THE PLANTATION CORPORATION OF KERALA LTD.

FOR PLANTATION CORPORATION OF KERALA LTD

General Manager (Finance & Accounts)

THE PLANTATION CORPORATION OF KERALA LIMITED

Registered Office: KOTTAYAM - 686 004

BOARD OF DIRECTORS

T. U. KURUVILLA
Chairman (from 10–11–1982)

S. GOPALAN, I.A.S.
(from 27–10–1983 to 27–9–1984
and from 12–10–1984 to 7–10–1985)

M. S. JOSEPH
(from 19–10–1985)

A. HASSANKUTTY
(from 2–8–1980 to 27–9–1984)

M. SIVARAJAN
(from 12–10–1984 to 7–10–1985
and from 19–10–1985)

K. BABU
(from 25–11–1983 to 27–9–1984)

GERVACES AREECKAL
(from 25–11–1983 to 27–9–1984
and from 12–10–1984 to 3–1–1985)

P. MUKUNDAN MENON
(from 12–10–1984 to 7–10–1985)

P. SUSEELAN
(from 2–8–1980 to 27–9–1984)

P. K. GOPALAN
(from 25–11–1983 to 27–9–1984
and from 12–10–1984 to 7–10–1985)

P. J. JOY
(from 25–11–1983 to 27–9–1984
and from 12–10–1984 to 7–10–1985)

AYATHIL BHASKARAN NAIR
(from 25–11–1983 to 18–8–1984)

M. P. CHERIYAN
(from 25–11–1983 to 27–9–1984
and from 12–10–1984 to 7–10–1985)

K. A. MOHAMED KUNHI
(from 25–11–1983 to 27–9–1984
and from 12–10–1984 to 7–10–1985)

K. J. SEBASTIAN
(from 25–11–1983 to 27–9–1984
and from 12–10–1984 to 7–10–1985)

P. GOVINDANKUTTY
(from 25–11–1983 to 27–9–1984
and from 12–10–1984 to 26–7–1985)

M. GEORGE
(from 24–3–1984 to 27–9–1984 and
from 12–10–1984 to 10–7–1985)

P. O. PUSHPANGADAN
(from 12–10–1984 to 7–10–1985)

RUGMINI BHASKARAN NAIR
(from 12–10–1984 to 7–10–1985)

V. J. JOSEPH
(from 3–1–1985 to 7–10–1985)

A. G. ZACHARIAH
(from 10–7–1985)

N. SURESH KUMAR
(from 26–7–1985 to 7–10–1985)

T. S. G. NAIR
Managing Director (from
18–5–1981 to 17–5–1984)

N. K. GOPALAKRISHNAN
Managing Director (from 18–5–1984)

SECRETARY

PHILIP JACOB, B.Sc., B.Com., F.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

South Indian Bank Ltd.

Federal Bank Ltd.

AUDITORS

M/s. K. Venkatachalam Aiyar & Co.,
Chartered Accountants, Kottayam.

LEGAL ADVISERS

M/s. Joseph & Markos,
Advocates, Kottayam.

M/s. Menon & Pai,
Advocates, Ernakulam.

M/s. Menon & Menon,
Advocates, Ernakulam.

Mr. Jose Mackil,
Advocate, Kottayam.

M/s. Swami, Cheriyan & Shanker,
Notary & Lawyers,
Kottayam.

Mr. George Poothottam,
Advocate, Ernakulam.

Mr. P. T. Mathew,
Retired Dist. Judge,
Kottayam.

Mr. M. K. Vasudevakurup,
Advocate, Kottayam.

Mr. E. T. Mathew,
Advocate, Kottayam.

Mr. Thampi Cheriyan,
Advocate, Ernakulam.

Mr. T. P. Mathai,
Advocate, Ernakulam.

Mr. N. Bhaskara Pillai,
Advocate,
Meenattoor, Trivandrum.

M/s. Law Chamber, Kottayam

CONTENTS

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 23rd Annual General Meeting of the Corporation will be held at the Registered Office of the Corporation at 12 Noon on Monday, the 30th September 1985 to transact the following business:

(i) To receive and adopt the Directors' and Auditors' Reports and the audited Balance Sheet as on 31st March 1985, 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 S. Gopalan, I. A. S.
2. ,, M. Sivarajan, I. F. S.
3. ,, A. G. Zachariah
4. ,, P. Mukundan Menon
5. ,, P. K. Gopalan
6. ,, P. J. Joy
7. ,, M. P. Cheriyan
8. ,, V. J. Joseph
9. ,, K. A. Mohamed Kunhi
10. ,, K. J. Sebastian
11. ,, N. Suresh Kumar
12. ,, P. O. Pushpangadan
13. Smt Rugmini Bhaskaran Nair

By order of the Board,
For THE PLANTATION CORPORATION OF KERALA LIMITED

Kottayam,
2-9-1985

Sd/–
PHILIP JACOB
Secretary

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 23rd (adjourned) Annual General Meeting of the Corporation will be held at the Registered Office of the Corporation at Kottayam at 11.30 A. M. on Wednesday the 4th March, 1987 to transact the following business.

To receive and adopt the Directors' and Auditors' Reports and audited Balance Sheet as on 31–3–1985 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,
Date: 10-2-1987

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 the 23rd Annual Report of the Corporation for the year ended 31st March, 1985.

FINANCIAL POSITION

The Authorised Share Capital of the Corporation is Rs. 750 lakhs and the Paid up Capital, which stood at Rs. 556.88 lakhs on 31-3-1984 continued unchanged during 1984-85.

The Corporation has made considerable remittances towards loans drawn from Government of Kerala and interest due on these loans, during the year 1984-85.

The amounts paid are as follows:

Repayment of Loan	:	Rs. 153.55 lakhs
Payment of Interest	:	Rs. 55.59 lakhs

These include amounts adjusted on settlement of investments and loans in respect of Oil Palm India Limited. The amounts adjusted are as follows:

Repayment of Loan	:	Rs. 84.72 lakhs
Payment of Interest	:	Rs. 18.82 lakhs

We have also paid the following amounts in respect of Loan from 1-4-1985 to 31-7-1986.

Repayment of Loan	:	Rs. 39.99 lakhs
Payment of Interest	:	Rs. 35.39 lakhs

The Corporation has not obtained any loan in 1984-85 and subsequently, from Government.

PROFIT & LOSS ACCOUNT

The net profit for the year ended 31-3-1985 was Rs. 34.69 lakhs after making the following provisions:

Interest for Loan	:	Rs. 36.16 lakhs
Rehabilitation Reserve	:	Rs. 1.29 ,,
Replanting Reserve	:	Rs. 35.00 ,,
Depreciation	:	Rs. 26.06 ,,
Bonus net payment after deduction of provision	:	Rs. 60.28 ,,
Provision for bonus	:	Rs. 18.00 ,,
Provision for taxation	:	Rs. 105.00 ,,
Provision for Gratuity	:	Rs. 40.60 ,,

We have also made the following adjustments against the accumulated profit till 31-3-84 and profit for 1984-85.

Loss on transfer of Shares held in Oil Palm India Limited	:	Rs. 59.15 lakhs
Provision for taxes (Financial year from 1981-82 to 1984-85)	:	Rs. 102.00 ,,

The amount drawn for the development of Cashew Plantations under the World Bank scheme stood at Rs. 50.87 lakhs on 31–3–1985 after making a re-payment of Rs. 33.92 lakhs. This amount was re-paid fully during 1985–86. Subsequently, under the Multi State Cashew Project, we have availed of a World Bank loan of Rs. 24.86 lakhs.

AGRICULTURAL INCOME TAX

The assessment of agricultural income tax of the Corporation has been completed only upto 1979–80. As per the Auditors' Report on the basis of the completed assessment, there is a short provision of Rs. 86.58 lakhs for the financial years 1976–77 to 1979–80. Additional provision amounting to Rs. 102 lakhs was made for the financial years 1981–82 to 1983–84. Appeals are pending with the higher authorities for the assessments completed.

ESTATES

There are seven rubber estates and four cashew estates under the ownership of the Corporation. They are located in Pathanamthitta, Ernakulam, Trichur, Kozhikode, Kasargod and Palghat Districts. The Management of Alakode estate (excess land taken over) in Cannanore District is also vested with the Corporation.

The estates are properly maintained and timely upkeep measures are being taken. The area utilisation is given below:

Area under rubber	:	7,297	Hectares
Area under cashew	:	6,205	,,
Uncultivated reserve including submergible area	:	174	,,
Area under buildings, roads, factories etc.	:	295	,,
Total	:	13,971	,,

LEASE RENT

The rate of lease rent payable by the Corporation has not been finalised. The Chief Conservator of Forests has been requested by Government to send proposals for fixing lease rent payable by the Corporation, in terms of the clauses of the lease deed executed. It may be mentioned, that we have paid an amount of Rs. 57.36 lakhs as lease rent on 25–7–1986, at the rates fixed earlier for the period upto 31–3–1986. In the accounts for the year 1984–85, we have made provision for lease rent at the demanded rate of Rs. 615/– per Ha. However, for the earlier arrears from 1981–82 to 1983–84 lease rent has been provided only at the rate of Rs. 125/– per Ha. as the matter was under dispute with Government.

RUBBER

The area under rubber has increased from 6195 Ha. to 6325 Ha. But production is only 5534 M.T. Months long strike of workers in Kalady Group and the general go slow are the main reasons for the poor yield. Average production per hectare during the year is 875 kg.

As part of a massive replanting programme, high level tapping has been introduced in 2599 Ha. An area of 146.69 Ha. has been given for slaughter tapping prior to replanting. Arrangements are also being made for starting nurseries to raise necessary seedlings for replanting in the coming years.

The encroachments in the area handed over to the Corporation from the erstwhile Koothali Farm at Perambra, were cleared and pre-planting operations have been started.

At Nilambur, the Company took over 582.58 Ha. of failed Rubber plantations from the Vested Forest Authority and pre-planting operations and rehabilitation measures have been started there.

CASHEW

The two schemes, viz. Kerala Agricultural Development Project (KADP) and the Multi State Cashew Project (MSCP) are still under operation. Including the cashew area in the rubber estates, the total extent of cashew planted is 6205 hectares.

SALES

Rubber

During 1984–85, the quantity of rubber sold was 6,192.52 M.Ts. against 5,556.07 M.Ts. during 1983–84. The sale proceeds realised during 1984–85 was Rs. 1,129.18 lakhs against Rs. 1,008.14 lakhs during 1983–84. Average price realised per kilo of rubber was Rs. 18.23 against Rs. 18.14 per kg. in 1983–84.

