P. |
|---|---|---|---|
| | **CURRENT ASSETS** | | |
| [illegible],292.02 | Stores and spares at cost* | | 32,88,706.26 |
| 1,48,022.70 | Loose Tools revalued* | | 1,81,265.86 |
| 2,81,845.21 | Equipments revalued* | | 3,28,851.81 |
| 40,27,151.77 | Finished goods and work in process stock in transit at value subsequently realised/ realisable (rubber) | | 51,93,291.63 |
| 3,25,399.01 | Stock of cashew nuts (at subsequently realised/realisable value)* | | 2,33,211.33 |
| 40,311.73 | Nurseries Rubber (at cost) | | 1,11,854.67 |
| 41,56,035.89 | Sundry debtors (unsecured considered good) subject to confirmation by them | | 25,84,837.80 |
| | (a) Debts outstanding for more than six months (includes Rs. 84821.20 from Government Department and Companies Last year Rs. 98067.07) | 3,85,207.24 | |
| | | 21,99,630.56 | |
| | (b) Other debts (last year Rs. | 40,56,967.92 | |
| 5,600.00 | Interest accrued on 7 Year National Savings Certificate | | 10,400.00 |
| 610.50 | Stamp and stamp paper on hand | | 1,068.35 |
| 3,13,057.13 | Cash in transit | | 10,49,150.43 |
| 17,29,275.96 | Treasury Savings Bank account | | 175.96 |
| 6,20,213.69 | Balance with Scheduled bank in Current account | | 1,89,010.19 |
| 1,43,18,815.61 | Total | | 1,31,71,824.29 |

* As certified and valued by the Managing Director

## SCHEDULE—F

(included in and forming part of Balance Sheet as at 31st March 1980)

| Previous Year Rs. P. | ITEMS | This Year Rs. P. |
|---|---|---|
| | **LOANS AND ADVANCES** | |
| 96,388.90 | Motor cycle loan (secured considered good) | 1,02,976.29 |
| 85,290.00 | Motor car loan (secured considered good) | 1,10,220.00 |
| | **UNSECURED CONSIDERED GOOD** | |
| 7,16,354.33 | Alakode Government estate | 13,13,132.07 |
| 2,11,320.00 | Deposit with P & T, Electricity Board, Port Trust and other Government Departments by Corporation | 3,29,393.42 |
| 67,058.52 | Deposit with others | 456.00 |
| 9,500.82 | Prepaid expenses | 76,024.77 |
| 13,73,474.72 | Other advance recoverable in cash or in kind for value to be received | 23,45,745.28 |
| 84,335.00 | Advance tax paid and tax deducted at source | 1,38,335.00 |
| 17,46,827.76 | Oil Palm India Limited (Subsidiary of Plantation Corporation of Kerala Limited) | 33,42,529.97 |
| .. | Agricultural income tax | 50,00,000.00 |
| .. | Amount due from Government | 3,50,000.00 |
| .. | Loan to Oil Palm India Limited | 10,00,000.00 |
| 43,90,550.05 | Total | 1,41,08,812.80 |

## SCHEDULE—G

(Included in and forming part of Balance Sheet as at 31st March 1980)

| Previous Year Rs. P. | ITEMS | This year Rs. P. |
|---|---|---|
| | **MISCELLANEOUS EXPENDITURE** (to the extent not written off or adjusted) | |
| 59,682.55 | Suspense pending adjustment | 55,009.35 |
| 1,00,228.05 | Stores suspense | 43,098.15 |
| 5,404.93 | Shortage of tools | 6,663.17 |
| 5,954.69 | Shortage of stores | 6,122.62 |
| 859.79 | P.F. Suspense | 900.04 |
| .. | Lease rent suspense | 1,34,914.36 |
| 9,681.83 | Stores in transit | 21,247.59 |
| 1,81,811.84 | Total | 2,67,955.28 |

## SCHEDULE—H

(Included in and forming part of Balance Sheet as at 31st March 1980)

| Previous year Rs. P. | ITEMS | This year Rs. P. |
|---|---|---|
| | **CURRENT LIABILITIES** | |
| 30,23,942.90 | Sundry creditors | 14,04,707.03 |
| 3,28,744.97 | Other liabilities | 58,70,266.58 |
| 11,09,485.49 | Earnest money deposit and security deposit | 12,74,415.89 |
| 39,535.21 | Suspense pending adjustment | 12,790.40 |
| 1,172.88 | P.F. suspense | 1,772.73 |
| 40,60,249.72 | Interest accrued but not due on Govt. loans | 30,66,932.18 |
| 2,145.11 | Stale cheques | 2,345.11 |
| 205.00 | Court attachment | .. |
| .. | Stores suspense | 917.00 |
| .. | Overdraft with Syndicate Bank | 2,10,046.26 |
| 85,65,481.28 | Total | 1,18,44,193.18 |

## SCHEDULE—I

REPAIRS & MAINTENANCE OF ASSETS

| Previous Year Rs. P. | ITEMS | This Year Rs. P. |
|---|---|---|
| 4,02,915.47 | Vehicles | 5,04,893.65 |
| 1,81,436.72 | Roads | 1,47,291.18 |
| 22,074.35 | Plant and machinery | 26,077.25 |
| 5,92,629.96 | Buildings | 8,87,136.10 |
| 1,18,129.91 | Others | 1'55,394.40 |
| 13,17,186.41 | Total | 17,20,792.58 |

## SCHEDULE—II

MISCELLANEOUS EXPENSES AND ADJUSTMENTS

| Previous year Rs. P. | ITEMS | This year Rs. P. |
|---|---|---|
| 1,49,782.87 | Postage, telephone and telegrams | 1,64,813.81 |
| 76,859.69 | Printing and stationery | 1,15,066.26 |
| 29,990.49 | Office expenses and miscellaneous | 47,015.53 |
| 10,590.38 | Bank Charges | 488.49 |
| 6,156.07 | Books and periodicals | 5,995.39 |
| 7,447.07 | Storage expenses | 7,626.24 |
| 31,664.53 | I.B. expenses | 36,368.21 |
| 12,601.00 | Rent of boats | 12,782.27 |
| 1,250.00 | Loss by fire | 2,000.00 |
| 4,141.61 | Losses and write off | 6.00 |
| 23,340.78 | Entertainment expenses | 23,200.49 |
| 1,72,588.42 | Security expenses | 5,49,549.82 |
| 37,654.60 | Ferry expenses | 44,378.67 |
| 9,112.68 | Temporary sheds | 13,050.69 |
| 1,919.42 | Research expenses | 1,678.98 |
| 1,492.13 | Gardening | 170.75 |
| .. | Inauguration expenses | 9,633.95 |
| .. | Management consultancy | 43,616.45 |
| 6,915.79 | Unserviceable stores | .. |
| .. | | |
| 5,83,507.53 | Total | 10,77,442.00 |

## SCHEDULE—III

### MANUFACTURING AND SELLING EXPENSES

| Previous year Rs. P. | ITEMS | | This year Rs. P. |
|---|---|---|---|
| | **TRANSPORT OF LATEX TO FACTORY** | | |
| 3,38,640.18 | Pay and allowances | 2,27,028.85 | |
| 68,964.23 | Vehicle tax and insurance | 55,364.00 | |
| 3,22,252.94 | Running and maintenance of vehicles | 4,39,202.36 | 7,21,595.21 |
| | **MANUFACTURING** | | |
| 4,83,809.87 | Pay and allowances | 4,70,299.17 | |
| 7,79,518.78 | Factory wages | 10,40,611.40 | |
| 69,736.82 | Fuel for smoke house | 1,27,198.39 | |
| 18,672.24 | Fuel for Generator | 16,596.37 | |
| 5,21,238.51 | Chemicals | 6,24,799.40 | |
| 50,795.68 | Factory upkeep and maintenance | 68,301.14 | |
| 1,70,825.86 | Machinery upkeep and maintenace | 2,07,987.94 | |
| 43,000.00 | Factory insurace | 46,750.00 | |
| 1,56,491.00 | Power supply | 2,77,329.37 | |
| 1,78,010.61 | Welfare expenses | 1,82,869.70 | |
| 93,520.81 | Fuel for Drier | 1,17,155.01 | 31,79,897.89 |
| | **DISTRIBUTION** | | |
| 73,082.17 | Packing materials | 83,869.46 | |
| 1,08,131.00 | Packing wages | 1,41,907.32 | |
| 1,56,264.24 | Forwarding charges | 2,55,469.21 | |
| 5,37,737.34 | Depreciation | 4,75,621.34 | |
| 1,77,123.66 | Selling expenses | 1,63,932.04 | |
| 73,455.59 | Shipping expenses | 2,40,545.34 | |
| 2,97,277.53 | Commission to Selling Agents and rebates | 2,05,678.97 | 15,67,023.68 |
| 47,18,549.06 | Total | | 54,68,516.78 |

## SCHEDULE—IV

CASHEW PROJECT EXPENSES

| Previous year Rs. P. | ITEMS | This year Rs. P. |
|---|---|---|
| 70,050.61 | Pay and allowances | 39,499.30 |
| 1,667.77 | Overtime | 2,687.01 |
| 9,195.23 | Advertisement charges | 4,970.67 |
| 2,735.08 | Postage | 2,474.15 |
| 3,458.89 | Printing and stationery | .. |
| 1,172.55 | P.L. encashment | 1,193.74 |
| 1,594.53 | Bonus | 4,486.74 |
| 15,549.58 | T.A. | 2,377.80 |
| 2,432.04 | Office expenses | 5.00 |
| 11,484.35 | Entertainment | 5,473.51 |
| 843.25 | Medical facilities | 556.01 |
| 4,703.80 | P.F. Employer's contribution | 3,616.10 |
| 1,476.29 | Leave salary and pension contribution | .. |
| ... | Labour welfare fund | 4.00 |
| ... | Rent paid | 115.00 |
| ... | Books and periodicals | 40.00 |
| ... | Stores consumed | 5,520.00 |
| 1,26,363.97 | Total | 73,019.03 |

## SCHEDULE—V

### WELFARE EXPENSES

| Previous year Rs. P. | ITEMS | This year Rs. P. |
|---|---|---|
| 4,50,751.13 | Sickness benefit | 4,51,225.31 |
| 2,07,933.94 | Maternity benefit | 1,71,442.51 |
| 5,84,217.86 | Leave with wages | 6,50,789.39 |
| 2,81,779.25 | Holiday wages | 5,66,274.94 |
| 1,16,816.62 | Weather protection | 1,44,586.08 |
| 2,06,826.77 | Drinking water supply | 2,90,282.39 |
| 60,287.72 | Sanitation | 65,202.69 |
| 17,131.65 | Recreation facilities | 16,087.94 |
| 12,00,565.83 | Medicial and hospital facilities | 14,57,369.65 |
| 12,829.90 | Way expenses to workers | 19,428.08 |
| 17,776.03 | Maintenance of school | 19,679.33 |
| 1,38,518.83 | Creche expenses | 2,21,466.38 |
| 7,761.65 | Workmen's compensation | 19,108.05 |
| 7,763.04 | Workers education | 433.73 |
| 58,141.16 | Uniforms to staff and workers | 72,657.12 |
| 5,486.80 | Subsistance allowance | 3,928.90 |
| 720.30 | Special bonus | 631.26 |
| 19,275.13 | Labour welfare fund | 15,651.50 |
| 696.66 | Suspension period wages | .. |
| 34,99,505.27 | Total | 41,86,245.25 |

