

**ANNUAL REPORT
1991 - 92**



**THE PLANTATION CORPORATION
OF KERALA LTD.**

P. B. No. 12, KOTTAYAM 686 004

THE PLANTATION CORPORATION OF KERALA LIMITED

Registered Office: KOTTAYAM-686004

BOARD OF DIRECTORS

SHRI	M. S. Joseph I. A. S. Chairman (from 25-7-1991 to 4-9-1992)	SHRI	M. Narayana Pillai Director (from 27-10-1987 to 26-9-1992)
"	Vinod Rai I. A. S. Chairman (From 23-11-1990 to 12-12-1990) Managing Director (From 10-5-1990 to 7-6-1990 and from 29-11-1990 to 20-12-1990) Director (from 25-9-1989 to 24-7-1991)	"	Kallat Krishnan Director (from 13-12-1990 to 24-7-1991)
"	T. P. Ramakrishnan Director (from 27-10-1987 to 24-7-1991)	"	K. P. Prabhakaran Chairman (from 13-12-1990 to 24-7-1991)
"	C. K. Unnikrishnan Director (from 27-10-1987 to 24-7-1991)	"	G. Mukundan I. F. S. Director (from 25-7-1991)
"	G. Peethambaran Director (from 27-10-1987 to 24-7-1991)	"	N. Vijayakumar Managing Director (from 20-12-1990 to 23-9-1991)
"	K. Gopinatha Pillai Director (from 27-10-1987 to 24-7-1991)	"	K. J. Joseph I. F. S. Director (from 25-9-1990 to 24-7-1991)
"	U. K. Bhasi Director (from 27-10-1987 to 24-7-1991)	"	A. Ramachandran Managing Director (from 24-9-1991 to 10-10-1991)

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Dr. Jacob Thomas I. P S.
Managing Director (from 11-10-1991
to 26-8-1992)

SMT Neela Gangadharan I. A. S.
Director (from 1. 10. 1993)

Maj. Gen. (Rt.) P. M. Menon
Chairman from 4-9-1992
to 17-10-1993
Managing Director (from 26-8-1992)

SHRI N. P. Moideen
Chairman (from 18. 10. 1993)

SHRI M.S. DHARAN
Director (from 26. 9. 1992)

SECRETARY

Sri. M. R. V. Nair

AUDITORS

M/s. Philip & Georg
Chartered Accountants
Kottayam.

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 30th Annual General Meeting of the Corporation will be held at the Registered office of the Corporation at Kottayam on Saturday the 26th September 1992 at 10.30 A.M. to transact the following business.

- 1 To consider the adjournment of the consideration of accounts for 1991-92 to a suitable date.
- 2 To record the appointment of Directors by Governor of Kerala in the place of Directors retiring at the Annual General Meeting under Article 63(2) of the Articles of Association. The following Directors retire and are eligible for re-appointment.

1. Shri G. Mukundan, I. F. S.
2. Shri M. Narayana Pillai

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

Sd/—

M. R. VISWAMBHARAN NAIR
SECRETARY CUM MANAGER (F&A)

Kottayam
Date: 1-9-1992

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. The proxy form 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 30th (adjourned) Annual General Meeting of the Corporation will be held at the Registered Office of the Corporation at Kottayam at 10.30 A. M. on Saturday the 30th July 1994 to transact the following business.

To receive, consider and adopt the Director's Report, Auditors Report and the audited Profit and Loss account for the year ended 31st March 1992 and the Balance Sheet as on that date.

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

Sd/-
M. R. V. Nair
Secretary

Kottayam
Date: 4-7-1994

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 30th Annual Report of the Corporation, for the year ended 31st March 1992.

Financial Position

The authorised capital of the Corporation is Rs. 750/-lakhs and the paid up capital which stood at Rs. 556.88 lakhs as on 31-3-1991 continued unchanged during 1991-92.

The Corporation has made substantial remittances towards loan drawn from Government of Kerala for estate development and subsidised Housing Scheme and also interest due on the loan.

Payment of loan	:	Rs. 6.95	lakhs
Payment of interest	:	4.63	"
Payment of loan for 1992-93	:	5.87	"
Payment of interest	:	3.95	"
Payment of loan 1993-94	:	4.87	" (Payment upto 31-5-1994)
Payment of interest *	:	31.76	" -do-

* On the closure of certain loans drawn from Government of Kerala, the balance interest payable for the earlier years was paid during the year 1993-94 as per the request from Director of Agriculture. Separate requests are made for waiver of penal interest.

Profit and Loss Account

Total income of the Corporation for the year ending 31-3-1992 was Rs. 2,054.19 lakhs. The income over expenditure for the year 1991-92 before the following appropriation/provisions amounts to Rs. 468.49 lakhs.

Interest on loans	:	Rs. 4.71	lakhs
Depreciation	:	45.93	"
Bonus	:	32.00	"
Provision for taxation	:	85.00	"
Provision for gratuity	:	191.55	"

The net profit for the year transferred to Profit & Loss appropriation account is Rs. 109.33 lakhs. In the Profit & Loss appropriation account the following further appropriation/provision are made.

Replanting reserve	:	Rs. 55.00	lakhs
Additional tax provision for prior periods	:	30.00	"

The amount after the above appropriations/provisions is Rs. 24.30 lakhs.

Agricultural Income Tax

The assessment of Agricultural Income Tax of the Corporation has been completed upto the financial year 1990-91. For the completed assessment the Company has filed appeals before the higher authorities which are pending for disposal.

Rubber Estates

There are eight rubber estates under the ownership of the Corporation which are located in the Districts of Pathanamthitta, Ernakulam, Trissur, Malappuram and Kozhikode.

Area under Rubber	<u>1990-91</u>	<u>1991-92</u> (Area in ha.)	<u>1993-94</u>
Direct tapping area	5201	4389	4257
Immature area	996	1316	2299
Area under Oil Palm	145
Vacant land and land cleared for replanting	<u>1981</u>	<u>2473</u>	<u>1477</u>
Total	<u>8178</u>	<u>8178</u>	<u>8178</u>

Upto 1993 we have replanted an area of 2064 ha. with rubber and 145 ha. with Oil Palm Preliminary operations are being done to replant another 1000 ha. with rubber during 1994 season.

Sales-Rubber

During 1991-92, the quantity of rubber sold was 3736.8 M. T. for Rs. 1142.16 lakhs against 4620.40 M. T. sold for Rs. 1583.32 lakhs in 1990-91. Average price realised in 1991-92 was Rs. 30.57 per kg., against Rs. 34.27 per kg. realised in 90-91.

Cashew Estates

There are four cashew estates namely, Kasargode, Rajapuram Cheemeni and Manarghat under the ownership of the Corporation. These estates are maintained in a satisfactory condition.