Cashew

Amount realised by sale of cashew nuts in 1984–85 was Rs. 46.75 lakhs against Rs. 33.63 lakhs in 1983–84.

EXCISE DUTY

The retrospective assessment in respect of Excise Duty involving an amount of Rs. 290.52 lakhs has been waived by Central Government, and hence the writ petition has been withdrawn and the matter is treated as closed.

ENGINEERING CONSTRUCTION

To minimise water and air pollution in the surroundings of Chandanappally Factory, works to the value of Rs. 6,40,000/– has been done for the treatment of effluents from the factory.

In order to overcome water scarcity at the factory, an additional weir was constructed across the Kallelithode stream in Chandanappally Estate and a tube well dug near the factory site.

His Excellency the Governor of Kerala had laid the foundation stone for an auditorium at Kodumon, in connection with the Silver Jubilee of rubber planting in Kodumon Estate. Construction of the stage is in progress.

The road from Theppupara to Kurissumukku in Kodumon Estate of about 6 kms. has been rubberised at a total cost of about Rs. 3 lakhs.

In Thannithode estate road work in new area is in progress for a length of 3.50 Kms. and staff quarters (2 sets) and labour lines (2 sets) are completed.

At Vadavathoor (Head Office) 5 Nos. of staff quarters are being constructed.

In Kalady Group, 4 sets of 'C' type quarters have been constructed in Kallala Estate for Staff. The work of 3 sets 'E' type quarters and 1 set 'C' type quarter in Adirappally estate is in progress.

An additional water tank of 450 m^3 capacity attached to the main water supply scheme is being constructed in Kalady Group.

In cashew area of Rajapuram, Mannarghat and Cheemeni, work of road as well as residential buildings for staff are in progress.

Works in Nilambur Estate are being arranged.

PERSONNEL MANAGEMENT, INDUSTRIAL RELATIONS AND LABOUR WELFARE

The organisational set up of the Company continued unchanged during the year.

Although we had taken every earnest step for entering into a bilateral agreement on revision of salary and service conditions of staff, it could not be finalised as the staff unions did not agree to sign it. The staff resorted to a strike from 15–10–1985 to 22–11–1985 to press their demands for payment of Dearness Allowance at State Government rates. As per the direction from the Government, all the benefits given to the staff in the plantation industry as per ESUSI–UPASI Settlement dated 2–3–1984 have been extended to our staff also, instead of Government D.A.

There has been no case of continuous labour unrest during the period excepting a few instances of token strikes and Bandhs.

During the period there has been an average increase in Dearness Allowance of Rs. 1.62 per day to the daily rated workers and Rs. 29.25 per month to the monthly paid staff.

There were fresh appointments of a Medical Officer and Electric Lineman and also Personnel Officer for the Cashew Plantation. Ten Senior Assistants were promoted as Junior Superintendents (Office). One of the candidates selected from among the workers has been given promotion as Vehicle Helper.

Under the scheme of providing employment to the dependants of employees who die in harness while in our service, we have given 12 appointments, 4 in staff category and 8 in workers' category.

We have held joint conferences, discussions and negotiations at Unions–Management level and also at higher levels on various matters concerning staff and workers. These conferences and discussions have enabled us maintain cordial relationship with the employees.

We have continued the practice of sending our employees for various training programmes, seminars etc. The knowledge gained by them has been of great use in efficient functioning of the organisation.

The employees in the estates and Head Office are provided with all basic amenities such as accommodation, water and electricity etc. Medical, educational and recreational facilities are also being given as before. The last grade staff, Mechanical staff, Hospital staff etc. are supplied with terry-cotton uniform once in two years. The tappers have been paid an all-inclusive special allowance of Rs. 300/- per annum during this year also over and above their normal wages.

HOUSING SCHEME

Under the SASH (Subsidised Aided Self Housing) scheme of the Kerala State Housing Board, the Company has sponsored construction of 11 houses and the beneficiaries have availed themselves of assistance worth Rs. 5,000/– each.

In another scheme of the Housing Board, viz. the Natural Calamity Scheme, the Corporation has sponsored 11 applications of its workers.

The Board had also approved of a scheme under which funds are made available by the Housing Development Finance Corporation Limited, and terms and conditions are being finalised.

BOARD OF DIRECTORS

By Government Order dated 10–7–1985, Sri A. G. Zacharia was appointed Director in place of Sri M. George. Subsequently, by Government Order dated 26–7–1985 Sri M. Suresh Kumar was appointed Director in place of Sri P. Govindankutty.

At the 23rd Annual General Meeting held on 30th Sept. 1985, all the Directors excepting Chairman and Managing Director retired and were not re-appointed. Government, by order dated 19–10–1985, appointed the following persons as Directors:

1. Sri M.S. Joseph, I.A.S.
2. ,, M. Sivarajan, I.F.S.
3. ,, A.G. Zachariah

who now constitute the Board along with the Chairman and Managing Director.

CHAIRMAN

Cav. T.U. Kuruvilla, who was appointed Chairman by G.O. dated 10–11–1982, continues to hold office as Chairman.

MANAGING DIRECTOR

Shri N. K. Gopalakrishnan, who has been appointed Managing Director by G.O. dated 17–5–1984, continues to hold office as Managing Director.

FORMER SUBSIDIARY COMPANY

The shares held by the Corporation in its former subsidiary Company, Oil Palm India Limited have been transferred in toto to the Governor of Kerala, as directed by Government.

ACKNOWLEDGEMENT

Your Directors are grateful to the Government of India, Government of Kerala, World Bank, NABARD, Rubber Board and such other bodies for their continued support during the year under review.

Your Directors also wish to place on record their deep sense of satisfaction in receiving the unstinted support and goodwill of the Officers, staff and workers of the Corporation throughout the year.

For and on behalf of the Board of Directors

Kottayam,
8–9–1986

T. U. KURUVILLA
Chairman

REVIEW OF ACCOUNTS OF THE PLANTATION CORPORATION OF KERALA LIMITED, KOTTAYAM FOR THE YEAR ENDED 31ST MARCH, 1985 BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

1. FINANCIAL POSITION

The table below summarises the financial position of the Company under broad headings for the three years up to 1984–85.

		1982–83	1983–84	1984–85
			(Rupees in lakhs)	
Liabilities				
(a)	Paid up capital	556.88	556.88	556.88
(b)	Reserves and Surplus	343.84	426.42	338.07
(c)	Borrowings	512.69	498.36	309.89
(d)	Trade dues and current liabilities (including provisions)	777.77	953.51	1,097.24
	Total	2,191.18	2,435.17	2,302.08
Assets				
(a)	Gross Block	703.20	754.06	787.00
(b)	*Less:* Depreciation	190.69	213.90	235.88
(c)	Net fixed assets	512.51	540.16	551.12
(d)	Development of property	799.81	837.00	858.66
(e)	Capital work in progress	27.41	16.46	16.37
(f)	Investments	121.21	121.21	0.01
(g)	Current assets, loans and advances	727.59	919.42	873.36
(h)	Intangible assets: Miscellaneous expenditure	2.65	0.92	2.56
	Total	2,191.18	2,435.17	2,302.08
	Capital employed	1,350.15	1,465.01	1,342.80
	Net worth	898.07	982.38	892.39

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 0.92:1 in 1982–83, 0.89:1 in 1983–84 and 0.56:1 in 1984–85.

3. RESERVES AND SURPLUS

The reserves and surplus accumulated as at the end of the three years up to 1984–85 amounted to Rs. 343.84 lakhs, Rs. 426.42 lakhs, Rs. 338.07 lakhs respectively. The reserves and surplus worked out to 15.7 per cent of the total liabilities in 1982–83, 17.5 per cent in 1983–84 and 14.7 per cent in 1984–85 and 61.7 per cent of equity capital in 1982–83, 76.6 per cent in 1983–84 and 60.7 in 1984–85.

4. LIQUIDITY AND SOLVENCY

(a) The percentage of current assets to total net assets increased from 33.2 in 1982–83 to 37.7 in 1983–84 and to 37.9 in 1984–85.

(b) The percentage of current assets to current liabilities (including provision) varied from 93.5 in 1982–83 to 96.4 in 1983–84 and to 79.6 in 1984–85.

(c) The percentage of quick assets (sundry debtors, cash and bank balances, advances recoverable etc.) to current liabilities (excluding provisions) varied from 77.1 in 1982–83 to 99.8 in 1983–84 and to 100.9 in 1984–85.

5. CURRENT RATIO

As the current liabilities exceeded the current assets of the Company in 1982–83 and 1983–84 and 1984–85, the current ratio was below 1 viz. 0.94:1, 0.96:1 and 0.8:1 respectively. However the working capital (current assets, loans and advances less trade dues and current liabilities) of the Company at the end of 1984–85 amounted to (—) Rs. 66.98 lakhs.

6. WORKING RESULTS

The working results of the Company for the three years upto 1984–85 are tabulated below :

		1982–83	1983–84	1984–85
			(Rupees in lakhs)	
I	Profit as per accounts	81.85	155.10	139.69
Add/Less	(a) Prior period adjustments (—)	0.49	0.10	0.07
	(b) Replanting/Rehabilitation reserves	31.74	40.44	36.29
II	Profit for the year before tax	112.80	195.64	176.05
III	Tax provision	54.20	114.25	105.00
IV	Profit after tax	58.60	81.39	71.05

	1982–83	1983–84	1984–85
Percentage of profit before tax to:			
—Sales	12.8	18.8	15.0
—Gross fixed assets (including development of property)	7.5	12.3	10.6
—Capital employed	8.4	13.4	13.1
Percentage of profit after tax to:			
—Net worth	6.5	8.3	8.0
—Equity capital	10.5	14.6	12.8
—Capital employed	4.3	5.6	5.3

7. COST TRENDS

The table below indicates the sales, cost of sales and percentage of cost of sales to sales for the three years upto 1984–85.

