THE PLANTATION CORPORATION OF KERALA LIMITED

ANNUAL REPORT 1981

THE PLANTATION CORPORATION OF KERALA LIMITED

Registered Office: Kottayam-4

BOARD OF DIRECTORS

M. DANDAPANI, I.A.S.
Chairman (from 28-6-1982)

A. K. K. NAMBIAR, I.A.S.
Chairman (from 20-1-1982 to 28-6-1982)
Director (from 22-12-1980 to 28-6-1982)

VAKKOM BHARATHAN
Chairman (from 2-8-1980 to 20-1-1982)

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

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

C. P. KUNHALIKUTTY KEYI
(from 11-10-1979 to 30-4-1980)

Y. THOMAS
(from 2-8-1980 to 20-1-1982)

S. G. SUNDARAM I.A.S.
(from 28-9-1978 to 29-9-1981)

K. BABU
(from 28-3-1979 to 30-4-1980 and from 2-8-1980 to 20-1-1982)

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 to 20-1-1982)

KOTTARA GOPALAKRISHNAN
(from 2-8-1980 to 20-1-1982)

T. M. PRABHA
(from 2-8-1980 to 20-1-1982)

GERVACIS AREEKAL
(from 2-8-1980 to 20-1-1982)

A. HASSANKUTTY
(from 2-8-1980)

K. V. HARIKRISHNAN NAIR
(from 2-8-1980 to 16-4-1982)

K. M. BALAKRISHNAN
(from 16-4-1982)

T. M. THOMAS
(from 16-4-1982)

P. SUKUMARAN
(from 3-10-1981)

P. MUKUNDAN MENON
(from 3-10-1981)

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

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NOTICE TO SHAREHOLDERS

Notice is hereby given that the 19th Annual General Meeting of the Corporation will be held at the Registered Office of the Corporation at 12.30 P.M. on Tuesday the 29th September 1981 to transact the following business.

(i) To receive and adopt the Directors' and Auditors' Reports and the audited Balance Sheet as on 31st March 1981 and the Profit and Loss Account for the year ended on 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 (a) of the Articles of Association. The following Directors retire and are eligible for re-appointment.

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

By order of the Board,
For The Plantation Corporation of Kerala Limited.

Sd/-
PHILIP JACOB
Secretary

Kottayam,
24-9-1981.

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.

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 19th Annual General Meeting (adjourned) of the Corporation will be held at the Registered Office of the Corporation at Kottayam at 3.00 P.M. on Thursday the 26th August 1982 to transact the following business.

To receive and adopt the Directors' and Auditors' Reports and audited Balance Sheet as on 31-3-1981 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,
30-7-1982.

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.

DIRECTORS' REPORT

Gentlemen,

Your Directors have pleasure in presenting to you the 19th Annual Report of the Corporation for the year ended 31st March, 1981.

FINANCIAL POSITION

The Authorised Capital of the Corporation is Rs. 7.5 crores and the paid up capital, which stood at Rs. 530.10 lakhs as on 31-3-1980, has been increased to Rs. 540.10 lakhs as on 31-3-1981. This has since been increased further by issue of share capital for Rs. 6.78 lakhs, bringing the amount of Paid up Capital as on date of the Report, to Rs. 546.88 lakhs.

During the year, the Corporation received an amount of Rs. 5 lakhs as loan from the Government of Kerala for meeting financial commitments.

Due to financial strain consequent on the support which the Corporation has been continuously extending to its subsidiary Company, Oil Palm India Limited, the Corporation had not been able to discharge its liabilities to the Government by way of loan repayment, payment of interest etc., during 1980–81.

The balance under overdraft facility as on 31-3-1981 was Rs. 11,50,981.52.

PROFIT & LOSS ACCOUNT

The net profit for the period ended 31-3-1981 has come down to Rs. 32,80,854.82, the corresponding figure for the previous year being Rs. 32,90,139.64. The net profit has been arrived at after making the following provisions.

(a)	Interest on loans and guarantee commission	..	Rs. 50,09,310.69
(b)	Rehabilitation Reserve	..	9,60,892.80
(c)	Depreciation	..	18,52,096.04
(d)	Losses and write-off	..	1,000.00
(e)	Bonus net payment after deduction of provision	..	31,68,257.88
(f)	Provision for taxation	..	61,00,000.00
(g)	Provision for bonus	..	15,00,000.00
(h)	Replanting Reserve	..	18,55,000.00
(i)	Provision for gratuity	..	31,30,666.00

CONDITION OF THE ESTATES

The total area of the estates of the Corporation at present is given below.

Area under rubber including area for buildings, factories, roads etc.	..	7,418 Ha.
Area under Cashew (in Rubber Estates)	..	932 ,,
Submergible area	..	220 ,,
Area to be planted	..	58 ,,
Kasargode Cashew Plantation	..	2,280 ,,
Cheemeni Cashew Plantation	..	980 ,,
Rajapuram Cashew Plantation	..	1,325 ,,
Mannarghat Cashew Estate	..	225 ,,
Total area of land handed over by the Government to the Corporation	..	13,438 ,,

Trees affected by disease have been given rest in about 100 ha. and hence the low achievement of production. Upkeep and maintenance of estates have been carried out in time during the year.

PRODUCTION OF RUBBER

We have at present 5850 ha. of mature area and 1267.71 ha. of immature areas under rubber. The total quantity produced during the period was 4805 M. T. as against 4652 M. T. for the previous year. There was one month's strike in Kodumon Group of Estates during the peak period.

The Corporation has taken steps to import an additional centrifuging machine, with a view to maximising income generated from current production.

AREA UNDER CASHEW

Total area under Cashew .. 6002 Ha.

As a part of Kerala Agricultural Development Project with World Bank assistance, rehabilitation in 2280 ha. in the Kasargode Estate and new planting of 1325 ha. in Rajapuram Estate has been done. Under the above programme another 145 ha. is to be newly planted in Rajapuram Estate.

As a part of Multi-State Cashew Project with World Bank assistance, an area of 2275 ha. was to be planted with cashew. The area is lying in three Revenue Districts of Kozhikode, Malappuram and Palghat. 225 ha. have been planted, and planting is now going on in 260 ha. The balance lands are yet to be cleared by the Forest Department. An area of about 200 ha. will be planted in Mannarghat in 1981.

During the year the right of collection and removal of cashew nuts was given on auction and an amount of Rs. 20.1 lakhs could be realised.

ALAKODE ESTATE

The Alakode Estate which was given to the Corporation for management on commission basis, has been ordered by Government, to be taken over by the Corporation. Rehabilitation of coffee and cardamom is being continued. This year an additional area of 98 ha. was taken over from Land Board. The above area will be planted with Rubber in the coming year.

FORMATION OF SUBSIDIARY COMPANY FOR CASHEW

It has been decided to form a Subsidiary Company under the name 'Cashew Plantations Kerala Limited' for more effective management of the Cashew Estates. Steps are under way for this.

SALES – RUBBER

During 1980-81, we sold a quantity of 4527.88 M.T. and realised an income of Rs. 6,35,97,548.41. Though the quantity sold was less than that of the previous year, we could get a higher price, solely on account of the higher market price of rubber during this year viz., Rs. 14.06 per kg. (average), against Rs. 12.14 for the previous year.

There is a general upward trend in the price of rubber and it is expected that this will be maintained.

FIRE ACCIDENTS

There were three cases of fire accidents during the year in our estates causing a loss of Rs. 1,06,771.74 out of which Rs. 1,05,771.74 is recoverable from the State Insurance Department.

PERSONNEL MANAGEMENT AND INDUSTRIAL RELATIONS

There have been no significant changes in the structure of the organisation during the year under review. We have entered into a settlement with the Unions according to which the last grade employees are being given promotion to the next higher grade on completion of ten years' service in the lower post.

At a high level conference held on 5-5-1981 in the presence of the Hon'ble Minister for Agriculture and Social Welfare, it was decided to enter into a fresh long-term settlement with the staff unions. According to this settlement, we have changed the salary pattern in line with the revision effected in the plantation industry. Over and above the industry-wide scale of pay, one additional increment was also given to our staff.

We continued the practice of sending our staff and officers for training programmes, seminars etc. and the knowledge gained by them has been made use of in the efficient functioning of the organisation.

There was a partial strike over the demand for wage increase to workers in the Kodumon Group of Estates lasting 30 days. This has resulted in a loss of production worth about Rs. 30 lakhs.

LABOUR WELFARE

Workers in the Estates are provided with all basic amenities such as free quarters with electricity and water, medical and recreational facilities etc. We have spent Rs. 44.27 lakhs for welfare amenities during the year under report. For medical facilities only, about Rs. 16 lakhs have been spent.

Recognising the important role of tappers, it was decided to provide them with uniforms every year.

VOCATIONAL TRAINING SCHEME OF I. L. O.

As a welfare scheme for the benefit of the dependent family members of the workers of the Corporation, a Project for Rural Youth Vocational Training for Self-Employment has been taken up under the auspices of the International Labour Organisation. The Scheme has been prepared in keeping with the policy of the Central Government to introduce training programmes for self-employment with a view to reducing the problem of unemployment among the youth in rural areas. It is a matter of pride to the Corporation, that it has been selected by I. L. O. as the first unit in India for implementing this Scheme.

The objective of the present Project is to organise skill training in crafts among the dependent young persons in Plantation area, with a view to equipping the young men and women with sufficient knowledge and professional skill in different trades to enable them to enter self-employment or wage employment. The Project is to be implemented in a phased programme and under the first phase, skill training Centres are proposed to be opened in Kalady and Kodumon Group of Estates. Similar Training Centres are proposed in other Estates during the second phase of the scheme.

The first phase of the Project is spread over the years 1982-83, 83-84 and 84-85. The Project envisages a contribution through the I. L. O. of U.S. $ 9,92,820/- (Rs. 90,00,000/- appxly.) and our own contributory expenditure (including cost of existing land and building) of Rs. 11,85,000/-.

The Project is expected to benefit over 9,000 persons of the age group of 15 to 25 years, who are dependents of our Plantation workers.

AUDIT

The Accounts of the Company for the year 1980-81 were audited by M/s. John & Co., Chartered Accountants, Kottayam, who were appointed by the Government of India as Auditors under Section 619 of the Companies Act.

BOARD OF DIRECTORS

The Board of Directors of the Corporation had been reconstituted effective 22nd December 1980 by the Government of Kerala under Article 63 of the Articles of Association of the Corporation and the following Directors were appointed, in addition to Chairman and Managing Director.

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

Subsequently, by G. O. dated 28-9-1981, the above Directors were re-appointed w.e.f. 29-9-1981, with the exception of Shri S. G. Sundaram. Government further ordered the appointment of the following persons as Directors by G.O. dated 3rd October 1981.

1. Shri P. Sukumaran
2. ,, P. Mukundan Menon

The Board was reconstituted by Government by G. O. dated 20-1-1982, with the following persons as Directors.

1. Shri A. K. K. Nambiar, I.A.S.
2. ,, A. Hassankutty, I.F.S.
3. ,, K. V. Harikrishnan Nair, I.A.S.
4. ,, P. Suseelan
5. ,, P. Sukumaran
6. ,, P. Mukundan Menon
7. ,, T. S. G. Nair, Managing Director

Shri K. M. Balakrishnan was appointed as Director by G.O. dated 16-4-1982.

Shri T. M. Thomas was appointed Director in place of Shri K. V. Harikrishnan Nair by G.O. dated 16-4-1982.

Subsequently by G.O. (Rt.) No. 1688/82/AD dated 28-6-1982, Shri M. Dandapany, Agricultural Production Commissioner has been appointed Director in place of Shri A. K. K. Nambiar, former Agricultural Production Commissioner, who has taken up assignment as Member, Board of Revenue.

CHAIRMAN

Shri Vakkom Bharathan continued as Chairman till 20-1-1982, when Shri A. K. K. Nambiar, Agricultural Production Commissioner was appointed Chairman, by G.O. dated 20-1-1982.

Shri M. Dandapany, Agricultural Production Commissioner has been appointed Chairman by G.O. dated 28-6-1982 in place of Shri A. K. K. Nambiar.

MANAGING DIRECTOR

Shri K. J. Joseph continued to be Managing Director till his reversion to parent Department on 27-4-1981. Shri P. Suseelan, Director, held charge of the post of Managing Director thereafter, till 18-5-1981.

Shri T. S. G. Nair was appointed Managing Director of the Corporation and took charge w.e.f. 18-5-1981. His term of appointment has since been extended for a further period of 2 years, from 18-5-1982 to 17-5-1984.

SUBSIDIARY COMPANY

The investment in the Subsidiary Company, Oil Palm India Limited as on 31-3-1981 comes to Rs. 1,21,20,000/- inclusive of share capital participation in the Subsidiary for Rs. 19,20,000/- entered into during the year under review.

The loan made to the Subsidiary Company stands at Rs. 45,80,008.13 as on 31-3-1981.

ACKNOWLEDGEMENT

Your Directors wish to express their heart-felt gratitude to the Government of India, Government of Kerala, World Bank, International Labour Organisation, ARDC, CPCRI, Rubber Board and other institutions which have extended their valuable assistance and guidance.

Your Directors also wish to thank the officers, staff and workers of the Corporation for their unstinted co-operation and invaluable efforts for the progress and prosperity of the institution.

for and on behalf of the Board of Directors

Sd/-

M. DANDAPANI

Chairman

Kottayam,

20-7-1982.

REVIEW OF ACCOUNTS OF THE PLANTATION CORPORATION OF KERALA LIMITED, KOTTAYAM FOR THE YEAR ENDED 31st MARCH, 1981 BY THE ACCOUNTANT GENERAL, KERALA

1. FINANCIAL POSITION

The table below summarises the financial position of the Company under broad heading for the three years upto 1980-81.

		1978-79	1979-80 (Rupees in lakhs)	1980-81
Liabilities				
(a) Paid up capital		515.10	530.10	540.10
(b) Reserves and surplus		102.96	148.66	209.63
(c) Borrowings		436.22	440.65	489.90
(d) Trade dues and current liabilities including provision.		234.06	348.60	558.11
	Total	1,288.34	1,468.01	1,797.74
Assets				
(a) Gross block		496.47	521.15	569.79
(b) *Less* Depreciation		118.52	132.82	150.43
(c) Net fixed assets		377.95	388.33	419.36
(d) Development of property		582.66	638.22	698.68
(e) Capital works in progress		36.41	63.56	76.23
(f) Investments		102.41	102.41	121.61
(g) Current assets, loans and advances		187.09	272.81	477.57
(h) Intangible assets Misc. expenditure		1.82	2.68	4.29
	Total	1,288.34	1,468.01	1,797.74
Capital employed		913.64	950.76	1,068.81
Net worth		616.24	676.08	745.44

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 0.85:1 in 1978-79, 0.83:1 in 1979-80 and 0.91:1 in 1980-81.

3. RESERVES AND SURPLUS

The reserves and surplus accumulated as at the end of three years up to 1980-81 amounted to Rs. 102.96 lakhs, Rs. 148.66 lakhs and Rs. 209.63 lakhs respectively. The reserves worked out to 8 per cent of the total liabilities in 1978-79, 10.1 per cent in 1979-80 and 11.7 per cent in 1980-81 and 20.0 per cent of equity capital in 1978-79, 28.0 per cent in 1979-80 and 38.8 per cent in 1980-81.

4. LIQUIDITY AND SOLVENCY

(a) The precentage of current assets to total net assets increased from 14.5 in 1978-79 to 18.6 in 1979-80 and to 26.6 in 1980-81.

(b) The precentage of current assets to current liabilities (including provision) varied from 79.9 in 1978-79 to 78.3 in 1979-80 and to 85.6 in 1980-81.

(c) The precentage of quick assets (sundry debtors, advances, cash and bank balances) to current liabilities (excluding provisions) varied from 67.8 in 1978-79 to 40.0 in 1979-80 and to 48.6 in 1980-81.

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 up to 1980-81 amounted to Rs. (-) 46.97 lakhs, Rs. (-) 75.79 lakhs and Rs. (-) 49.23 lakhs respectively.

The working capital requirement of the Company during the three years up to 1980-81 were met mainly from loans from Government of Kerala, and overdraft facility from a bank against Government guarantee.