## SCHEDULE—VI

### REPAIRS AND MAINTENANCE OF ASSETS

| Previous year Rs. P. | ITEMS | This year Rs. P. |
|---|---|---|
| 6,338.92 | Plant and machinery | 5,648.62 |
| 6,296.09 | Implements | 5,690.89 |
| 3,052.05 | Roads | 17,268.94 |
| 2,754.94 | Fence | 3,061.24 |
| 87,771.86 | Building | 1,244.90 |
| .. | Office equipments | 73.69 |
| .. | Furniture | 61.50 |
| 1,539.63 | Others | 563.41 |
| 1,51,825.34 | Vehicles | 1,34,101.28 |
| 2,59,578.83 | Total | 1,67,714.47 |

## SCHEDULE—VII

MISCELLANEOUS EXPENSES AND ADJUSTMENTS

| Previous year Rs. P. | ITEMS | This year Rs. P. |
|---|---|---|
| 11,994.94 | Temporary shed | 10,840.49 |
| 4,042.85 | Postage, telephones and telegrams | 4,105.70 |
| 13,393.13 | Printing and stationery | 19,988.22 |
| 3,091.33 | Office expenses and miscellaneous | 2,015.19 |
| 15.00 | Bank charges | 4.32 |
| 1,960.58 | Entertainment expenses | 592.45 |
| 46,387.21 | Storage expenses | 61,647.86 |
| 393.60 | Books and periodicals | 396.13 |
| 194.00 | Electricity charges | 34.22 |
| 506.10 | Security expenses | 491.17 |
| — | Running and maintenance of I.B. | 539.27 |
| .. | Loss on fire | 250.00 |
| 10,903.70 | Legal expenses | .. |
| 92,882.44 | Total | 1,00,905.02 |

As per our report of even date

For JOHN & Co.
Sd/-
T. V. JOSEPH
Partner
Chartered Accountants

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
K.J. JOSEPH
Managing Director

Sd/-
PHILIP JACOB
Secretary

## NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1980

1. The Company has discounted usance and sight bills worth Rs. 11,11,710·10 as on 31-3-1980. (last year Rs. Nil) with the banks for which the Company is contingently liable.

2. Estimated amount of civil contracts on capital assets to be executed on account and not provided for Rs.44,59,875·92 (last year Rs.16,29,936·35).

3. Estimated amount of supply of capital assets remaining to be executed and not provided for Rs. Nil (last year Rs. 6,000/–)

4. Lease deeds for lands handed over since 1970 are yet to be executed excepting an area of 749·87 hectars of land (Rajapuram Estate) handed over for the development of cashew plantations under the World Bank Scheme.

5. The Company is liable to pay a compensation of Rs. 5,353·75 to persons evicted from the Kodumon Group of Estates which has not been provided since the persons are deceased and the claiments are to produce succession or heirship certificate.

6. No provision has been made for gratuity. Actual expenses have been charged to Revenue Account. Accrued liability upto 31–3–1980 has not been provided for in the accounts. However, on an approximate estimation, the contingent liability on this account may be of the order of Rs. 90,00,000/– based on the total strength of approximately 7000 employees. However this is only an arbitrary amount. All the employees of the Corporation are not going to retire at one point of time and therefore it is not considered necessary to provide for gratuity. The retirement will be staggered and as the expenditure is charged to revenue every year it is not considered necessary to provide for the same.

7. The total amount of Rs. 18,75,000/– received as subsidy under the Subsidised Housing Scheme (labour tenaments) has been separately disclosed in the Balance Sheet as was done during the previous year.

8. An amount of Rs. 10,80,640/– received from Government as subsidy towards upkeep and maintenance, of cashew plantations has been separately disclosed in the Balance-Sheet.

9. Motor car loan to Officers is fully secured by hypothecation of motor cars in favour of the Company. Maximum amount of such loan during the year was Rs. 1,75,270/– (previous year Rs. 1,21,270/–)

10. Motor cycle loan to the Officers and staff are also secured by hypothecation of motor cycles in favour of the Company. Maximum amount of such loan during the year was Rs. 1,71,388·90. (last year Rs. 1,31,130/–).

11. Sundry Debtors includes the following amounts due from Government Companies under the same management viz. Government of Kerala.

| | | | |
|---|---|---|---|
| (1) | M/s. Trivandrum Rubber Works Limited | Rs. | 7,80,698.39 |
| (2) | – do – more than six months | Rs. | 84,821.20 |

12. As the Company is an agricultural Company and is carrying on only operations required for making the produce marketable, the provisions contained in para (ii) Schedule VI to as installed capacity etc. of the Companies Act is not applicable.

13. Six cases are pending against the Corporation against which the amounts payable are not ascertainable as claims due to the parties are not finalised. As such they are not acknowledged as debts and provided for.

14. Under the head " Other Advance Recoverable in cash or in kind or value to be received" included under loans and advances. Schedule F includes an amount of Rs. 22,946/– (last year Rs. 8,036.22) paid to Officers of the Corporation as salary advance.

15. For the police party posted for security purpose in the Estate, bills have not been received from 1–4–1978 for Kodumon Group and from 1–7–1978 for Kalady Group. Liability on this account is not known and not provided for.

16. Loan from ten Scheduled Banks in consortium with Agricultural Finance Corporation has been paid back in full with interest before 31–3–1978. Action has already been taken to vacate the hypothecation and equitable mortgage created for the purpose. Confirmation in this regard is awaited from the Registrar of Companies.

17. The closing stock as on 31–3–1980 has been valued at subsequently realised/realisable value. The quantity of rubber under work-in-process as on 31–3–1980 has also been valued on the same basis as per grades indicated in stock verification statements. Due to various practical difficulties the work-in-process could not be assessed accurately and hence the previous years practice is followed.

18. Sundry debtors, deposit with Government departments and deposit with others are subject to confirmation.

19. An area of 3·28 hectares in 1961 plantation in the Kodumon Estate under Survey No. 783/1 of Koodal Village has been handed over to P.W.D. for Kallada Irrigation Project. The value of this will be adjusted after finalisation of the valuation by the District Collector, Quilon.

20. The buildings and buildings under construction shown under Fixed Assets include the cost of buildings put up with the loan and subsidy assistance from Government of Kerala under the Rules for the Subsidised Housing Scheme for plantation labour, Kerala 1974 and such buildings as per the above rules remain Government property till the loan taken by the Corporation under the scheme is repaid to the Government.

21. The Company has availed an overdraft facility with the Syndicate Bank Kottayam for a total limit of Rs.30/– lakhs on the strength of the Government guarantee issued by the State Government. As on 31–3–1980 an amount of Rs. 2,10,046·26 is due to them on this account.

22. Under Loans and Advances in Schedule F, we have shown an amount of Rs.3,29,393.42 as deposit with Government departments. The deposit of this amount is as follows:

| | | Rs. |
|---|---|---|
| Cochin Port Trust | | 3,600.00 |
| P & T Department | | 3,200.00 |
| Electricity Board | | 3,22,593.42 |
| | Total | 3,29,393.42 |

23. (a) The Agricultural income tax authorities have made the following assessments:

| | | | |
|---|---|---|---|
| Assessment year | 1976–77 | | 14,90,973.90 |
| ,, | 1977–78 | | 40,24,618.65 |
| | | Total | 55,15,592.55 |

These assessments have been made after disallowing certain items of major expenditure like interest payments etc. which in the opinion of the Company as well as the legal advisers an allowable item and as such we have filed appeal. The appeals are pending disposal and we have obtained a stay order for not paying the amount till the disposal of the appeal.

(b) We have paid an advance of Rs 50 lakhs towards agricultral income tax for the accounting year ending 31-3-1979 against the provisional order of Appellate Assistant Commissioner of Agricultural Income Tax Dept.

24. The development expenditure includes

| | 1979–80 Rs. P. | 1978–79 Rs. P. |
|---|---|---|
| Wages | 35,44,134.55 | 31,06,328.72 |
| Stores | 7,85,036.70 | 7,83.745.42 |
| Fuel | 51,005.60 | 23,069.31 |

25. Development expenditure has been allocated on the basis of the practice followed during the previous years for capitalisation.

26. The expenditure on repairs and maintenance shown under Schedule IV is the net expenditure after deducting tolls collected for using estate roads. The collection is only nominal for meeting the repair expenses.

27. As was the practice of the Corporation, overhead charges wherever required have been allocated only to Rubber Plantation and no part of such overheads is charged to other crops within the rubber estates viz. cashew, eucalyptus, coconut etc. Direct overheads concerning cashew plantations at Rajapuram and Cheemeni has been capitalised

28. Amounts paid to Managing Director.

| | This Year Rs. P. | Previous Year Rs. P. |
|---|---|---|
| Pay and allowances | 29,117.41 | 31,902.12 |
| Travelling allowances | 61,335.91 | 14,652.75 |
| Medical expenses | .. | 25.00 |
| Leave encashment | 555.00 | 2,663.36 |

(a) The travelling expenses are inclusive of an amount of Rs. 37,390.71 for the foreign tour to Malaysia and Japan.

(b) The leave salary and pension contribution on behalf of the Managing Director from the date of his joining service (11-3-1979) has not been paid or provided for as the amount has not been finalised and intimated.

| | This year Rs. P. | Previous year Rs. P. |
|---|---|---|
| 29. (a) Sitting fees to Directors : | 11,200.00 | 10,400.00 |
| (b) T.A. to Directors : | 37,972.19 | 19,692.15 |

This includes an amount of Rs. 17,328.19 incurred for the foreign tour of the Chairman to Malaysia.

30. Perquisite to Directors

(a) The Managing Director is provided with a car for his official purpose and is charged Rs.100/– p.m. for his private use limiting to 500 kms. a month. The perquisite enjoyed in this regard is Rs. 2400/.

(b) The Managing Director has been provided with unfurnished accommodation charging 7½ % of the salary. The rent paid for the building during 1979–80 was Rs. 6000/–

(c) The Chairman Shri E.P. Eapen was paid an honararium of Rs. 500/– p.m. Apart from this, he was paid an amount of Rs. 3,500/– for engaging a driver for driving his own car. Also he has been paid an amount of Rs. 11,486.95 towards telephone rental and charges for official phone calls made from his residential telephone.

31. There was no employee in the Corporation drawing a remuneration in excess of Rs. 36,000/ per annum in the aggregate during the year 1979–80. No person was employed for any part of the year on a monthly remuneration exceeding Rs. 3,000/– p.m.

32. An amount of Rs. 5,51,79,808.63 representing the sale of rubber is the sale proceeds of 45,40,567.47 kgs of rubber content of various grades.