	1982–83	*1983–84*	*1984–85*
		(Rupees in lakhs)	
Sales	884.67	1,042.63	1,176.32
Less: Profit before tax	212.80	195.64	176.05
Cost of sales	771.87	846.99	1,000.27
Percentage of cost of sales to sales	87.2	81.2	85.03

8. PRODUCTION PERFORMANCE

The value of production for the three years up to 1984–85 is worked out below:

		1982–83	*1983–84*	*1984–85*
			(Rupees in lakhs)	
(a)	Sales	884.67	1,042.63	1,176.32
(b)	Closing stock of finished goods and work in progress	142.01	160.08	139.50
(c)	Opening stock of finished goods and work in progress	100.02	142.01	160.08
(d)	Value of production (a+b—c)	926.66	1,060.70	1,155.74

Percentage of value of production to net worth varied from 103.2 in 1982–83 to 108.0 in 1983–84 and to 129.5 in 1984–85. The percentage of value of production to total net assets varied from 42.3 in 1982–83 to 43.6 in 1983–84 and to 50.2 in 1984–85.

9. INVENTORY AND PRODUCTION

The following table indicates the comparative position of inventory and its distribution at the close of the three years up to 1984–85.

		1982–83	1983–84	1984–85
			(Rupees in lakhs)	
(a)	*Stores and spares:*			
	General stores and spares	46.05	39.67	58.15
	Engineering stores	12.98	13.22	13.90
(b)	Loose tools	3.00	2.98	3.37
(c)	Stock in trade finished goods including work in progress	142.01	160.08	139.50
(d)	Equipments	3.61	3.48	3.37
		207.65	219.43	218.29

The stock of general stores and spares was equivalent to 9.7 months' requirements (for production and development of property) during 1984–85 as compared to 5.7 months in 1983–84 and 6.6 months in 1982–83 (engineering stores intended for capital construction are excluded for the purpose of this analysis).

10. SUNDRY DEBTORS AND TURNOVER

The following table indicates the value of book debts and sales for the three years up to 1984–85.

As on 31st March	*Book debts Considered good*	*Considered doubtful*	*Sales during the year*	*Percentage of debt to sales*
1983	90.34	—	884.67	10.2
1984	124.62	—	1,042.63	12.0
1985	78.70	10.15	1,176.32	7.6

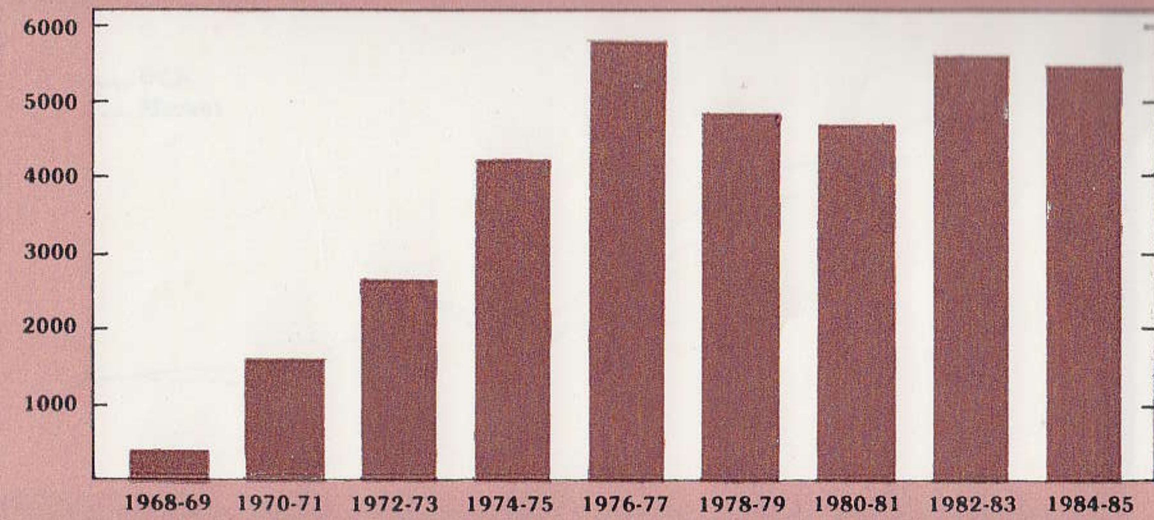
Note: No effect of the Comments of the Comptroller and Auditor General of India and qualifications in the Auditors' Report has been given in the review of accounts.

Sd/–
(ANANDA SHANKAR)
Accountant General (Audit)
Kerala.

Trivandrum,
Dated: 19–01–1987.

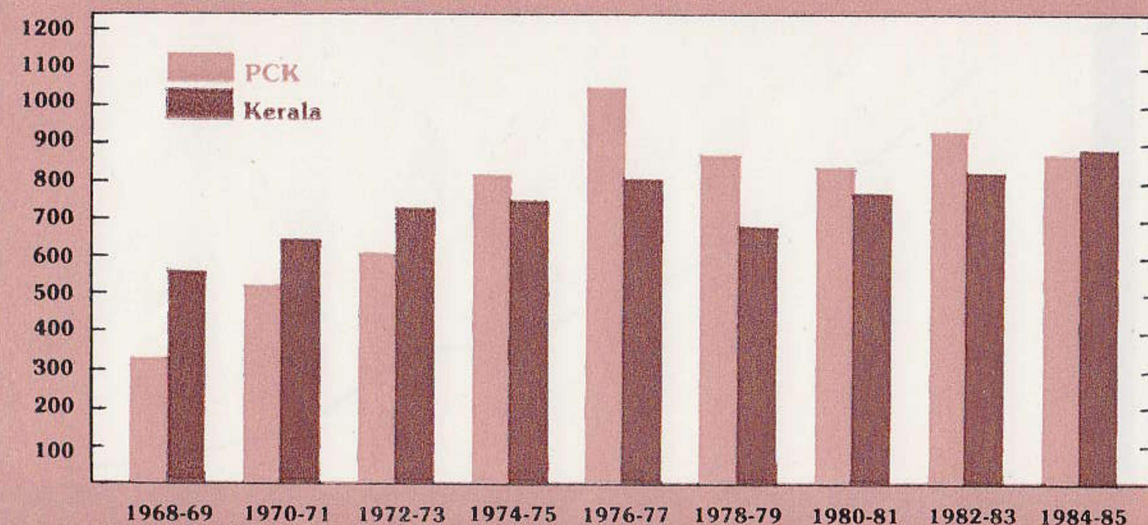
Production of Rubber (M.T.)

Year	Quantity (M.T.)
1968-69	454
1970-71	1697
1972-73	2725
1974-75	4213
1976-77	5897
1978-79	4990
1980-81	4805
1982-83	5639
1984-85	5534



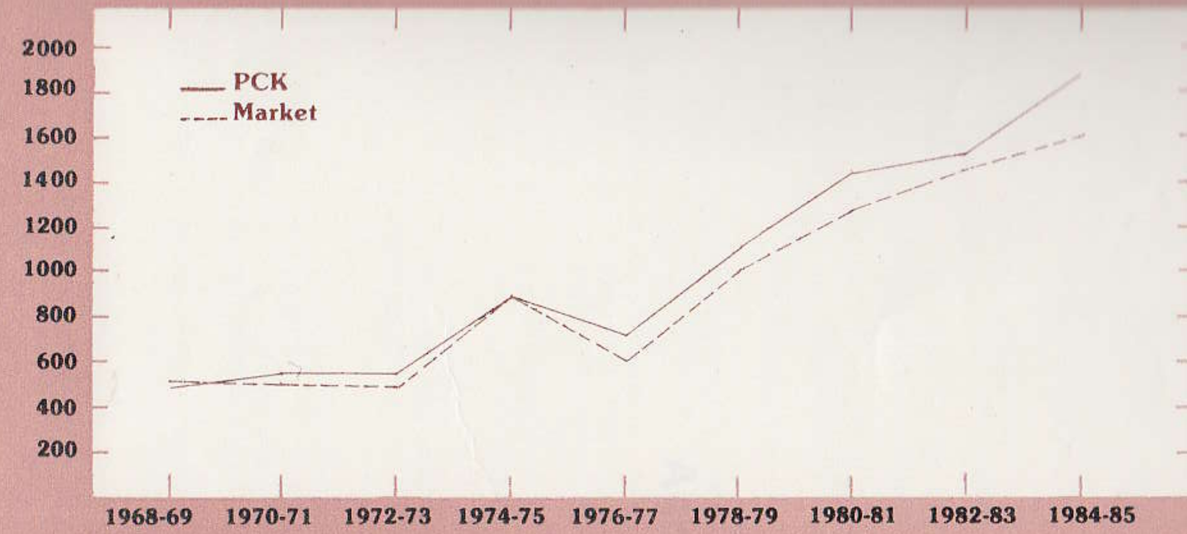
Average Yield of Rubber per Hectare (Kg.)

Year	PCK	Kerala
1968-69	323	568
1970-71	517	647
1972-73	609	721
1974-75	812	755
1976-77	1054	806
1978-79	884	698
1980-81	835	780
1982-83	927	828
1984-85	875	890



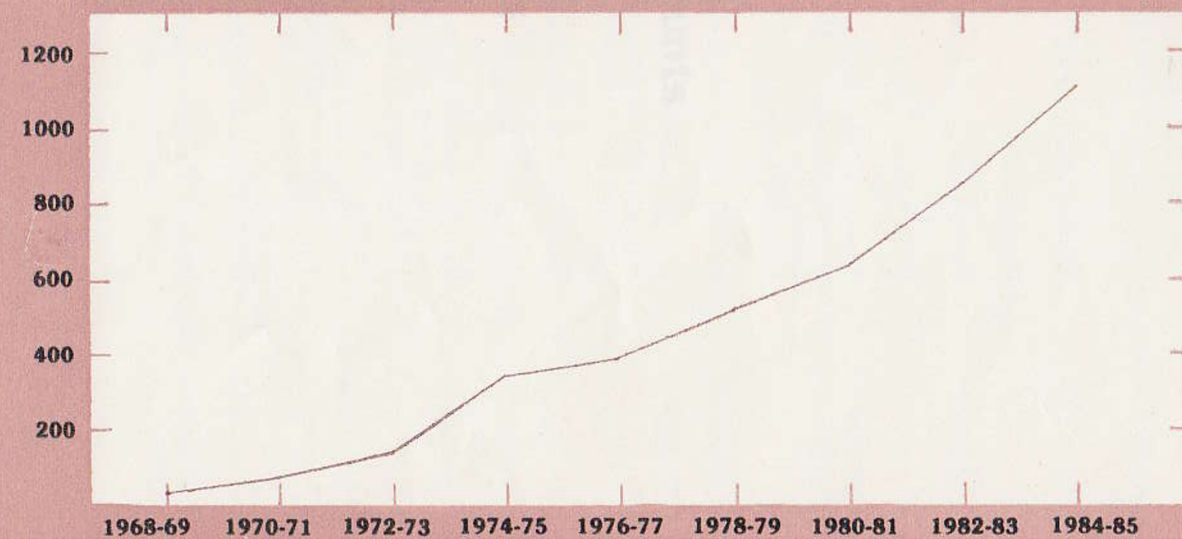
Average Price of Rubber per Quintal (Rs.)