6. SOURCES AND USES OF FUNDS

Funds amounting to Rs. 173.89 lakhs from internal sources (depreciation, provision and reserves) and Rs. 173.45 lakhs from other sources were utilised during 1980-81 as shown below:-

		(Rupees in lakhs)
Gross fixed assets (including development of property and Capital work in progress)		121.77
Current assets		204.76
Investments		19.20
Miscellaneous expenditure		1.61
	Total	347.34

7. WORKING RESULTS

The working results of the Company for the three years up to 1980-81 are tabulated below:-

	1978-79	1979-80 (Rupees in lakhs)	1980-81
(i) Profit as per accounts	100.30	94.15	93.81
Add past period adjustments	5.17	0.93	4.26
Add replanting/rehabilitation reserve	10.00	9.30	28.16
(ii) Profit for the year before tax	115.47	104.38	126.23
(iii) Tax provision	65.45	61.25	61.00
(iv) Profit after tax	50.02	43.13	65.23
Percentage of profit before tax to:-			
Sales	21.5	18.5	19.2
Gross fixed assets (including development of property)	10.7	9.0	10.0
Capital employed	12.6	11.0	11.8
Percentage of profit after tax to:-			
Net worth	8.1	6.4	8.8
Equity capital	9.7	8.1	12.1
Capital employed	5.5	4.5	6.1

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 1980-81.

	1978-79	1979-80 (Rupees in lakhs)	1980-81
Sales	538.00	562.93	657.15
Less: Profit before tax	115.47	104.38	126.23
Cost of sales	422.53	458.55	530.92
Percentage of cost of sales to sales	78.54	81.50	80.80

9. PRODUCTION PERFORMANCE

The value of production for the three years up to 1980-81 is worked out below:-

	1978-79	1979-80 (Rupees in lakhs)	1980-81
(a) Sales	538.00	562.93	657.15
(b) Closing stock of finished goods and work in process	43.33	54.27	105.90
(c) Opening stock of finished goods and work in process	30.62	43.33	54.27
(d) Value of production (a + b — c)	550.71	573.87	708.78

The persentage of value of production to net worth varied from 89.4 in 1978-79 to 84.9 in 1979-80 and to 95.1 in 1980-81. The percentage of value of production to total net assets varied from 42.8 in 1978-79 to 39.1 in 1979-80 and to 39.4 in 1980-81.

10. INVENTORY AND PRODUCTION

The following table indicates the comparative position of inventory and its distribution at the close of three years up to 1980-81.

		1978-79	1979-80 (Rupees in lakhs)	1980-81
(a)	Stores and spares			
	General stores and spares	23.31	25.39	29.79
	Engineering stores	3.60	7.50	17.86
(b)	Loose tools	1.49	1.81	1.21
(c)	Stock in trade, finished goods including work in process	43.33	54.27	105.90
(d)	Equipments	2.82	3.29	4.52
	Total	74.55	92.26	159.28

The stock of general stores and spares was equivalent to 5.6 months' requirements (for production and development of property) during 1980-81 as compared to 5.9 months' in 1979-80 and 6.5 months' in 1978-79 (engineering stores intended for capital constructions 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 up to 1980-81.

As on 31st March	Books debts		Total	Sales during the year	Percentage of debts to sales
	Considered good	Considered doubtful			
		(Rupees in	lakhs)		
1979	41.55	—	41.55	538.00	7.7
1980	25.85	—	25.85	562.93	4.6
1981	61.96	—	61.96	657.15	9.4

The book debts decreased by 37.8 per cent in 1979-80 and increased by 49.1 per cent in 1980-81 as compared to 1978-79. The book debts represented about 0.9 months' turnover in 1978-79, about 0.6 months' in 1979-80 and 1.1 months' in 1980-81.

The age-wise break up of the book debts as at 31st March, 1981 is given below:

(Rupees in lakhs)

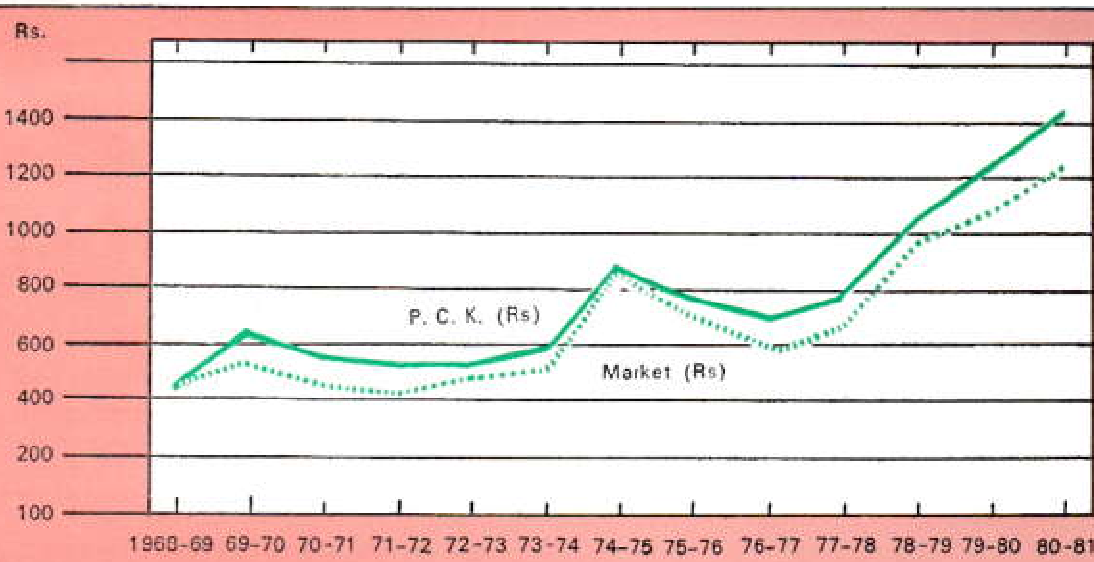
Debts outstanding for	
i) Less than one year	58.91
ii) more than one year but less than two years.	1.98
iii) more than two years but less than three years	0.26
iv) three years and more	0.81
Total	61.96

Sd/-
M. V. BHAT
Accountant General-II, Kerala

Trivandrum,
Dated: 22-6-'82

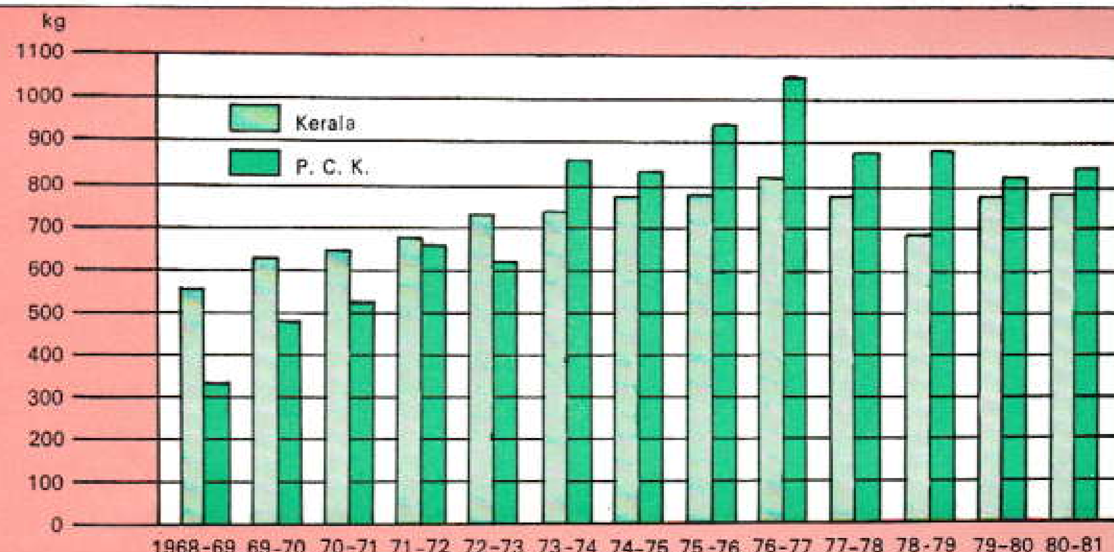
AVERAGE PRICE PER QUINTAL

Year	P. C. K. (Rs)	Market (Rs)
1968-69	462	466
1969-70	609	501
1970-71	563	464
1971-72	521	421
1972-73	521	459
1973-74	547	515
1974-75	849	849
1975-76	771	744
1976-77	688	596
1977-78	726	632
1978-79	1062	953
1979-80	1215	1017
1980-81	1406	1215



AVERAGE YIELD PER HECTARE

Year	Kerala (kg)	P. C. K. (kg)
1968-69	568	323
1969-70	609	468
1970-71	647	517
1971-72	673	665
1972-73	721	609
1973-74	750	844
1974-75	755	812
1975-76	768	935
1976-77	806	1054
1977-78	764	858
1978-79	698	884
1979-80	763	808
1980 81	780	835



ANNUAL ACCOUNTS
AND
SCHEDULES

BALANCE SHEET AS AT

Previous year Rs. Ps.	LIABILITIES		Rs. Ps.	This year Rs. Ps.
	SHARE CAPITAL			
	Authorised			
7,50,00,000.00	75,000 Equity Shares of 1000/- each		7,50,00,000.00	
	Subscribed			
5,30,10,000.00	54010 Equity Shares of Rs. 1000/- Subscribed and paid up (Previous year 53,010 Shares		5,40,10,000.00	
4,08,40,000.00	41840 Equity Shares of 1000/- each fully called up (40,840 shares previous year)		4,18,40,000.00	
68,04,000.00	6804 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	5366 Equity shares allotted as fully paid up pursuant to a contract without payment being received in cash (cost of cashew plantations at Kasargod)		53,66,000.00	
5,30,10,000.00				5,40,10,000.00
	Reserves and Surplus			
	Replanting Reserve		18,55,000.00	
	Rehabilitation Reserve		85,50,482.28	
	Add. For the year		9,60,892.80	
			1,13,66,375.08	
	Profit and Loss Account Adjustments			
	Profit for the year ended 31-3-1981	32,80,854.82		
1,19,10,441.63	Add. balance profit as on 31-3-1980	33,59,959.35	66,40,814.17	1,80,07,189.25
18,75,000.00	Subsidy received from Govt. of Kerala for Subsidised Housing Scheme.			18,75,000.00
10,80,640.00	Subsidy received from Govt. of Kerala for the upkeep of Cashew Plantations.			10,80,640.00
1,48,66,081.63	Carried over			2,09,62,829.25

31st MARCH 1981

Previous year Rs. Ps.	ASSETS	Rs. Ps.	This year Rs. Ps.
	FIXED ASSETS		
3,88,33,590.56	a) Buildings, Roads, Plant & Machinery, Furniture etc. as per Schedule-A	4,19,36,174.89	
6,38,21,849.25	b) Development of Property as per Schedule-B	6,98,67,680.72	
63,56,283.31	c) Buildings and Roads under construction (at cost) and Plant and Machinery under erection	76,23,034.93	11,94,26,890.54
	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 Sahedule-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 Ltd. (Subsidiary Company) 12120 Equity shares of Rs. 1000/- each	1,21,20,000.00	1,21,61,100.00
	Current Assets, Loans and Advances:		
1,31,71,824.29	A. Current Assets as per Schedule-E	2,54,33,232.35	
1,41,08,812.80	B. Loans and Advances as per Schedule-F	2,23,23,786.66	4,77,57,019.01
2,67,955.28	Miscellaneous Expenditure to the extent no written off or adjusted as per Schedule-G		4,29,462.30
14,68,01,415.49	Carried over		17,97,74,471.85

BALANCE SHEET AS AT

Previous year Rs. Ps.	LIABILITIES	Rs. Ps.	This year Rs. Ps.
1,48,66,081.63	Brought forward		2,09,62,829.25
	Secured Loans: (From Scheduled Banks)		
	Term Loan from Syndicate Bank	30,25,323.30	
—	Term Loan from State Bank of Travancore	15,00,000.00	45,25,323.30
	Unsecured Loans:		
4,17,59,151.00	Loan from Govt. of Kerala	4,22,59,151.00	
23,05,900.00	Loan from Govt. of Kerala for Subsidised Housing Scheme	22,05,900.00	
91,02,573.73	Interest accrued and due on Govt. Loan	1,25,93,985.53	5,70,59,036.53
	Current Liabilities and Provisions:		
1,18,44,193.18	A. Current Liabilities as per Schedule H	1,97,74,881.25	
3,515.95	Welfare Fund	1,735.52	
	B. Provisions:		
—	Provision for Gratuity	31,30,666.00	
12,00,000.00	Provision for Bonus	15,00,000.00	
65,85,000.00	Provision for Taxation 1978-79	65,85,000.00	
61,25,000.00	do 1979-80	61,25,000.00	
—	do 1980-81	61,00,000.00	4,32,17,282.77
14,68,01,415.49	Total		17,97,74,471.85

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
T. S. G. NAIR
Managing Director

31st MARCH 1981 (contd.)

Previous year Rs. Ps.	ASSETS	Rs. Ps.	This year Rs. Ps.
14,68,01,415.49	Brought forward		17,97,74,471.85
14,68,01,415.49	Total		17,97,74,471.85

As per our report of even date

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

Sd/-
PHILIP JACOB
Secretary

PROFIT AND LOSS ACCOUNT FOR

Previous Year Rs. Ps.		EXPENDITURE		This Year Rs. Ps.
	To	Opening Stock		
40,07,151.77		Finished goods/work in Process (Rubber) ..		51,93,291.63
3,25,399.01	,,	Stock of Cashew nuts ..		2,33,211.33
42,95,709.16	,,	Pay & Allowances ..		54,21,021.27
4,508.61	,,	Leave salary and Pension contribution to staff ..		939.00
1,62,521.92	,,	Gratuity paid ..		1,82,841.80
4,76,502.21	,,	Leave encashment (Privilege leave and sick leave) ..		5,79,093.35
16,77,457.75	,,	Employers' Contribution to P. F. ..		18,19,983.91
1,17,024.46	,,	Deposit Linked Insurance ..		1,26,216.15
	,,	Bonus	43,68,257.88	
38,58,956.33	,,	Less Provision	12,00,000.00	31,68,257.88
6,000.00	,,	Honararium to Chairman		6,258.06
49,172.19	,,	T. A. and Sitting fees to Directors ..		50,157.96
2,51,968.64	,,	T. A. to Staff and Officers ..		2,48,101.60
8,081.50	,,	Rent ..		13,712.42
3,52,512.88	,,	Rates and Taxes ..		3,68,562.16
2,73,728.61	,,	Electricity charges ..		1,99,566.17
1,82,956.60	,,	Lease rent ..		1,76,079.85
4,69,502.23	,,	Insurance charges ..		4,59,987.80
17,20,792.58	,,	Repairs & Maintenance of Assets Schedule-I ..		12,84,336.91
79,727.25	,,	Advertisement charges ..		1,03,916.18
23,182.74	,,	Legal expenses ..		28,147.83
9,000.00	,,	Remuneration to Auditors for Audit ..		12,000.00
2,500.00	,,	do for expenses ..		4,750.00
93,314.49	,,	Prior period adjustment ..		4,26,442.63
9,580.00	,,	Staff training expenses ..		8,035.00
41,86,245.25	,,	Welfare expenses schedule IV ..		44,27,711.79
10,77,442.00	,,	Miscellaneous expenses and adjustments (Schedule-II) ..		29,19,293.58
2,37,20,938.18		Carried over ..		2,74,61,916.26

THE YEAR ENDED 31st MARCH 1981

Previous Year Rs. Ps.		INCOME		This Year Rs. Ps.
5,51,79,808.63	By	Sale of Rubber	..	6,35,97,548.41
11,02,277.26	..	Sale of Cashew	..	21,04,454.91
3,429.11	..	Sale of Agricultural Produce	..	4,146.05
1,943.00	..	Sale of Budwood	..	5,346.00
2,649.44	.:	Sale of Tender forms	..	546.95
56,386.94	..	Sale of empties & Unserviceables	...	69,037.90
5,242.25	..	Sale of rubber seeds	...	3,731.01
1,90,334.00	..	Sale of firewood	..	67,194.80
22,076.95	..	Sale of Pureria	..	4,082.26
3,32,457.81	..	Survice Charges Oil Palm India	..	—
18,850.25	..	Profit on Sale of Assets	..	43,691.32
108.30	..	Interest on deposits	..	10.80
4,800.00	..	Interest on investments	..	—
8,156.91	..	Interest on Motor Cycle Loan	..	9,977.28
7,872.60	..	Interest on Motor Car Loan	.	7,865.53
66,884.03	..	Overdue interest collected	..	—
45,476.76	..	Rent of buildings	..	14,102.58
87,841.90	..	Miscellaneous income and adjustment	..	22,363.45
585.00	..	Application fee received	..	—
1,96,730.60	..	Lease Rent for cultivation	..	29,984.03
51,93,291.63	..	Closing Stock of finished goods/work in process Rubber		1,05,41,139.99
2,33,211.33	..	Closing stock of cashew nuts	..	49,023.00
6,27,60,414.70		Carried over		7,65,74,246.27

PROFIT AND LOSS ACCOUNT FOR

Previous Year Rs. Ps.	EXPENDITURE	This Year Rs. Ps.
2,37,20,938.18	Brought forward ..	2,74,61,916.26
54,02,156.47	,, Cultivation & Upkeep of Rubber ..	63,86,755.06
97,40,826.97	,, Tapping & Collection of Rubber ..	1,06,69,646.62
54,68,516.78	,, Manufacturing and selling expenses (Schedule-III) ..	68,51,991.79
11,54,609.89	,, Depreciation including loss on revaluation ..	13,77,756.23
42,79,310.38	,, Interest on Loans & Overdraft ..	49,71,810.69
22,500.00	,, Guarantee Commission ..	37,500.00
73,019.03	,, Cashew Project expenses ..	—
61,25,000.00	,, Provision for taxation ..	61,00,000.00
9,30,347.69	,, Rehabilitation Reserve ..	9,60,892.80
11,44,139.01	,, Cultivation & Upkeep of Cashew ..	17,67,866.14
1,85,961.41	,, Collection charges of cashew ..	1,91,818.81
14,365.00	,, Remuneration to Visiting Agent ..	14,335.00
8,584.25	,, T. A. to Visiting Agent ..	4,559.45
12,00,000.00	,, Provision for bonus ..	15,00,000.00
	,, Cashew selling expenses ..	10,876.60
	,, Replanting Reserve ..	18,55,000.00
	,, Provision for Gratuity ..	31,30,666.00
32,90,139.64	,, Net Profit for the year after all provisions and appropriations ..	32,80,854.82
6,27,60,414.70	Total ..	7,65,74,246.27

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
T. S. G. NAIR
Managing Director

THE YEAR ENDED 31st MARCH 1981 (contd.)