33. The provision of rehabilitation reserve of Rs. 9,30,347.69 is based on the total production of 46,51,738.47 kgs. at Rs.20/– per Quintal as is allowed under the Agricultural Income Tax Act.

34. The management of the Alakode Government estate was entrusted to the Corporation from 1974–75. To cover the management expenses there is a provision of Rs. 15,000/– p.a. as per agreement dated 17–1–1977. The Government vide order G.O.MS.No. 1343 dated 4-10-1978 have ordered that the Alakode Government Estate should be taken over by the Plantation Corporation of Kerala Limited for a value of about Rs.32.85 lakhs. But final decision in the matter has not been taken by the Board of Directors of the Corporation. Pending a final decision we have not charged the management expenses of Rs. 15,000/– for the year 1979–80. The total amount due from the Government towards expenditure incurred upto 31–3–1980 is Rs. 13,13,132.07 and this has been disclosed in the Balance Sheet under Schedule F.

35. Additional information as per caluse IV D of Part 2 to Schedule VI

| | | | |
|---|---|---|---|
| (a) | C.I.F. value of import during the year | | Nil |
| (b) | Expenditure in foreign currency. Foreign tour of Managing Director and Chairman | 31,399.80 | 100% |
| (c) | Value of raw materials, stores, spare parts and component consumed during the year | | Nil |
| | Imported value | Value | Express as percentage of consumption |
| (1) | Imported value | Nil | Nil |
| (2) | Indigenous (stores and spares) this includs of stores included under capitalisation | 59,53,248.25 | 100% |
| (d) | Particulars of dividends remitted in foreign exchange | Nil | Nil |
| (e) | Earnings in foreign currency | Nil | |

36. Selling expenses shown in manufacturing and selling expenses under Schedule III is inclusive of processing charges of normal latex such as ammoniation etc.

37. Interest on loans amounting to Rs.42,79,310.38 pertains to interest on loans availed from Government.

38. The cost of fencing shown under Fixed Assets is inclusive of the cost of Kallukayyala.

39. M/s. Encos has abandoned the work entrusted to them and alternate arrangements have been made to complete the works. By making alternate arrangements, the Company may have to incur an additional expenditure of Rs.3,60,620/–. This will have to be recovered from M/s. Encos. As per Government order No.44339/B2/79/ID dated 5–5–1980 it is directed that an Arbitrator should be appointed for the purpose. The appointment of the Arbitrator is yet to be finalised.

40. The Profit & Loss Account expenditure includes:

| | 1979–80 Rs. P. | Previous Year Rs. P. |
|---|---|---|
| Wages | 1,45,34,815.09 | 1,24,00,635.57 |
| Stores | 51,68,211.58 | 43,31,160.96 |
| Fuel | 5,91,048.98 | 5,33,044.54 |

41. The total area handed over to the Company by the Government Department as on 31–3–80 is approximately 12674 hectares (the total area has not been surveyed)

| | |
|---|---|
| Area under rubber including area of buildings, factories, roads, canals, marshy areas, rocks, fire belts etc. | 7458 hectares |
| Area under cashew (in rubber estates) | 920 „ |
| Submergible areas | 220 „ |
| Area to be planted | 30 „ |
| Kasergode cashew plantations | 2321 „ |
| Cheemeni cashew plantations | 975 „ |
| Rajapuram cashew plantations | 750 „ |
| Total | 12,674 hectares |

42. The assets and liabilities of the Oil Palm India Limited has been transferred from 1-1-1978 The formal deed of transfer is yet to be executed. With effect from 11–3–1979 the Oil Palm India Limited is under the control of a separate Managing Director and the administrative set up has changed. Therefore no service charges (at the rate of Rs. 80/– per hectare) has been charged during 1979–80.

43. The bonus amount shown in the accounts is inclusive of arrears paid for the calendar year 1978.

44. A token provision of Rs.12,00,000/– has been made in the accounts towards payment of bonus pertaining to the 3 months from 1/80 to 3/80.

45. An amount of Rs. 1772.87 has been charged in excess towards interest charges by the FACT. This will be adjusted in the accounts for the year 1980–81.

46. The maximum amount of advance availed by the Directors are indicated below:

| | |
|---|---|
| Managing Director | 3,000.00 |
| Chairman | 2,000.00 |

47. An area of approximately 320 hectares of cashew plantations in Kasergode estate has been assigned to the Plantation Corporation. The pattayam for the area is yet to be obtained and hence the land tax has neither been paid nor provided for.

48. An amount of Rs. 1,15,200/– spent for slash felling expenses included in Development Property is recoverable from Forest Department. As the matter is under correspondence with the Department the same is pending adjustment.

49. The terms and conditions of handing over of 975 hectares covered by Cheemenl plantations are yet to be determined

50. As per the comments of the Statutory Auditors on the accounts for the year ended 31–3–1978, commission to selling agents includes Rs. 6,252/- excess payment made during the year 1978–79 to various Selling agents. Out of this an amount of Rs. 3,604.84 has either been recovered or adjusted. The balance amount of Rs. 2,647.16 is still remaining to be recovered.

As per our report of even date

For JOHN & Co.
Sd/-
T. V. JOSEPH
Partner
Chartered Accountants

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
K. J. JOSEPH
Managing Director

Sd/-
PHILIP JACOB
Secretary

JOHN & CO.
Chartered Accountants

## AUDITORS' REPORT

The Shareholders,
THE PLANTATION CORPORATION OF KERALA LTD.,
Kottayam.

We have audited the attached Balance Sheet of the Plantation Corporation of Kerala Limited as at 31st March 1980 and also the annexed Profit & Loss Account of the Corporation for the year ended on that date and report as under:–

A. As required by the manufacturing and other Companies (Auditors' Report) Order 1975 issued by the Company Law Board in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure — 'A' a statement on the matter specified in paragraph 4 and 5 of the said order.

B. Further to our comments in the Annexure referred to in paragraph 1 above :—

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

2. In our opinion, proper books of account as required by law have been kept by the Corporation so far as appears from our examination of the books.

3. The Balance Sheet and Profit & Loss Account dealt with by the report are in agreement with the books of account.

4. (a) Under Interest on the amount payable to Government and the interest accrued but not due (No.2—Annexure (B) there is a short provision of Rs. 14,614·10

(b) Service charges Oil Palm India Limited (No.3—Annexure (B) Rs. 2,810·96 has been charged in excess in respect of interest charges.

(c) Commission to Selling Agents — (No. 6 (a) Annexure (B). An amount of Rs. 816·88 has been credited twice.

(d) The net profits after adjustment of items 4 (a) (b) and (c) would have been Rs. 32,71,897·70 instead of Rs. 32,90,139·64.

5. In our opinion and to the best of our information and according to the explanations given to us the said Balance Sheet and the Profit & Loss Account subject to and read with the notes, thereon and the above qualifications and notes attached to audit notes forming part of this report detailed in Annexure (B) give the information required, by the Companies Act 1956, in the manner so required and give a true and fair view.

(a) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31–3–1980 and

(b) in so far as it relates to Profit & Loss Account, the profit of the Company for the year ended on that date.

For JOHN & COMPANY
Sd/–
T.V. JOSEPH, B.Com. F.C.A. (Partner)
Chartered Accountants

Kottayam,
8th December 1980.

For JOHN & Co.
Chartered Accountants

## ANNEXURE 'A'

ANNEXURE TO OUR AUDIT REPORT ON THE ACCOUNTS OF THE PLANTATION CORPORATION OF KERALA LIMITED FOR THE YEAR ENDED 31ST MARCH 1980

(Referred to in paragraph 1 of our report of even date)

1. The Corporation has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As per the information furnished to us the Fixed Assets have been verified by the management during the year. No serious discrepancies have been noticed on verification.

2. None of the Fixed Assets have been revalued during the year.

3. The stock of finished goods, stores, spare parts, raw materials and other items have been physically verified by the management at the close of the year. The discrepancies noticed on verification between the physical stock and book records have been properly dealt with in the books of accounts. In our opinion, the valuation of the above mentioned stocks is fair and proper in accordance with normally accepted accounting principles and is on the same basis as in earlier years.

4. The Corporation has not obtained loans from Companies, firms or other parties to which section 301 of the Companies Act 1956 is applicable and from Companies under the same management.

5. In respect of loans and advances in the nature of loans given by the Corporation, parties have, except in certain cases, repaid the principle amounts as stipulated and have also been regular in the payment of interest according to the terms and conditions laid down by the Corporation.

6. In our opinion and according to the explanations given to us, there are adequate internal control procedures commensurate with the size of the Corporation and the nature of its business with regard to the purchase and issue of stores, plant and machinery, equipments and other assets, except wherever deviations are made from normal procedures the reasons for making such deviations have not been recorded.

7. According to information and explanations given to us, the Corporation has not made any purchase or stores or items from subsidiaries or from firms or Companies or other parties in which the Directors are interested as listed in the Register maintained under section 301 of the Companies Act 1956 except as provided under section 297(2) of the Act.

8. The Corporation had determined unserviceable or damaged tools and stores, Adequate provision has been made in the accounts for the loss arising on the items so determined.

9. The Corporation has not accepted deposits from public under Section 58–A of the Companies Act 1956 and the Companies (Acceptance of Deposits) Rules 1975.

10. In our opinion and according to the information and explanation given to us, the Corporation has maintained reasonable records for the sales and disposal of scrap and unserviceables.

11. In our opinion the Corporation has adequate internal audit system commensurate with the size of the Corporation. We are given to understand that the field conditions are being looked into by the Visiting Agent of the Corporation.

12. The order made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act 1956 is not applicable in this Corporation.

13. According to the records of the Corporation, Provident Fund dues have been regularly deposited during the year.

For JOHN & COMPANY
Sd/–
T.V. JOSEPH B.Com., F.C.A. (Partner)
Chartered Accountants

Kottayam,
8–12–1980.

JOHN & Co.
Chartered Accountants

## ANNEXURE 'B'

### AUDIT NOTES ATTACHED TO AND FORMING PART OF THE AUDIT REPORT ON THE ACCOUNTS OF THE PLANTATION CORPORATION OF KERALA LIMITED FOR THE YEAR ENDED 31ST MARCH 1980

1. Fixed Assets—Schedule A—Rs.1,090.85 and Rs. 207.25 being original cost and depreciation respectively as at the end of the previous year have been transferred from the head of "Office Equipment" to "Furniture."

2. Interest on the amount payable to the Government against loans, to the extent of Rs. 21,957.00 has not been provided in the accounts.

Interest accrued but not due Rs. 7,342.90 has been provided for in respect of "Loans for Oil Palm India Limited" amounting to Rs.10,00,000/–. This has been charged to interest account, but not shown as "Interest Recoverable from Oil Palm India Limited." Therefore, the net short provision comes to Rs. 14,614.10.

3. "Service Charges Oil Palm India Limited"—Rs. 3,32,457.81 in the Profit & Loss Account is inclusive of Rs. 2,810.96 charged in excess of interest charges.