Year	PCK	Market
1968-69	462	466
1970-71	536	464
1972-73	521	459
1974-75	849	849
1976-77	688	596
1978-79	1062	953
1980-81	1406	1215
1982-83	1520	1409
1984-85	1823	1587



Rubber Sales (Rs. Lakhs)

Year	Rs. Lakhs.
1968-69	19
1970-71	92
1972-73	145
1974-75	356
1976-77	395
1978-79	523
1980-81	636
1982-83	852
1984-85	1129



Annual Accounts and Schedules

BALANCE SHEET AS AT

Previous year Rs.	Liabilities		Rs.	Current year Rs.
	SHARE CAPITAL			
	Authorised			
7,50,00,000	75,000 equity shares of Rs. 1,000/– each			7,50,00,000
	Subscribed			
5,56,88,000	55,688 equity shares of Rs. 1,000/– each (previous year 55,688)			5,56,88,000
	CALLED AND FULLY PAID UP			
4,35,06,000	43,506 equity shares of Rs. 1,000/– each		4,35,06,000	
1,21,82,000	12,182 equity shares of Rs. 1,000/– allotted as fully paid up pursuant to contract without payment being received in cash		1,21,82,000	5,56,88,000
	RESERVES & SURPLUSES			
7,76,733	i) Capital Reserve			7,76,733
89,08,000	ii) *Replanting Reserve:*			
	As per last Balance Sheet	89,08,000		
	Added during the year	35,00,000	1,24,08,000	
1,28,17,854	iii) *Rehabilitation Reserve:*			
	As per last Balance Sheet	1,28,17,854		
	Added during the year	1,29,422	1,29,47,276	
1,70,04,646	PROFIT AND LOSS ACCOUNT		43,58,759	
18,75,000	Subsidy received from Government of Kerala under Housing Scheme		18,75,000	
10,80,640	Subsidy received from Government of Kerala for the upkeep of Cashew Plantations		10,80,640	
1,78,625	Subsidy received from Rubber Board for rubber plantation		3,59,983	3,30,29,658
	SECURED LOANS (From Nationalised Banks) secured by a first charge on the land, machinery, buildings and standing crops of cashew)			
60,00,000	From Syndicate Bank		36,00,000	
24,79,000	From State Bank of Travancore		14,87,400	50,87,400
10,68,08,498	Carried over			9,45,81,791

31ST MARCH 1985

Previous year Rs.	Assets	Rs.	Current year Rs.
	FIXED ASSETS		
8,37,00,136	a) Plantations (As per Schedule –A)	8,58,65,629	
5,40,15,596	b) Building, Roads, Plant & Furniture etc. (As per Schedule –B)	5,51,12,419	
		14,09,78,048	
16,45,968	c) Buildings & Roads under construction	16,37,006	14,26,15,054
	INVESTMENTS		
1,100	Investments in fully paid equity shares of companies (at cost) (As per Schedule–C)		1,100
1,21,20,000	Investments in shares of subsidiary company – Oil Palm India Limited (As per last Balance Sheet)	1,21,20,000	
	Less: Transferred to unsecured loan due to Government of Kerala	62,05,440	
	Balance loss transferred to Profit and loss account	59,14,560	
	CURRENT ASSETS, LOANS AND ADVANCES		
5,51,69,985	A) Current Assets (As per Schedule – D)	6,46,13,454	
3,67,71,642	B) Loans and Advances (As per Schedule – E)	2,27,22,384	8,73,35,838
92,418	Miscellaneous Expenditure to the extent not written off or adjusted (As per Schedule – F)	...	2,55,625
24,35,16,845	Carried over		23,02,07,617

BALANCE SHEET AS AT

Previous year Rs.	Liabilities		Rs.	Current year Rs.
10,68,08,498	Brought foreward			9,45,81,791
	UNSECURED LOANS			
	From Government of Kerala:			
3,94,51,010	1) For Estate Development		2,40,95,866	
19,05,900	2) For Subsidised Housing Scheme		18,05,900	
93,15,939	Interest accrued and due on the above		66,92,044	3,25,93,810
	CURRENT LIABILITIES AND PROVISIONS			
3,39,64,434	A) Current Liabilities (As per Schedule – G)		4,78,40,284	
	B) **Provisions:**			
	1) *For Gratuity:*			
1,21,93,992	As per last Balance Sheet	1,21,93,992		
	Added during the year	40,60,196		
		1,62,54,188		
	Less: paid during the year	5,64,131	1,56,90,057	
	2) *For Bonus:*			
18,00,000	As per last Balance Sheet	18,00,000		
	Added during the year	18,00,000		
		36,00,000		
	Less: Adjusted against bonus paid during the year	18,00,000	18,00,000	
3,80,77,072	3) *For Taxation:*			
	As per last Balance Sheet	3,80,77,072		
	Added during the year	2,07,00,000		
		5,87,77,072		
24,35,16,845	Carried over			12,71,75,601

31ST MARCH 1985 (Contd.)

Previous year Rs.	Assets	Current year Rs.
24,35,16,845	Brought forward	23,02,07,617
24,35,16,845	Carried over	23,02,07,617

BALANCE SHEET AS AT

Previous year Rs.	Liabilities		Rs.	Current year Rs.
24,35,16,845	Brought forward			12,71,75,601
	Less: Agricultural Income tax due as per completed assessments, 1978–79, 79–80 & 80–81 adjusted	2,09,35,338		
		3,78,41,734		
	Less: Central Income tax paid 81–81 Rs. 19,587 82–83 Rs. 1,20,472	1,40,059	3,77,01,675	10,30,32,016
24,35,16,845	Total			23,02,07,617

Sd/–
T. U. KURUVILLA
Chairman

Sd/–
N. K. GOPALAKRISHNA PILLAI
Managing Director

31ST MARCH 1985 (Contd.)

Previous year Rs.	Assets	Current year Rs.
24,35,16,845	Brought forward	23,02,07,617
24,35,16,845	Total	23,02,07,617

As per our report of even date
For K. VENKITACHALAM AIYER & CO.
Chartered Accountants
Sd/–
A. GOPALAKRISHNAN
18159, Partner

Sd/–
PHILIP JACOB
Secretary

PROFIT AND LOSS ACCOUNT FOR

Previous year Rs.		Expenditure		Current year Rs.
	To	Opening stock		
1,42,01,172	,,	Finished goods/ work in progress		1,60,08,395
87,16,823	,,	Salaries & Allowances (Includes the Managing Directors remuneration of Rs. 43,659 . 34)		98,19,422
8,73,148	,,	Leave encashment to staff (includes the Managing Director's leave encashment of Rs. 4,864 . 47)		9,73,786
31,32,719	,,	Employer's contribution to P.F.		38,16,534
		Bonus	78,28,117	
53,96,852	,,	Less: Provisions	18,00,000	60,28,117
9,000	,,	Honorarium to Chairman		9,000
1,45,131	,,	T.A. & Sitting fees to Directors (includes the Managing Directors travellng expenses of Rs. 20,565 . 35)		97,758
3,58,074	,,	T.A. to Staff & Officers		4,06,364
5,048	,,	T.A. to Visiting Agent		217
29,298	,,	Remuneration to Visiting Agent		..
42,487	,,	Rent		27,758
44,02,25	,,	Rates & Taxes		4,87,068
5,55,416	,,	Electricity charges		7,59,733
22,59,712	,,	Lease Rent		56,99,439
4,49,698	,,	Insurance Charges		39,165
2,04,753	,,	Advertisement charges		2,63,146
1,10,844	,,	Legal Expenses		86,940
15,000	,,	Remuneration including expenses to Auditors for Audit		15,000
1,000	,,	Professional charges		6,000
10,63,170	,,	Security Expenses		10,67,191
3,80,09,570		Carried over		4,56,11,033

THE YEAR ENDED 31ST MARCH 1985

Previous year Rs.		Income	Rs.	Current year Rs.
10,08,14,066	By	SALES:		
	,,	Rubber	11,29,18,566	
33,63,119	,,	Cashew	46,74,660	
72,970	,,	Agricultural produce	38,394	
9,627	,,	Pureria	12	
1,55,543	,,	Rubber trees & firewoods	1,96,280	
1,91,265	,,	Empties & Unserviceables	2,22,443	
12,509	,,	Rubber seeds	..	
				11,80,50,355
86,434	,,	Profit on sale of assets		52,352
		OTHER RECEIPTS		
10,40,127		i) Interest on treasury deposit	16,76,881	
32,204		ii) Staff Advances	48,040	
..	,,	Application fee	960	
16,188	,,	Lease Rent	6,038	
15,523	,,	Rent of Buildings	15,377	
1,524	,,	Prior period items	16,852	
9,966	,,	Misc. Income	10,348	
				17,74,496
1,60,08,395	,,	CLOSING STOCK of finished goods/work-in-progress		1,39,49,572
12,18,29,460		Carried over		13,38,26,775

PROFIT AND LOSS ACCOUNT FOR

Previous year Rs.		Expenditure		Current year Rs.
3,80,09,570		Brought forward		4,56,11,033
39,54,011	To	Interest on loans		36,15,976
3,750	,,	Guarantee commission		..
32,99,222	,,	Repairs & maintenance of assets (Schedule I)		44,99,009
11,97,726	,,	Misc. expenses (Schedule II)		13,20,870
69,25,716	,,	Welfare expenses (Schedule III)		87,05,156
17,52,782	,,	Depreciation including loss on revaluation		16,84,681
1,01,36,900	,,	Cultivation & Upkeep of Rubber		1,05,15,522
1,80,18,120	,,	Tapping & Collection of rubber		2,00,99,950
1,00,47,779	,,	Manufacturing & Selling expenses		1,05,78,275
33,08,646	,,	Cultivation and upkeep of cashew		37,14,045
6,285	,,	Collection charges of cashew		..
11,941	,,	Prior period expenses		23,967
18,00,000	,,	PROVISIONS		
	,,	i) for bonus	18,00,000	
38,02,864	,,	ii) for gratuity	40,60,196	
89,00,000	,,	iii) for taxation	1,05,00,000	
				1,63,60,196
11,44,299	,,	Rehabilitation Reserve		1,29,422
29,00,000	,,	Replanting Reserve		35,00,000
25,24,883	,,	Income tax paid in excess of provisions		..
40,84,966	,,	Net profit for the year c/d		34,68,673
12,18,29,460		Total		13,38,26,775
	,,	Loss on transfer of shares in Oil Palm India Ltd.		59,14,560
	,,	Additional provision for taxation for the years 1980–81 to 1983–84		1,02,00,000
	,,	Net profit c/d		43,58,759
		Total		2,04,73,319

Sd/–
T. U. KURUVILLA
Chairman

Sd/–
N. K. GOPALAKRISHNA PILLAI
Managing Director

THE YEAR ENDED 31ST MARCH 1985 (Contd.)