Area under cashew	<u>1990-91</u>	<u>1991-92</u> (Area in ha.)	<u>1993-94</u>
:	6315	6315	6315

Sales Cashew

In the year 1991-92, amount received from the sale of cashewnut was Rs. 191.66 lakhs against Rs. 147.68 lakhs received in 1990-91.

Engineering Works

Kodumon Group - Thannithode Estate

Completed the work of road as planned. Also completed 2 sets labour quarters in Dvn. B and 2 sets in Dvn. C and 1 No. Dispensary building and 1 No. Club in Dvn. A.

Chandanappally and Kodumon Estates

Completed the work of roads as planned. Civil works for erecting the 2nd Kiln and extension of existing Wood Factory building were also undertaken.

Repairs and maintenance of buildings and remodelling of latrines of labour lines in Kodumon and Chandanappally estates were taken up during the year.

Kalady Group

Completed the work of roads as planned. Taken up the work of laying 2nd pumping main and 'E' type quarters 1 No. in Adirappally and 3 nos. collecting stations in Kallala and Adirappally estates. Civil works for Effluent Treatment at Kallala and Vettilappara factories are also undertaken.

Construction of compound wall, Laboratory Building, Chipping Carpet to the road of factory yard, Kallala were taken up during the year.

Completed the barbed wire fencing for the new planting areas of Kallala and Adirappally Estates.

Perambra Estate

Completed the chipping carpet to road from estate boundary to Manager's office and factory Undertaken the work of improvement to the road from factory junction to Muthukad.

Alakode Estate

Completed the construction of road in Dvn. 3 to 4 and 'E' type quarters 1 set for workers. Taken up the work of 'C' type quarters for staff, 'B' type quarters for Manager and Office-cum-Store building.

Nilambur Estate

Completed the work of 'E' type quarters four sets for workers, twin 'C' type quarters 3 sets for staff and Divisional Store 2 nos. in Punchakolly and Vaniampuzha Division. Completed the work of Internal roads 1st Section and 2nd Section in Punchakolly Division and 1 No. 12.50 M; span bridge at Palakayam Division. Taken up the work of 'E' type quarters 4 sets, 'C' type quarters 3 sets and Division Store 1 no. and Internal road 1st and 2nd Section in Palakayam Division.

PERSONNEL MANAGEMENT, INDUSTRIAL RELATIONS AND LABOUR WELFARE

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

Labour-management relations in the company atmosphere continued to be smooth and cordial.

Workers in the estates are provided with all basic amenities such as free quarters with electricity, water supply, medical, education, recreational and training facilities, welfare fund and uniform to entitled people.

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Under the Scheme for providing employment to the dependants of employees who die in harness we have given 30 appointments in various categories during the relevant period.

4 persons were promoted from the staff category to officers category.

21 staff members and 5 Officers left the service of the Corporation due to retirement/resignation/death during the above period.

The pay revision of the staff were approved by the Govt. with effect from 25-10-1991 vide G.O. (MS) No.109/93/AD dated 14-5-1993.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under Section 217 (1) (e) of the Companies Act, 1956 is given in Annexure-I of this report.

Particulars of Employees

Particulars under section 217 (2A) of the Companies Act, 1956 read with Companies (particulars of employees) Rules 1975 as amended is deleted, since none of employees falls in that limit.

Board of Directors

The details of Board of Directors including the change that have taken place during the period under report are given in Annexure-II.

Chairman

Shri K. P. Prabhakaran appointed as Chairman from 13-12-90 held his office till 24-7-1991. Shri M. S. Joseph, I.A.S. appointed as Chairman from 25-7-1991 continued to hold the office of the Chairman during the remaining period under review.

Managing Director

Shri N. Vijayakumar appointed as Managing Director from 20-12-1990 held the office of Managing Director till 23-9-1991. Shri A. Ramachandran held the office of the Managing Director from 24-9-1991 to 10-10-1991. Dr. Jacob Thomas, I. P. S. was appointed as Managing Director from 11-10-1991 and he continued to hold the office of Managing Director during the remaining period under review.

Highlights of Current Activities

The Corporation is replanting about 1000 ha. with rubber in 1994. This type of large scale planting has not been attempted any where. Also, arrangements have been made for inter-cultivation of banana, pineapple and other Vegetables in about 800 ha. in 1994. The Voluntary Retirement Scheme proposed under Golden Hand Shake Scheme has been approved by Government

from 25-1-1994. The processing capacity of the wood processing factory at Kodumon has been increased to 3,000 cft. per month. The treated wood is well accepted in the market.

Seven Assistant Managers have been promoted as Managers. One post of Manager has been filled by SC/ST recruitment through open competition.

Acknowledgement

Your Director's are grateful to the Government of Kerala, Rubber Board, Banks and others for the continued support during the year under review.

Your Director's wish to place on record their deep sense of appreciation of the devoted service rendered by the Executives, staff and workers of the Corporation.

For and on behalf of the Board of Directors,

Kottayam
2-7-94

Sd/
N. P. Moideen
Chairman

ANNEXURE-1

Statement under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors)

A) CONSERVATION OF ENERGY

- | | | |
|---|---|--|
| a) Energy conservation measures taken | : | Standardisation of electrical installations at factories have been completed. |
| b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy | : | Nil |
| c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods | : | Since there is steady supply of current due to the efforts taken during the previous years the production cost is reduced. |
| d) Total energy consumption and energy consumption per unit of production | : | Not applicable |

B) TECHNOLOGY ABSORPTION

- | | | |
|--|---|-----|
| e) Efforts made in technology absorption | : | Nil |
|--|---|-----|

F O R M - B

(See Rule 2)

Form for disclosure of particulars with respect to absorption

- | | | |
|---|---|-----------------|
| Research and Development (R & D) | : | Not significant |
| C) Foreign Exchange Earnings and outgo | : | Nil |
| f) Activities relating to exports initiatives taken to increase exports development of new export market for products and services and export plans | : | Nil |
| g) Total foreign exchange used and earned | : | |
| Used | : | Nil |
| Earned | : | Nil |

ANNEXURE—II

Details of Director's including changes taken place during the year ending 31st March 1992