4. Development of Property—Schedule B—an amount of Rs.21,934.75 being lease rent in respect of Thannithode estate has been provided in excess.

5. Lease rent—Penal interest. Penal interest on belated payments of lease rent, to the extent of Rs.46,123.22 has not been provided for in the accounts.

6. (a) Under the head 'Commission to Selling Agents' an amount of Rs.816.88 standing to the debit of M/s. Good Luck Rubber House, arose by a duplicate entry, has since been adjusted.

(b) Commission to Selling Agents—for the period 1979–80 Rs. 38,497.51 has not been provided pending clearance of the bill, in which Corporation is contingently liable:

| | | | Rs. |
|---|---|---|---|
| Metro Trading Syndicate | | .. | 1,813.35 |
| –do– | | .. | 1,058.89 |
| Mercury Rubber Trading | | .. | 13,834.64 |
| –do– | | .. | 6,602.12 |
| Kanam Rubber | | .. | 15,188.51 |
| | Total | .. Rs. | 38,497.51 |

7. Administrative Charges Deposit Linked Insurance—Rs. 530.90 of Kasergode Estate, is classified under Advertisement charges in the Profit & Loss Account.

For JOHN & COMPANY
Sd/–
T.V. JOSEPH B.Com. F.C.A. (Partner)
Chartered Accountants

Kottayam,
8–12–1980

## REPLY TO THE REPORT OF THE STATUTORY AUDITORS

item 4(a), (b) and (c)—The comment is factual and will be rectified in the accounts for the year 1980–81.

## REPLY TO ANNEXURE A TO THE AUDIT REPORT OF STATUTORY AUDITORS

All the points (1 to 13) contained in Annexure A to the Audit Report of the Statutory Auditors of the Company are factual.

## REPLY TO ANNEXURE B TO THE AUDIT REPORT OF THE STATUTORY AUDITORS

All the points from 1 to 4 are factual. As regards 5 regarding penal interest for belated payment of the lease rent has not been accepted by the Company and hence not provided for.

As regards point 6(a)—this will be adjusted in the accounts for the year 1980–81.

As regards point 6(b)—the contingent liability as mentioned under 6 (b) will be accounted for during the year 1980–81 when the bills are realised.

As regards point 7 this wrong classification is only due to a typographical mistake.

| | | |
|---|---|---|
| Sd/– | Sd/– | Sd/– |
| VAKKOM BHARATHAN | K.J. JOSEPH | PHILIP JACOB |
| Chairman | Managing Director | Secretary |

**COMMENTS OF THE FINANCE SECRETARY TO THE GOVERNMENT OF KERALA UNDER ARTICLE 105 OF THE ARTICLES OF ASSOCIATION OF THE PLANTATION CORPORATION OF KERALA LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31-3-1980**

**'NO COMMENTS'**

Sd/-

Trivandrum
15-12-1980

S. PADMAKUMAR
Finance Secretary

# COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF THE PLANTATION CORPORATION OF KERALA LIMITED, KOTTAYAM FOR THE YEAR ENDED 31ST MARCH 1980

I have to state that the Comptroller and Auditor General of India has no comments upon or supplement to the Auditors Report under Section 619 (4) of the Companies Act 1956 on the accounts of the Plantation Corporation of Kerala Limited, Kottayam for the year ended 31st March 1980.

**Sd/–**
**S. SETHURAMAN**
*Accountant General, Kerala.*

**Trivandrum**
**-1–1981**

# OIL PALM INDIA LIMITED

## THIRD ANNUAL REPORT 1979_80

# OIL PALM INDIA LIMITED

| | |
|---|---|
| Board of Directors | SHRI A. K. K. NAMBIAR (CHAIRMAN upto 10-11-'80)<br>SHRI CHATHANNOOR S. THANKAPPAN PILLAI (CHAIRMAN from 10-11-'80)<br>SHRI M. S. JOSEPH (Upto 3-10-1980)<br>SHRI B. P. SRIVASTAVA (Upto 31-3-1980)<br>SHRI M. S. SOLANKI (from 31-3-1980)<br>DR. G. V. RAMANAMURTHY<br>SHRI P. MOHANDAS (From 3-10-1980)<br>SHRI K. V. HARIKRISHNAN NAIR (from 3-10-1980)<br>SHRI R. RAVINDRAN (MANAGING DIRECTOR) |
| Bankers | Syndicate Bank,<br>State Bank of Travancore,<br>Andhra Bank,<br>Treasury Savings Bank |
| Auditors | M/S. John & Company,<br>Chartered Accountants,<br>Kottayam - 1 |
| Registered Office | Manohar Building (1st floor)<br>XII / 407, Erailkadavu,<br>Post Box No. 53, Kottayam - 686 001 |
| Plantation and Factory | Yeroor Estate,<br>Bharathipuram,<br>Anchal - Kulathupuzha Road,<br>Quilon District,<br>Kerala State. |

# DIRECTORS' REPORT

Your Directors have pleasure in presenting to you the 3rd Annual Report of the Company for the financial year ended 31 st March, 1980.

## 1. Finance

The Authorised Capital of the Company is Rs. 10 Crores. The Subscribed and Paid-up Capital as on 31-3-1980 stood at Rs. 2 Crores.

In November, 1979, the Company received Rs. 25 lakhs from Agricultural Finance Corporation Limited as Bridge Loan at $12\frac{1}{2}\%$ interest per annum. The Agricultural Finance Corporation Limited had approved and cleared for sanction by participating commercial banks a term loan of Rs. 331 lakhs in May, 1979. They have forwarded the appraisal report to Agricultural Refinance and Development Corporation for sanctioning refinance facility. The Agricultural Refinance and Development Corporation has not yet completed their appraisal of the Project. Due to delay on the part of Agricultural Refinance and Development Corporation in appraising the Project, the Company has since approached Agricultural Finance Corporation Limited for another bridge loan of Rs. 25 lakhs. Agricultural Finance Corporation Limited have sanctioned the same in July 1980. Formalities like registration of lease deed, execution of guarantee deed etc are being completed to avail of the second bridge loan.

During March, 1980, Government of Kerala granted a loan of Rs. 10 lakhs to the Company, through the Plantation Corporation of Kerala Limited. During 1980-'81, Government of Kerala released an amount of Rs. 15 lakhs as loan to the Company, bearing interest at $10\frac{3}{4}\%$ per annum. Due to difficult financial position, your Company has borrowed funds from the Holding Company at 12% interest per annum. The borrowings on this account including interest are Rs. 33.43 lakhs as on 31 st March, 1980. After 31 st March, 1980 the Company borrowed Rs. 11.85 lakhs from the Holding Company. Thus the total borrowings from Government of Kerala, the Plantation Corporation of Kerala Limited and the Agricultural Finance Corporation Limited amounted to Rs. 95.28 lakhs. On the basis of the scheme for expansion approved by your Board of Directors, the Company has also requested the Plantation Corporation of Kerala Limited to agree for the conversion of a part of the loan into share capital in order to maintain the present pattern of investment in Oil Palm India Limited.

Your Directors are hopeful, that once the Agricultural Refinance & Development Corporation finances are available, the financial position of the Company would improve.

## 2. Profit and Loss Account

As against the net loss of Rs. 12,26,505.49 in the previous year the Company incurred a loss of Rs. 18,03,142.94 during the year under review. The increase in loss is caused mainly by additional interest amount due to the Holding Company and the financing institutions and extra expenditure incurred to clear the back log in gap filling. Gap filling was in arrears on account of inadequate supply of planting material in previous years.

## 3. Planting

An additional area of 400 hectares was newly brought under Oil Palm during 1979-'80. In 1980-'81 an area of 300 hectares was planted. Thus the total area so far planted is 1,752 hectares. Area so far handed over by the Forest Department under the 2,000 hectares scheme is 1,830 hectares.

Out of this, 1,752 hectares have been planted and the balance area of 78 hectares is unsuitable for Oil Palm planting due to hilly nature. An area of 170 hectares is yet to be cleared and handed over by the Forest Department, to complete 2,000 hectares.

## 4. Expansion

Under the expansion programme, 658 hectares have been taken over from the Forest Department at Chithara. 500 hectares out of the 658 hectares will be planted in 1981 season for which a nursery has been raised at Chithara. The programme is to plant 3,000 hectares during the period from 1981-'82 to 1984 '85. Further, an area of 500 hectares each have been set apart under the Western Ghat Development and Rehabilitation Programme.

## 5. Production

The Palms planted in 1971, 72 and 73 have started yielding. Though the total planted area of 71, 72 and 73 plantation is 549 hectares, due to heavy casualty in early years, effective area is only 210 hectares. The total production of fresh fruit bunches during the year was 588.5 M. T. and Crude Palm Oil produced was 81.2 M. T.

## 6. Sales

During 1979-'80, income by sale of 107.87 M. T. of Crude Palm Oil was Rs. 6.70 lakhs as against Rs. 5.54 lakhs from 91.96 M. T. during the previous year.

## 7. Processing Facilities

The crude method of processing was improved by erecting locally fabricated sterilisers, Boilers, Clarifiers, and Storage Tank. The hand operated-imported Hydraulic Press was mechanised and one Digester was imported and erected and commissioned. With addition of one more press, it may be possible to process our crop upto 1983-'84. On account of the above mechanisation in the processing, extraction percentage has increased to 18% from 14%.

## 8. Personnel

The Company has 348 permanent daily-rated workmen on its roll at Yeroor Estate and 40 daily-rated casual workmen on the roll at Chithara unit and also one Superintendent, 4 Assistant Superintendents, 14 Field Assistants and 5 Supervisors in the supervisory cadre.

In the Yeroor Estate, under the supervision of a Senior Construction Engineer, a separate Engineering Wing is also functioning to carry out the engineering and construction works.

At the Head Office, we have 4 Officers and 10 Staff. The Post of Secretary & Commercial Manager is vacant since 8-8-1980 due to the resignation of the previous incumbent. Steps have been taken to fill up the vacancy.

The Committee constituted by Government of Kerala to go into the question of categorisation, wages, work load and allied matters, has submitted its report to the Government.

## 9. Employer-Employee Relations

During the year 1979-'80, the staff members at Yeroor Estate struck work for 17 days to press certain demands. Following intervention by Government of Kerala, the staff called off their strike. As a result of the strike, the Company suffered a total loss of 731 man days. There was also an industrial dispute between the management and workmen in the Oil Palm Plantation over certain demands during the same year. The dispute was followed by a strike which lasted 9 days. Due to the strike, the Company lost 570 man days.

Barring the above, the relationship between the management and its employees during the year 1979-'80 was cordial.

## 10. Construction

On the Yeroor Estate of 2,000 hectares, your Company has constructed 204 labour tenements, 22 staff quarters, 3 Officer's quarters, 3 Divisional Stores and 1 Main Store. A hospital for the use of Estate employees has also been completed. The temporary processing factory constructed during 1977 has been further extended and modified to accommodate the new machinery. The Estate has a net work of roads extending to 130 kms. In Chithara unit, 20 tenements are under construction. Approximately, 1.6 kms. of roads have been constructed by using Bulldozer in Chithara unit.