Previous year Rs.	Income	Rs.	Current year Rs.
12,18,29,460	Brought forward		13,38,26,775
12,18,29,460	Total		13,38,26,775

By	Balance as per last Balance Sheet	1,70,04,646
,,	Net profit for the year b/d	34,68,673
	Total	2,04,73,319

As per our report of even date
For **K. VENKITACHALAM AIYER & CO.**
Chartered Accountants
Sd/–
A. GOPALAKRISHNAN
18159, Partner

Sd/–
PHILIP JACOB
Secretary

Development Expenditure for the year ended 31-3-1985
(Schedule forming part of the Balance Sheet as at 31-3-1985)

Previous year Rs. Ps.	Items	Rs. Ps.	Current year Rs. Ps.
3,56,177.22	Overheads brought forward from previous year		2,47,856.21
5,29,542.65	Pay and Allowance	5,95,129.48	
35,943.11	Leave encashment	38,708.16	
37,819.35	Employer's contribution to P.F.	47,588.90	
31,498.36	Bonus	67,930.19	
21,536.25	Travelling expenses	12,367.80	
322.00	Rates taxes and Insurance	3,671.20	
13,152.66	Repairs & maintenance of Assests as per Schedule.V.	48,920.93	
2,408.50	Rent	2,546.50	
18,510.23	Welfare expenses as per Schedule VI	28,622.20	
15,856.04	Miscellaneous expenses and adjustments as per Schedule VII	3,457.77	
357.88	Prior period adjustment a/c	..	
54,870.92	Depreciation	40,845.87	
26,04,805.06	Cultivation & upkeep–Rubber	10,79,713.35	
9,31,251.07	Cultivation & upkeep–Cashew	7,86,972.19	
46,54,051.30			30,04,330.75
	Less Credits		
2,020.50	Sale of tender forms	..	
1,350.00	Registration fee	2,775.00	
1,04,879.26	Engineering Wing overheads pertaining to repair works	3,06,189.93	
2,47,856.21	Engineering overheads pertaining to incomplete works	2,87,690.35	5,96,655.28
3,56,105.97			
42,97,945.33			24,07,675.47
	Capitalised as under		
5,48,491.16	Completed Engineering works	2,42,181.63	
26,04,805.06	Rubber Plantation	10,79,713.35	
11,44,649.11	Cashew Plantation	10,85,780.49	24,07,675.47
42,97,945.33	Total		24,07,675.47

As per our report of even date
For **K. VENKITACHALAM AIYER & CO.**
Chartered Accountants

Sd/–	Sd/–	Sd/–	Sd/–
T. U. KURUVILLA	**N.K. GOPALAKRISHNA PILLAI**	**PHILIP JACOB**	**A. GOPALAKRISHNAN**
Chairman	Managing Director	Secretary	18159 Partner

SCHEDULE A

DEVELOPMENT OF PROPERTY

(Included in and forming part of Balance Sheet as at 31st March 1985)

ITEMS	Till last year	ADDITIONS DURING THE YEAR					Total to-date
		Kodumon	Thannithode	Perambra	Rajapuram	Mannarghat	
1	2	3	4	5	6	7	8
	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.
Rubber:—							
1959 Plantation	6,28,371.94	..	..	..	..	..	6,28,371.94
1960 ,,	5,62,467.87	..	..	..	..	..	5,62,467.87
1961 ,,	71,32,377.05	..	..	..	..	..	71,32,377.05
1962 ,,	45,61,152.14	..	..	..	..	..	45,61,152.14
1963 ,,	44,37,542.96	..	..	..	..	..	44,37,542.96
1964 ,,	20,37,593.07	..	..	..	..	..	20,37,593.07
1965 ,,	49,47,322.09	..	..	..	..	..	49,47,322.09
1966 ,,	22,52,657.43	..	..	..	..	..	22,52,657.43
1967 ,,	37,69,476.47	..	..	..	..	..	37,69,476.47
1968 ,,	31,97,400.76	..	..	..	..	..	31,97,400.76
1969 ,,	5,42,665.32	..	..	..	..	..	5,42,665.32
1970 ,,	9,90,797.76	..	..	..	..	..	9,90,797.76
1971 ,,	10,04,184.66	..	..	..	..	..	10,04,184.66
1972 ,,	10,00,295.85	..	..	..	..	..	10,00,295.85
1973 ,,	23,66,727.72	..	..	..	..	..	23,66,727.72
1974 ,,	56,54,790.43	..	..	..	..	..	56,54,790.43
1975 ,,	19,40,223.72	..	..	..	..	..	19,40,223.72
1976 ,,	65,47,391.24	..	..	..	..	..	65,47,391.24
1977 ,,	48,06,978.60	..	..	..	..	..	48,06,978.60
1978 ,,	7,40,108.44	..	..	..	..	..	7,40,108.44
1979 ,,	27,31,710.26	..	2,22,837.17	39,449.15	..	..	29,93,996.58
1980 ,,	1,33,265.58	..	..	..	..	..	1,33,265.58
1982 ,,	4,36,614.97	..	66,216.90	..	..	..	5,02,831.87
1983 ,,	14,55,349.26	..	6,86,270.41	..	..	..	21,41,619.67
1967 Replanting	8,99,989.98	..	..	..	..	..	8,99,989.98
1968 ,,	1,76,105.28	..	..	..	..	..	1,76,105.28
1969 ,,	4,99,906.84	..	..	..	..	..	4,99,906.84
1970 ,,	70,505.30	..	..	..	..	..	70,505.30
1971 ,,	3,14,844.42	..	..	..	..	..	3,14,844.42
1972 ,,	2,18,930.02	..	..	..	..	..	2,18,930.02
1973 ,,	15,03,654.30	..	..	..	..	..	15,03,654.30
1974 ,,	2,69,512.32	..	..	..	..	..	2,69,512.32
1980 ,,	49,178.91	..	..	116.25	..	..	49,295.16
1983 ,,	2,46,512.03	64,823.47	..	..	..	..	3,11,335.50
Coconut evicted area	795.36	..	..	..	..	..	795.36
Expenses	16,94,037.42	..	..	..	..	..	16,94,037.42
Survey	1,60,561.22	..	..	..	..	..	1,60,561.22
Eucalyptus	15,963.37	..	..	..	..	..	15,963.37
Kasargod Cashew	36,65,014.59	..	..	..	..	..	36,65,014.59
Cashew 1976	1,50,069.06	..	..	..	..	..	1,50,069.06
,, 1977	20,06,054.00	..	..	..	..	..	20,06,054.00
,, 1978	13,65,478.68	..	..	..	..	..	13,65,478.68
,, 1979	8,24,526.79	..	..	..	..	..	8,24,526.79
,, 1980	11,97,002.60	..	..	..	..	..	11,97,002.60
,, 1981	15,60,359.85	..	..	..	..	3,27,606.97	18,87,966.82
,, 1982	12,09,358.55	..	..	..	1,08,719.30	4,42,709.56	17,59,787.41
Cashew (in Rubber estate)	15,02,072.55	..	..	..	..	..	15,02,072.55
Cashew 1983	2,23,236.79	..	..	..	1,64,674.12	42,070.54	4,29,981.45
TOTAL	8,37,00,135.82	64,823.47	9,75,324.48	39,565.40	2,73,393.42	8,12,387.07	8,58,65,629.66

Disposals — Nil

As per our report of even date
For **K. VENKITACHALAM AIYER & CO.**
Chartered Accountants

Sd/-	Sd/-	Sd/-	Sd/-
T.U. KURUVILLA	**N.K. GOPALAKRISHNA PILLAI**	**PHILIP JACOB**	**A. GOPALAKRISHNAN**
Chairman	Managing Director	Secretary	18159, Partner

SCHEDULE

SCHEDULE OF

(Included in and forming part of

ITEMS	ORIGINAL COST			DEPRECIATION		
	As at 31-3-84	Additions	Total	As at 31-3-84	For the year	Total
	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.
Freehold land	20,87,988.65	4,54,357.40	25,42,346.05	..	..	..
Buildings	3,82,48,309.66	15,36,195.64	3,97,84,505.30	91,56,207.38	8,86,065.40	1,00,42,272.78
Vehicles	46,11,939.48	3,98,426.93	50,10,366.41	30,27,130.07	5,43,113.54	35,70,243.61
Plant & Machinery	65,20,173.24	9,96,010.73	75,16,183.97	43,57,587.83	4,79,404.10	48,36,991.93
Furniture	13,22,711.71	99,447.25	14,22,158.96	6,35,269.24	78,688.64	7,13,957.88
Office equipments	3,84,631.96	14,774.93	3,99,406.89	2,40,396.93	23,788.19	2,64,185.12
Survey instruments	11,098.20	..	11,098.20	10,005.24	163.83	10,169.07
Library	46,630.56	414.30	47,044.86	23,631.97	2,341.29	25,973.26
Road	1,23,29,271.88	3,820.65	1,23,33,092.53	..	..	..
Fence	9,78,602.39	..	9,78,602.39	..	..	..
Electrical fittings	44,607.86	1,470.00	46,077.86	24,451.14	2,317.63	26,768.77
Electrical appliances	55,197.29	5,054.04	60,251.33	32,338.88	4,186.83	36,525.71
Electrical installation	45,59,493.07	52,292.77	46,11,785.84	20,21,561.40	2,56,142.25	22,77,703.65
Telephone	15,557.38	..	15,557.38	12,854.83	405.38	13,260.21
Wells	6,573.37	..	6,573.37	..	..	..
Water Supply Installations	40,44,974.95	82,682.05	41,27,657.00	18,36,754.09	2,33,519.95	20,70,274.04
Landing pad	1,18,844.25	..	1,18,844.25	..	..	..
Jhankar & Boats	19,051.49	..	19,051.49	11,871.93	717.95	12,589.88
TOTAL	7,54,05,657.39	36,44,946.69	7,90,50,604.08	2,13,90,060.93	25,10,854.98	2,39,00,915.91
Previous year Total	7,03,19,663.73	52,67,048.19	7,55,86,711.92	1,90,68,514.25	24,35,277.48	2,15,03,791.73