<u>Sl. No.</u>	<u>Name</u>	<u>Address</u>	<u>Date of appointment</u>
1	T. P. Ramakrishnan	C. P. I. (M) Office Perambra P. O., Kozhikkode	From 27-10-1987 to 24-7-1991
2	C. K. Unnikrishnan	Secretary, Kalady Plantation Workers Union P. O. Kalady Plantation Via, Alwaye, Ernakulam Dist.	-do-
3	K. Gopinatha Pillai	Asha Bhhvan, Kizhakkekara Kottarakkara	-do-
4	G. Peethambaran	Edayile Veedu, Edathitta. P. O. Via, Kodumon, Pathanamthitta	-do-
5	U. K. Bhasi	Valyaparambil House Tanur P. O., Malappuram	-do-
6	M. Narayana Pillai	Additional Secretary Finance Department Secretariat Thiruvananthapuram	From 27-10-1987 to 26-6-1992
7	Vinod Rai, I. A. S.	Secretary to Government Agriculture Department Secretariat, Thiruvananthapuram	From 25-9-1989 to 24-7-1991
8	Kallat Krishnan	5/1258, Calicut-673 001	From 13-12-1990 to 24-7-1991
9	M. S. Joseph, I. A.S.	Agricultural Production Commissioner, Government of Kerala, Secretariat Thiruvananthapuram	From 25-9-1990 to 24-7-1991
10	G. Mukundan, I. F. S.	Principal Chief Conservator of Forests, Vazhuthakadu Thiruvananthapuram	From 25-7-1991

REVIEW OF ACCOUNTS OF PLANTATION CORPORATION OF KERALA LIMITED
KOTTAYAM FOR THE YEAR ENDED 31ST MARCH 1992 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 upto 1991-92.

	1989-90	1990-91 (Rupees in lakhs)	1991-92
<i>Liabilities</i>			
1 Paid up Capital	556.88	556.88	556.88
2 Reserves & Surplus	689.48	890.53	984.25
3 Borrowings	85.37	77.66	70.71
4 Trade dues and current liabilities (including provisions)	2083.57	2408.06	2496.93
	<u>3415.30</u>	<u>3933.13</u>	<u>4108.77</u>
<i>Assets</i>			
1 Gross Block	915.22	999.00	1050.09
2 Less: Depreciation	393.25	432.84	477.65
3 Net Block	521.97	566.16	572.44
4 Development of property	999.23	1050.06	1145.84
5 Capital work in-progress	24.27	47.17	53.21
6 Investments	0.01	0.01	0.01
7 Current Assets, Loans and Advances	1869.82	2269.73	2337.27
	<u>3415.30</u>	<u>3933.13</u>	<u>4108.77</u>
Capital Employed	1781.70	2060.84	2289.26
Net worth	1246.36	1447.41	1541.13

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

2 Net worth represents paid up capital plus reserves and surplus.

2. Capital Structure:

The debt equity ratio of the Company declined from 0.15:1 in 1989-90 to 0.14:1 in 1990-91 and to 0.13:1 in 1991-92. The borrowings have come down year by year.

3 Reserves and Surplus:

The reserves and surplus accounted as at the end of three years upto 1991-92 amounted to Rs. 689.48 lakhs, Rs. 890.53 lakhs and Rs. 984.25 lakhs respectively. The reserves and surplus worked out to 20.19 percent of total liabilities in 1989-90, 22.64 percent in 1990-91 and 23.95 percent in 1991-92 and 124 percent of equity capital in 1989-90, 159.91 percent in 1990-91 and 176.74 percent in 1991-92.

4. Liquidity and Solvency:

a) The percentage of current assets to total net assets varied from 54.75 in 1989-90, 57.71 in 1990-91 and 56.88 in 1991-92.

b) The percentage of current assets to current liabilities (including provisions) varied from 89.74 in 1989-90, 94.26 in 1990-91 and 93.61 in 1991-92.

c) The percentage of quick assets (Sundry Debtors, Cash and bank balances, advances receivable) to current liabilities (excluding provisions) varied from 66.17 in 1989-90, 79.47 in 1990-91 and 86.55 in 1991-92.

Funds amounting to Rs. 84.18 lakhs from internal sources and Rs. 143.21 lakhs from other sources were utilised during the year as shown below:

	Total	
Gross Fixed Assets (including Capital work-in-progress)	57.13	
Development of property	95.78	
Repayment of Borrowings	6.95	
Current Assets, Loans & Advances	67.54	
	<u>227.40</u>	

(Rupees in lakhs)

6. Working Results:

The working results of the Company for the three years upto 1991-92 are tabulated below:

	1989-90	1990-91	1991-92
i) Profit as per accounts	219.40	315.91	279.36
Add: a) Prior period adjustments shown above the line	(-) 0.99	(+) 6.96	-
b) Replanting / Rehabilitation reserve	76.81	54.10	-
i) Profit for the year	297.20	376.97	279.36
Less:			
a) Past period adjustments shown below the line	-	-	30.05
b) Replanting Reserve	-	-	55.00
iii) Profit (+) / Loss (-) for the year before tax	(+) 297.20	(+) 376.97	(+) 194.33
iv) Taxation provision	130.00	175.00	85.00

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v) Profit (+) / Loss (-) after tax	(+) 167.20	201.97	109.33
Percentage of profit before tax to sales	14.92	20.37	12.96
Percentage of profit before tax to Gross fixed assets (including development of property)	15.50	18.40	8.85
Capital employed	16.60	18.29	8.49
Percentage of profit after tax to net worth	13.40	13.95	7.09
Equity Capital	30.00	36.27	19.63
Capital employed	9.40	9.80	4.78

7. Cost Trends:

The table below indicates the sales, cost of sales and percentage of cost of sales for the three years upto 1991-92.

	1989-90	1990-91	1991-92
		(Rupees in lakhs)	
Sales	1991.54	1850.84	1499.93
Less: profit for the year	297.20	376.97	279.36
Cost of Sales	1694.34	1473.87	1220.57
Percentage of cost of sales to sales	85.08	79.63	81.38

8 Production Performance

The value of productions for the three years upto 1991-92 is worked out as below:

	1989-90	1990-91	1991-92
		(Rupees in lakhs)	
a) Sales	1991.54	1850.84	1499.93
b) Closing stock of finished goods and work in progress	235.80	254.25	296.35
c) Opening stock of finished goods and work in progress	453.78	235.80	254.25
d) Value of production (a) + (b) - (c)	<u>1773.56</u>	<u>1869.29</u>	<u>1542.03</u>

Percentage of Value of production to net worth declined from 142.30 in 1989-90 to 179.15 in 1990-91 and to 100.06 in 1991-92. The percentage of value of production to total net assets declined from 51.90 in 1989-90 and 47.53 in 1990-91 and to 37.53 in 1991-92.

9 Inventory and Production

The following table indicates the comparative position of inventory and its distribution at the close of the three years upto 1991-92

	1989-90	1990-91 (Rupees in lakhs)	1991-92
a) Stores and Spares	78.50	95.45	145.18
b) Loose Tools	4.16	4.85	4.66
c) Stock-in-trade finished goods (including work-in-progress)	235.80	254.25	296.35
d) Agricultural equipments	6.41	6.13	5.56
	<u>324.87</u>	<u>360.68</u>	<u>451.75</u>

The stock in trade was equivalent to 1.42 months' sales in 1989-90, 1.65 months' in 1990-91 and 2.37 months' 1991-92.