## 11. Visitors

During the period under report, the Company welcomed the following distinguished visitors to our plantation.

Mr. P. Harper Bill,
Specialist in Palm Oil Processing,
Harrisons Fleming Advisory Service.

Mr. M. K. Menon,
Planter, Malaysia.

Mr. I. W. Cooper,
Engineering Director, from Sime Darby, Malayasia.

Mr. Shukri, from Sime Darby Plantation.

Mr. F AH AH NGAV, Development Executive from
Guthrei International Plantation Service.

Mr. Bharat Singh, Managing Director,
Forest and Plantation Development Corporation, Andaman.

Mr. Prakash Shah, High Commissioner Designate to Malaysia.

Mr. A. P. Kurian, Hon. Speaker of Kerala.

Dr. Subha Rao, Hon: Minister for Irrigation, Kerala.

## 12. Prospects for Current Year

During the current year, improvement in production has been noticed. Production of Fresh Fruit Bunches from 1-4-1980 to 30-9-1980 is 480 M. T. and production of palm oil 88.17 M. T. as against 341 Tonnes of Fresh Fruit Bunches and 48.66 M. T. Palm Oil in the corresponding period during the previous year.

Sales turnover of the Company from 1-4-1980 to 30-9-1980 is Rs. 6.89 lakhs from 83.0 Tonnes of Palm Oil.

## 13. Advisory Committee

The Advisory Committee continues to render valuable technical advice on the cultivation of oil palm and processing of oil palm fruits. Recently experts from disciplines like Agronomy, Soil science, Water Management and Plant Pathology have been included in the Committee.

## 14. Consultancy Committee

The Board of Directors constituted a Committee to negotiate and select a consultant for the establishment of the palm oil mill, and for advice on cultivation aspects. The Committee has commenced its work and negotiations are underway.

## 15. Directors

Shri. K. V. Narayanan, President, Hosdurg Taluk Co-operative Land Mortgage Bank was appointed as Director of the Company from 10-12-1979in the place of Shri. K. V. Joseph. But he ceased to be a Director with effect from 24 12-1979. Shri. M. S. Joseph, Director of Agriculture and Shri. P. Balakrishnan Nair, Additional Secretary, Finance Department were re-appointed as Directors from 24-12-1979. Mr. M. S. Solanki, Dy. Inspector General of Forests was appointed as Director in the place of Shri. B. P. Srivastava from 31-3-1980.

## 16. Acknowledgements

Your Directors take this opportunity to thank the Government of India, the Government of Kerala, the Agricultural Finance Corporation Limited, the Kerala Agricultural University, the Central Plantation Crops Research Institute, The Plantation Corporation of Kerala Limited, Directorate of Oil Seeds Development, Hyderabad, for their guidance and co-operation in matters requiring their assistance.

Your Directors also place on record the valuable services rendered by its employees.

for and on behalf of the Board of Directors

| | | |
|---|---|---|
| Kottayam,<br>12-11-1980 | Sd / -<br>A. K. K. Nambiar<br>Chairman | Sd / -<br>R. Ravindran<br>Managing Director |

JOHN & COMPANY
Chartered Accountants.

# Auditors' Report

We have the audited attached Balance Sheet of OIL PALM INDIA LIMITED as at 31st March, 1980 and also the annexed Profit and Loss Account of the Company for the year ended on that date and report as under:-

(a) as required by the Manufacturing and other Companies (Auditors' Report) Order 975 issued by the Company Law Board in terms of Section 227 (4 A) of the Companies Act, 1956, we enclose in the Annexure 'A' a statement on the matter specified in paragraph 4 and 5 of the said order.

(b) Further to our comments in the Annexure referred to in paragraph (a) above:-

(1) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

(2) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books.

(3) The Balance Sheet and Profit & Loss Account dealt with by the report are in Agreement with the books of account.

(4) (a) Interest Charges "The Plantation Corporation of Kerala Limited" charged excess by Rs. 2,810.96 (Item No. 5 Annexure ('B').

(b) The net loss after adjustment of item 4 (a) would have been Rs. 18,00,331.98 instead of Rs. 18,03,142.94.

(5) In our opinion and to the best of our information and according to the explanations given to us the said Balance Sheet and the Profit & Loss Account, subject to and read with the notes thereon and the above qualifications and notes attached to audit notes forming part of this report detailed in Annexure 'B' give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view.

(a) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31-3-1980 and

(b) in so far as it relates to Profit and Loss account, the loss of the Company for the year ended on that date.

for JOHN & COMPANY,
Chartered Accountants,
Sd/- T. V. Joseph, B. Com., F. C. A.,
Partner.

Place, Kottayam - 1,
Dated: 26-11-1980.

## ANNEXURE 'A'

Annexure to our Audit Report on the accounts of OIL PALM INDIA LIMITED for the year ended 31-3-1980 (Referred to in paragraph (a) of our report of even date)

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As per the information furnished to us, the fixed assets have been verified by the Management during the year. No serious discrepancies have been noticed on verification.
2. None of the Fixed Assets has been revalued during the year, except 'Survey Equipments' which is valued at current Market Value.
3. The stock of finished goods, stores, spare parts and other items have been physically verified by the Management as on 31-3-1980 The discrepancies noticed on verification between the physical stock and book records have been properly dealt with in the books of account. In our opinion, the valuation of the above mentioned stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in earlier years. Physical verification of stocks at the factory used to be conducted every half year.
4. The company has not obtained loans from Companies, firms, or other parties to which section 301 of the Companies Act, 1956 is applicable and from Companies under the same management except the Holding Company viz. The Plantation Corporation of Kerala Limited.
5. In respect of loans and advances in the nature of loans given by the Company, except in cases of certain employees, parties have been regular in re-payment by instalments according to the terms and conditions laid down by the Company.
6. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase and issue of stores, plant and machinery, equipments and other assets
7. According to the information and explanations given to us, the Company has not made any purchase of stores or other items from firms or companies or other parties in which the Directors are interested as listed in the Register maintained under sec. 301 of the Companies Act, 1956 except as provided under Section 297 (2) of the Act.
8. The Company has not accepted deposits from Public under Section 58 A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
9. The Company had determined unserviceable or damaged tools and stores. Adequate provision has been made in the accounts for the loss arising on the items so determined,
10. In our opinion and according to the information and explanation given to us, the Company has maintained reasonable records for the sale and disposal of scrap and unserviceables.
11. In our opinion the Company has adequate internal audit system commensurate with the size of the Company.
12. The order made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, is not applicable to this Company.
13. According to the records of the Company, Provident Fund dues have been regularly deposited during the year and there are no arrears of Provident Fund dues as at 31-3-1980.

for JOHN & COMPANY,
Chartered Accountants,
Sd/- T. V. Joseph, B. Com, F. C. A.
Partner,

Place: Kottayam-1,
Date: 26-11-1980

## ANNEXURE 'B'

**Audit Notes Attached to and Forming Part of the Audit Report on the Accounts of the Oil Palm India Limited for the Period Ended 31-3-1980.**

1. In the Balance Sheet under the head "Development of Property as per Schedule 'B'. Rs. 1,36,77,902.59 is excess by Rs. 478.19 due to the claim for Fire Damage is taken less by this amount.
2. In the Balance Sheet under "Other Liabilities as per Schedule F" the following items of credits shown under various heads have been included. These credits are in respect of recoveries made in excess which are to be refunded or adjusted.

**Items**

| | | |
|---|---|---|
| Pay Advance Sectional | | Rs. 173.00 |
| Advance to workers Onam - | 1973 | Rs. 72.50 |
| ,, ,, ,, | 1974 | Rs. 112.00 |
| ,, ,, ,, | 1975 | Rs. 70.00 |
| ,, ,, ,, | 1977 | Rs. 22.00 |
| Bonus recoverable | 1977 | Rs. 349.05 |
| Total | | Rs. 798.55 |

3. The slash felling expenses Rs. 1,82,217.75 pertaining to the previous year is not shown in the "Schedule of Development Expenditure" as the same is directly taken to 1979 Plantation Account and included in "Schedule B" - Schedule of Development of Property.
4. Sundry Debtors Rs. 74,461.63, under Schedule C, includes Rs. 6,635.07 recoverable from Contractors and Rs. 15,358.24 insurance claim recoverable.
5. In the profit and loss account "Interest Charges - The Plantation Corporation of Kerala Limited" Rs. 3,39,820.81 is inclusive of Rs. 2,810.96 charged in excess by the Plantation Corporation of Kerala Limited.

For JOHN & COMPANY,
Chartered Accountants,
(Sd/-)
T. V. JOSEPH, B. COM., F. C. A.,
Partner

Place : Kottayam - 1,
Dated : 26-11-1980.

# OIL PALM

(A Subsidiary of the Plantati

Registered Offic

**Balance Sheet as a**

| Previous Year Rs. | LIABILITIES | Rs. | This Year Rs. |
|---|---|---|---|
| | SHARE CAPITAL | | |
| | **Authorised –** | | |
| 10,00,00,000.00 | 1,00,000 Equity shares of Rs. 1,000/- each | 10,00,00,000.00 | |
| | **Subscribed and Paid-up –** | | |
| | 20,000 Shares of Rs. 1,000/- each fully paid up | | |
| 98,00,000.00 | 9,800 Shares Rs. 1,000/- each fully paid up, held by the Government of India | 98,00,000.00 | |
| 1,02,00,000.00 | 10,200 Shares of Rs. 1,000/- each fully paid up, held by the Plantation Corporation of Kerala Limited (Shares allotted as fully paid up for the value of Plantations handed over, without payment being received in eash) | 1,02,00,000.00 | 2,00,00,000.00 |
| 2,00,00,000.00 | | C/f | 2,00,00,000.00 |

**NDIA LIMITED**

Corporation of Kerala Limited)

Kottayam - 1

31st March 1980

| Previous Year Rs. | ASSETS | Rs. | This Year Rs. |
|---|---|---|---|
| | FIXED ASSETS | | |
| 62,29,544.71 | a) Buildings, Roads, Plant and Machinery, Furniture etc. as per Schedule A | 64,76,572.36 | |
| 1,18,09,358.59 | b) Development of Property as per Schedule B | 1,36,77,902.59 | |
| 3,75,033.78 | c) Buildings and Roads under construction at cost | 9,63,914.56 | |
| | d) Machinery under erection | 5,77,050.44 | |
| | | | 2,16,95,439.95 |
| | CURRENT ASSETS, LOANS AND ADVANCES | | |
| 15,75,419.33 | a) Current Assets as per Schedule C | 15,97,035.07 | |
| 2,37,165.12 | b) Loans and Advances as per Schedule D | 3,04,190.92 | |
| | | | 19 01,225.99 |
| 2,02,26,521.53 | | C/f | 2,35,96,665.94 |