Sd/–
T. U. KURUVILLA
Chairman

Sd/–
N. K. GOPALAKRISHNA PILLAI
Managing Director

B

FIXED ASSETS

the Balance Sheet as at 31st March 1985)

DISPOSAL & ADJUSTMENTS		BALANCE		NET BLOCK	Net Block
Original cost	Depreciation	Original cost	Todate depreciation		as at 31–3–84
Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.
..	..	25,42,346.05	..	25,42,346.05	20,87,988.65
..	..	3,97,84,505.30	1,00,42,272.78	2,97,42,232.52	2,90,92,102.28
3,50,597.60	3,13,328.26	46,59,768.81	32,56,915.35	14,02,853.46	15,84,809.41
..	..	75,16,183.97	48,36,991.93	26,79,192.04	21,62,585.41
..	..	14,22,158.96	7,13,957.88	7,08,201.08	6,87,442.47
..	..	3,99,406.89	2,64,185.12	1,35,221.77	1,44,235.03
..	..	11,098.20	10,169.07	929.13	1,092.96
..	..	47,044.86	25,973.26	21,071.60	22,998.59
..	..	1,23,33,092.53	..	1,23,33,092.53	1,23,29,271.88
..	..	9,78,602.39	..	9,78,602.39	9,78,602.39
..	..	46,077.86	26,768.77	19,309.09	20,156.72
..	..	60,251.33	36,525.71	23,725.62	22,858.41
..	..	46,11,785.84	22,77,703.65	23,34,082.19	25,37,931.67
..	..	15,557.38	13,260.21	2,297.17	2,702.55
..	..	6,573.37	..	6,573.37	6,573.37
..	..	41,27,657.00	20,70,274.04	20,57,382.96	22,08,220.86
..	..	1,18,844.25	..	1,18,844.25	1,18,844.25
..	..	19,051.49	12,589.88	6,461.61	7,179.56
3,50,597.60	3,13,328.26	7,87,00,006.48	2,35,87,587.65	5,51,12,418.83	5,40,15,596.46
1,81,054.53	1,13,730.80	7,54,05,657.39	2,13,90,060.93	5,40,15,596.46	5,12,51,149.48

As per our report of even date
For **K. VENKITACHALAM AIYER & CO.**
Chartered Accountants

Sd/–
PHILIP JACOB
Secretary

Sd/–
A. GOPALAKRISHNAN
18159, Partner

SCHEDULE C

(Included in and forming part of Balance Sheet as at 31st March, 1985)

Previous year Rs. Ps.	ITEMS	Rs. Ps.	Current year Rs. Ps.
1,000.00	10 Equity shares of Rs. 100/– each paid up in the Banana and Fruit Development Corporation Limited, Madras. (Not quoted)		1,000.00
100.00	1 'A' class shares of Rs. 100/– each fully paid up in the Mannam Sugar Mills Co-operative Stores Limited, No. 4324. (Not quoted)		100.00
1,100.00	Total		1,100.00

SCHEDULE D

(Included in and forming part of Balance Sheet as at 31st March, 1985)

Previous year Rs. Ps.		Rs. Ps.	Current year Rs. Ps.
52,88,731.08	Stores & Spares at cost		72,05,371.95
2,98,135.11	Loose tools as valued		3,27,043.68
3,48,519.97	Agricultural Equipments as valued		3,37,467.41
1,60,08,394.89	Stock of raw rubber, rubber in process valued at since realised, prices as per certificate of the Managing Director		1,39,49,571.95
	Nurseries:		
4,73,032.31	Rubber	6,26,687.20	
	Cashew	984.00	6,27,671.20
	SUNDRY DEBTORS **(Unsecured & Considered good)**		
1,11,03,418.78	Outstanding for a period less than six months	71,13,673.54	
3,23,649.88	Outstanding for a period more than six months	7,56,249.55	
10,34,451.14	Considered doubtful	10,14,781.14	88,84,704.23
	Less provision		
4,343.45	Stamp & stamp paper on hand		1,269.15
51,47,473.20	Balance with Scheduled Banks in Current A/c		77,24,114.38
1,50,11,372.65	Treasury Savings Bank Account		2,53,91,054.85
1,28,663.00	Subsidy Receivable		1,65,185.00
5,51,69,985.46	Total		6,46,13,453.80

SCHEDULE E

(Included in and forming part of Balance Sheet as at 31st March, 1985)

Previous year Rs. Ps.	ITEMS	Rs. Ps.	Current year Rs. Ps.
	Staff loan (Secured and considered good)		
2,06,677.00	Motor Cycle loan	2,23,664.73	
1,93,798.36	Motor Car loan	2,85,471.72	5,09,136.45
	UNSECURED CONSIDERED GOOD		
62,04,227.34	Alakode Government Estate		80,87,880.22
3,71,303.00	Deposit with Post & Telegraph, Electricity Board, Port Trust, and other Govt. Dept.		3,71,303.00
2,620.54	Prepaid expenses		..
1,60,429.00	Other deposits		1,90,929.00
59,000.00	Deposits with Housing Board		66,000.00
33,90,282.59	Advance recoverable in cash or in kind or for value to be received.		38,08,620.40
1,14,895.14	Advance central Income tax paid		6,04,323.14
84,63,249.82	Due from Oil Palm India Ltd.		50,84,191.54
1,76,05,159.11	Advance Agricultural Income Tax	1,76,05,159.11	
	Less: Adjusted against tax due as per assessment	1,36,05,159.11	40,00,000.00
3,67,71,641.90	Total		2,27,22,383.75

SCHEDULE F

(Included in and forming part of Balance sheet as at 31st March 1985)

Previous year Rs. Ps.	ITEMS	Currant year Rs. Ps.
	MISCELLANEOUS EXPENDITURE	
43,670.73	Suspense pending adjustment	2,04,101.65
35,019.06	Stores suspense	24,752.50
5,917.89	Shortage of tools	4,695.32
6,691.61	Shortage of stores	4,245.23
1,119.29	P.F. suspense	16,853.24
	Shortage of equipments	977.41
92,418.58	Total	2,55,625.35

SCHEDULE G

(Included in and forming part of Balance Sheet as at 31st March 1985)

Previous year Rs. Ps.	ITEMS	Current year Rs. Ps.
	CURRENT LIABILITIES	
8,47,735.83	Sundry Creditors	25,77,944.69
2,10,27,467.66	Other liabilities	2,48,37,824.35
17,59,439.99	Earnest Money Deposit and Security Deposit	27,52,943.48
25,748.52	Suspense pending adjustments	38,123.24
13,099.01	P.F. Suspense	17,114.88
78,37,722.57	Interest accrued but not due on Govt. loans	76,81,540.66
19,778.12	Stores suspense	15,529.42
24,00,825.23	Income received in advance	25,74,979.80
30,000.00	Housing Scheme – Workers	13,000.00
..	A.I.T. payable	73,30,179.52
..	Welfare Fund	1,104.11
3,93,61,816.93	Total	4,78,40,284.15

SCHEDULE I

REPAIRS AND MAINTENANCE OF ASSETS

Previous year Rs. Ps.	ITEMS	Current year Rs. Ps.
9,50,544.33	Buildings	15,77,167.49
11,51,060.72	Vehicles	11,07,575.54
4,83,399.92	Roads	9,88,822.12
1,76,068.27	Water supply	1,65,841.42
1,44,328.07	Electrification	2,57,277.53
2,66,381.76	Fence	1,84,125.10
1,27,439.07	Others	2,18,199.93
32,99,222.14	Total	44,99,009.13

SCHEDULE II

MISCELLANEOUS EXPENSES AND ADJUSTMENTS

Previous year Rs. Ps.	ITEMS	Current year Rs. Ps.
3,04,354.63	Postage, telephone & telegram	2,62,723.05
3,16,258.76	Printing and Stationery	5,51,670.79
46,857.12	Office expenses and miscellaneous	72,781.93
..	Bank charges	10,841.47
23,511.13	Books and periodicals	22,414.33
93,022.36	Storage expenses	72,473.29
86,734.79	I.B. expenses	86,098.76
18,257.01	Rent of boards	18,145.28
6,000.00	Loss by fire	..
	Losses and write off	17,475.46
73,338.44	Entertainment expenses	83,641.38
22,620.00	Staff training expenses	15,121.25
37,460.95	Ferry expenses	36,650.80
1,26,701.49	Temporary sheds	51,941.63
2,319.31	Research expenses	2,908.31
2,125.76	Gardening	832.70
11,629.10	Management Consultanacy	4,000.00
26,517.00	Survey expenses	3,150.75
..	Donations	8,000.00
11,97,725.85	Total	13,20,870.18

SCHEDULE III

WELFARE EXPENSES

Previous year Rs. Ps.		Current year Rs. Ps.
8,07,239.99	Sickness benefit	9,89,175.54
1,23,401.91	Maternity benefit	1,34,380.80
12,81,159.06	Leave with wages	15,31,400.98
6,63,856.23	Holiday wages	11,30,570.38
2,22,067.32	Weather protection expenses	2,33,796.90
7,08,325.72	Drinking water supply	6,55,217.24
1,40,049.35	Sanitation	1,38,953.43
34,671.80	Recreation facilities	39,929.51
21,31,051.56	Medical & Hospital facilities (including the Managing Director's medical expenses of Rs. 60/–)	24,05,319.35
22,868.36	Way expenses to workers	22,472.87
37,782.47	Running & maintenance of school	43,359.62
3,51,245.51	Creche expenses	3,44,460.95
12,223.95	Workmen's compensation	8,247.18
1,766.93	Workers education	8,402.94
3,60,029.09	Uniform to staff & workers	9,68,134.02
12,781.79	Subsistence allowance	11,780.01
15,195.00	Labour welfare fund	39,554.00
69,25,716.04	Total	87,05,155.72