10 Sundry Debtors and Turnover:

The following table indicates the volume of book debts and sales for the three years upto 1991-92

As on 31st March	Book debts Considered		Total	Sales during the year	Percentage of debts to sales
	Good	Doubtful			
(Rupees in lakhs)					
1990	174.72	—	174.72	1991-54	08.77
1991	261.30		261.30	1850.84	14.22
1992	73.65		73.65	1499.93	4.91

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The age-wise breakup of the book debts as on 31-3-92 is indicated below:-

Outstanding for:	(Rupees in lakhs)
i) less than one year	54.93
ii) Between one and two years	—
iii) between two and three years	—
iv) Over three years	<u>18.72</u>
	<u>73.65</u>

Note:- No effect of the qualifications in the auditors report and comments of Comptroller and Auditor General of India has been given in the review of accounts.

Sd/-
(A. K. CHAKRABARTHY)
PRINCIPAL ACCOUNTANT GENERAL
9 (AUDIT), KERALA

PLANTATION CORPORATION OF KERALA LTD.

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Annual Accounts and Schedules

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BALANCE SHEET AS ON

Previous year Rs	LIABILITIES SHARE CAPITAL	Notes	Sched- ules	Rs	Current year Rs
<u>75,000,000</u>	Authorised: —75,000 Equity shares of Rs 1000 each				<u>75,000,000</u>
<u>55,688,000</u>	Issued: —55,688 Equity shares of Rs 1000 each				<u>55,688,000</u>
	Subscribed, called up and paid up:—				
	55,688 Equity shares of Rs 1000/-each of which 12,182 shares are allotted as fully paid up in pursuant to a contract without payment being received in cash				
55,688,000					55,688,000
89,053,429	RESERVES AND SURPLUS UNSECURED LOANS	1	A		98,424,572
	From Government of Kerala for				
6,560,057	i) Estate development	2		5,965,402	
1,205,900	ii) Subsidised housing			1,105,900	
12,135,217	iii) Interest accrued and due on above			12,210,187	19,281,489
	CURRENT LIABILITIES & PROVISIONS				
133,928,791	(A) Current liabilities	3	B		148,174,664
94,741,663	(B) Provisions	4	C		89,308,378
<u>393,313,057</u>					<u>410,877,103</u>

Sd/-
N. P. MOIDEEN
(Chairman)

Sd/-
P. MUKUNDAN MENON
(Managing Director)

Sd/-
M. R. V. NAIR
(Secretary)

For PHILIP & GEORG
CHARTERED ACCOUNTANTS

Sd/-
GEORG KURIAN
(Partner)

(As per our report of even date)

PLANTATION CORPORATION OF KERALA LTD.

31ST MARCH 1992

Previous year	ASSETS		Not- es	Sch- edul- es	Rs	Current year
Rs						Rs
	FIXED ASSETS					
106,005,555	a) Plantations			D	114,584,190	
56,616,473	b) Plant & Machinery, Roads	5	E		57,243,565	
4,717,174	c) Building and Roads under construction	6			5,320,743	177,148,498
	INVESTMENTS					
1,100	In shares at cost			F		1,100
	CURRENT ASSETS, LOANS AND ADVANCES					
85,035,309	a) Current assets	7	G		68,767,394	
141,937,446	b) Loans & Advances	8	H		164,960,111	233,727,505
<u>393,313,057</u>						<u>410,877,103</u>
					TOTAL	

Sd/-
N. P. MOIDEEN
(Chairman)

Sd/-
P. MUKUNDAN MENON
(Managing Director)

Sd/-
M. R. V. NAIR
(Secretary)

(As per our report of even date)

Sd-
For PHILIP & GEORG
CHARTERED ACCOUNTS

Sd/-
GEORG KURIAN
Partner

PROFIT AND LOSS ACCOUNT FOR

Previous Year Rs	EXPENDITURE	Not- es	Sch- edul- es	Current year Rs
23,580,089	To Opening stock finished goods			25,425,429
19,215,496	" Salaries & Allowances	9		20,857,444
61,422	" Salaries & Allowances to MD	10		68,243
1,578,152	" Leave Encashment			1,588,260
8,087,881	" Employers Contribution PF			8,493,826
9,655,579	" Bonus			
	Paid during the year		12,725,901	
	Less Provision		3,200,000	9,525,901
7,559	" Honararium to Chairman			3,000
48,320	" T A & Sitting fee to Directors	11		24,385
619,292	" T A to Staff & Officers			566,685
1,456	" Remuneration to Visitting Agents			
37,267	" Rent			65,780
1,424,430	" Rates & Taxes			1,191,229
81,842	" Rates & Taxes-S. T. Surcharge			193,056
2,064,570	" Electricity Charges			2,034,081
14,950,702	" Lease Rent	12		15,219,737
329,546	" Insurance Charges			470,424
612,999	" Advertisement Charges			641,715
286,488	" Legal Expenses			513,957
22,250	" Remuneration to Auditors including Expenses	13		20,000
125,726	" Security Expenses			124,468
549,350	" Interest on Loans			471,416
300,218	" Purchase of Latex			8,570,413
6,329,619	" Repairs & Maintenance Assets	14	I	8,309,443
1,164,538	" Miscellaneous Expense		J	1,209,545
12,970,263	" Welfare Expenses		K	14,580,824
4,440,479	" Depreciation Including loss on Revaluation			4,593,831
12,960,227	" To Cultivation & Upkeep of Rubber			12,431,430
28,818,318	" Tapping & Collection of Rubber			26,962,711
21,647,396	" Manufacturing & Selling Expenses	15		22,615,431
7,493,626	" Cultivation & Upkeep of Cashew			5,865,729
472,725	" Cultivation & Upkeep of other Crops			346,815
	" Net Loss on Rubber Wood Project	16	L	280,489
	" Provisions			
3,200,000	Bonus			3,200,000
14,708,193	Gratuity			19,155,119
	Taxation			
3,500,000	Income Tax		8,500,000	
14,000,000	Agrl Income Tax			8,500,000
	" Net Profit for the year			
20,196,768	" Transferred to P&L Appropriation a/c			10,933,005
<u>235542786</u>				<u>235,053,821</u>