Previous Year Rs. Ps.	INCOME		This Year Rs. Ps.
6,27,60,414.70		Brought forward ..	7,65,74,246.27
6,27,60,414.70		Total ..	7,65,74,246.27

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 1981

(Schedule forming part of Balance Sheet as at 31-3-1981)

Previous Year Rs. Ps.	ITEMS	Rs. Ps.	This Year Rs. Ps.
4,52,710.10	Overheads brought forward from previous year ..	7,02,201.51	
7,56,263.74	Pay and allowance ..	8,30,306.49	
85,759.52	Overtime allowance ..	1,30,380.23	
1,455.00	Leave salary & Pension contribution ..	2,076.00	
50,318.14	Leave encashment ..	48,280.61	
89,049.10	Employer's contribution to P. F. & E. P. F. ..	90,808.42	
6,227.20	Deposit Linked Insurance ..	5,344.73	
4,82,771.43	Bonus ..	3,75,042.88	
42,862.47	Travelling expenses ..	50,033.62	
57,284.57	Lease Rent & Lease deed Registration Charges ..	78,554.66	
16,385.39	Rates & Taxes ..	10,929.70	
1,67,714.47	Reparis & Maintenance of Assets. Schedule-V ..	2,06,554.51	
11,109.73	Advertisement charges ..	13,131.50	
5,20,943.03	Welfare expenses Schedule-VII ..	5,56,539.72	
3,690.23	Prior period adjustment Account ..	6,094.25	
4,027.64	Rent ..	5,470.45	
1,00,905.02	Miscellaneous expenses and adjustments Schedule-VI ..	1,71,649.20	
91,306.36	Depreciation ..	1,27,719.48	
5,843.98	Survey ..	6,850.85	
3,229.92	Eucalyptus ..	—	
7,92,037.78	Cultivation & Upkeep of Cashew ..	12,30,643.75	
29,24,042.42	" Rubber ..	29,31,612.69	
290.00	Labour Welfare fund ..	—	
66,66,227.24			75,80,225.25
	Less Credits		
1,466.96	Sale of tender forms ..	3,443.60	
753.00	House rent received ..	600.00	
2,511.63	Miscellaneous income ..	466.00	
1,362.10	Interest on Motor Car & Motor Cycle Loan ..	1,414.66	
4,125.00	Registration fee from Contractors ..	5,240.00	
562.50	Tongya Cultivation ..	675.00	
795.00	Sale of Budwood ..	2,411.76	
9,959.73	Sale of Peuraria seeds ..	7,875.00	
7,02,201.51	Overheads of incomplete works ..	9,15,027.66	
2,345.27	Profit on sale of assets ..	—	
7,26,082.70			9,37,153.68
59,40,144.54	Total ..		66,43,071.57

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
T. S. G. NAIR
Managing Director

Development expenditure for the year ended 31st March 1981

(Schedule forming part of Balance Sheet as at 31-3-1981)

Previous Year Rs. Ps.	ITEMS		Rs. Ps.	This Year Rs. Ps.
	Capitalized as under:			
3,26,560.54	Completed Engineering works	..	4,90,468.36	
40,14,119.04	Rubber Plantation	..	41,77,590.98	
15,90,391.06	Cashew Plantation	..	19,68,161.38	
5,843.98	Survey	..	6,850.85	
3,229.92	Eucalyptus plantation	..	—	
59,40,144.54	Total ..			66,43,071.57

As per our report of even date

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

Sd/-
PHILIP JACOB
Secretary

SCHEDULE

SCHEDULE OF

(included in and forming part of

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. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.
Freehold Land	20,87,147.65	841.00	20,87,988.65	..	..	..
Buildings	2,90,11,627.49	21,54,863.95	3,11,66,491.44	60,53,865.34	7,20,236.38	67,74,101.72
Vehicles	23,28,509.20	7,95,982.00	31,24,491.20	18,19,448.23	3,68,231.63	21,87,679.86
Plant & Machinery	47,44,866.47	1,30,331.17	48,75,197.64	29,17,471.47	3,05,210.42	32,22,681.89
Furniture	7,79,945.41	1,02,974.92	8,82,920.33	3,89,341.08	49,356.95	4,38,698.03
Office equipments	2,60,154.04	30,840.49	2,90,994.53	1,57,794.51	19,880.96	1,77,675.47
Survey Instruments	9,755.61	1,295.02	11,050.63	9,050.62	299.90	9,350.52
Library	31,853.80	10,451.38	42,305.18	12,256.53	3,004.84	15,261.37
Roads	69,73,747.07	7,00,412.87	76,74,159.94	..	..	..
Fence	7,82,117.65	50,906.01	8,33,023.66	..	..	..
Electric Fittings	26,004.35	3,890.75	29,895.10	17,443.05	1,542.00	18,985.05
Electric appliances	36,348.76	3,845.53	40,194.29	15,230.34	3,744.53	18,974.87
Electric Installations	23,47,719.27	6,62,566.30	30,10,285.57	10,56,322.56	1,95,648.64	12,51,971.20
Telephone	15,557.38	..	15,557.38	10,380.19	776.57	11,156.76
Wells	1,677.37	..	1,677.37	..	..	..
Water Supply Installations	26,49,541.76	3,62,362.30	30,11,904.06	8,14,363.96	2,19,824.32	10,34,188.28
Landing Pad	14,858.51	..	14,858.51	..	..	..
Jhankar	13,817.00	..	13,817.00	8,690.35	512.66	9,203.01
Total	5,21,15,248.79	50,11,563.69	5,71,26,812.48	1,32,81,658.23	18,88,269.80	1,51,69,928.03

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
T. S. G. NAIR
Managing Director

THE PLANTATION CORPORATION OF KERALA LIMITED

ANNUAL REPORT 1981

THE PLANTATION CORPORATION OF KERALA LIMITED

Registered Office: Kottayam-4

BOARD OF DIRECTORS

M. DANDAPANI, I.A.S.
Chairman (from 28-6-1982)

A. K. K. NAMBIAR, I.A.S.
Chairman (from 20-1-1982 to 28-6-1982)
Director (from 22-12-1980 to 28-6-1982)

VAKKOM BHARATHAN
Chairman (from 2-8-1980 to 20-1-1982)

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

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

C. P. KUNHALIKUTTY KEYI
(from 11-10-1979 to 30-4-1980)

Y. THOMAS
(from 2-8-1980 to 20-1-1982)

S. G. SUNDARAM I.A.S.
(from 28-9-1978 to 29-9-1981)

K. BABU
(from 28-3-1979 to 30-4-1980 and
from 2-8-1980 to 20-1-1982)

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 to 20-1-1982)

KOTTARA GOPALAKRISHNAN
(from 2-8-1980 to 20-1-1982)

T. M. PRABHA
(from 2-8-1980 to 20-1-1982)

GERVACIS AREEKAL
(from 2-8-1980 to 20-1-1982)

A. HASSANKUTTY
(from 2-8-1980)

K. V. HARIKRISHNAN NAIR
(from 2-8-1980 to 16-4-1982)

K. M. BALAKRISHNAN
(from 16-4-1982)

T. M. THOMAS
(from 16-4-1982)

P. SUKUMARAN
(from 3-10-1981)

P. MUKUNDAN MENON
(from 3-10-1981)

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

CONTENTS

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 19th Annual General Meeting of the Corporation will be held at the Registered Office of the Corporation at 12.30 P.M. on Tuesday the 29th September 1981 to transact the following business.

(i) To receive and adopt the Directors' and Auditors' Reports and the audited Balance Sheet as on 31st March 1981 and the Profit and Loss Account for the year ended on 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 (a) of the Articles of Association. The following Directors retire and are eligible for re-appointment.

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

By order of the Board,
For The Plantation Corporation of Kerala Limited.

Sd/-
PHILIP JACOB
Secretary

Kottayam,
24-9-1981.

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.

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 19th Annual General Meeting (adjourned) of the Corporation will be held at the Registered Office of the Corporation at Kottayam at 3.00 P.M. on Thursday the 26th August 1982 to transact the following business.

To receive and adopt the Directors' and Auditors' Reports and audited Balance Sheet as on 31-3-1981 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,
30-7-1982.

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.

DIRECTORS' REPORT

Gentlemen,

Your Directors have pleasure in presenting to you the 19th Annual Report of the Corporation for the year ended 31st March, 1981.

FINANCIAL POSITION

The Authorised Capital of the Corporation is Rs. 7.5 crores and the paid up capital, which stood at Rs. 530.10 lakhs as on 31-3-1980, has been increased to Rs. 540.10 lakhs as on 31-3-1981. This has since been increased further by issue of share capital for Rs. 6.78 lakhs, bringing the amount of Paid up Capital as on date of the Report, to Rs. 546.88 lakhs.

During the year, the Corporation received an amount of Rs. 5 lakhs as loan from the Government of Kerala for meeting financial commitments.

Due to financial strain consequent on the support which the Corporation has been continuously extending to its subsidiary Company, Oil Palm India Limited, the Corporation had not been able to discharge its liabilities to the Government by way of loan repayment, payment of interest etc., during 1980–81.

The balance under overdraft facility as on 31-3-1981 was Rs. 11,50,981.52.

PROFIT & LOSS ACCOUNT

The net profit for the period ended 31-3-1981 has come down to Rs. 32,80,854.82, the corresponding figure for the previous year being Rs. 32,90,139.64. The net profit has been arrived at after making the following provisions.

(a)	Interest on loans and guarantee commission	..	Rs. 50,09,310.69
(b)	Rehabilitation Reserve	..	9,60,892.80
(c)	Depreciation	..	18,52,096.04
(d)	Losses and write-off	..	1,000.00
(e)	Bonus net payment after deduction of provision	..	31,68,257.88
(f)	Provision for taxation	..	61,00,000.00
(g)	Provision for bonus	..	15,00,000.00
(h)	Replanting Reserve	..	18,55,000.00
(i)	Provision for gratuity	..	31,30,666.00

CONDITION OF THE ESTATES

The total area of the estates of the Corporation at present is given below.

Area under rubber including area for buildings, factories, roads etc.	..	7,418 Ha.
Area under Cashew (in Rubber Estates)	..	932 ,,
Submergible area	..	220 ,,
Area to be planted	..	58 ,,
Kasargode Cashew Plantation	..	2,280 ,,
Cheemeni Cashew Plantation	..	980 ,,
Rajapuram Cashew Plantation	..	1,325 ,,
Mannarghat Cashew Estate	..	225 ,,
Total area of land handed over by the Government to the Corporation	..	13,438 ,,

Trees affected by disease have been given rest in about 100 ha. and hence the low achievement of production. Upkeep and maintenance of estates have been carried out in time during the year.

PRODUCTION OF RUBBER

We have at present 5850 ha. of mature area and 1267.71 ha. of immature areas under rubber. The total quantity produced during the period was 4805 M. T. as against 4652 M. T. for the previous year. There was one month's strike in Kodumon Group of Estates during the peak period.

The Corporation has taken steps to import an additional centrifuging machine, with a view to maximising income generated from current production.

AREA UNDER CASHEW

Total area under Cashew .. 6002 Ha.

As a part of Kerala Agricultural Development Project with World Bank assistance, rehabilitation in 2280 ha. in the Kasargode Estate and new planting of 1325 ha. in Rajapuram Estate has been done. Under the above programme another 145 ha. is to be newly planted in Rajapuram Estate.

As a part of Multi-State Cashew Project with World Bank assistance, an area of 2275 ha. was to be planted with cashew. The area is lying in three Revenue Districts of Kozhikode, Malappuram and Palghat. 225 ha. have been planted, and planting is now going on in 260 ha. The balance lands are yet to be cleared by the Forest Department. An area of about 200 ha. will be planted in Mannarghat in 1981.

During the year the right of collection and removal of cashew nuts was given on auction and an amount of Rs. 20.1 lakhs could be realised.

ALAKODE ESTATE

The Alakode Estate which was given to the Corporation for management on commission basis, has been ordered by Government. to be taken over by the Corporation. Rehabilitation of coffee and cardamom is being continued. This year an additional area of 98 ha. was taken over from Land Board. The above area will be planted with Rubber in the coming year.

FORMATION OF SUBSIDIARY COMPANY FOR CASHEW

It has been decided to form a Subsidiary Company under the name 'Cashew Plantations Kerala Limited' for more effective management of the Cashew Estates. Steps are under way for this.

SALES – RUBBER

During 1980-81, we sold a quantity of 4527.88 M.T. and realised an income of Rs. 6,35,97,548.41. Though the quantity sold was less than that of the previous year, we could get a higher price, solely on account of the higher market price of rubber during this year viz., Rs. 14.06 per kg. (average), against Rs. 12.14 for the previous year.

There is a general upward trend in the price of rubber and it is expected that this will be maintained.

FIRE ACCIDENTS

There were three cases of fire accidents during the year in our estates causing a loss of Rs. 1,06,771.74 out of which Rs. 1,05,771.74 is recoverable from the State Insurance Department.

PERSONNEL MANAGEMENT AND INDUSTRIAL RELATIONS

There have been no significant changes in the structure of the organisation during the year under review. We have entered into a settlement with the Unions according to which the last grade employees are being given promotion to the next higher grade on completion of ten years' service in the lower post.

At a high level conference held on 5-5-1981 in the presence of the Hon'ble Minister for Agriculture and Social Welfare, it was decided to enter into a fresh long-term settlement with the staff unions. According to this settlement, we have changed the salary pattern in line with the revision effected in the plantation industry. Over and above the industry-wide scale of pay, one additional increment was also given to our staff.

We continued the practice of sending our staff and officers for training programmes, seminars etc. and the knowledge gained by them has been made use of in the efficient functioning of the organisation.

There was a partial strike over the demand for wage increase to workers in the Kodumon Group of Estates lasting 30 days. This has resulted in a loss of production worth about Rs. 30 lakhs.