SCHEDULE IV

MANUFACTURING & SELLING EXPENSES

Previous year Rs. Ps.	ITEMS	Current year Rs. Ps.
	TRANSPORT OF LATEX	
6,05,774.38	Pay and allowances	6,55,752.64
46,903.15	Vehicle tax and Insurance	42,844.40
4,60,036.88	Running and maintenance of vehicles	3,05,830.71
11,12,714.41	Total	10,04,427.75
	MANUFACTURING	
9,77,240.82	Pay and allowances	11,17,831.86
18,75,532.71	Factory wages	21,84,414.72
1,14,818.52	Fuel for smoke house	89,309.20
3,81,737.66	Fuel for Generator	1,55,281.53
15,95,664.05	Chemicals	15,13,937.41
1,94,447.97	Factory upkeep & maintenance	2,33,215.04
5,18,123.66	Machinery upkeep & maintenance	6,10,880.68
48,350.00	Factory insurance	4,000.00
5,17,711.33	Power supply	7,87,608.48
2,99,099.94	Welfare expenses	3,84,427.33
1,73,956.00	Fuel for drier	1,55,870.00
66,96,682.66	Total	72,36,776.25
	DISTRIBUTION	
1,83,362.21	Packing Materials	2,34,874.34
1,92,379.14	Packing wages	2,81,622.12
4,93,748.00	Forwarding charges	5,58,066.87
7,50,776.35	Depreciation	9,21,665.12
3,56,255.39	Selling expenses	1,99,937.15
2,61,860.77	Commission to selling agents and rebates	1,40,905.47
22,38,381.86	Total	23,37,071.07
1,00,47,778.93		1,05,78,275.07

SCHEDULE V

REPAIRS AND MAINTENANCE OF ASSETS
(Under Development Expenditure)

Previous year Rs. Ps.	ITEMS	Current year Rs. Ps.
5,900.48	Vehicles	42,110.92
1,627.20	Roads	640.75
722.86	Tools and implements	876.00
4,902.12	Others	5,293.26
13,152.66	Total	48,920.93

SCHEDULE VI

WELFARE EXPENSES
(Under Development Expenditure)

Previous year Rs. Ps.	ITEMS	Current year Rs. Ps.
6,616.96	Medical & hospital facilities	2,301.73
890.27	Uniform to staff	2,136.09
214.90	Weather protection	2,150.75
..	Leave with wages	11,843.84
10,786.10	Drinking water supply	10,189.79
2.00	Labour welfare fund	..
18,510.23	Total	28,622.20

SCHEDULE VII

MISCELLANEOUS EXPENSES AND ADJUSTMENTS
(Under Development Expenditure)

Previous year Rs. Ps.	ITEMS	Current year Rs. Ps.
1,147.95	Postage, telephone, telegrams	1,077.95
3,213.50	Printing and stationery	12.50
1,685.74	Office expenses and miscellaneous	1,607.87
77.85	Storage expenses	92.00
2,428.30	Entertainment expenses	667.45
51.60	Security expenses	..
6,507.70	Temporary shed	..
743.40	Survey expenses	..
15,856.04	Total	3,457.77

As per our report of even date
For **VENKITACHALAM AIYER & CO.**
Chartered Accountants

Sd/–	Sd/–	Sd/–	Sd/–
T.U. KURUVILLA	**N.K. GOPALAKRISHNA PILLAI**	**PHILIP JACOB**	**A. GOPALAKRISHNAN**
Chairman	Managing Director	Secretary	18159, Partner

NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1985

1. Estimated amount of civil contracts remaining to be executed on capital account and not provided for is Rs. 12,10,105.78 (last year Rs. 6,31,883.56).

2. Lease deed for lands handed over to the Corporation since 1970 has yet to be executed excepting an area of 749.87 hectares of land (Rajapuram Estate) handed over for the development of cashew plantation under the World Bank Scheme.

3. Compensation amounting to Rs.5,353.75 payable to persons evicted from Kodumon Group of Estates has not ben provided pending production of succession or heirship certificate.

4. The maximum advance under motor car loan to officers during the year was Rs.3,36,119/- (previous year Rs. 2,37,530/-)

5. The maximum amount of advance under motor cycle loan to Officers during the year was Rs. 2,81,757/- (last year Rs. 2,32,468/-)

6. 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.

7. Six cases are pending against the Corporation against which amounts payable are not ascertainable and claims are not acknowledged and hence not provided for.

8. For the police party posted for security purposes in Kodumon & Kalady Groups an amount of Rs. 9.85 lakhs has been provided for the year 1984-85.

9. The closing stock as on 31.3.1985 has been valued at since realised price. (last year Rs. 9,51,000/-). The quantity of rubber under work-in-progress as on 31.3.1985 has also been valued on the same basis as per grades indicated in the stock verification statement. Due to various practical difficulties the work-in-progress could not be assessed accurately and hence the previous years practice is followed.

10. Sundry creditors, sundry debtors, deposits with Government Department and deposits with others are subject to confirmation.

11. An area of 3.20 hectares in 1961 plantation in Kodumon Group of estates under Sy. No. 783/1 of Koodal Village has been handed over to the Public Works Department for Kallada Irrigation Project. Compensation for this will be adjusted after finalisation of the valuation by the District Collector, Quilon.

12. 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 Subsidised Housing Scheme for Plantation Labour, Kerala 1974 and such buildings as per the above Rules remain Government property till the loan taken by the Corporation under the scheme is repaid to the Government.

13. Under the loans and advances in Schedule E is shown, an amount of Rs. 3,71,303/- as deposit with Government Departments.

The details of this amount are as follows:–

		1984–85 Rs.
Cochin Port Turst		3,600
Post & Telegraph Department		62,960
Electricity Board		3,04,743
	Total	3,71,303

14. (a) The Agricultural Income Tax Authorities have completed the assessment for assessment years 1977–78 fixing the total tax for the year at Rs. 39,93,453.10 which has been fully remitted. We have filed an appeal before the higher authorities.

(b) For the assessment year 1978–79 the Income Tax Authorities have assessed an amount of Rs. 13,34,188.70 as tax payable for the year. Out of this Rs. 10,54,392.18 have been remitted. For the balance amount of Rs. 2,79,796.52 we have obtained stay order from the Deputy Commissioner, Ernakulam (Appeals) till the disposal of the appeal.

(c) For the assessment year 1979–80 the Income Tax Authorities have assessed an amount of Rs. 80,64,205/– as tax payable for the year. We have paid Rs. 50 lakhs as advance tax. We have also paid Rs. 19,18,768/– as per Government orders. The appeal filed is also pending before the higher authorities.

(d) We have also paid the following amounts as advances towards agricultural income tax.

		Rs.
Assessment year	1980–81	60,82,197
–do–	1981–82	40,00,000
	Total	1,00,82197

Since the assessments already completed are in appeal no provision is made for the additional demand of tax.

15. The development expenditure includes:–

	1984–85 Rs.	1983–84 Rs.
Wages	14,83,558	29,28,859.66
Stores	2,55,049	7,64,743.22
Fuel	8,653	7,394.27

16. Amounts paid to Managing Director:–

	Current year Rs.	Previous year Rs.
Pay & Allowances	43,659.34	42,346.00
Travelling expenses	20,565.35	40,255.50
Medical expenses	60.00	1,186.81
P.F. contribution	1,085.00	3,182.25
Festival allowance	200.00	..
Leave encashment	4,886.47	7,150.00
17. Sitting fees to Directors	14,600.00	15,100.00
T.A. to Directors	83,157.50	1,30,030.00

18. (a) Perquisite to Directors:–

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

(b) The Managing Director has been provided with unfurnished accommodation charging 5% of the salary upto 18–5–1984. The present Managing Director has been provided with unfurnished accommodation charging 10% of the salary and rent in excess of 25% of the salary. The rent paid for the building during 1984–85 being Rs. 8,400/–.

(c) The Chairman Cav. T.U. Kuruvilla is being paid honorarium of Rs. 750/– per mensem from 10–11–1982. He is provided with a car and for non-duty use of the car beyond 500 Kms. recovery of the rate of 75 paise per Km. is being made. In lieu of engaging the Corporation Driver, a payment of Rs. 25/– to his driver is made for the day the car is used.

19. The Managing Director Sri. T.S.G. Nair (upto 18–5–1984), Sri N. K. Gopalakrishnan, present Managing Director, Sri. A. Ramachandran, General Manager (Sales), Sri D.C. Chithran, General Manager (Personnel & Administration), Sri N. V. Thomas, General Manager (Production) and Sri. S. Subramonia Iyer, General Manager (Cashew) are drawing remuneration in excess of Rs. 3,000/– per month.

20. The Management of Alakode Government Estate was entrusted to the Corporation from 1974–75. To cover the management expenses there is a provision of Rs. 15,000/– per annum as per agreement dated 17–01–1977. The Government vide order G.O. MS No.1343 dated 04–10–1978 have ordered that the Alakode Government Estate should be taken over by the Plantation Corporation of Kerala Limited for a value of Rs. 32.85 lakhs. But the final decision in the matter has not been taken so far by the Corporation. Pending a final decision, we have not charged the management, expenses of Rs. 15,000/– from the year 1981–82. The total amount due from the Government towards expenditure in Alakode Government Estate upto 31–03–1985 amounting to Rs. 80,87,880.22 is shown in the balance sheet under Schedule E as the amount due from Alakode Government Estate.

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

i.	CIF value of import during the year	Nil
ii.	Expenditure in foreign currency, foreign tour of Managing Director and Chairman	Nil
iii.	Value of raw materials, stores, spare parts and components consumed during the year	Nil

		Value	*Expressed as percentage of consumption*
(a)	Imported value	nil	nil
(b)	Indigenous (Stores and Spares). This includes value of stores included under capitalisation	71,75,536.13	100%
(c)	Particulars of dividends remitted in foreign exchange	..	..
(d)	Earnings in foreign currency	..	..

22. In making alternate arrangements for the work abandoned by M/s. Encos, the Company had incurred an expenditure of Rs. 3,60,020/– The Government in their order No. MS.134/81/ID dated 20–04–1981 appointed an arbitrator and his decision is awaited.

23. The profit and loss account expenditure includes:–

	Current year Rs.	*Previous year* Rs.
Wages	3,44,31,162.04	2,77,30,074.33
Stores	69,20,487.13	76,37,195.14
Fuel	9,15,977.69	14,93,151.49

24. The toral area handed over to the Corporation by the Government departments as on 31–03–1985 is approximately 13, 667 hect. (the total area has not been surveyed).

Rubber	7,123 Hect.
Cashew in Rubber Estates	932 Hect.
Cashew Plantations	5,090 Hect.
Submergible area	220 Hect.
Handed over to P.W.D. for	
Kallada Irrigation Project	3.3 Hect.
Balance area	3.7 Hect.
Area under buildings, factories and roads etc.	295 Hect.