Sd/-
N. P. MOIDEEN
Chairman

THE YEAR ENDED 31ST MARCH 1992

Previous Year Rs	INCOME	Notes	Sch- edul- es	Current Year Rs
158,332,486	By Sales — Rubber	17		114,215,742
14,768,246	„ Sales — Cashew	18		19,165,747
121,198	„ Sales — Agricultural Products			163,964
17,887,924	„ Sales — Rubber Trees			45,559,252
11,862,152	„ Slaughter Tapping	19		16,442,263
	„ Sales — Budwood & Polybag Plants			3,980
87,729	„ Sales — Empties & Unservicables			245,068
10,303	„ Sales — Tender Forms			20,554
336,036	„ Profit on Sales of Assets			77,874
1,738,350	„ Interest from Contractors & Customers			2,132,254
29,062	„ Interest on Staff Loan			37,375
4,696,587	„ Interest on Treasury & Bank Deposits			7,044,318
168,629	„ Miscellaneous Income			263,838
37,972	„ Rent of Buildings			41,929
25,425,429	„ Closing Stock Finished Good And Work in Process	20		29,634,663
45,683	„ Net Income R W Project			
	TOTAL			
<u>235,542,786</u>				<u>235,053,821</u>

Sd-
P. MUKUNDAN MENON
Managing Director

Sd-
M. R. V. NAIR
Secretary

(As per our report of even date)

For PHILIP & GEORG
Chartered Accountants

Sd-
GEORG KURIAN
Partner

PROFIT AND LOSS APPROPRIATION

Previous year		Current Year
Rs		Rs
696066	To Prior Period Expenses	2,617
5,000,000	„ Replanting Reserve	5,500,000
410,100	„ Rehabilitation Reserve	
	„ Additional Tax Provision For Prior Periods	3,000,000
32,131,642	„ Net Profit Transferred to Reserves & Surpluses (Sch-A)	34,562,030
<hr/>		
<u>38,237,808</u>	Total	<u>43,064,647</u>

Sd/-
N. P. MOIDEEN
Chairman

Sd/-
P. MUKUNDAN MENON
Managing Director

Sd/-
M.R.V.NAIR
Secretary

(As per our report of even date)

For PHILIP & GEORG
Chartered Accountants

Sd/-
GEORG KURIAN
Partner

ACCOUNT FOR THE YEAR ENDED 31-3-92

	Previous year		Current Year
Rs	Rs		Rs
2,617	18,041,040	By Balance as Per Last Balance Sheet	32,131,642
00,000	20,196,768	„ Net Profit as Per Profit & Loss a/c	10,933,005
00,000			
52,030			
	<u>38,237,808</u>	Total	<u>43,064,647</u>

Sd/-
N. P. MOIDEEN
Chairman

Sd/-
P. MUKUNDAN MENON
Managing Director

Sd/-
M. R. V. NAIR
Secretary

(As per our report of even date)

For PHILIP & GEORG
Chartered Accountants

Sd/-
GEORG KURIAN
Partner

SCHEDULE A

Previous Year Rs	RESERVES AND SURPLUS	Current Year Rs.
776,733	1. CAPITAL RESERVE As per last Balance Sheet Additions this year	776,733
36,458,000	2. REPLANTING RESERVE As per last Balance Sheet Additions this year	41,958,000
14,079,091	3. REHABILITATION RESERVE As per last Balance Sheet Additions this year	14,079,091
1,875,000	4. Subsidy Received From Govt of Kerala-Housing Scheme As per last Balance Sheet Additions this year	1,875,000
2,335,440	5. Subsidy Received from Govt of Kerala-Cashew Plantn. Upkeep As per last Balance Sheet Additions this year	2,335,440
1,397,523	6. Subsidy Received From Rubber Board-Rubber Cultivation As per last Balance Sheet Additions this year	2,838,278
32,131,642	7. Profit and Loss Account	34,562,030
<u>82,053,429</u>	Total	<u>98,424,572</u>

Sd-
N. P. MOIDEEN
Chairman

Sd-
P. MUKUNDAN MENON
Managing Director

Sd-
M. R. V. NAIR
Secretary

For PHILIP & GEORG
Chartered Accountants

Sd-
GEORG KURIAN
Partner

SCHEDULE B

Previous year Rs	CURRENT LIABILITIES	Current year Rs
2,114,122	Sundry Creditors	2,111,530
92,197,586	Other Liabilities	96,890,019
10,901,680	EM D & Security Deposit	15,014,961
245,682	Suspense Pending Adjustment	232,198
16,105	P F Suspense	8,570
66,099	Stores Suspense	62,909
9,380,388	Income Received In Advance	14,588,815
10,000	Housing Scheme Workers	0
286,935	Income Tax Payable	286,935
15,111	Welfare Fund	15,703
641,000	Sale of Secondary Growth	641,000
17,981,739	Agricultural Income Tax Due	17,981,739
72,344	Interest accrued but not due - Govt loan	0
	Sales Tax Payable	340,285
<u>133,928,791</u>	Total	<u>148,174,664</u>

Sd/-
Chairman
N. P. MOIDEEN

Sd-
P. MUKUNDAN MENON
Managing Director

Sd-
M. R. V. NAIR
Secretary

For PHILIP & GEORG
Chartered Accountants

Sd-
GEORG KURIAN
Partner

SCHEDULE C

Previous year			Current year
Rs	PROVISIONS		Rs
58,295,015	1 Gratuity		
	As per last Balance Sheet	58,295,015	
	Add: Additions this year	19,155,119	
		<u>77,450,134</u>	
	Less: Paid this year	<u>4,385,979</u>	73,064,155
3,200,000	2 Bonus		
	As per last Balance Sheet	3,200,000	
	Add: Additions this year	3,200,000	3,200,000
		<u>6,400,000</u>	
	Less : Adjusted this year	<u>3,200,000</u>	
33,246,648	3 Taxation		
	As per last Balance Sheet	33,246,648	
	Add : Additions this year	5,500,000	
		<u>38,746,648</u>	
	Total	38,746,648	
	Less : Adjusted this year	<u>25,702,425</u>	13,044,223
<u>94,741,663</u>			<u>89,308,378</u>