# OIL PALM

(A subsidiary of The Plantatio

**Registered Offic**

**Balance Sheet as a**

| Previous Year Rs. | LIABILITIES | Rs. | This Year Rs. |
|---|---|---|---|
| 2,00,00,000.00 | B/F | | 2,00;00,000.00 |
| | UNSECURED LOANS | | |
| | Loan from the Plantation Corporation of Kerala Limited | 10,00,000.00 | |
| | Loan from Agricultural Finance Corporation Limited | 25,00,000.00 | |
| | | | 35,00,000.00 |
| | CURRENT LIABILITIES AND PROVISIONS | | |
| | A. **Current Liabilities:** | | |
| 17,46,827.76 | Amount due to the Plantation Corporation of Kerala Limited | 33,42,529.97 | |
| 4,81,019.79 | Other Liabilities (as Per schedule F) | 8,76,137.45 | |
| | B. **Provisions:** | | |
| 47,000.00 | Provision for taxation | 1,500.00 | |
| 70,000.00 | Provision for Bonus | 95,000.00 | |
| | | | 43,15,167.42 |
| 2,23,44,847.55 | TOTAL | | 2,78,15,167.42 |

Sd/- A. K. K. Nambiar, Chairman
Sd/- R. Ravindran, Managing Director
Kottayam,
24 - 10 - 1980

NDIA LIMITED

(...orporation of Kerala Limited)

...ottayam - 1

...st March 1980 (Contd.)

| Previous Year Rs. | ASSETS | Rs. | This Year Rs. |
|---|---|---|---|
| 2,02,26,521.53 | B/F | | 2,35,96,665,94 |
| 3,59,882.90 | Miscellaneous Expenditure (To the extent not written off or adjusted as per Schedule E) | | 6,56,915.42 |
| | PROFIT AND LOSS ACCOUNT | | |
| | Loss brought forward from previous year | | |
| 17,58,443.12 | Add: Net loss for the year | 17,58,443.12 | |
| | | 18,03,142.94 | 35,61,586.06 |
| ...23,44,847.55 | TOTAL | | 2,78,15,167.42 |

As per our Report of even date
For JOHN AND Co.
Chartered Accountants
Sd/- T. V. Joseph, B. Com., F. C. A.
Partner

Kottayam,
26 - 11 - 1980

# OIL PALM

(A subsidiary of The Plantation

**Registered Office**

**Profit and Loss Account**

| Previous Year Rs. | EXPENDITURE | This Year Rs. |
|---|---|---|
| 2,40,196.66 | To Opening Stock | 2,78,920.25 |
| 1,64,437.35 | To Pay and allowances | 1,99,467.79 |
| 20,1[illegible]0.77 | To Overtime allowances | 13,744.84 |
| 34,198.15 | To Leave encashment | 18,939.65 |
| | To Gratuity paid | 1,062.93 |
| 6[illegible],812.95 | To Employers contribution to Provident Fund | 34,144.79 |
| 5,243.70 | To Deposit Linked Insurance | 2,908.13 |
| 17,740.53 | To T. A. to staff and Officers | 36,384.33 |
| 5,510.43 | To T. A. and sitting fee to Directors | 12,093.50 |
| 5,902.56 | To Rates and taxes | 3,404.35 |
| | To Rent | 11,922.58 |
| 7,621.34 | To Electricity charges | 2,886.62 |
| 6,491.48 | To Postage | 18,436.25 |
| 9,660.96 | To Stationery & Printing | 13,498.70 |
| 3,[illegible]80.31 | To Office expenses | 11,827.86 |
| 10,246.48 | To Entertainment expenses | 11,659.05 |
| 15,205.63 | To Advertisement charges | 19,537.69 |
| 84,549.04 | To Insurance charges | 99,755.10 |
| 3,983.13 | To Prior period expenditure | 3,066.82 |
| 60,606.25 | To Repairs & maintenance of Assets (Schedule I) | 64,306.99 |
| 1,70,509.31 | To Welfare expenses (Schedule II) | 1,21,149.24 |
| 9,26,137.03 | C/f | 9,79,117.46 |

DIA LIMITED.

oration of Kerala Limited)

am - 1

**the Year Ended 31 - 3 - 1980**

| Previous Year Rs. | INCOME | This Year Rs. |
|---|---|---|
| ,54,337.11 | By Sale of Palm Oil (1,07,867 Kgs. - Previous year - 91,960 Kgs.) | 6,70,912.26 |
| 8,660.00 | By Sale of nuts | 9,961.50 |
| 95,465.20 | By Interest on Deposit | 6 00 |
| 948 00 | By Rent of buildings | 1,015.00 |
| 828.00 | By Application fee | 3,010.50 |
| 975.00 | By Sale of tender forms | 840.00 |
| | By Registration of Contractors | 250.00 |
| | By Tongya Cultivation | 22,265.47 |
| | By Sale of empties and Unserviceable | 16,145.85 |
| 588.85 | By Miscellaneous Income | 185.00 |
| 2,78,920.25 | By Closing stock of oil | 1,70,008.90 |
| | By Prior period receipt | 3,640.10 |
| ,26,505.49 | By Net loss carried forward to Balance Sheet | 18,03,142 94 |
| ,67,227.90 | C/f | 27,01383.52 |

# OIL PALM

(A subsidiary of The Plantati

**Registered Office**

**Profit and Loss Account**

| Previous Year Rs. | EXPENDITURE | This Year Rs. |
|---|---|---|
| 9,26,137.03 | B/F | 9,79,117.46 |
| 6,137.75 | To Miscellaneous expenses and Adjustments (Schedule III) | 5,814 71 |
| 5,84,888 85 | To Cultivation & Upkeep | 7,52,473.70 |
| 1,82,915.53 | To Manufacturing & selling expenses | 2,00,076.05 |
| 1,70855.25 | To Depreciation | 1,74,799.84 |
| | To Guarantee Commission | 7,140.41 |
| | To Consultancy expenses | 3,030.00 |
| | To Remunerations to Auditors | |
| | For Internal Audit | 3,600.00 |
| | For Audit (Statutory) | 2,000.00 |
| 61,116.69 | To Bonus to staff and workers: Rs. 73,350 79<br>Less : Provision 70,000 00 | 3,350.79 |
| 14,475.00 | To Income tax paid in excess of provision | 340.00 |
| 833.53 | To Losses and write off | 913.90 |
| | To Service charges (Agricultural Finance Corporation Limited) | 13,399.00 |
| | To Interest charges:- | |
| 1,02,868.27 | i) Plantation Corporation of Kerala Limited | 3,39,820.81 |
| | ii) Agricultural Finance Corporation Limited | 1,19,006.85 |
| 70,000.00 | To Provision for Bonus | 95 000.00 |
| 47,000.00 | To Provision for Income tax | 1,500.00 |
| 21,67,227.90 | TOTAL | 27,01,383.52 |

Sd/- A. K. K. Nambiar - Chairman
Sd/- R. Ravindran - Managing Director
Kottayam,
24 - 10 - 80

# INDIA LIMITED

Corporation of Kerala Limited)

Kottayam - 1

for the Year Ended 31 – 3 – 1980 (Contd.)

| Previous Year Rs. | INCOME | Rs. |
|---|---|---|
| 21,67,227.90 | B/F | 27,01,383.52 |
| 21,67,227.90 | TOTAL | 27,01,383.52 |

As Per our report of even date
For JOHN & CO.
Chartered Accountants
Sd/- T. V. Joseph B. Com., F. C. A.
Partner.
Kottayam,
26 - 11 - 80.

SCHEDULE

**Schedule of**

(Included in and forming part of the

| Items | ORIGINAL COST | | | DEPRE | |
|---|---|---|---|---|---|
| | Cost as at the end of the previous year Rs. | Additions during the year Rs. | Total Rs. | As at the end of the previous year Rs. | For the year Rs. |
| Buildings | 24,54,256.26 | — | 24,54,256.26 | 95,855.80 | 61,352.96 |
| Vehicles | 2,28,426.69 | 68,272.38 | 2,96,699.07 | 77,814.97 | 63,336.88 |
| Plant and Machinery | 1,97,266.19 | 51,387.69 | 2,48,653 88 | 45,027.59 | 30,562.67 |
| Furniture | 49,555.41 | 37,701.55 | 87,256.96 | 8,934.09 | 7,794.48 |
| Office equipments | 8,082.85 | 22,581 28 | 30,664.13 | 1,883.94 | 4,317.02 |
| Survey instruments | 867.64 | 2,105.78 | 2,973.42 | 232-34 | 481.70 |
| Roads | 31,84,400.96 | 2,49,401.51 | 34,33,802.47 | — | — |
| Fences | 33,457.38 | — | 33,457.38 | — | — |
| Electric Instrument Installation | 15,172.02 | 8,070.49 | 23,242.51 | 2,813.46 | 2,072.39 |
| Earth Moving Equipment | 1,79,422.09 | — | 1,79,422.09 | 87,003.41 | 27,725.60 |
| Electric appliances | 4,597.01 | 5,535.72 | 10,132.73 | 905.68 | 1,384.06 |
| Wells | 316.64 | 550 00 | 866.64 | — | — |
| Water Supply Installation | 2,36,735 52 | 4,135.82 | 2,40,871.34 | 42,575.01 | 19,829.63 |
| Library | 38.15 | 2,454.75 | 2,492.90 | 3.81 | 248.90 |
| Fixtures and Fittings | — | 23,548.85 | 23,548.85 | — | 2,354.88 |
| TOTAL | 65,92,594.81 | 4,75,745.82 | 70,68,340.63 | 3,63,050.10 | 2,21,461.17 |

- A

**Fixed Assets**

Balance Sheet as at 31st March, 1980)

| CIATION | DISPOSALS AND ADJUSTMENTS | | BALANCE | | |
|---|---|---|---|---|---|
| Total | Original Cost | Depreciation written off | Original Cost | Depreciation to-date | Net Block |
| Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| 1,57,208.76 | — | — | 24,54,256.26 | 1,57,208.76 | 22,97,047.50 |
| 1,41,151.85 | — | — | 2,96 699.07 | 1,41,151.85 | 1,55,547.22 |
| 75,590.26 | — | — | 2,48,653.88 | 75,590.26 | 1,73,063.62 |
| 16,728.57 | 420.00 | 42.00 | 86,836.96 | 16,686.57 | 70,150.39 |
| 6,200.96 | — | — | 30,664.13 | 6,200.96 | 24,463.17 |
| 714.04 | — | — | 2,973.42 | 714.04 | 2,259.38 |
| — | — | — | 34,33,802.47 | — | 34,33,802.47 |
| — | — | — | 33,457.38 | — | 33,457.38 |
| 4,885.85 | — | — | 23,242.51 | 4,885.85 | 18,356.66 |
| 1,14,729.01 | — | — | 1,79,422.09 | 1,14,729.01 | 64,693.08 |
| 2,289.74 | — | — | 10,132.73 | 2,289.74 | 7,842.99 |
| — | — | — | 866.64 | — | 866.64 |
| 62,404.64 | 6,879.00 | — | 2,33,992.34 | 62,404.64 | 1,71,587.70 |
| 252.71 | — | — | 2,492.90 | 252.71 | 2,240.19 |
| 2,354.88 | — | — | 23,548.85 | 2,354.88 | 21,193.97 |
| 5,84,511.27 | 7,299.00 | 42.00 | 70,61,041.63 | 5,84,469.27 | 64,76,572.36 |