SCHEDULE

DEVELOPMENT

(included in and forming part of

ITEMS	ADDITIONS DURING THE YEAR					
	Till last year	Kodumon	Chandanappally	Adirappally	Kallala	Vettilappara
1	2	3	4	5	6	7
1959 Plantations	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 „	9,79,297.60	...	...	...	...	...
1973 „	18,99,269.01	1,27,279.23	34,194.85	...	...	...
1974 „	40,65,771.12	1,18,765.17	22,946.94	...	...	...
1975 „	10,91,743.09	18,094.62	44,847.34	2,05,439.40	...	...
1976 „	33,11,155.74	...	8,865.30	2,72,565.29	4,38,764.56	51,321.43
1977 „	23,00,636.11	...	...	3,66,968.94	...	...
1978 „	4,84,877.55	...	...	...	...	...
1979 „	7,49,302.84	...	...	...	...	...
1980 „	...	...	...	...	...	...
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 „	2,18,930.02	...	...	...	...	...
1973 „	10,77,677.50	...	...	89,433.29	76,521.30	...
1974 „	1,52,704.41	...	...	...	28,378.64	...
1980 „	...	...	...	...	...	...
Coconut	795.36	...	...	...	...	...
Ivicted area expenses	14,58,397.65	...	...	...	...	...
Survey	1,53,710.37	...	...	...	...	...
Eucalyptus	15,963.37	...	...	...	...	...
Kasargod cashew plantations	36,33,035.21	...	...	...	...	...
Cashew 1976	1,50,069.06	...	...	...	...	...
„ 1977	13,24,533.81	...	...	...	...	...
„ 1978	9,43,129.91	...	...	...	...	...
„ 1979	2,08,741.77	...	...	...	...	...
„ 1980	...	...	...	...	...	...
Cashew (in Rubber Estates)	14,65,578.22	...	12,855.18	25,291.90	19,015.24	25,769.63
Total	6,38,21,849.25	2,64,139.02	1,23,709.61	9,59,698.82	5,62,679.74	77,091.06

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
T. S. G. NAIR
Managing Director

B

OF PROPERTY

the Balance Sheet as at 31st March 1981)

			ADDITIONS FOR THE YEAR				
Perambra	Thannithode	Kasargod	Cheemeni	Rajapuram	Total	Disposals	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	2,660.21	71,32,377.05
...	...	...	...	...	45,64,998.12	3,845.98	45,61,152.14
...	...	...	...	...	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
...	...	...	...	...	9,79,297.60	...	9,79,297.60
...	...	...	...	...	20,60,743.09	...	20,60,743.09
45,872.08	5,04,870.04	...	...	...	47,58,225.35	...	47,58,225.35
...	...	...	...	...	13,60,124.45	...	13,60,124.45
3,61,906.48	...	...	...	...	44,44,578.80	...	44,44,578.80
73,382.82	3,68,496.10	...	...	...	31,09,483.97	...	31,09,483.97
...	1,18,491.57	...	...	...	6,03,369.12	...	6,03,369.12
3,08,331.65	3,78,253.06	...	...	...	14,35,887.55	...	14,35,887.55
...	59,573.89	...	...	...	59,573.89	...	59,573.89
...	...	...	...	...	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
...	...	...	...	...	12,43,632.09	...	12,43,632.09
43,222.80	...	...	...	...	2,24,305.85	...	2,24,305.85
10,804.19	...	...	...	...	10,804.19	...	10,804.19
...	...	...	...	...	795.36	...	795.36
...	...	...	...	...	14,58,397.65	...	14,58,397.65
...	...	...	6,850.85		1,60,561.22	...	1,60,561.22
...	...	...	...	...	15,963.37	...	15,963.37
...	...	22,910.71	...	...	36,55,945.92	...	36,55,945.92
...	...	...	...	...	10,50,69.06	...	1,50,069.06
...	...	...	6,24,762.59	86,919.60	20,36,216.00	...	20,36,216.00
...	...	...	...	4,75,750.63	14,18,880.54	53,401.86	13,65,478.68
...	...	...	...	3,06,958.82	5,15,700.59	...	5,15,700.59
...	...	...	...	3,63,659.48	3,63,659.48	...	3,63,659.48
2,993.10	1,274.50	...	...	...	15,52,777.77	46,863.69	15,05,914.08
8,46,513.12	14,30,959.16	22,910.71	6,31,613.44	12,33,288.53	6,99,74,452.46	1,06,771.74	6,98,67,680.72

Sd/-
PHILIP JACOB
Secretary

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

SCHEDULE C

(included in and forming part of Balance Sheet as at 31st March 1981)

Previous year Rs. Ps.	ITEMS	This year Rs. Ps.
	Other investments: Unquoted fully paid up shares	
1,000.00	To 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 1981)

Previous year Rs. Ps.	ITEMS	This year Rs. Ps.
	Other investments 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 1981)

Previous year Rs. Ps.	ITEMS		This year Rs. Ps.
	CURRENT ASSETS		
32,88,706.26	Stores & Spares at cost* ..		47,64,734.44
1,81,265.86	Loose Tools revalued* ..		1,20,928.00
3,28,851.81	Equipments revalued* ..		4,52,423.84
51,93,291.63	Finished goods and work in process, stock in transit at value, subsequently realised / realisable (Rubber)* ..		1,05,41,139.99
2,33,211.33	Stock of Cashew nuts (at subsequently realised / realisable value ..		49,023.00
1,11,854.67	Nurseries Rubber (at cost) ..		1,53,364.02
25,84,837.80	Sundry Debtors (Secured Considered good) subject to confirmation by them ..		61,95,901.28
	(a) Debts outstanding for more than six months includes Rs. 3,41,375.19 from Govt. Department and companies last year Rs. 84,821.20)	8,38,709.46	
	(b) Other Debts (last year Rs. 21,99,630.56)	53,57,191.82	
10,400.00	Interest accrued on Seven Year National Savings Certificate ..		10,400.00
1,068.35	Stamp & Stamp paper on hand ..		1,529.35
10,49,150.43	Cash in transit ..		13,74,435.25
175.96	Treasury S/B account ..		196.96
1,89,010.19	Scheduled Bank in Current Account ..		17,69,156.22
1,31,71,824.29	Total ..		2,54,33,232.35

* As certified and valued by the Managing Director.

SCHEDULE F

(included in and forming part of Balance Sheet as at 31st March, 1981)

Previous year Rs. Ps.	ITEMS		This year Rs. Ps.
	LOANS AND ADVANCES		
1,02,976.29	Motor Cycle loan (secured considered good)	..	1,31,671.29
1,10,220.00	Motor Car loan (secured considered good)	..	1,10,410.00
	UNSECURED CONSIDERED GOOD		
13,13,132.07	Alakode Government Estate:	..	20,23,478.03
3,29,393.42	Deposit with Post & Telegraph, Electricity Board, Port Trust and other Government Departments by the Corporation	..	2,31,110.00
456.00	Deposit with others	..	97,085.65
76,024.77	Prepaid Expenses	..	1,26,489.10
23,45,745.28	Other Advance recoverable in cash or in kind of value to be received	..	37,93,999.46
1,38,335.00	Advance tax paid	..	1,47,535.00
33,42,529.97	Oil Palm India Limited (Subsidiary Company of P. C. K. Ltd.)	..	45,80,008.13
50,00,000.00	Agricultural Income tax	..	1,10,82,000.00
3,50,000.00	Amount due from Government	..	
10,00,000.00	Loan to Oil Palm India Limited	..	
1,41,08,812.80		Total ..	2,23,23,786.66

SCHEDULE G

(included in and forming part of Balance Sheet as at 31st March 1981)

Previous year Rs. Ps.	ITEMS		This year Rs. Ps.
	MISCELLANEOUS EXPENDITURE		
55,009.35	Suspense Pending Adjustment	..	71,557.39
43,098.15	Stores suspense	..	1,11,004.36
6,663.17	Shortage of tools	..	7,871.05
6,122.62	Shortage of Stores	..	11,804.91
900.04	P. F. Suspense	..	2,254.51
1,34,914.36	Lease Rent Suspense	..	1,34,914.36
21,247.59	Stores in transit	..	90,055.72
2,67,955.28		Total ..	4,29,462.30

SCHEDULE H

(included in and forming part of Balance Sheet as at 31st March 1981)

Previous Year Rs. Ps.	ITEMS		This year Rs. Ps.
14,04,707.03	Sundry Creditors	..	7,20,057.88
58,70,266.58	Other Liabilities	..	1,08,33,724.01
12,74,415.89	Earnest Money Deposit and Security Deposit	..	15,59,678.25
12,790.40	Suspense Pending Adjustment	..	26,926.21
1,772.73	P. F. Suspense	..	2,946.48
30,66,932.18	Interest accrued but not due on Government loans		42,25,850.15
2,345.11	Stale cheque	..	4,395.11
917.00	Stores Suspense	..	37,401.24
2,10,046.26	Overdraft with Syndicate Bank	..	11,50,981.52
—	Income received in advance	..	12,12,920.40
1,18,44,193.18		Total ..	1,97,74,881.25

SCHEDULE I

REPAIRS & MAINTENANCE OF ASSETS

Previous year Rs. Ps.	ITEMS		This year Rs. Ps.
5,04,893.65	Vehicles	..	6,46,037.84
1,47,291.18	Roads	..	1,19,975.22
26,077.25	Plant & Machinery	..	24,761.16
8,87,136.10	Buildings	..	3,26,110.07
1,55,394.40	Others	..	1,67,452.62
17,20,792.58		Total ..	12,84,336.91

SCHEDULE II

MISCELLANEOUS EXPENSES & ADJUSTMENTS

Previous year Rs. Ps.	ITEMS		This year Rs. Ps.
1,64,813.81	Postage, Telephone & Telegram	..	1,74,661.56
1,15,066.26	Printing & Stationery	..	2,07,058.47
47,015.53	Office expenses & Miscellaneous	..	34,129.31
488.49	Bank Charges	..	854.55
5,995.39	Books & Periodicals	..	7,744.17
7,626.24	Storage expenses	..	9,071.11
36,368.21	I. B. Expenses	..	40,679.87
12,782.27	Rent of Boats	..	15,599.35
2,000.00	Loss by fire	..	1,000.00
6.00	Losses & Write off	..	—
23,200.49	Entertainment Expenses	..	47,685.94
5,49,549.82	Security Expenses	..	23,28,124.86
44,378.67	Ferry Expenses	..	33,733.75
13,050.69	Temporary Sheds	..	7,219.30
1,678.98	Research expenses	..	2,403.02
170.75	Gardening	..	489.55
9,633.95	Inauguration expenses	..	—
43,616.45	Management Consultancy	..	745.75
—	Survey Expenses	..	8,093.02
10,77,442.00		Total ..	29,19,293.58

SCHEDULE III
MANUFACTURING AND SELLING EXPENSES

Previous year Rs. Ps.	ITEMS		This year Rs. Ps.
	TRANSPORT OF LATEX TO FACTORY		
2,27,028.85	Pay and Allowances	2,61,265.24	
55,364.00	Vehicle Tax and Insurance	62,814.40	
4,39,202.36	Running & Maintenance of vehicle	4,49,084.29	7,73,163.93
	MANUFACTURING		
4,70,299.17	Pay and Allowances	5,86,184.74	
10,40,611.40	Factory Wages	12,46,305.19	
1,27,198.39	Fuel for Smoke House	49,161.03	
16,596.37	Fuel for Generator	45,292.66	
6,24,799.40	Chemicals	8,31,119.77	
68,301.14	Factory Upkeep and Maintenance	84,620.59	
2,07,987.94	Machinery Upkeep and Maintenance	2,81,997.03	
46,750.00	Factory Insurance	46,750.00	
2,77,329.37	Power Supply	6,20,824.09	
1,82,869.70	Welfare Expenses	2,18,228.79	
1,17,155.01	Fuel for Drier	1,46,963.21	41,57,447.10
	DISTRIBUTION		
83,869.46	Packing Materials	83,402.83	
1,41,907.32	Packing wages	1,08,958.93	
2,55,469.21	Forwarding charges	3,83,294.24	
4,75,621.34	Depreciation	4,74,339.81	
1,63,932.04	Selling Expenses	4,52,357.38	
2,40,545.34	Shipping Expenses	94,416.80	
2,05,678.97	Commission to Selling Agents & relates	3,24,610.77	19,21,380.76
54,68,516.78		Total	68,51,991.79

SCHEDULE IV
WELFARE EXPENSES

Previous year Rs. Ps.	ITEMS		This year Rs. Ps.
4,51,225.31	Sickness Benefit	..	4,87,166.99
1,71,442.51	Maternity Benefit	..	1,51,474.96
6,50,789.39	Leave with Wages	..	6,86,320.06
5,66,274.94	Holiday wages	..	3,96,207.92
1,44,586.08	Weather Protection Expenses	..	1,69,732.41
2,90,282.39	Drinking Water Supply	..	3,32,948.81
65,202.69	Sanitation	..	88,386.53
16,087.94	Recreation facilities	..	17,630.89
14,57,369.65	Medical & Hospital Facilities	..	16,80,049.77
19,428.08	Way expenses to workers	..	18,694.60
19,679.33	Running & Maintenance of School	..	31,705.27
2,21,466.38	Creche expenses	..	2,41,496.25
19,108.05	Workmen compensation	..	22,629.94
433.73	Workers Education	..	567.90
72,657.12	Uniform to Staff & Workers	..	90,193.38
3,928.90	Subsistance allowance	..	—
631.26	Special Bonus to workers	..	61.86
15,651.50	Labour Welfare fund	..	10,996.50
—	Suspension period wages	..	—
—	Others	..	1,447.75
41,86,245.25		Total ..	44,27,711.79

SCHEDULE V

REPAIRS & MAINTENANCE OF ASSETS.

Previous year Rs. Ps.	ITEMS		This year Rs. Ps.
1,34,101.28	Vehicle	..	1,18,819.33
1,244.90	Buildings	..	47,785.95
17,268.94	Roads	..	23,148.04
5,648.62	Plant and Machinery	..	2,458.09
5,690.89	Implements	..	6,760.69
73.69	Office equipments	..	61.86
3,061.24	Fence	..	5,671.29
563.41	Others	..	1,849.26
61.50	Furniture	..	—
1,67,714.47		Total ..	2,06,554.51

SCHEDULE VI

MISCELLANEOUS EXPENSES AND ADJUSTMENTS

Previous year Rs. Ps.	ITEMS		This year Rs. Ps.
10,840.49	Temporary shed	..	15,756.12
4,105.70	Postage, Telephone and Telegrams	..	13,327.86
19,988.22	Printing & Stationery	..	34,166.85
2,015.19	Office expenses & miscellaneous	..	4,695.79
4.32	Bank charges	..	23.43
592.45	Entertainment expenses	..	3,809.95
61,647.86	Storage expenses	..	97,254.53
396.13	Books and periodicals	..	414.93
34.22	Electricity charges	..	—
491.17	Security expenses	..	2,081.14
539.27	Running & maintenance of I. B.	..	—
250.00	Loss on fire	..	—
—	Legal expenses	..	118.60
1,00,905.02		Total ..	1,71,649.20

SCHEDULE VII

WELFARE EXPENSES

Previous year Rs. Ps.	ITEMS		This year Rs. Ps.
72,657.12	Uniforms to staff & workers	..	3,028.14
16,087.94	Recreation facilities	..	1,296.77
65,202.69	Sanitation	..	1,642.35
1,44,586.08	Weather Protection allowance	..	24,065.44
6,50,789.39	Leave with wages	..	1,15,083.76
2,90,282.39	Drinking water supply	..	1,36,578.91
5,66,274.94	Holiday wages	..	61,128.94
3,928.90	Subsistance allowance	..	9,737.02
14,57,369.65	Medical & Hospital facilities	..	78,340.04
4,51,225.31	Sickness Benefit	..	51,643.30
1,71,442.51	Maternity Benefit	..	53,664.80
2,21,466.38	Creche	..	19,956.35
19,428.08	Way expenses	..	147.40
631.26	Labour Welfare fund	..	226.50
41,86,245.25	Total	..	5,56,539.72

As per our report of even date

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

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
T. S. G. NAIR
Managing Director

Sd/-
PHILIP JACOB
Secretary

NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 1981

1. The company has discounted usance and sight bills worth Rs. 49,590/22 as on 31-3-1981 (last year Rs. 11,11,710.10) with the banks for which the Company is contingently liable.