Sd /
N. P. MOIDEEN
Chairman

Sd/-
P. MUKUNDAN MENON
Managing Director

Sd/-
M. R. V. NAIR
Secretary

For PHILIP & GEORG
Chartered Accountants

Sd/-
GEORG KURIAN
Partner

SCHEDULE D

DEVELOPMENT OF PROPERTY AS ON 31-3-1992

RUBBER Plantations	BALANCE AS Per Last B/S	Kodumon	Vetila-ppara	Adira-ppally	Kallala	Perambra	Nilambur	Alakode	Chanda-napally	Disposals	Total
1961	36,69,650	—	—	—	—	—	—	—	—	12,87,639	23,82,012
1962	28,78,085	—	—	—	—	—	—	—	—	19,91,761	8,86,324
1963	44,31,219	—	—	—	—	—	—	—	—	—	44,31,219
1964	20,37,593	—	—	—	—	—	—	—	—	—	20,37,593
1965	49,47,322	—	—	—	—	—	—	—	—	2,42,320	47,05,002
1966	18,32,722	—	—	—	—	—	—	—	—	—	18,32,722
1967	37,69,476	—	—	—	—	—	—	—	—	—	37,69,476
1968	31,97,401	—	—	—	—	—	—	—	—	14,823	31,82,578
1969	5,42,665	—	—	—	—	—	—	—	—	39,281	5,03,385
1970	9,90,798	—	—	—	—	—	—	—	—	—	9,90,798
1971	10,04,185	—	—	—	—	—	—	—	—	—	10,04,185
1972	10,00,296	—	—	—	—	—	—	—	—	—	10,00,296
1973	22,70,235	—	—	—	—	—	—	—	—	—	22,70,235
1974	56,54,790	—	—	—	—	—	—	—	—	—	56,54,790
1975	19,40,224	—	—	—	—	—	—	—	—	—	19,40,224
1976	64,13,181	—	—	—	—	—	—	—	—	—	64,13,181
1977	48,06,979	—	—	—	—	—	—	—	—	—	48,06,979
1978	7,40,108	—	—	—	—	—	—	—	—	—	7,40,108
1979	31,34,578	—	—	—	—	—	—	—	—	—	31,34,578
1980	2,14,061	—	—	—	—	—	—	—	—	—	2,14,061
1981	21,09,131	—	—	—	—	—	—	—	—	—	21,09,131
1982	10,63,486	—	—	—	—	—	—	—	—	—	10,63,486
1983	43,82,653	—	—	—	—	—	—	—	—	—	43,82,653
1985	20,67,077	—	—	—	—	—	—	—	—	—	20,67,077
1986	36,76,000	—	—	—	—	2,50,963	—	76,830	—	—	40,03,792
1988	37,62,543	—	—	—	—	6,59,842	—	66,471	—	—	44,88,856
1989	12,44,070	—	—	—	—	3,56,396	—	—	—	—	16,00,466

Rubber Plantations	Balance as per last B/s	Kodumon	Vettilappara	Adirappally	Kallala	Perambra	Nilambur	Alakode	Chandanappally	Disposals	Total
Replanting											
1967	8,99,990	—	—	—	—	—	—	—	—	—	8,99,990
1968	1,76,105	—	—	—	—	—	—	—	—	—	1,76,105
1969	4,99,907	—	—	—	—	—	—	—	—	—	4,99,907
1970	70,505	—	—	—	—	—	—	—	—	—	70,505
1971	3,14,844	—	—	—	—	—	—	—	—	—	3,14,844
1972	2,18,930	—	—	—	—	—	—	—	—	—	2,18,930
1973	15,03,654	—	—	—	—	—	—	—	—	—	15,03,654
1974	2,69,512	—	—	—	—	—	—	—	—	—	2,69,512
1980	49,295	—	—	—	—	—	—	—	—	—	49,295
1983	6,00,904	—	—	—	—	—	—	—	—	—	6,00,904
1988	10,81,861	—	—	—	—	—	558491	—	—	—	16,40,352
1989	31,55,433	—	253035	—	—	—	466047	—	—	—	38,74,515
1990	43,94,991	1714444	—	654670	1028866	—	—	—	—	—	77,92,972
1991	4,34,607	1890228	—	1586628	2120549	—	—	—	562663	—	65,94,675
1992		308240	134157	107372	—	—	21715	—	302554	—	8,74,038
Coconut	795	—	—	—	—	—	—	—	—	—	795
Evicted-Area Survey	16,94,037	—	—	—	—	—	—	—	—	—	16,94,037
Eucalyptus	1,90,559	—	—	—	—	—	—	—	9502	—	2,00,060
Cashew-Kasargod	15,963	—	—	—	—	—	—	—	—	—	15,963
Cashew 1976	36,65,015	—	—	—	—	—	—	—	—	—	36,65,015
1977	1,50,069	—	—	—	—	—	—	—	—	—	1,50,069
1978	20,06,054	—	—	—	—	—	—	—	—	—	20,06,054
1979	13,65,479	—	—	—	—	—	—	—	—	—	13,65,479
1979	8,24,527	—	—	—	—	—	—	—	—	—	8,24,527
1980	11,97,003	—	—	—	—	—	—	—	—	—	11,97,003
1981	18,87,967	—	—	—	—	—	—	—	—	—	18,87,967
1982	17,59,787	—	—	—	—	—	—	—	—	—	17,59,787
1983	5,80,552	—	—	—	—	—	—	—	—	—	5,80,552
1985	5,467	—	—	—	—	—	—	—	—	—	5,467
Cashew In RubEs.	5,03,808	—	—	—	—	—	—	—	—	—	15,03,808
Coffee (Alakod)	4,78,685	—	—	—	—	—	—	—	—	—	4,78,685
Cardamom	87,094	—	—	—	—	—	—	—	—	—	87,094
Arecanut	1,41,626	—	—	—	—	—	—	24795	—	—	1,66,420
Total	10,50,05,554	3912913	387191	2348670	3149415	12,67,201	1046254	168095	874719	35,75,823	11,45,84,190

SCHEDULE

Included in and forming part of

SCHEDULE OF

ITEMS	ORIGINAL COST			DEPRECIATION		
	At the end of previous Year	Additions during the year	Total Cost	At the end of previous year	For the current year	Total Depreciation
	Rs	Rs	Rs	Rs	Rs	Rs
Free Hold Land	2,881,201	0	2,881,201		0	0
Buildings	46,951,478	1,915,206	48,866,684	18,817,829	1,709,590	20,527,419
Vehicles	7,438,917	187,104	7,626,021	4,558,623	856,577	5,415,200
Plant & Machinery	12,005,702	719,770	12,725,472	8,024,567	812,891	8,837,458
Landing Pad	118,844	0	118,844	22,045	4,840	26,885
Jankar & Boat	19,051	0	19,051	15,618	343	15,961
Ammonia Cylinders	257,554	0	257,554	197,708	23,939	221,645
Water Supply						
Instellation	4,438,237	323,517	4,761,754	3,397,441	204,219	3,601,660
Furniture	1,678,587	20,564	1,699,151	1,120,711	56,507	1,177,218
Office Equipments	502,854	9,469	512,323	392,860	17,430	410,293
Survey Instruments	11,000	1,485	12,485	10,650	277	10,927
Library	47,638	120	47,758	35,981	1,167	37,148
Roads	14,268,018	1,128,493	15,396,511	2,581,403	610,934	3,192,337
Fence/Kayyala	4,085,028	813,514	4,898,542	255,427	229,800	485,227
Electric Fittings	67,207	0	67,207	45,028	3,326	48,354
Electric Appliance	77,029	0	77,029	59,243	2,668	61,911
Electrical Installa- tion	5,005,595	243,613	5,249,208	3,731,539	200,243	3,931,781
Telephone	15,557	0	15,557	14,691	130	14,821
Wells	31,431	3,456	34,887	3,092	1,590	4,681
TOTAL	99,900,928	5,366,311	105,267,239	43,284,455	4,736,469	48,020,924