## SCHEDULE B

### Schedule of Development of Property

(Included in and forming part of the Balance Sheet as at 31–3–1980)

| Items | Cost till last year Rs. | Additions Rs. | Total Rs. | Disposals and adjustments Rs. | Cost till date Rs. |
|---|---|---|---|---|---|
| 1971 Plantation | 18,79,720.60 | — — | 18,79,720.60 | — — | 18,79,720.60 |
| 1972 Plantation | 30,99,269.64 | — — | 30,99,269.64 | 2,101.98 | 30,97,167.66 |
| 1973 Plantation | 26,24,509.27 | — — | 26,24,509.27 | 3,114.42 | 26,21,394.85 |
| 1975 Plantation | 41,54,897.58 | 8,72,870.54 | 50,27,768.12 | 7,916.48 | 50,19,851.64 |
| 1979 Plantation | 50,961.50 | 10,08,806.34 | 10,59,767.84 | — — | 10,59,767.84 |
| TOTAL | 1,18,09,358.59 | 18,81,676.88 | 1,36,91,035.47 | 13,132.88 | 1,36,77,902.59 |

SCHEDULE B

## Schedule of Development of Property

(Included in and forming part of the Balance Sheet as at 31-3-1980)

| Items | Cost till last year Rs. | Additions Rs. | Total Rs. | Disposals and adjustments Rs. | Cost till date Rs. |
|---|---|---|---|---|---|
| 1971 Plantation | 18,79,720.60 | -- | 18,79,720.60 | -- | 18,79,720.60 |
| 1972 Plantation | 30,99,269.64 | -- | 30,99,269.64 | 2,101.98 | 30,97,167.66 |
| 1973 Plantation | 26,24,509.27 | -- | 26,24,509.27 | 3,114.42 | 26,21,394.85 |
| 1975 Plantation | 41,54,897.58 | 8,72,870.54 | 50,27,768.12 | 7,916.48 | 50,19,851.64 |
| 1979 Plantation | 50,961.50 | 10,08,806.34 | 10,59,767.84 | -- | 10,59,767.84 |
| TOTAL | 1,18,09,358.59 | 18,81,676.88 | 1,36,91,035.47 | 13,132.88 | 1,36,77,902.59 |

## SCHEDULE - C

### Current Assets

| Previous Year Rs. | Items | This Year Rs. |
|---|---|---|
| 2,68,282·24 | Stores and Spares at cost | 4,56,065·97 |
| 20,947·70 | Loose tools revalued | 30,344·01 |
| 5,082·40 | Equipment revalued | 5,373·54 |
| 2,78,920·25 | Finished goods, work in progress and stock in transit at Value subsequently realised / realisable | 1,70,008·90 |
| 7,29,660·37 | Nursery (at cost) | 4,56,068·90 |
| 62,853·76 | Sundry Debtors (Unsecured considered good) | 74,461·63 |
| — | (Debts outstanding for more than six months Rs. 55,443 . 68) | |
| — | Medicines | 25,121·13 |
| — | Empty barrels | 20,366·27 |
| — | Stock of Stationery | 2,854·25 |
| | **Cash and Bank Balance** | |
| 3·00 | Stamp and stamp paper on hand | 3·00 |
| 9,383·26 | Cash in transit | — |
| 4,677·68 | Balance with scheduled banks in current account | 3,56,252·80 |
| 1,00,000·00 | Margin money with Syndicate Bank | — |
| 95,608·67 | Balance on Treasury Savings Bank Account | 114·67 |
| 15,75,419·33 | TOTAL | 15,97,035·07 |

SCHEDULE – D

## Loans and Advances

| Previous Year Rs. | Items | This year Rs. |
|---|---|---|
| 100·00 | Deposit with Electricity Board | 100·00 |
| 4,131·67 | Prepaid expenses | 12,028·67 |
| | **Other advances recoverable in cash or in kind or for value to be received** | |
| 1,20,377·27 | Pay Advance to staff & workers | 42,451·50 |
| 56,295·12 | Bonus advance recoverable | 1,48,965·00 |
| 1,077·30 | Travelling Allowance - Advance | 1,993·05 |
| 7,160·00 | Cycle loan (Secured considered good) | 5,070·00 |
| 253·46 | Stores recoverable | 290·55 |
| 360·00 | Hire charges recoverable | 237·00 |
| 14·00 | Postage recoverable | — |
| 6·00 | Welfare fund recoverable | 7·50 |
| 1,425·00 | Other Advances | 63,744·85 |
| 45,000·00 | Advance Income tax paid | 4,300·00 |
| 965·30 | Leave Salary and Pension Contribution recoverable | |
| — | Fine recoverable | 206·00 |
| | Stores suspense | 24,796·80 |
| 2,37,165·12 | TOTAL | 3,04,190·92 |

## SCHEDULE – E

### Miscellaneous Expenditure to the Extent Not Written off or Adjusted

| Previous Year Rs. | | This Year Rs. |
|---|---|---|
| | Expansion Scheme (Chithara) | 4,74,700.34 |
| 1,82,217.75 | Slash felling expenses | — |
| 36.00 | Shortage of I. B. equipments | 36.00 |
| 7,506.63 | Shortage of stores | 7,516.12 |
| 697.70 | Shortage of Tools | 1,424.39 |
| 5,051.63 | Investigation of factory site | 5,051.63 |
| 7,207.20 | Stores suspense | 7,269.15 |
| 1,57,165.99 | Preliminary expenses | 1,57,165.99 |
| | Research expenses | 2,246.10 |
| | General suspense | 1,281.48 |
| | Shortage of cash | 224.22 |
| 3,59,882.90 | TOTAL | 6,56,915.42 |

## SCHEDULE – F

### Other Liabilities

| Previous Year Rs. | Item | This Year Rs. |
|---|---|---|
| 2,38,022.14 | Sundry Creditors | 2,99,314.48 |
| 72,153.49 | Other Liabilities | 3,09,744.73 |
| 1,50,681.00 | Deposit | 2,40,265.00 |
| 10,708.74 | Recoveries / Amounts pending remittances | 17,612.19 |
| 3,495.88 | Suspense | |
| 19.25 | Provident Fund Suspense | 235.00 |
| 914.22 | Unclaimed wages, salary etc. | 1,396.66 |
| 4,653.62 | Amount pending adjustment | 206.39 |
| 371.45 | Stale cheques | — |
| | Interest accrued, but not due on loan | 7,363.00 |
| 4,81,019.79 | TOTAL | 8,76,137.45 |

Signatures to schedules A to F

As Per our Report of even date
For John & Company
Chartered Accountants
Sd/- T. V. Joseph B. Com. F. C. A.
Partner
Kottayam
26 – 11 –80

Sd/- A. K. K. Nambiar, Chairman
Sd/- R. Ravindran, Managing Director
Kottayam
24 – 10 – 80

## SCHEDULE OF

## Development Expenditure for the Year Ended 31st March, 1980

(Schedule forming part of Balance Sheet as at 31-3-1980)

| Previous Year Rs. | Items | | This Year Rs |
|---|---|---|---|
| 1,89,166.83 | Overhead brought forward | | 93,122,83 |
| 1,67,239.54 | Pay & Allowances | | 2,44,867.08 |
| 24,243.72 | Overtime Allowances | | 27,981.65 |
| 1,416.00 | Leave Salary & Pension Contribution | | 1,898.32 |
| 9,410.46 | Leave encashment | | 25,265.60 |
| 3,731.40 | Employers' contribution to Provident Fund | | 50,597.71 |
| 257.35 | Deposit linked insurance | | 4,399.07 |
| 3,954.80 | Travelling Allowence - staff | | 9,971.24 |
| 56,678.78 | Depreciation | | 28,572.86 |
| 2,15,829.90 | Cultivation and Upkeep | | 12,93,862.08 |
| 1,331.43 | Prior period expenses | | 530.12 |
| 5,080.45 | Bonus | | 4,134.71 |
| — | Gratuity | | 1,748.32 |
| — | Rates and taxes | | 5,647.21 |
| 303.77 | Electricity charges | | 5,070.71 |
| 91,634.23 | Repairs and maintenance of Assets (Schedule IV) | | 65,505.59 |
| 44,894.84 | Welfare expenses (Schedule V) | | 1,37,647.63 |
| 4,98,269.46 | Miscellaneous expenses and adjustments (Schedule VI) | | 14,253.06 |
| 13,13,442.86 | TOTAL | | 20,15,075.79 |
| | **Less Credits:-** | | |
| 10,454.37 | Tongya cultivation | 47,827.34 | |
| 93,122.83 | Overheads of incomplete Engineering Works | 2,34,255.02 | |
| 12,09,865.66 | Balance | | 17,32,993.43 |
| | **Capitalised as under:-** | | |
| 4,47,196.19 | Completed Engineering works | 33,534.30 | |
| 68,810.21 | 1971 Plantation | | |
| 1,13,571.84 | 1972 Plantation | | |
| 95,327.17 | 1973 Plantation | | |
| 4,33,998.75 | 1975 Plantation | 8,72,870.54 | |
| 50,961.50 | 1979 Plantation | 8,26,588.59 | |
| 12,09,865.66 | TOTAL | | 17,32,993.43 |

As Per our Report of even date
for JOHN AND COMPANY
Chartered Accountants.
Sd/- T. V. Joseph, B. Com., F. C. A.
Partner.
Kottayam,
26-11-'80.

Sd/- A. K. K. Nambiar, Chairman
Sd/- R. Ravindran, Managing Director
Kottayam,
24-10-'80.