2. The estimated amount of civil contracts on capital assets to be executed on account and not provided for Rs. 51,69,860.55 (last year Rs. 44,59,875/92)

3. Estimated amount of supply of capital assets remaining to be executed and not provided for Rs. nil (last year nil)

4. Lease deeds for lands handed over since 1970 are yet to be executed excepting an area of 749.87 hectares 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. The Corporation was not providing liability for gratuity in the accounts upto 31-3-1980. The practice was to charge the actual expenses to revenue as and when the gratuity is paid during a particular year. This year we have made an acturial valuation of the gratuity liability upto 31-3-1980 and 31-3-1981. The liability upto 31-3-1980 comes Rs. 80,15,790/- and the liability upto 31-3-1981 comes to Rs. 1,04,78,456/-. The net liability for the year is Rs. 24,62,666/- and 1/12th of the accumulated liability not provided for upto 31-3-1980 i. e. Rs. 6,68,000/- (Total Rs. 31,30,666/-) is also provided in the accounts for 1980-'81.

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. 2,00,220/- (Previous year Rs. 1,75,270/-).

10. Motor Cycle loan to 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. 1,70,976/- (last year Rs. 1,71,388.90)

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

i)	M/s. Trivandrum Rubber Works Limited	:	Rs. 10,94,936.34
ii)	-do- more than 6 months	:	Rs. 3,41,375.19

12. As the Company is an agricultural company and is carrying only operations required for making the produce marketable, the provision contained in para (ii) Schedule VI as to installed capacity etc. of the Company's 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. 24,220/- (last year Rs. 22,946) paid to Officers of the Corporation as salary advance.

15. For the police party posted for security purpose in the Estates, bills have not been received from 1-4-1980 for Kodumon Group and from 1-10-1979 for Kalady Group. An amount of Rs. 7,00,000/- has been provided for against this liability.

16. The closing stock as on 31-3-1981 has been valued at subsequently realised/realisable value. The quantity of rubber under work-in-process as on 31-3-1981 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.

17. Sundry debtors, deposit with Government Departments and deposit with others are subject to confirmation.

18. 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.

19. 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 Coporation under the scheme is repaid to the Government.

20. The Company has availed an Overdraft facility with the Syndicate Bank, Kottayam for a total limit of Rs. 60 lakhs on the strength of the Government guarantee issued by the State Government. As on 31-3-1981 an amount of Rs. 11,50,981.52 is due to them on this account.

21. Under loans and advances in Schedule F, we have shown an amount of Rs. 2,31,110/- as deposit with Government Departments, the deposit of this amount is as follows:

		Rs.
Cochin Port Trust		3,600/-
P & T Department		8,300/-
Electricity Board		2,19,210/-
	Total	2,31,110/-

22. (a) The Agricultural Income Tax Authorities have made the following assessments.

Assessment year	1976-77		14,90,973.90
-do-	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 are an allowable item and as such we have filed appeals. 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 the following amounts as advances towards agricultural income tax.

Assessment year	1979-80		50,00,000/-
-do-	1980-81		60,82,000/-
		Total	1,10,82,000/-

23. The Development expenditure includes:

	1980-81	Previous year 1979-80
Wages	38,79,766.03	35,44,134.55
Stores	9,25,469.94	7,85,036.70
Fuel	54,165.66	57,005.60

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

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

26. 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. Proportionate overheads concerning Cashew Plantations at Rajapuram and Cheemeni has been capitalised.

27. Amounts paid to Managing Director:

	This year Rs.	Previous year Rs.
Pay and allowances	34,730.00	29,117.41
Travelling expenses	33,438.95	61,335.91
Medical expenses	163.54	—
Leave encashment	990.00	555.00

(a) Travelling expenses are inclusive of an amount of Rs. 30,997/- for the foreign tour.

(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.	Previous year
28. (a) Sitting fees to Directors	4,400.00	11,200.00
(b) T. A. to Directors	45,757.96	37,972.19

This includes an amount of Rs. 15,580/- incurred for the foreign tour of the Chairman.

29. Perquisite to Directors:

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

(b) The Managing Director has been provided with unfurnished accommodation charging 7½% to the salary. The rent paid for the building during 1980-81 was Rs. 6000/-.

(c) The Chairman Shri Vakkom Bharathan was paid an honorarium of Rs. 750/- p. m. Apart from this, he was provided with a Driver for driving Companies car for his use. Also he and Previous Chairman have been paid an amount of Rs. 2,330.20 towards residential telephone rental and charges for official phone calls made from this telephone.

Shri E. P. Eapen	2,205.20
,, Vakkom Bharathan	125.00

30. There was no employee in the Corporation drawing a remuneration in excess of Rs. 36,000/- per annum in the aggregate during the year 1980-81. No person was employed for any part of the year on a monthly remuneration exceeding Rs. 3000/- p. m.

31. (a) An amount of Rs. 6,35,97,548.41 representing sale of rubber is the sale proceeds of 45,32,912 Kgs of rubber content of various grades.

(b) Out of the total amount of Rs. 20,21,534.00 by sale of cashew received under auction Rs. 8,08,613.60 has been taken as income for the period ended 31-3-'81.

32. The provision of rehabilitation reserve of Rs. 9,60,892.80 is based on the total production of 4804464 Kgs. at Rs. 20/- per quintal as is allowed under the Agricultural Income Tax Act.

33. 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.M.S. No. 1343 dated 4-10-1978 have ordered that the Alakode Government Estate should be taken over by the Plantation Corporation of Kerala Ltd., for a value of Rs. 32.85 lakhs. But final decision in the matter has not been taken so far. Pending a final decision we have not charged the management expenses of Rs. 15,000/- for the year 1980-81. The total amount due from the Government towards expenditure incurred upto 31-3-1981 is Rs. 20,23,478.03 and this has been disclosed in the Balance Sheet under Schedule F.

34. Additional information as per clause IV D of part 2 to Schedule VI.

(a) CIF VALUE of import during the year		Nil
(b) Expenditure in foreign currency. Foreign tour of Managing Director and Chairman Rs. 19942.90		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 includes value of stores included under capitalisation.	Rs. 73,44,178.48	100%

(d) Particulars of dividends remitted in foreign exchange	Nil	Nil
(e) Earnings in foreign currency	Nil	Nil

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

36. Interest on loans amounting to Rs. 49,71,810.69 pertains to interest on loans availed from Government (Rs. 41,87,884.21) and interest on banks loan Rs. 7,83,926.48.

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

38. 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. 3,60,020/-. 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.

39. The Profit and Loss account expenditure includes:

	1980-81	Previous year
Wages	Rs. 1,62,56,609.98	Rs. 1,45,34,815.09
Stores	64,18,708.54	51,68,211.58
Fuel	7,52,624.21	5,91,048.98

40. The total area handed over to the Company by the Government Department as on 31-3-1981 is approximately 13014 hectares (The total area has not been surveyed)

Rubber	7418	hectares
Cashew in rubber estates	932	,,
Cashew plantations	4391	,,
Submergible area	220	,,
Area to be planted	53	,,
Total	13014	hectares

41. 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.

42. A token provision of Rs. 15,00,000 has been made in the accounts towards payment of bonus pertaining for the 3 months from 1/81 to 3/81.

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

Managing Director	Rs. 3,000/-
Chairman	1,000/-

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

45. The terms and conditions of handing over of 975 hectares covered by Cheemeni Plantations are yet to be determined.

46. An amount of Rs. 3,43,855.56 and Rs. 34,385.55 being original cost and depreciation respectively as at the end of the previous year have been transferred from the head "Electrical Installation" to Plant & Machinery as the same pertains to Plant & Machinery.

47. *Replanting Reserve.*

Since the present system of providing for rehabilitation reserve at the rate of Rs. 20/- per quintal of production of rubber is most inadequate, it was felt by the Board to create a replanting reserve from the profits at the rate of 5% per annum of the cost of the plantations and to write off the arrears up to 31-3-1980 over a period of 10 years from 1980-81.

On this basis we have made a provision of Rs. 18,55,000/- during the year 1980-81 for replanting reserve.

48. As per the comments of the Statutory Auditors on the accounts for the year ended 31-3-1978, commission to selling Agents included Rs. 6252/- excess payment made during the year 1978-79 to various selling agents. Out of this an amount of Rs. 4768.80 has either been recovered or adjusted. The balance amount of Rs. 1483.20 is still remaining to be recovered.

49. No provision has been made for the lease rent of Rajapuram Estate as the concerned Government Department has agreed to waive the payment for the first 3 years.

50. The Company has paid bonus for the year 1980, at the rate of 20%. This was paid in accordance with the settlement arrived at on 5th May 1981.

51. The sale of rubber shown in the Profit and Loss account is exclusive of cost of drums Rs. 26,38,256.

52. ***Lease rent:*** Interest on lease rent claimed by the Government amounting to Rs. 46,123.22 has not been provided for. This has been subsequently paid.

53. The Corporation is contingently liable for Rs. 7,435.92, being commission as shown below to selling agents for the period 1980-81 which has not been settled.

Manoji Rubber Trading Company	1504.88
Pure Rubber Company	2556.90
Metro Trading Syndicate	3374.14
Total	7435.92

As per our report of even date

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

Sd/-
VAKKOM BHARATHAN
Chairman

Sd/-
T. S. G. NAIR
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 1981 and also the annexed Profit and 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 (Auditor's Report) Order 1975 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 pragraph 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 and Loss Account dealt with by the report are in agreement with the books of account.

4. (a) The Corporation has provided for the liability for gratuity during the year an amount of Rs. 31,30,666/-. Out of this Rs. 6,68,000/- is in respect of liability up to 31-3-'80. The Balance of accumulated liability up to 31-3-'80 comes to Rs. 73,47,790.

(b) Replanting Reserve—The Corporation has created a Replanting Reserve for the first time in addition to the rehabilitation reserve which is in existence. This is at the rate of 5% per annum of the cost of plantations. An amount of Rs. 18,55,000/- has been provided during the year as Replanting Reserve.

(c) No provision used to be made in respect of expenditure incurred for the police party posted for security purposes in the estates. An amount of Rs. 7,00,000/- has been provided against this liability during the year.

(d) The amount of Rs. 49,71,810.69 shown under "Interest on Loans and over drafts" in profit and loss account is after adjusting the amount of interest charged to Oil Palm India Ltd., Rs. 4,96,249.33.

(e) Lease Rent—Interest on lease rent claimed by the Government amounting to Rs. 46,123.22 which has been subsequently paid is not provided in the accounts.

(f) The net profit, after adjustment of item 4 (e) would have been Rs. 32,34,731.60 instead of Rs. 32,80,854.82.

(g) If the provisions shown under items 4 (a), (b) and (c) were not made the net profit would have been Rs. 89,20,397.60.

5. In our opinion and to the best of our information and according to the explanations given to us the said Balance Sheet and Profit and Loss Account subject to and read with the notes, thereon and the above qualifications 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 Corporation as at 31-3-1981, and

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

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

Kottayam,
30-12-1981.

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 1981.

(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 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 regards 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 of 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 & CO.
Sd/- T. V. JOSEPH
Partner
Chartered Accountants

Kottayam,
30-12-1981.

REPLY TO THE REPORT OF THE STATUTORY AUDITORS

ALL THE POINTS CONTAINED IN THE AUDIT REPORT OF THE STATUTORY AUDITORS OF THE COMPANY ARE FACTUAL.

COMMENTS OF THE FINANCE SECRETARY TO THE GOVERNMENT OF KERALA UNDER ACTICLE 105 OF THE ARTICLES OF ASSOCIATION OF THE PLANTATION CORPORATION OF KERALA LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31-3-1981.

'NO COMMENTS'

Sd/-

Trivandrum, S. PADMAKUMAR
-3-1982 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 FOR THE YEAR ENDED 31st MARCH 1981.

Balance Sheet

1. **Current Liabilities and Provisions**

(Schedule - H) .. Rs. 1,97,74,881.25

(i) This does not include Rs. 1,11,296.53 towards cost of repairs and maintenance of buildings in Adirappally Estate completed by March, 1981.

(ii) Other liabilities (Rs. 1,08,33,724.01) include Rs. 1,22,073.78 being interest accrued and due on term loan from State Bank of Travancore (Rs. 15,00,000) which should have been classified under the appropriate sub head under the head "secured loans".

Profit and Loss Account:

2. **Net Profit: Rs. 32,80,854.82**

This is overstated to extent of Rs. 8,22,483.08 on account of:

	Rupees
(a) Lease rent for 1980-81 relating to Perambra Estate wrongly capitalised ..	26,401.90
(b) Sale proceeds of cashew from Alakode Estate, managed by the Company, wrongly credited in Profit & Loss Account ..	10,280.00
(c) Arrears of depreciation (on watersupply installations Rs. 48,908.72) and electrical installations re-classified in the account for 1980-81 under Plant and Machinery (Rs. 30,729.12) not provided for ..	79,637.84
(d) Depreciation on fixed assets erected and commissioned not provided for ..	78,816.81
(e) Repairs and maintenance of buildings during the year either capitalised or classified under "Buildings under construction" ..	3,02,965.02
(f) Repairs and maintenance (remetalling) of roads either capitalised or classified under "Roads under construction" ..	3,39,381.51
(g) Prepaid guarantee commission charged to profit and loss account ..	15,000.00

3. The statement of the Company's interest in the subsidiary (Oil Palm India Limited) has not been attached to the Balance Sheet as required in Section 212 (3) of the Companies Act.

Sd/-
M. V. BHAT
Accountant General-II, Kerala

Trivandrum,
Dated: 22-6-1982

REPLY TO THE COMMENTS TO THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF THE PLANTATION CORPORATION OF KERALA LIMITED, KOTTAYAM FOR THE YEAR ENDED 31st MARCH 1981

i) Noted

ii) Noted

2. a to g Noted

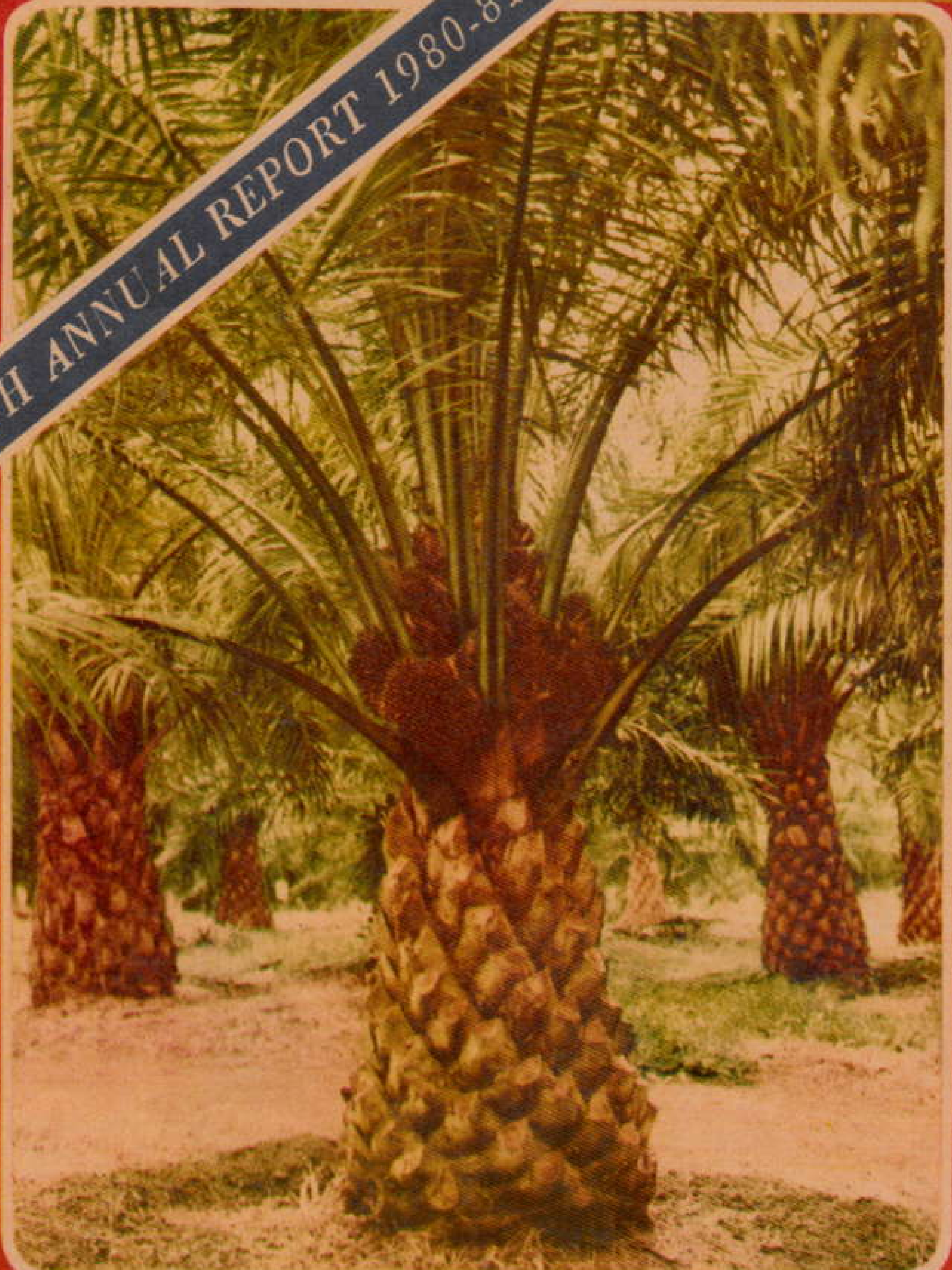
3. Subsidiary Company's accounts will be attached when the accounts are published after obtaining the approval by the Annual General Meeting.