Sd/
N. P. MOIDEEN
Chairman

Sd/
P. MUKUNDAN MENON
Managing Director

part of Balance Sheet as on 31-3-1992

FIXED ASSETS

ITEMS	DISPOSALS & ADJUSTMENTS			BALANCE	
	Original Cost Rs	Depreciation Written off Rs	Total cost at the end of current year Rs	Total current year Depreciation Rs	Net Block as on 31-3-1992 Rs
20,527,419	0	0	2,881,201	0	2,881,201
5,415,200	0	0	48,866,684	20,527,419	28,339,266
8,837,458	258,646	255,896	7,367,375	5,159,304	2,208,072
26,885	0	0	12,725,472	8,837,458	3,888,014
15,961	0	0	118,844	26,885	91,959
221,646	0	0	19,051	15,961	3,090
3,601,660	0	0	257,554	221,646	35,908
1,177,218	0	0	4,761,754	3,601,660	1,160,094
410,290	0	0	1,699,151	1,177,218	521,933
10,927	0	0	512,323	410,290	102,033
37,148	0	0	12,485	10,927	1,558
3,192,337	0	0	47,758	37,148	10,610
485,227	0	0	15,396,511	3,192,337	12,204,174
48,354	0	0	4,898,542	485,227	4,413,315
61,911	0	0	67,207	48,354	18,853
3,931,781	0	0	77,029	61,911	15,118
14,821	0	0	5,249,208	3,931,781	1,317,426
4,681	0	0	15,657	14,821	736
	0	0	34,887	4,681	30,205
48,020,924	258,646	255,896	105,008,593	47,765,028	57,243,565

Sd/-
M. R. V. NAIR
Secretary

Sd/-
For PHILIP & GEORG
Chartered Accountants
Sd/-
GEORG KURIAN
Partner

SCHEDULE F

Previous year	INVESTMENTS	Current year
1,000	a) 10 Equity shares of Rs 100/-each fully paid up in Banana & Fruit Development Corporation Ltd. Madras (unquoted)	1,000
100	b) One A Class share of Rs. 100/- fully paid up in Mannam Sugar Mills Co-operative Society No. 4324	100
<u>1,100</u>		<u>1,100</u>

Sd/-
Chairman
N. P. MOIDEEN

Sd-
P. MUKUNDAN MENON
Managing Director

Sd-
M. R. V. NAIR
Secretary

For PHILIP & GEORG
Chartered Accountants

Sd-
GEORG KURIAN
Partner

SCHEDULE—G

CURRENT ASSETS		Current Year
A. Inventories (As valued and certified by management)		
8,545,111	1. Stores and Spares at Cost	14,518,277
484,921	2. Loose Tools	465,619
612,957	3. Agrl & other Equipments	555,869
25,425,429	4. Stock of Rubber and Rubber in process (Value fixed by management less incidental expenses)	29,634,663
618,864	5. Stock of Rubber Wood	612,446
4,348,909	6. Nurseries	
21,312	Rubber	3,157,810
	Arecanut	24,778
	Others	3,370,971
		52,340,433
B. Sundry Debtors (Unsecured considered good)		
2,199,648	Exceeding six months	3,823,172
23,930,197	Less than six months	3,542,319
		7,365,491
C. Cash & Bank Balances		
3,337	a) Stamps & Stamp Papers	4,754
	b) Bank Balances:-	
15,449,988	1. With Scheduled Banks in Current Accounts	8,745,903
1,394,636	2. With Treasury savings Bank Account	310,813
		9,056,716
55,035,309		68,767,394

Sd/-
Chairman
P. MOIDEEN

Sd-
P. MUKUNDAN MENON
Managing Director

Sd-
M. R. V. NAIR
Secretary

For PHILIP & GEORG
Chartered Accountants

Sd-
GEORG KURIAN
Partner

SCHEDULE H

Previous year Rs	LOANS AND ADVANCES	Current Year Rs
	I. SECURED (Considered good)	
	STAFF LOAN	
168,900	1) MOTOR CAR LOAN	278,120
209,876	2) MOTOR CYCLE LOAN	362,677
		640,797
2,817,783	II. UNSECURED (Considered good)	
	a) Oil Palm India Ltd.	1,317,783
7,631,723	b) Advances recoverable in cash or kind for value to be received	12,812,323
13,270,309	c) Advance payment of taxes	
52,114,717	1. Sales tax	3,212,000
3,479,778	2. Agrl Income tax	31,417,985
72,133	3. Central Income tax	7,937,423
479,107	d) Prepaid expenses	0
2,224,758	e) Tax refund due	
350,295	1. Income tax	619,625
	2. Agrl Income tax	2,224,758
	f) Rates & Taxes receivable	0
	g) DEPOSITS	
636,870	1. With Post & Telegraph, Electricity Board, Port Trust, and other Govt. Departments	724,900
12,750	2. With Housing Board	12,750
1,098,231	3. Other Deposits	12,749,348
3,500,000	4. With HDFC	0
	5. With Treasury and Post Office	63,500,000
51,174,272	6. With Scheduled Banks	173,672
1,583,562	7. Interest recoverable on FD	27,614,522
1,024,219	8. IT surcharge deposit	0
36,500	9. With Suppliers	0
51,663		2,225
		164,319,314
<u>141,937,446</u>		<u>164,960,111</u>

Sd/-
N. P. MOIDEEN
(Chairman)

Sd/-
P. MUKUNDAN MENON
(Managing Director)

Sd/-
M. R. V. NAIR
(Secretary)

For PHILIP & GEORG
CHARTERED ACCOUNTANTS
Sd/-
GEORG KURIAN
Partner

ACCOUNTING NOTES

A. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The Company is consistently following the accrual basis of accounting except in the case of revenue from slaughter tapping contracts, which are accounted on cash basis.

(b) Valuation of Fixed Assets.

Fixed assets have been booked in the accounts on historical cost basis, which includes purchase price and all costs attributable to bringing the asset to its working condition, as reduced by depreciation till 31st March, 1992 provided as per Schedule XIV of the Companies Act 1956. There has been no revaluation of fixed assets during the period under audit.

(c) Method of providing for Income Tax Liability

The Corporation has provided for (AIT) and (CIT) liability on the basis of the tax returned (ie admitted tax) with effect from assessment year 88-89 for AIT & 91-92 for CIT. This constitute a change in accounting policy from its practice followed in earlier years of making provision based on tax assessed by the tax authorities. This change has resulted in a short provision of taxation to tune of Rs. 23.12 lakhs.