## SCHEDULE – I

### Repairs and Maintenance of Assets

| Previous Year Rs. | Items | This Year Rs. |
|---|---|---|
| 39,938.30 | Vehicles | 56,580.43 |
| 3,065.35 | Buildings | 1,733.21 |
| 3,536.46 | Plant and Machinery | 1,911.86 |
| 728.58 | Electrification | 207.05 |
| 2,478.92 | Water supply | 996.07 |
| 9,683.39 | Road | 1,974.96 |
| 632.25 | Implements | 611.75 |
| 543.00 | Others | 291.66 |
| 60,606.25 | TOTAL | 64,306 99 |

## SCHEDULE – II

### Welfare Expenses

| Previous Year Rs. | Items | This Year Rs. |
|---|---|---|
| 776.00 | Labour Welfare Fund | 280.17 |
| 78,965.45 | Medical and Hospital facilities | 31,200.65 |
| 371.45 | Retrenchment Compensation | — |
| 16,267.02 | Subsistence Allowance | 470.37 |
| — | Recreation facilities | 209.63 |
| 13,471.57 | Maternity benefit | 6,011.54 |
| 6,611.60 | Weather Protection Expenses | 4,651.78 |
| 384 60 | Way expenses | 138.72 |
| 2,465.25 | Uniform to staff | 5,192.36 |
| 3,014.93 | Sanitation | 2,872.72 |
| 11,362.52 | Sickness benefit | 17,530.18 |
| 14,146.20 | Holiday wages | 18,940.85 |
| 5,770.00 | Leave with wages | 21,212.71 |
| 15,315.78 | Drinking water supply | 11,963.60 |
| 1,102.68 | Workmen's Education | — |
| 172.26 | Maintenance of Creche | — |
| 312.00 | Workmen's Compensation | — |
| — | Special Bonus | 473,96 |
| 1,70,509.31 | TOTAL | 1,21,149.24 |

## SCHEDULE – III

### Miscellaneous Expenses and Adjustments

| Previous Year Rs. | Item | This Year Rs. |
|---|---|---|
| 1,035.00 | Legal expenses | 2,227.00 |
| — | Staff recruitment expenses | 1,368.90 |
| 100.00 | Staff Training expenses | — |
| 383.30 | Bank charges | 139.25 |
| 245.50 | Books & Periodicals | 332.52 |
| 419.75 | Storage Expenses | 88.46 |
| 2,435.20 | Security Expenses | 804.32 |
| 265.45 | Temporary shed | 846 30 |
| 1,197.69 | Research Expenses | — |
| 55.86 | I. B. Charges | 7.96 |
| 6,137.75 | TOTAL | 5,814.71 |

## SCHEDULE – IV

### Repairs and Maintenance of Assets

| Previous Year Rs. | Items | This Year Rs. |
|---|---|---|
| 84,720.41 | Vehicles | 54,200.78 |
| 1,215.43 | Buildings | 2,850.78 |
| — | Plant & Machinery | 3,144.63 |
| 100.75 | Electrification | 340.55 |
| — | Water supply | 1,638.34 |
| 5,167.80 | Roads | 2,032·14 |
| 321.84 | Tools and Implements | 366.05 |
| 108.00 | Others | 932.32 |
| 91,634.23 | TOTAL | 65,505·59 |

## SCHEDULE V

### Welfare Expenses

| Previous Year Rs. | Items | This Year Rs. |
|---|---|---|
| — | Labour welfare Fund | 460·83 |
| 1,144·23 | Medical and Hospital facilities | 49,642·19 |
| — | Recreation facilities | 344·80 |
| — | Subsistence Allowance | 773·68 |
| — | Special Bonus | 779·59 |
| — | Maternity benefit | 9,887·80 |
| 1,593·22 | Weather protection expenses | 5,233·55 |
| — | Way expenses to workers | 228·18 |
| 1,587·17 | Uniform to staff | 8,447·40 |
| — | Sanitation | 4,725·07 |
| 13,405·22 | Sickness benefit | 12,045·46 |
| 4,667·27 | Holiday wages | 14,022·93 |
| 13,608·57 | Leave with wages | 14,135·13 |
| 8,889·16 | Drinking water supply | 16,921·02 |
| 44,894·84 | TOTAL | 1,37,647·63 |

## SCHEDULE VI

### Miscellaneous Expenses and Adjustments

| Previous Year Rs. | Items | This Year Rs. |
|---|---|---|
| 350·85 | Postage | 3,983·51 |
| 33·14 | Printing and Stationery | 357·29 |
| 229·43 | Office Expenses | 799·76 |
| — | Entertainment Expenses | 724·55 |
| 4,81,603·50 | Service charges | — |
| — | Bank charges | 7·65 |
| — | Books & Periodicals | 110.23 |
| 15,003·14 | Storage expenses | 3,195·30 |
| — | Security expenses | 1,322·96 |
| 1,049·40 | Advertisement charges | 3,738·71 |
| — | I. B. Charges | 13·10 |
| 4,98,269·46 | TOTAL | 14,253·06 |

Signatures to Schedules I to VI

As per Our Report of even date
For JOHN AND COMPANY
Chartered Accountants
Sd/ T. V. Joseph B. Com. F. C. A.
Partner

Sd/ A. K. K. Nambiar, Chairman
Sd/ R. Ravindran, Managing Director

Kottayam
24-10-80

Kottayam
26-11-80

# Notes attached to and forming part of the accounts for the year ended 31st March, 1980

1. Estimated amount of civil contracts on Capital assets to be executed on account and not provided for Rs. 3 lakhs.

2. No provision has been made for gratuity. Accrued liability upto 31-3-1980 has not been provided for in the Accounts. However, on an approximate estimation the contingent liability on this account may be of the order of Rs. 1. 50 lakhs based on the total strength of approximately 405 employees. However this is only an arbitrary amount. All the employees are not going to retire at one point of time and therefore it is not considered necessary to provide for gratuity. The retirement will be staggered and the expenditure will be charged to revenue every year.

3. The closing stock of Oil has been valued at subsequent realised/ realisable value.

4. The Profit and Loss Account expenditure includes:-

| | 1979-'80 Rs. | Previous Year Rs. |
|---|---|---|
| 1. Wages | 6,64,010.37 | 4,03,329.39 |
| 2. Stores | 3,51,961.19 | 2,77,288.04 |
| 3. Fuel | 66,707.05 | 9,589.94 |

The Development expenditure includes:-

| | | |
|---|---|---|
| 1. Wages | 9,83,024.23 | 3,45,677.96 |
| 2. Stores | 3,87,225.98 | 1,95,477.69 |
| 3. Fuel | 98,551.70 | 22,689.72 |

5. The Development expenditure has been allocated and capitalised for immature plantations on the basis of the area under cultivation. The common expenses of the Estate have been allocated to mature and immature plantations on the basis of the area under cultivation.

6. There was no employee in the Company drawing a remuneration in excess of Rs. 36,000/- per annum in the aggregate during the year. No employee was employed for any part of the year on a monthly salary exceeding Rs. 3,000/-.

7. The T. A. and Sitting fees to Directors include Sitting fee of Rs. 500/- paid to Directors.

8. Additional information as per Clause IV 'D' of Part 2 to Schedule VI.

a) C. I. F. value of imports during the year:-

| | |
|---|---|
| Seeds | Rs. 5,98,005.71 |
| Plant | Rs. 3,07,000.00 |

b) Expenditure in foreign currency:-

| | |
|---|---|
| French Franc | 1,99,193.00 |
| Nigerian Neira | 14,615.13 |
| D. Florins | 72,300.00 |

c) Value of raw materials, stores, spare parts and components consumed during the year:-

| | *Value* Rs. | *Express as percentage of consumption* (Seeds used in Nursery) |
|---|---|---|
| 1. Imported | Nil | Nil |
| 2. Indigenous (Stores & spares) this includes value of stores included under capitalisation | 7,39,187.17 | 100 |
| d) Particulars of dividends remitted in foreign exchange | Nil | -- |
| e) Earnings in foreign exchange | Nil | — |

9. Lease rent has not been provided for the area handed over for raising Oil Palm Plantation and has not been paid for. In the administrative Order from the Government of India (letter No. 66 (3) B/71-CAI (I) dated 3/12/1977), it has been indicated that the land for raising plantation etc. will be free contribution by the State Government and its costs will not be taken into account. Government in their Orders dated 17/9/1979 postponed the payment of lease rent upto 1981-82. The question of waiver of lease rent has been taken up with the Government again. The liability on this account amounts to Rs. 25.71 lakhs.

10. The formal deed of transfer of the plantation with all its assets and liabilities has not been executed so far.

11. As the Company is an agricultural Company and is carrying on only operations required for making the produce marketable the provision contained in para. II - Schedule VI as to installed capacity etc. of the Companies Act is not applicable.

12. An amount of Rs. 70,092.81 has been received during the year as lease rent for land given to Tongya cultivation. Out of this, Rs. 47,827.34 have been credited to up-keep expenses of the immature plantations.

13. Amount paid to Managing Director:-

| | Rs. |
|---|---|
| Pay & Allowance | 32,186.96 |
| Travelling Allowance | 16,800.40 |
| Medical expenses | 159.97 |
| Leave encashment | 2,846.46 |

Perquisites to Managing Director:-

The Managing Director is provided with a car for his official purposes and is charged Rs. 100/- per month for his private use limiting to 500 Kms. a month. The perquisite enjoyed in this regard is Rs. 2,400/-

14. 'Loans and Advances' include Rs. 985.33 paid as recoverable advance to the Officers of the Company. The maximum amount due is Rs. 1,341.38 in the year.

15. There were three fire accidents in the Estate on 12th, 16th and 28th January, 1980 which resulted in the loss of 27 palms. The total loss on account of fire accident was Rs. 13,132.88. After adjusting the initial loss of Rs. 750/-, which is to be borne by the Company, we are lodging the claim for the balance of Rs. 12,382 88 from the State Insurance Department.

16. 'Stores Suspense' under Miscellaneous Expenditure (Schedule E) relates to the value of 12,000 polythene bags returned to the suppliers, for replacement.

17. There was a cash shortage of Rs. 224.22 during the year in the Engineering wing. The shortage has since been realised from the Officer responsible. Action has been taken to prevent the recurrence in future.

18. The figures relating to the previous year have been regrouped to suit the classification adopted in the current year.

As Per our report of even date
For JOHN & CO.
Chartered Accountants
Sd/-
T. V. JOSEPH B. Com. F. C. A.
Partner

Kottayam
26 - 11 - '80

Sd/- A. K. K. Nambiar, Chairman
Sd/- R. Ravindran, Managing Director

Kottayam
24 - 10 - '80

# REPLIES TO AUDITORS' REPORT

4 (a) and (b) The interest charged in excess by The Plantation Corporation of Kerala Limited will be adjusted in the accounts for the year 1980 - '81.

## Reply to Annexure A to the Audit Report of The Statutory Auditors

All the points (1 to 13) contained in the Annexure A to the Audit Report of the Statutory Auditors of the Company are factual.

## Reply to Annexure B to the Audit Report of The Statutory Auditors

**Item 1**: Factual comment. This will be rectified in the Accounts for 1980 - '81.
**Item 2**: These will be refunded or adjusted during 1980 - '81.
**Item 3, 4**. Factual comments - Noted.
**Item 5**: This has been included under Auditors' Report under 4 (a) and (b) for which reply has been furnished.

Sd/- S. Thankappan Pillai
Chairman

Sd/- R. Ravindran
Managing Director

New Delhi
9 - 12 - '80

# GOVERNMENT OF KERALA

*No. 82626 / PU. / B1 / 80 / Fin.* *Dated 17-12-1980.*

COMMENTS OF THE FINANCE SECRETARY TO THE GOVERNMENT OF KERALA UNDER ARTICLE 63 OF THE ARTICLES OF ASSOCIATION OF THE OIL PALM INDIA LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31 - 3 - 1980.

**'NO COMMENTS'**

Sd/-
**S. PADMAKUMAR,**
FINANCE SECRETARY.
**17 - 12 - 1980.**

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF THE OIL PALM INDIA LIMITED FOR THE YEAR ENDED 31st MARCH, 1980.

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Comments of the Comptroller and Auditor General of India on the audited accounts of Oil Palm India Limited for the year ended 31st March, 1890 have not been received. The same will be circulated among members, when received.