Sd/-

T. S. G. NAIR
Managing Director

Kottayam,
2nd July 1982

FOURTH ANNUAL REPORT 1980-81



OIL PALM INDIA LTD.

OIL PALM INDIA LIMITED

BOARD OF DIRECTORS	SHRI. P. M. ABRAHAM (Ceased to be Chairman and Director on 3-10-1980) SHRI. A. K. K. NAMBIAR (Chairman upto 10-11-1980) SHRI. S. THANKAPPAN PILLAI (Chairman from 10-11-1980) SHRI. R. RAVINDRAN (Managing Director) SHRI. P. BALAKRISHNAN NAIR (till 13-7-1980) SHRI. P. MOHANDAS (from 3-10-1980) SHRI. M. S. JOSEPH (till 3-10-1980) SHRI. K. V. HARIKRISHNAN NAIR (from 3-10-1980) SHRI. P. S. GILL (from 20-12-1980) Dr. G. V. RAMANAMURTHY (till 20-12-1980) SHRI. M. D. WASNIK (from 7-9-1981) Dr. ABDUS SATAR (from 7-9-1981) SHRI. M. S. SOLANKI (till 11-8-1981)
BANKERS	Syndicate Bank State Bank of Travancore Andhra Bank Treasury Savings Bank
AUDITORS	M/s. O. Thomas & Company Chartered Accountants Kottayam.
REGISTERED OFFICE	Manohar Buildings (1st floor) XII/407, Erayilkadavu Post Box No. 53, Kottayam - 686 001
PLANTATIONS	Yeroor Estate Bharathipuram, Anchal-Kulathupuzha Road, Quilon District, Kerala State. Chithara Estate Thudayannoor P. O., Kadakkal (via) Quilon District, Kerala State. Kandanchira Nursery Thingalkarikkom P. O., Kulathupuzha, Quilon District, Kerala State.
FACTORY	Yeroor Anchal-Kulathupuzha Road, Quilon District, Kerala State.

OIL PALM INDIA LIMITED

KOTTAYAM

Registered Office:
Manohar Buildings (1st floor)
Erayilkadavu
Kottayam - 686 001

NOTICE

Notice is hereby given that the 4th Annual General Meeting of Oil Palm India Limited will be held at the Registered Office of the Company at Kottayam, Kerala State at 10 a. m. on 22nd December, 1981 to transact the following business:

As ordinary business

1. To note the comments of the Comptroller and Auditor General of India on the audited accounts of Oil Palm India Limited for the year ended 31-3-1980.

2. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1981 and the Profit and Loss Account of the Company for the year ended on that date, together with the reports of the Board of Directors, Auditors and the Comments of the Comptroller and Auditor General of India and the Finance Secretary to the Government of Kerala thereon.

3. To record the appointment of Directors made by the President of India and the Governor of Kerala.

The Directors mentioned below retire on the date of the Annual General Meeting and are eligible for re-appointment.

1. Shri. A. K. K. Nambiar
2. Shri. K. V. Harikrishnan Nair
3. Shri. P. Mohandas
4. Shri. P. S. Gill
5. Shri. M. D. Wasnik
6. Dr. Abdus Satar

By Order of the Board of Directors,
Sd/-
R. RAVINDRAN
Managing Director

Kottayam
25-11-1981.

Note:— A member entitled to attend and vote at meeting is entitled to appoint a proxy to attend and vote instead of him and the proxy need not be a member of the Company. Proxies to be valid must be deposited at the Registered Office of the company at least 48 hours before the time for holding the meeting.

DIRECTOR'S REPORT

Your Directors have pleasure to present before you, the fourth Annual Report on the operations of your company, together with the audited accounts for the year ended 31st March, 1981.

1. SHARE CAPITAL AND FINANCE

The authorised share capital of the company is Rs. 10/- crores divided into 1,00,000 equity shares of Rs. 1,000/- each. The paid - up capital of the company as on date is Rs. 2,19,20,000.00 comprising 21,920 equity shares of Rs. 1,000/- each, fully paid - up. Out of this, 1,920 equity shares were issued to the Holding Company, viz., The Plantation Corporation of Kerala Limited in February, 1981, towards its share capital contribution in the company for the year 1980-'81. According to the approved pattern of financing, the holding company and the Government of India are to hold shares in the company in the ratio of 51 : 49. The proportionate share capital contribution from the Government of India for the year 1980-'81, amounting to Rs. 18.45 lakhs to maintain the said ratio of shareholding in the company, is yet to be received. It is expected that the share capital contribution will soon be released by the Government of India. The total share capital contribution for the year 1981-'82 will be Rs. 85.96 lakhs, in which the Plantation Corporation of Kerala Limited and the Government of India are to contribute Rs. 43.84 lakhs and Rs. 42.12 lakhs respectively.

The Company has so far received Rs. 50/- lakhs by way of two bridge loans of Rs. 25/- lakhs each, from the Agricultural Finance Corporation Limited. The Agricultural Refinance & Development Corporation has sanctioned refinance facility for the 2000 hectare oil palm project amounting to Rs. 260.57 lakhs. Steps are being taken to evolve a banking plan for participation of banks in the refinance scheme, with the approval of Agricultural Refinance & Development Corporation, and it will be finalised very soon.

2. PROFIT AND LOSS ACCOUNT

The operation of the company during the year 1980-'81 has resulted in a loss of Rs. 29.07 lakhs against Rs. 18.03 lakhs last year. The increase in loss was mainly due to:

i) increase in expenditure during the year.

ii) increase in interest charges due to financial institutions and Holding company and

iii) interest charges on loans from the Government of Kerala.

3. PLANTING

3. 1. **2000 ha. scheme** (Yeroor Estate)

An area of 300 ha. was planted in Yeroor Estate during 1980-'81, bringing the total area planted to 1752 hectares. Details of year-wise planting done by The Plantation Corporation of Kerala Limited and Oil Palm India Limited thereafter are shown below:

1971-'72	—	122 ha.	Planted by The Plantation Corporation of Kerala Limited
1972-'73	—	202	
1973-'74	—	225	
1975-'76	—	503	
1979-'80	—	400	Planted by Oil Palm India Limited
1980-'81	—	300	
Total		1,752	

Planting schedule given in the Project Report and details of area actually planted are also furnished.

	Schedule of planting	Area actually planted
1971-'72	123 ha.	122 ha.
1972-'73	202	202
1973-'74	225	225
1974-'75	—	—
1975-'76	600	503
1976-'77	—	—
1977-'78	—	—
1978-'79	450	—
1979-'80	400	400
1980-'81	—	300
Total	2000 ha.	1752 ha.

Government of Kerala as per G. O. (Rt) No. 346/73 dated 15-2-1973 have allotted 2000 ha. of forest land from Anchal Forest Range for the scheme. Against this 1804.13 hectares have been received, and the balance area of 195.87 ha. is to be received. Towards the balance area, 156.60 ha. are under supply contract. Further release of forest land required approval of the Government of India, as per the Forest Conservancy Act. Government of Kerala is taking action to get the approval of the Government of India.

3. 2. Expansion Scheme (Chithara Estate)

Under the Expansion Programme, 500 ha. were planted with oil palm during 1981-'82 using the seedlings in the nursery raised from seeds imported from IRHO (Ivory Coast). Steps have been taken to plant another 450 ha in Chithara during 1982-'83. Because of the delay in getting forest land and the delay in getting the seeds from IRHO, only 450 ha. would be planted in 1982-'83, against 750 ha. originally scheduled in the Project Report for 3000 ha. scheme.

The planting schedule for 3000 ha. scheme is as follows:

1981-'82	—	500 ha.
1982-'83	—	750
1983-'84	—	750
1984-'85	—	1000
	Total	3000 ha.

Release of forest land for expansion programme has been ordered by the Government of Kerala as per G. O. (Rt) No. 1052/79 dated 5-4-1979. Out of 658.05 ha. received 500 ha. were planted in 1981-'82. Regarding the remaining area to be released, 242.20 ha. have been cleared, 481.00 ha. area under supply contract and for 744.65 ha. supply contract has been fixed. Government of Kerala is taking action to get the approval of the Government of India, for the release of the balance area.

3. 3. Western Ghats Development Programme

A scheme to raise oil palm in 500 ha. under Western Ghats Development Programme was sanctioned as per G. O. (Ms) No. 47/80/Plg. dated 5-11-1980. Necessary seeds have been imported, and nursery raised for planting 500 ha. in 1982-'83. For the scheme only 309.44 ha.

have been released so far. Another 128.45 ha. have been cleared. Immediate approval of the Government of India is required for the release of the balance area.

3. 4. **Rehabilitation Scheme**

A scheme to raise 500 ha. with oil palm for the rehabilitation of Sri Lanka Repatriates is under the consideration of the Government of Kerala and Government of India.

4. PRODUCTION AND SALES

A comparison of the sale proceeds of crude palm oil produced by the company for the last three years shows that the revenue from the sale of crude palm oil has been increasing. The production also is on the increase.

Period	Quantity of oil produced	Quantity of oil sold	Revenue Rs.
1978-'79	101.15 M. T.	91.96 M. T.	5,54,337.11
1979-'80	81.17 ,,	107.867 ,,	6,70,912.26
1980-'81	158.11 ,,	130.89 ,,	10,65,082.00

Though there is increase in production of oil, the yield per hectares is less than what is estimated in the Project Report. Initial casualty, marginal nature of the land, adverse climatic conditions have contributed for the low production. Measures like timely weeding, platform cutting, cover crop raising, mulching, pruning, undertaken by the company are expected to improve the condition. Besides oil, the company has been selling the nutfibre mixture also, which is left as residue after extraction of oil. Revenue from sale of this material during the year 1980-'81 comes to Rs. 8,430.00. Production of crude palm oil will be steadily increasing, when more and more areas come into yield.

Production from 1-4-1981 to 31-10-1981 is 728 tons FFB and 134.13 tons oil. So it is estimated that Production of oil during 1981-'82 will be 250 tonnes. During the period from 1-4-1981 to 30-9-1981 quantity of oil sold is 155.46 tons and value realised Rs. 11.71 lakhs.

5. PROCESSING FACILITIES

During 1980-'81, the Hydraulic Press was mechanised, and the processing was improved by providing Digester, Sterilizer, Boiler, Clarifier etc. Order has been placed for fabrication, erection and commissioning of a Stripper for separating palm fruits from bunches mechanically, which was done hitherto by manual labour. This will help quick processing besides saving labour.

Consequent on the improvement of the extraction facility, processing cost has been reduced.

Steps have been taken to install a plant for extraction of oil from palm kernel. Once the plant is commissioned, kernel oil can be extracted and sold at good prices, which will fetch income to the company.

6. FOREIGN COLLABORATION FOR SETTING UP OF A MODERN PALM OIL MILL

For erection of a modern palm oil mill by 1984-'85, the company is having negotiations with M/s. Sime Darby Services, Malaysia. Initial capacity of the mill will be 10 ton/FFB/hour which will be increased to 30 tons/FFB/hour according to the increase in production. Cost of the mill for the initial stage is estimated to be Rs. 1,85,86,760.00 and total cost at final stage will be Rs. 3,24,14,360.00

A team of Directors of the company visited Malaysia in April, 1981, and had detailed discussion with M/s. Sime Darby Services, regarding the technical collaboration. After the discussion, it was agreed that there should be two separate agreements.

1. Purchase and sale of know-how agreement.
2. Technical collaboration and provision of technical services agreement.

Agreement has been reached on most of the items. Few more points are to be finalised after getting further clarification.

7. ADVISORY COMMITTEE

Advisory Committee consisting of experts from Central Plantation Crops Research Institute, Kerala Agricultural University, Department of Agriculture and Centre for Water Resources Management, continue to render valuable advice to the Management on various aspects of oil palm cultivation. The advisory committee visited the plantations two times during 1980-'81.

8. VISITORS

Company had the pleasure of welcoming the following visitors (foreigners and Indians) to the plantations.

Shri. Prakash Shah,
High Commissioner - designate to Malaysia.

Smt. Santha Seela Nair,
Director, Oilseed Project, Madras.

Shri. Olligner, IRHO Paris.

Shri. G. V. K. Moorthy,
Member, Planning Commission.

Dr. Halin,
Palm Oil Research Institute of Malaysia.

Mr. L. Davidson,
Unilever, London.

Mr. Parthasaradhi,
Director, Agricultural Refinance & Development Corporation.

Shri. Abdhul Kalam
Director, Aralam Farm.

Dr. G. V. Ramanamurthy,
Former director of the company.

9. CONSTRUCTION ACTIVITIES

During the period under report, the company has constructed 40 labour tenements in Yeroor Estate. Piped water supply also has been given for a few labour tenements in Yeroor Estate. The company has opened 28 Kms. of roads in Chithara Estate. Sixty labour tenements and 5 numbers of wells are now under construction in Chithara Estate, under Expansion Scheme. Area under the Western Ghats Development programme, 60 nos. of labour tenements, 6 Nos. staff quarters and 5 nos. of wells are now under construction. Six Kms. roads also have been opened.

10. LABOUR RELATIONS

Relations between the Management and Labour during the year was very cordial without any strike or any other direct actions, even though certain disputes were pending settlement. The long pending issue regarding option to those employees who were recruited by The Plantation Corporation of Kerala Limited and who are now working in Oil Palm India Limited i. e. to choose either the service of The Plantation Corporation of Kerala Limited or the service of Oil Palm India Limited was settled in a High level conference held on 28-8-1981 in the presence of the Hon.'ble Minister for Agriculture.

11. PERSONNEL

The company has 325 permanent daily rated workers and 39 daily rated casual workers on its roll at Yeroor Estate, 91 daily rated casual workers on the roll at Chithara Unit and 13 daily rated casual workers belonging to Scheduled Tribes on the roll under Western Ghats Development Programme as on date. There are 5 Assistant Superintendents of which 3 are in Yeroor Estate, one at Chithara and another one is in the Western Ghats Development Programme The field supervisory staff are in position. A separate engineering wing under a Senior Construction Engineer and a medical wing under a Medical Officer also are functioning.

12. DIRECTORS

The Board of Directors of the Company met six times during the year 1980-'81. Sarvashri. A.K.K. Nambiar, P. Mohandas and K.V. Harikrishnan Nair were appointed as Directors ot the Company vide G. O. (Rt) No. 2743/80/AD dated 3-10-1980. Shri. A. K. K. Nambiar was appointed as Chairman of the Board of Directors. Shri. S. Thankappan Pillai, was subsaquently appointed as Chairman, Vide G. O. (Rt) No. 3066/80/AD dated 10-11-1980. The strength of the Board has been increased from 7 to 13. The central Government has appointed Sarvashri. P. S. Gill, M. D. Wasnik and Dr. Abdus Satar as Directors of the Company.

Sarvashri. P. M. Abraham and M. S. Joseph (nominees of Government of Kerala) and Dr. G. V. Ramanamurthy and M. S. Solanki, (nominees of Government of India) retired from the Board of Directors. Your directors wish to place their deep appreciation for the services rendered by these directors. With profound regret, your directors also wish to record their heart - felt condolence on the untimely and sad demise of Shri. P. Balakrishnan Nair, our Director, who died in July, 1980.

13. AUDITORS

M/s. O. Thomas & Co., Chartered Accountants, Kottayam have been appointed as Auditors of the Company for the year 1980-'81 by the Company Law Board.

14. ACKNOWLEDGMENTS

Your Directors are very happy to record their sincere gratitude for fhe close and constant co-operation extended by the various departments of the Government of Kerala, Government of India, Agricultural Finance Corporation Limited, Agricultural Refinance & Development Corporation, Kerala Agricultural University, Central Plantation Crops Research Institute, The Plantation Corporation of Kerala Limited and Directorate of Oilseeds Development during the period under report.