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

		Rs.
Managing Director	—	12,500
Chairman	—	Nil

26. 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.

27. The terms and conditions of 975 Hect. covered by Cheemeni Plantations are yet to be determined.

28. The provision made for replanting reserve this year is Rs. 35,00,000.

29. The Company has paid bonus for the year 1984 at the rate of $8\frac{1}{3}$% and an exgratia payment at $11\frac{2}{3}$%. This was paid in accordance with the Government direction as per the high level conference held on 10–06–1985.

30. The excise authorities are of the opinion that exemption granted by the Government by the notification No. 189/83 dated 08–07–1983 for preserved latex; latex concentrate, smoked rubber sheet, crepe rubber & crumb rubber from excise duty is only prospective and the waiving of retrospective assessment is not envisaged in the notification. This will involve a payment of about Rs. 290.52 lakhs and the corporation has approached the Government of India to waive retrospective assessment. If this is not granted excise duty payable upto 08–07–1983 will have to be paid and is not provided for.

31. Additional particulars in respect of:

Rubber sold	Quantity	—	61,92,527 Kgs.
	Value	—	Rs. 11,29,18,566
Cashew		—	The quantity particulars are not available as the sales were by auction.
Rehabilitation Reserve		—	Rs. 1,29,422 being 3% of the replanting cost as per the provision of Agricultural Income Tax Act.

32. The Government have as per G.O.MS.229/82/AD dated 20–7–1982 stated that the lease rent payable is at Rs. 615/Hectare. As such we have made provision for lease rent in the accounts for 1984–85.

33. Sundry Debtors includes the following amounts due from the Companies the equity shares of which is fully owned by the Government of Kerala and have treated as companies under the same management.

M/s. Trivandrum Rubber Works Ltd.

1.	Outstanding for more than six months	Rs. 10,14,781.14
2.	Others	Nil

34. The Balance Sheet and Profit & Loss Account figures have been rounded off to the nearest rupee.

35. Previous years figures have been regrouped wherever necessary.

As per our report of even date
For **K. VENKITACHALAM AIYER & CO.**
Chartered Accountants

Sd/–	Sd/–	Sd/–	Sd/–
T.U. KURUVILLA	**N.K. GOPALAKRISHNA PILLAI**	**PHILIP JACOB**	**A. GOPALAKRISHNAN**
Chairman	Managing Director	Secretary	18159, Partner

K. VENKATACHALAM AIYER & CO.
Chartered Accountants
Kottayam-1

AUDITORS' REPORT

To
The Shareholders of
The Plantation Corporation of Kerala Ltd.,
Kottayam.

We have audited the Balance Sheet of the Plantation Corporation of Kerala Limited as at 31st March, 1985 and Profit and Loss Account of the Corporation for the year ended on that date as attached thereto and report that

1. We obtained all the informations 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 books.

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

4. In our opinion and to the best of our information and according to the explanations given to us and subject to the following remarks:

   i) Lease rent due to the Government of Kerala on the land leased out to the Corporation by the Government for the financial years 1981–82 to 1983–84 has been short provided to the extent of Rs. 1,00,90,704/–.

   ii) Gratuity liability on the date of the Balance Sheet as per acturial valuation is Rs. 2,03,46,559/– as against which the provision made is Rs. 1,56,90,057/–. There is a short provision of Rs. 46,56,502/– on this account.

   iii) Confirmations are not available certifying the correctness of the balances under debtors and creditors including Government loans.

   iv) No provision has been made for debts considered doubtful.

   v) Agricultural Income Tax assessments have been completed upto and inclusive of the assessment year 1980–81. There is a short provision on the completed assessments in respect of these years amounting to Rs. 86.5 lakhs. On the basis of the completed assessments for the financial year 1981–82 to 1983–84 and additional provision amounting to Rs. 1,02,00,000/– has been made.

   vi) The particulars of charges created in favour of banks on the assets of the Company have not been registered under the Companies Act.

The said Balance Sheet and Profit and Loss Account read with the notes thereon 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 Corporation as at 31st March, 1985.

(b) And in the case of the Profit and Loss Account of the Profit of the Corporation for the year ended on that date.

5. As required by the Manufacturing and Other Companies (Auditors' Report) Order 1975, issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we further report:–

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

b) None of the fixed assets have been revalued during the year.

c) 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 and is in accordance with normally accepted principles and is on the same basis as in earlier years.

d) 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.

e) In respect of loans and advances in the nature of loans given by the Corporation, parties have, except in the case of advance to Oil Palm India Limited and certain minor cases, repaid the principal amounts as stipulated and have also been regular in the payment of interest according to the terms and conditions laid down by the Corporation.

f) In our opinion and according to the explanations given to us the internal control procedures are 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.

g) According to informations 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.

h) 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.

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

j) In our opinion and according to the informations and explanations given to us, the Corporation has maintained reasonable records for the sales and disposal of scrap and unserviceable.

k) In our opinion the Corporation has in 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.

l) We are informed by the Corporation that 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 for this Corporation.

m) According to the records of the Corporation, provident fund dues have been regularly deposited during the year.

n) Adequate provision has been made for the damaged goods wherever found significant.

For K. Venkatachalam Aiyer & Co.,
Chartered Accountants,
Sd/-
A. GOPALAKRISHNAN
Partner
Kottayam-1

Kottayam,
6-8-1986.

Item No.

REPLIES TO THE REPORT OF THE STATUTORY AUDITORS

4. (i) The Corporation is liable to pay the lease rent only at the rate stipulated in the lease deeds executed. After 31–12–1980 the Government are to refix the revised lease rent and communicate to P.C.K. based on the terms mentioned in the deed which has not been done so far. However, lease rent has been provided at Rs. 125 per hectare for rubber estates for the year 1982–83 and 1983–84 at the then prevailing rate and this has been paid upto 31–3–'86. For the year 1984–85 provision has been made at Rs. 615/– per hectare at the rate demanded by the Forest Department. The matter is under correspondence with the Government and final decision is awaited.

(ii) The Corporation has started the actuarial valuation of gratuity and providing of the gratuity liability only from accounting year 1980–81 onwards. Every year the net liability and 1/6th of the accumulated liability is provided so as to provide the whole liability in the following years.

(iii) The Corporation is not in the practice of obtaining confirmation of balances.

(iv) The Corporation has not considered any debt as doubtful. Regarding the dues from M/s. Trivandrum Rubber Works, we have shown the amount as unsecured considered good.

(v) The Agricultural Income Tax assessments are completed only upto 1979–80. For the completed assessments, certain expenditure which were usually allowed in the previous assessments were disallowed. Hence, the Corporation has filed appeal before the higher authorities. For the completed assessments we have already paid the admitted tax as well as the assessed tax. The amount of Rs. 86.5 lakhs relates to the following years.

	Rs. in lakhs
1976–77	18.70
1977–78	9.33
1978–79	16.23
1979–80	42.32
	86.58

As the matter has not been finally disposed off, the provision has not been made. However the amount paid subsequently will be adjusted in the accounts for 1985–86.

The loans are already repaid and as such there is no need of getting the charge registered at this point of time.

GOVERNMENT OF KERALA

No. 56941/PU. B1/86/Fin.

Finance Department
Trivandrum
Dated: 12–9–1986

COMMENTS OF THE FINANCE SECRETARY TO THE GOVERNMENT OF KERALA UNDER ARTICLE 105 OF THE ARTICLES OF ASSOCIATION OF THE PLANTATION CORPORATION OF KERALA LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31–3–1985.

"NO COMMENTS"

Sd/–
R. Narayanan
Finance Secretary

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT 1956 ON THE ACCOUNTS OF PLANTATION CORPORATION OF KERALA LIMITED FOR THE YEAR ENDED 31ST MARCH 1985

Balance Sheet

1. *Unsecured Loans – From Government of Kerala for Estate Development Rs. 2,40,95,866/–*

The Company had been sanctioned by Government, loans aggregating Rs. 112 lakhs during 1977–78 and 1979–80 for acquiring shares in Oil Palm India Limited- its subsidiary. The subsidiary later became an independent Government Company and hence the Government ordered in November 1985 to transfer the 12,120 shares of Rs. 1000 each in the subsidiary company to Government at their intrinsic value of Rs. 512 per share and to adjust the transfer value against the loans of Rs. 112 lakhs and interest thereon. Accordingly, the shares were transferred to Government in April 1986 and the unsecured loan from Government and investment in shares of the Subsidiary Company have been reduced by Rs. 62,05,440/–. As the transfer of shares was actually effected only in April 1986, the adjustment of loan in the accounts for 1984–85 itself was not correct.

Profit and Loss Account

2. *Net profit for the year : Rs. 34,68,673/–*

The net profit is overstated to the extent of Rs. 25,61,985 due to:

		Rupees
(a)	Non provision of interest payable to State Government for the year 1983–84 and 1984–85 in respect of loans received from Government referred to in (1) above	20,35,332
(b)	Non provision of lease rent due to State Govt.	41,925
(c)	Non provision of agency commission payable on latex sold	1,77,899
(d)	Non provision of liability for factory insurance payable	27,395
(e)	Sale proceeds of rubber of Alakode Government Estate wrongly credited to Profit and Loss Account	1,89,023
(f)	Non provision of sales tax payable for 1976–77 and 1978–79 as per demand notice received in November 1984	90,411
		25,61,985

Sd/–
(ANANDA SHANKAR)
Accountant General (Audit) Kerala
Trivandrum.

Trivandrum,
19–01–1987.

REPLY TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF THE PLANTATION CORPORATION OF KERALA LIMITED, KOTTAYAM FOR THE YEAR ENDED 31ST MARCH 1985

Balance Sheet

1. *Unsecured Loans*

The transfer of shares was actually effected in April 1986. But the decision for termination of subsidiary status and transfer of shares was communicated in G.O.MS.No.238/83/AD dated 4–8–1983. Hence, adjustment was effected in the accounts for 1984–85. We have already requested the Government to approve the effective date of adjustment of transfer of shares as on 31–3–1983.

2. *Profit and Loss Account*

a) The loans were cancelled as per G.O.MS.No.238/83/AD dated 4–8–1983 and hence no interest for the loans provided from 1–4–1983.

b) We have not received any claim from the Chief Conservator of Forests for the above lease rent. The amount will be provided on receipt of the claim from the Chief Conservator of Forests.

c) Noted.

d) Noted.

e) This has been adjusted during 1985–86.

f) Appeals are pending before higher authorities. The amount will be provided as and when the appeal is disposed of.