In conclusion, your Directors also would like to record their deep appreciation of the sense of dedicated endeavour, which all the employees of the company have shown.

For and on behalf of the Board of Directors,

Kottayam, 25-11-1981.	Sd/- S. THANKAPPAN PILLAI Chairman	Sd/- R. RAVINDRAN Managing Director

OIL PALM

(A Subsidiary of The Plantation

Registered Office

BALANCE SHEET AS AT

Previous year Rs.	LIABILITIES		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	
	Subcribed and paid - up		
98,00,000.00	21,920 shares of Rs. 1,000/- each fully paid - up 9,800 shares of Rs. 1,000/- each fully paid - up held by Government of India	98,00,000.00	
1,02,00,000.00	12,120 shares of Rs. 1,000/- each fully paid - up held by The Plantation Corporation of Kerala Limited (out of these 10,200 shares of Rs. 1,000/- each allotted as fully paid-up for the value of plantations handed over, without payment being received in cash)	1,21,20,000.00	2,19,20,000.00
	SECURED LOANS		
25,00,000.00	Loan from the Agricultural Finance Corporation Limited, secured by deposit of lease deed in favour of the Company from the Government of Kerala for 1,804.13 hectares of forest land, with Agricultural Finance Corporation Limited and guaranteed by the Government of Kerala	25,00,000.00	25,00,000.00
	UNSECURED LOANS		
10,00,000.00	Loan from the Plantation Corporation of Kerala Limited		
	Loan from the Government of Kerala	15,00,000.00	
	Loans from Government of Kerala for Subsidised Housing Scheme	1,11,250.00	16,11,250.00
2,35,00,000.00	Carried over		2,60,312,50.00

INDIA LIMITED

Corporation of Kerala Limited)

Kottayam-1

31ST MARCH 1981

Previous year Rs.	ASSETS		This year Rs.
	FIXED ASSETS		
64,76,572.36	(a) Building, Roads, Plant & Mechinery Furniture etc. (as per Schedule A)	75,75,730.62	
1,36,77,902.59	(b) Development of property (as per Schedule B)	1,52,33,543.26	
9,63,914.56	(c) Buildings and Roads under construction	9,23,159.14	
5,77,050.44	(d) Equipments under erection	38,825 28	2,37,71,258.30
	CURRENT ASSETS, LOANS AND ADVANCES		
15,97,035.07	(a) Current Assets (as per Schedule C)	13,27,825.86	
3,04,190.92	(b) Loans & advances (as per Schedule D)	4,01,977.65	17,29,803.51
	MISCELLANEOUS EXPENDITURE		
6,56,915.42	(To the extent not written off or adjusted as per Schedule E)		13,71,928.12
	PROFIT AND LOSS ACCOUNT		
	Loss brought forward from the previous year	35,61,586.06	
35,61,586.06	**Add:** Net loss for the year	29,06,676.47	64,68,262.53
2,78,15,167.42	Carried over		3,33,41,252.46

OIL PALM

(A Subsidiary of The Plantation

Registered Office

BALANCE SHEET AS AT

Previous year Rs.	LIABILITIES		This year Rs.
2,35,00,000.00	Brought forward		2,60,31,250.00
	Grants from the Government of Kerala for the scheme of cultivation of oil palm under Western Ghats Development Programme	16,67,000.00	16,67,000.00
	Subsidy received from Government of Kerala for Subsidised Housing Scheme	15,750.00	15,750.00
	CURRENT LIABILITIES AND PROVISIONS		
	(a) **Current Liabilities**		
33,42,529.97	Amount due to the Plantation Corporation Kerala Limited	45,80,008.13	
8,76,137.45	Other liabilities (as per Schedule F)	9,22,044.33	
	(b) **Provisions**		
1,500.00	Provision for taxation	2,700.00	
95,000.00	Provision for bonus	1,20,000.00	
—	Provision for Audit fee	2,500.00	56,27,252.46
2,78,15,167.42	Total		3,33,41,252.46

Kottayam,
24-11-1981.

Sd/-
S. THANKAPPAN PILLAI
Chairman

Sd/-
R. RAVINDRAN
Managing Director

INDIA LIMITED

Corporation of Kerala Limited)

Kottayam-1

31ST MARCH 1981 (contd.)

Previous year Rs.	ASSETS	This year Rs.
2,78,15,167.42	Brought forward	3,33,41,252.46
2,78,15,167.42	Total	3,33,41,252.46

As per our report of even date,

For O. THOMAS & Co.
Chartered Accountants
Sd/-
ABRAHAM K. THOMAS
Partner

Kottayam,
25-11-1981.

OIL PALM

(A Subsidiary of The Plantation

Registered Office

PROFIT AND LOSS ACCOUNT FOR

Previous year Rs.		EXPENDITURE	This year Rs.
2,78,920.25	To	Opening Stock	1,70,008.90
1,99,467.79	,,	Pay and allowances	2,40,295.24
13,744.84	,,	Overtime allowances	12,833.22
18,939.65	,,	Leave encashment	29,783 80
1,062.93	,,	Gratuity paid	4,276.03
34,144.79	,,	Employers contribution to Provident Fund	56,691.10
2,908.13	,,	Deposit linked insurance	5,153.26
36,384.33	,,	Travelling allowance to staff & officers	53,079 00
12,093.50	,,	Travelling allowance and sitting fee to Directors	14,808.90
3,404.35	,,	Rates and taxes	7,914.85
11,922.58	,,	Rent	19,200.00
2,886.62	,,	Electricity charges	5,980.68
18,436.25	,,	Postage, telephone and telegram	48,817.44
13,498.70	,,	Stationery and printing	43,323.84
11,659.05	,,	Entertainment expenses	14,022.70
11,827.86	,,	Office expenses	3,966.82
19,537.69	,,	Advertisement charges	15,001.34
99,755.10	,,	Insurance charges	86,365.97
3,066.82	,,	Prior period expenditure	3,944.12
64,306.99	,,	Repairs and maintenance of Assets (Schedule I)	1,10,791.40
1,21,149.24	,,	Welfare expenses (Schedule II)	1,48,989 86
5,814.71	,,	Miscellaneous expenses and adjustments (Schedule III)	20,933.37
9,84,932.17		Carried over	11,16,181.84

INDIA LIMITED

Corporation of Kerala Limited)

Kottayam-1

THE YEAR ENDED 31ST MARCH 1981

Previous year Rs.		INCOME	This year Rs.
6,70,912.26	By	Sale of palm oil (1,30,980 Kgs. Previous year 1,07,867 Kgs.)	10,65,082.00
9,961.50	,,	Sale of nuts	8,430.06
6.00	,,	Interest on deposits	520.30
1,015.00	,,	Rent of buildings	846.00
3,010.50	,,	Application fee	2,055.50
840.00	,,	Sale of tender forms	1,010.00
250.00	,,	Registration of contractors	200.00
22,265.47	,,	Tongya cultivation	18,066.05
16,145.85	,,	Sale of empties and unserviceables	9,045.39
185.00	,,	Miscellaneous income	2,470.40
1,70,008.90	,,	Closing stock of oil	3,78,019.80
3,640.10	,,	Prior period receipt	2,810.96
18,03,142.94	,,	Net loss carried forward to Balance Sheet	29,06,676.47
27,01,383.52		Carried over	43,95,232.93

OIL PALM

(A Subsidiary of The Plantation

Registered Office

PROFIT AND LOSS ACCOUNT FOR

Previous year Rs.		EXPENDITURE		This year Rs.
9,84,932.17		Brought forward		11,16,181.84
...	To	Registration charges		1,08,989.85
7,52,473.70	,,	Cultivation and upkeep		14,44,654.48
2,00,076.05	,,	Manufacturing expenses (Processing)		2,21,717.15
1,74,799.84	,,	Depreciation		3,37,623.69
7,140.41	,,	Guarantee commission		18,750.00
	,,	Remuneration to Auditors		
3,600.00		For Internal Audit		3,000.00
2,000.00		For Audit (Statutory)		...
3,030.00	,,	Consultancy expenses		
	,,	Bonus to staff and workers for 1979 * —	Rs. 97,105.98	
3,350.79		Less: Provision	Rs. 95 000.00	2,105.98
		* excluding	Rs. 1,401.46 capitalised	
340.00	,,	Income tax paid in excess of provision		
913.90	,,	Losses and write off		750.00
...	,,	Honorarium to Chairman		3,275.00
13,399.00	,,	Service charges (Agricultural Finance Corporation Limited)		...
...	,,	Interest charges		
		i) on loan from Government of Kerala		1,06,516,43
3,39,820.81		ii) The Plantation Corporation of Kerala Limited		5,95,368.52
1,19,006.85		iii) Agricultural Finance Corporation Limited		3,12,499.99
95,000.00	,,	Provision for bonus		1,20,000.00
1,500.00	,,	Provision for income tax		1,200.00
...	,,	Provision for audit fee		2,500.00
27,01,383.52		Total		43,95,232.93

Kottayam,
24-11-1981.

Sd/-
S. THANKAPPAN PILLAI
Chairman

Sd/-
R. RAVINDRAN
Managing Director

INDIA LIMITED

Corporation of Kerala Limited)

Kottayam-1

THE YEAR ENDED 31ST MARCH 1981 (contd.)

Previous year Rs.	INCOME	This year Rs.
27,01,383.52	Brought forward	43,95,232.93
27,01,383.52	Total	43,95,232.93

As per our report of even date,

For O. THOMAS & Co.
Chartered Accountants
Sd/-
ABRAHAM K. THOMAS
Partner

Kottayam,
25-11-1981.

SCHEDULE

SCHEDULE OF

(included in and forming part of

	ORIGINAL COST			DEPRECIATION		
	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.	Total Rs.
Buildings	24,54,256.26	4,29,337.00	28,83,593 26	1,57,208.76	75,601.69	2 32,810.45
Vehicles	2,96,699 07	75,484 65	3,72,183.72	1,41,151 85	60,638.42	2,01,790 27
Plant & Machinery	2,48,653 88	9,31,255.69	11,79,909 57	75,590 26	1,65,647.89	2,41,238.15
Furniture	86,836.96	6,641.91	93,478.87	16,686.57	7,679.21	24,365.78
Office equipments	30,664.13	7,361 32	38,025.45	6,200 96	4,773.67	10,974.63
Survey Instruments	2.973.42	—	2,973.42	714 04	355.19	1,069.23
Roads	34,33,802.47	1,59,613,23	35,93,415.70	—	—	—
Fences	33,457 38	—	33,457.38	—	—	—
Electric instrument installation	23.242.51	—	23,242.51	4,885.85	1,860.73	6,746.58
Earth moving equipment	1,79,422 09	—	1,79,422.09	1,14,729.01	19,407.92	1,34,136.93
Electric appliances	10,132.73	—	10,132.73	2,289.74	1,176.45	3,466.19
Wells	866.64	30,236 87	31,103 51	—	—	—
Water supply installation	2,33,992 34	—	2,33,992,34	62,404.64	17,158 77	79,563 41
Library	2,492.90	315.75	2,808.65	252.71	255.59	508.30
Fixtures and fittings	23,548 85	15,096.40	38,645.25	2,354.88	3,629.03	5,983.91
Total	70,61,041.63	16,55,342 82	87,16,384.45	5,84,469.27	3,58,184.56	9,42,653 83

A

FIXED ASSETS

the Balance Sheet as at 31st March, 1981)

DISPOSALS AND ADJUSTMENTS		BALANCE		
Original cost	Depreciation written off	Original cost	Depreciation to date	NET BLOCK
Rs.	Rs.	Rs	Rs.	Rs.
2,19,102.16	21,102.16	26,64,491.10	2,11,708 29	24,52,782.81
—	—	3,72,183.72	2,01,790.27	1,70,393.45
—	—	11,79,909 57	2,41,238.15	9,38,671 42
—	—	93,478 87	24,365.78	69,113 09
—	—	38,025.45	10,974.63	27,050.82
—	—	2,973.42	1,069.23	1,904.19
—	—	35,93,415.70	—	35,93,415.70
—	—	33,457.38	—	33,457.38
—	—	23,242.51	6,746.58	16,495.93
—	—	1,79,422.09	1,34,136.93	45,285.16
—	—	10,132.73	3,466.19	6,666 54
—	—	31,103.51	—	31,103.51
—	—	2,33,992.34	79,563.41	1,54,428.93
—	—	2,808.65	508.30	2,300.35
—	—	38,645.25	5,983.91	32,661.34
2,19,102.16	21,102.16	84,97,282.29	9,21,551.67	75,75,730.62

SCHEDULE B

SCHEDULE OF DEVELOPMENT OF PROPERTY

(Included in and forming part of the Balance Sheet as at 31st March, 1981)

Items	Cost till last year Rs.	Additions Rs.	Total Rs.	Disposals & adjustments Rs.	Cost till date Rs.
1971 Plantation	18,79,720.60	—	18,79,720 60	—	18,79,720.60
1972 Plantation	30,97,167.66	—	30,97,167.66	1,994.58	30,95,173.08
1973 Plantation	26,21,394.85	1,516.39	26,22,911.24	1,535.10	26,21,376.14
1975 Plantation	50,19,851.64	—	50,19,851.64	10,868.02	50,08,983.62
1979 Plantation	10,59,767.84	6,40,305.73	17,00,073.57	—	17,00,073.57
1980 Plantation	—	9,28,216.25	9,28,216.25	—	9,28,216.25
Total	1,36,77,902.59	15,70,038.37	1,52,47,940.96	14,397.70	1,52,33,543.26

Note:— The addition of Rs. 1,516.39 against 1973 plantation and the deletion of Rs. 1,994.58 from 1972 plantation is to adjust Rs. 478.19 being the excese amount under Development of Property as per Schedule B for the year 1979-'80.

SCHEDULE C

CURRENT ASSETS

Previous year Rs.	ITEMS	This year Rs.
4,56,065.97	Stores and spares at cost - as certified and valued by the Managing Director	4,50,497.80
30,344.01	Loose tools revalued - as certified and valued by the Managing Director	22,330.87
5,373.54	Equipment revalued - as certified and valued by the Managing Director	7,245.41
1,70,003.90	Finished goods, work in progress and stock in transit at value subsequently realised / realisable as certified and valued by the Managing Director	3,81,062.80
4,56,068.90	Nursery (at cost) as certified and valued by the Managing Director	42,891,32
74,461.63	Sundry debtors (unsecured considered good) for which the company holds no security other than the debtor's personal security and subject to confirmation (Debts outstanding for more than six months - Rs. 94,218.14)	1,09.758.28
23,121.13	Medicines	16,038.38
20,366.27	Packing drums	17,484.17
2,854.25	Stock of Stationery	2,183.19
	Cash and Bank Balance	
3 00	Stamp and stamp paper on hand	3 00
3,56,252.80	Balance with Scheduled Bank in Current Account	1,53,209 37
—	Margin money with Syndicate Bank	1,25,000.00
114.67	Balance on Treasury Savings Bank account	121.27
15,97,035.07	Total	13,27,825.86

SCHEDULE D

LOANS AND ADVANCES

Previous year Rs.	ITEMS	This year Rs.
100.00	Deposit with Kerala State Electricity Board and Post & Telegraph Department	900 00
12,028.67	Pre - paid expenses	7,424.00
	Other advances recoverable in cash or kind or for value to be received	
1,48,965.00	Bonus advance recoverable	2,28,371.83
42,451.50	Pay advance to staff and workers	42,424.69
1,993.05	Travelling allowance - advance	3,148.08
5,070.00	Cycle loan (unsecured but considered good)	3,220.00
290.55	Stores recoverable	368.11
7.50	Welfare fund recoverable	—
237.00	Hire charges recoverable	453.00
63,744.85	Other advances	1,11,367.94
4,300.00	Advance income tax paid	4,300.00
24,796.80	Stores suspense	—
206.00	Fine recoverable	—
3,04,190.92	Total	4,01,977.65

SCHEDULE E

MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED

Previous year Rs.	ITEMS		This year Rs.
	Expansion Scheme for cultivation of oil palm at Chithara.		
	(1) Nursery at cost	7,02,132 79	
	(2) Preplanting operations	1,08,368 67	
	(3) General charges	66,209 46	
	(4) Roads development	2,70,196 91	
	(5) Installation of Water Supply	31,566.51	
4,74,700.34	Total	11,78,474.34	11,78,474 34
36.00	Shortage of I. B. equipments		36 00
7,516.12	Shortage of stores		7,506 63
1,424.39	Shortage of tools		4,685.54
5,051.63	Investigation of factory site		5,051.63
7,269.15	Stores suspense		7,269.15
1,57,165.99	Preliminary expenses		1,57,165.99
2,246.10	Research expenses		3,815.01
1,281.48	General suspense		1,654.11
224.22	Shortage of cash		—
—	Shortage of packing drums		4,349.72
—	Western Ghats Development Programme		1,720.00
6,56,915.42	Total		13,71,928.12

SCHEDULE F

OTHER LIABILITIES

Previous year Rs.	ITEMS	This year Rs.
2,99,314.48	Sundry Creditors	2,78,030.44
3,09,744.73	Other liabilities	2,24,903.15
2,40,265.00	Deposit	2,89 239.26
17,612.19	Recoveries/Amounts pending remittances	21,642.85
—	Suspense	30.70
235.00	Provident Fund suspense	—
1,396.66	Unclaimed wages, salary etc.	1,581,50
206.39	Amount pending adjustment	—
7,363.00	Interest accrued, but not due on loan	1,06,616.43
8,76,137 45	Total	9,22,044.33

Signatures to schedules A to F

As per our report of even date,
For O. THOMAS & Co.
Chartered Accountants

Kottayam,
24-11-1981.

Sd/-
S. THANKAPPAN PILLAI
Chairman

Sd/-
R. RAVINDRAN
Managing Director

Sd/-
ABRAHAM K. THOMAS
Partner

SCHEDULE OF

DEVELOPMENT EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 1981

(Schedule forming part of Balance Sheet as at 31-3-1981)

Previous year Rs.	ITEMS	This year Rs.
93,122.83	Overhead brought forward	2,34,255.02
2,44,867.08	Pay and allowances	1,10,892.86
27,981.65	Overtime allowances	10,506.77
1,898.32	Leave salary and pension contribution	1,180.00
25,265.60	Leave encashment	21,638.16
50,597.71	Employers' contribution to Provident Fund	35,994.00
4,399.07	Diposit linked insurance	3,195.94
9,971.24	Travelling allowance - staff	9,939.11
28,572.86	Depreciation	10,786.28
12,93,862.08	Cultivation and Upkeep	13,46,453.84
530.12	Perior period expenses	1,866.50
4,134.71	Bonus	1,401.06
1,748.32	Gratuity	660.97
5,647 21	Rates and taxes	4,520.80
65,505.59	Repairs and maintenance of Assets (Schedule IV)	3,23,758.06
5,070.71	Electricity charges	3,461.16
1,37,647 63	Welfare expenses (Schedule V)	48,817.01
14,253.06	Miscellaneous expenses and adjustments (Schedule VI)	83,859.64
20,15,075.79	Total	22,53,187.18
	Less: Credits	
47,827.34	Tongya cultivation	34,725.74
2,34,255.02	Overheads of Incomplete Engineering works	2,22,736.32
17,32,993.43	Balance	19,95,725.12
	Capitalised as under:-	
33,534.30	Completed engineering works	1,57,006.23
—	Expansion scheme (Chithara)	2,70,196.91
8,72,070.54	1975 plantation	—
8,26,588.59	1979 plantation	6,40,305.73
—	1980 plantation	9,28,216.25
17,32,993.43	Total	19,95,725.12

As per our report of even date,
For O. THOMAS & Co.
Chartered Accountants

Kottayam, 24-11-1981.	Sd/- S. THANKAPPAN PILLAI Chairman	Sd/- R. RAVINDRAN Managing Director	Sd/- ABRAHAM K. THOMAS Partner

SCHEDULE I

REPAIRS AND MAINTENANCE OF ASSETS

Previous year Rs.	ITEMS	This year Rs.
56,580.43	Vehicles	1,00,588.36
1,733.21	Buildings	1,765.96
1,911.86	Plant and Mechinery	2,688.90
207.05	Electrification	463.21
996.07	Water supply	2,408.94
1,974.96	Roads	1,633.10
903.41	Tools and implements	1,242.93
64,306.99	Total	1,10,791.40

SCHEDULE II

WELFARE EXPENSES

Previous year Rs.	ITEMS	This year Rs.
280 17	Labour welfare fund	447.96
31,200.65	Medical and Hospital facilities	48,429.47
470.37	Subsistence allowance	1,636.03
209.63	Recreation facilities	537.81
6,011.54	Maternity benefit	8,890 30
4,651.78	Weather protection expenses	5,799.03
138.72	Way expenses	308.72
5,192.36	Uniform to staff	5,234.27
2,872.72	Sanitation	3,803.47
17,530.18	Sickness benefit	19,284 26
18,940 85	Holiday wages	13,190.10
21,212.71	Leave with wages	26,209.07
11,963.60	Drinking water supply	13,993 83
—	Workmen's compensation	138.72
473.96	Special bonus	1,086.82
1,21,149.24	Total	1,48,989.86

SCHEDULE III

MISCELLANEOUS EXPENSES AND ADJUSTMENTS

Previous year Rs.	ITEMS	This year Rs.
2,227.00	Legal expenses	584.05
1,368.90	Staff recruitment expenses	7,936.50
—	Staff training expenses	2,406.00
139.25	Bank charges	7,291.25
332.52	Books and Periodicals	1,111.28
88.46	Storage expenses	147.18
804.32	Security expenses	1,457.11
846.30	Temporary shed	—
7.96	I. B. charges	—
5,814.71	Total	20,933.37

SCHEDULE IV

REPAIRS AND MAINTENANCE OF ASSETS

Previous year Rs.	ITEMS	This year Rs.
54,200.78	Vehicles	49,523.80
2,850.78	Buildings	1,138.26
3,144.63	Plant and Mechinery	1,788.87
340.55	Electrification	8,812.95
1,638.34	Water supply	1,602.61
2,032.14	Roads	—
1,298.37	Tools and implements	308.24
* —	Earth Moving equipment	2,60,583.33
65,505.59	Total	3,23,758.06

* Rs. 89,516.90 - charged to Roads directly during the previous year

SCHEDULE V

WELFARE EXPENSES

Previous year Rs.	ITEMS	This year Rs.
460.83	Labour welfare fund	290.04
49,642.19	Medical and hospital facilities	30,906.65
344.80	Recreation facilities	357.79
773.68	Subsistence allowance	—
779 59	Special bonus	723.03
9,887.80	Maternity benefit	5,914.53
5,233 55	Weather protection expenses	66 56
228 18	Way expenses to workers	205.38
8,447.40	Uniform to staff	3,567.20
4,725.07	Sanitation	2,530.37
12,045.46	Sickness benefit	—
14,022.93	Holiday wages	—
14,135.13	Leave with wages	—
16,921.02	Drinking water supply	4,163.18
—	Workmen's compensation	92.28
1,37,647.63	Total	48,817.01

SCHEDULE VI

MISCELLANEOUS EXPENSES AND ADJUSTMENTS

Previous year Rs.	ITEMS	This year Rs.
3,983.51	Postage	2,939.86
357.29	Printing and Stationery	705.58
799.76	Office expenses	1,520.15
724 55	Entertainment expenses	—
7.65	Bank charges	31.50
110.23	Books and Periodicals	65.50
3,195 30	Storage expenses	1,653.16
1,322.96	Security expenses	969.38
3,738.71	Advertisement charges	3,429.91
13.10	I. B. charges	—
—	Legal expenses	35 95
—	Registration charges	72,508.65
14,253.06	Total	83,859.64

Signature to schedules I to VI

As per our report of even date,

For O. THOMAS & Co.

Chartered Accountants

Kottayam, 24-11-1981.	Sd/- S. THANKAPPAN PILLAI Chairman	Sd/- R. RAVINDRAN Managing Director	Sd/- ABRAHAM K. THOMAS Partner Kottayam, 25-11-1981.

NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1981

1. Estimated amount of civil contracts on capital assets to be executed on account and not provided for:- Rs. 2.27 lakhs.

2. No provision has been made for gratuity. Accrued liability upto 31-3-1981 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. 2.47 lakhs based on the total strength of approximately 514 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 subsequently realised / realisable value, and certified by the Managing Director.

4. The Profit and Loss Account expenditure includes:-

	1980-'81 Rs.	Previous year Rs.
1. Wages	11,00,781.13	6,64,010 37
2. Stores	6,44,650.24	3,51,961.19
3. Fuel	36,582.06	66,707.05
The development expenditure includes:-		
1. Wages	4,50,481.70	9,83,024.23
2. Stores	9,73,062.62	3,87,225 98
3. Fuel	18,771.83	98,551.70

The above includes contract wages and stores supplied by contractors / repairers also.

5. The development expenditure has been allocated and capitalised for immature Plantations on the basis of the immature area under cultivation. The common expenses of the estate have been allocated to mature and immature plantations on the basis of the mature and immature area under cultivation. Out of 1,752 hectares of oil palm plantations, 1,052 hectares have been declared mature and 700 hectares, immature for allocation of expenditure.

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. T. A. and sitting fees to Directors include Rs. 1,400/- being sitting fee to directors and Rs. 200/- being sitting fee to Chairman.

8. Additional information as per Clause IV D of Part II of Shedule VI A (certified by the Managing Director).

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

b) Expenditure in foreign currency —NIL—

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

	Value Rs.	Expressed as percentage of consumption
1. Imported	NIL	NIL
2. Indigenous (Stores & Spares) (This includes value of stores included under capitalisation)	16,17,712.66	100
3. Particulars of dividends remitted in foreign exchange	NIL	NIL
4. Earnings in foreign exchange	NIL	NIL

9. Lease rent has not been provided for the area handed over for raising oil palm plantations and has not been paid for. In the administrative order from the Government of India (letter No. 66 (3) B/71-CA I (1) 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 cost 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 in October, 1980. Orders of the Government are awaited. The liability on this account is Rs. 34.28 lakhs as on 31-3-1981.

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. 52,791.79 has been received during the year as lease rent for land given to tongya cultivation. Out of this Rs. 34,725.74 have been credited to upkeep expenses of the immature plantations.

13. Amount paid to Managing Director.

	This year Rs.	Previous year Rs.
Pay and allowance	32,556.00	32,186.96
Travelling allowance	21,066.55	16,800.40
Medical expenses	686.92	159.97
Leave encashment	2,713.00	2,846.46

14. Perquisites to Directors:-

(i) The Managing Director is provided with a car for his official purpose 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/-.

(ii) The Chairman is provided with a car for his official purpose and is charged Rs. 100/- per month for his private use limiting to 500 Kms. a month. The perquisite enjoyed during the year in this regard is about Rs. 400/-. Also he has been paid an amount of Rs. 518/- towards residential telephone rental and charges for official phone calls made from his telephone.

15. "Loans and Advances" include Rs. 795/- paid as recoverable advance to the Officers of the Company. The maximum amount due is Rs. 800/- in the year.

16. There were three fire accidents in the Estate on 25th January, 20th February and 2nd March, 1981, which resulted in the loss of 112 palms. The total loss on account of fire accident was Rs. 10,868.02. After adjusting the initial loss of Rs. 750/- which is to be borne by the company, the claim for the balance of Rs. 10,118.02 is being lodged.

17. "Stores Suspense" under Miscellaneous expenditure (Schedule E) relates to the value of 12,000 polythene bags returned to the suppliers for replacement.

18. Western Ghats Development Programme:

The following expenditure has been incurred for the scheme of cultivation of oil palm under the above scheme.

	Rs.
i) Margin money deposit with Syndicate Bank for import of seeds.	1,25,000.00
ii) Advertisement charges	1,720.00
iii) Sprinkler - Irrigation equipment under erection	38,825.28
iv) Purchase of polythene bags included under 'Stores Control Account'	54,974.41
Total	2,20,519.69

19. The following credit balances in the name of persons who left the company are pending adjustment:-

	Rs.
Pay advance - Sectional -	173.00
Onam advance - 1973 -	2.00
Onam advance - 1977 -	22.00
Total	197.00

20. 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 O. THOMAS & Co.
Chartered Accountants

Kottayam, 24-11-1981.	Sd/- S. THANKAPPAN PILLAI Chairman	Sd/- R. RAVINDRAN Managing Director	Sd/- ABRAHAM K. THOMAS Partner Kottayam, 25-11-1981.

O. THOMAS & Co.
Chartered Accountants
Kottayam.

Phone Office : 3638
Residence : 4447

AUDITOR'S REPORT

The shareholders of
OIL PALM INDIA LIMITED
Kottayam.

We have audited the annexed Balance Sheet of the Oil Palm India Limited, Kottayam as at 31st March, 1981 and the Profit & Loss Account of the Company for the year ended on that date attached thereto and report that:-

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. The Sundry Debtors, Creditors and Loans and Advances are subjuct to confirmation. Out of Sundry Debtors Rs. 63,730.19 being balance due from M/s. Kerala Soaps & Oils Limited, Calicut is stated to be under dispute.

3. Subject to what is stated above and also to the notes attached to and forming part of the accounts for the year ended 31st March, 1981 and subject to additional information as per Statement 'A' annexed hereto:

(a) 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.

(b) The Balance Sheet and Profit & Loss Account dealt with by the report are in agreement with the books of accounts.

4. In our opinion and to the best of our information and according to the explanations given to us the accounts with the notes thereon and notes forming part of accounts for the year ended 31st March, 1981 give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:-

(a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1981.

(b) In the case of the Profit & Loss Account of the loss for the year ended on that date.

Sd/-
ABRAHAM K. THOMAS
Partner,
O. THOMAS & CO.,
Chartered Accountants

Kottayam,
25-11-1981.

O. THOMAS & Co.
Chartered Accountants
Kottayam.

STATEMENT 'A'

Additional information in accordance with the order issued by the Company law Board under section 227 (4A).

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. Discrepancies noticed during physical verification have been properly dealt with in the books of accounts.

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

3. Periodical physical verification of finished goods, stores, spare-parts and raw materials is done by the Management. The discrepancies noticed on verification between the physical stock and book records have been properly dealt with in the books of accounts. The mode of valuation of stock has been done on the same basis as in the previous 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 repayment 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 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 Section 301 of the Companies Act, 1956.

8. 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.

9. The Company has not accepted deposits from Public Under Section 58A 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 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 31-3-1981.

Sd/-
ABRAHAM K. THOMAS
Partner,
O. THOMAS & Co.
Chartered Accountants

Kottayam,
25-11-1981.

REPLIES TO AUDITOR'S REPORT

Item No. 2

The matter regarding the balance due from M/s. Kerala Soaps & Oils Limited, Calicut, has been taken up with the Government of Kerala.

Sd/-	Sd/-
S. THANKAPPAN PILLAI	R. RAVINDRAN
Chairman	Managing Director

(emblem)

GOVERNMENT OF KERALA

No. 85945/PU. B1 81/Fin.

Finance Department
Trivandrum
Dated: 26-12-1981

Comments of the Finance Secretary to the Government of Kerala under Article 63 of the Articles of Association of Oil Palm India Limited on the accounts of the company for the year ended 31-3-1981.

"NO COMMENTS"

Sd/-
S. PADMAKUMAR
Finance Secretary

OFFICE OF THE ACCOUNTANT GENERAL, KERALA, TRIVANDRUM

Comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act 1956 on the accounts of Oil Palm India Limited for the year ended 31st March, 1981

B. **Profit and Loss Account**

(1) **Expenditure**

To remuneration to auditors for	Amount
Internal Audit	3,000.00
Audit (Statutory)	Nil
To provision for audit fee	2,500.00

Statutory Auditors were not the Internal Auditors and payment of Rs. 3,000/- was made to other auditors.

The provision for audit fee includes Rs. 500 payable towards travelling allowance.

General

2. The amount paid (including perquisite) to the Managing Director, as mentioned in item No. 13 and 14 (i) of the notes attached to and forming part of accounts, works out to Rs. 37,669 and accordingly the number of employees who were in receipt of remuneration of Rs. 36,000/- per annum should be one instead of nil mentioned in item 6 of the notes attached to and forming part of the accounts.

(Sd/-)

Trivandrum, **(M. V. BHAT)**

Dated: 22-6-'82. Accountant General - II, Kerala

Directors' reply to the Comments of the Comptroller and Auditor General of India

"NOTED"

Sd/-
S. THANKAPPAN PILLAI
Chairman

Sd/-
R. RAVINDRAN
Managing Director