(d) Valuation of Inventories

Closing stock of finished goods and work-in-process have been valued at the lower of the cost or realisable value as in the previous years. Realisable value of finished goods has been calculated as the sale price fixed by the Corporation as on 31-3-92, less incidental expenses on the same basis as in the previous years.

(e) Method of Depreciation

The depreciation provided in the accounts is at the rates applicable as per Schedule XIV of the Companies Act 1956. Reducing balance (written down value) method of depreciation has been consistently followed.

(f) Valuation of Investments

Investments in other Companies have been valued at cost. The market value/realisable value of these investments shown under Schedule 'F' cannot be assessed

(g) Treatment of Retirement benefits

Gratuity has been provided on the basis of actuarial valuation done by an approved actuarial valuer as in the previous years.

(h) Treatment of contingent liabilities

All contingent liabilities have been accounted and disclosed on the basis followed in previous years.

THIRTIETH ANNUAL REPORT

B. NOTES TO ACCOUNTS

1. a) The Corporation has received an amount of Rs. 28,38,278/- (Previous year Rs. 13,97,522) as Rubber Board Subsidy upto 31-3-92, and the Corporation is contingently liable for the same as it has to be repaid to the Rubber Board in case the plantation are destroyed or taken for any public purpose.

b) The following amounts are set aside towards reserves as shown below:-

	Current Year	Previous Year
1. Replanting reserve	55,00,000	50,00,000/-
2. Rehabilitation Reserve	Nil	4,10,100/-

2. Rs. 32,61,222/- appearing under "Unsecured Loans" represents the loan (after cancellation) from Govt. of Kerala for Investment in Oil Palm India Ltd., When the latter's subsidiary status was terminated vide Govt. Order (Ms) 238/93/AD dt. 4-8-93. This balance is pending adjustment/repayment since the mode of such adjustment has not been confirmed by the Govt.

3 a) An amount of Rs. 15,703/- (previous year 15,111/-) is payable to Labour Welfare Fund of the State Govt. being welfare fund created out of time barred claims.

b) Agricultural Income Tax

Position with respect to assessments completed.

Assessment year	Tax paid	Tax assessed
1977-78	39,93,453	39,93,453
1979-80	76,09,060	81,63,752
1980-81	84,85,192	85,85,192
1981-82	88,76,945	1,27,78,890
1982-83	1,15,00,000	1,28,20,234

b) Position with respect to assessments completed but under appeal.

Assessment year	Tax paid	Tax assessed
1978-79	10,54,392	13,34,189
1983-84	87,81,820	1,15,63,643
1984-85	1,34,53,147	2,19,06,294
1985-86	1,58,20,382	2,21,56,738
1986-87	1,31,61,561	1,87,50,277
1987-88	60,33,927	38,09,169
1988-89	40,32,221	1,01,60,352
1989-90	1,53,10,424	2,10,08,435
1990-91	86,35,645	1,49,22,187
1991-92	1,01,28,838	1,93,34,939

c) Position with respect to assessment not completed.

1992-1993 Advance tax paid 26,00,000/- Assessment proceedings not started.

4 a) The Corporation has paid to the employees bonus @16.21% and production incentive @3.79% for the year 91-92 as per GO (Rt) No. 1290/92/AD. dt 3-9-1992 Bonus computed by the Corporation is based on the calendar year earnings of the employees.

b) A provision of Rs. 32,00,000/- has been made in the accounts towards payment of bonus pertaining to the period for January 1992 to March, 1992.

5) Under Fixed Assets Buildings, Roads, Fence and Landing pad the cost of which is 2,83,39,265.74 1,22,04,174.25, 44,13,314.50,91,959.39 include Rs. 2,42,76,656.19, 1,17,49,745.68, 42,80,573.11 and 31,95.939 respectively constructed on lease hold land.

6) Building & Buildings under construction shown under Fixed Assets, include the cost of buildings set up with the loan and subsidy assistance from the Govt. of Kerala under the rules of subsidised housing scheme for Plantation Labour Kerala 1974, and the Govt. is having lien on such buildings till the loan taken by the Corporation under the scheme is repaid to the Govt.

7) a) Loan from Govt. Departments, Sundry creditors Sundry debtors Deposit with Govt. Departments and Deposit with others are subject to the confirmation by the parties.

b) Sundry Debtors include the following amounts due from Govt. Companies under the same management ie. Govt. of Kerala.

	Less than 6 months	More than 6 months	Total
1. Trivandrum Rubber Works	—	9,44,390.97	9,44,390.97
2. State Farming Corpn.	—	350.00	350.00
3. Kerala State Electricity Board	—	107.20	107.20
4. Forest Development Corpn.	—	7.62	7.62

8) a) Motor car loan to officers is fully secured by hypothecation of Motor car in favour of the Corporation. Balance outstanding as on 31-3-1992 is Rs. 2,78,120/- (Previous year Rs. 1,68,900/-) Maximum amount of such loan during the year was Rs. 2,94,040/- (previous year Rs. 2,55,640/-).

b) Other advance recoverable in cash or in kind for value to be recovered under "Loans and Advances" include the following amounts due by the officers of the Corporation.

	Previous Year	Current Year
1 T. A. Advance	1,47,781.00	1,20,044.00
2 Salary advance	10,79,796.00	9,32,754.00
3 Other Advance	34,133.00	1,54,369.00
4 Interest on motor car loan	25,250.00	27,479.00
5 Interest on motor cycle loan	45,192.00	40,635.00
6 Stores Recoverable	33,549.00	28,302.00
7 Fuel charges recoverable	6,308.00	4,744.00
8 I. B. charges recoverable	2,284.00	2,593.00
9 Postage recoverable	867.00	2,759.00

c) Motor cycle loan to officers are also secured by hypothecation of Motor cycle in favour of the Corporation. Balance outstanding as on 31-3-1992 is Rs. 3,62,677/- (previous year Rs. 2,09,875/-) Maximum amount of such loan during the year was Rs. 4,15,951/- (previous year Rs. 2,81,018/-)

d) Under 'Loans & advances' in Schedule H an amount of Rs. 7,24,900/- is shown as deposits with Government Departments. The details of this amount is as follows:

	Previous Year	Current Year
1. Cochin Port Trust	3,600.00	3,600.00
2. Civil Supplies Corporation	10,000.00	10,000.00
3. Post & Telegraph Dept	40,366.00	44,066.00
4. Kerala State Electricity Board	5,82,904.00	6,67,734.00
	<u>6,36,870.00</u>	<u>7,24,900.00</u>

e) **Plantation Tax**

The payment for plantation tax has been effected on the basis of last assessment order of revenue divisional officer (R. D. O.). Plantation tax calculated on the basis of trees shown in the return filed by the Corporation is expected to be lower than the tax charged in the accounts.

f) Sales Tax

i) Assessment year 1979-80
 Appeal filed against Central Income Tax Assessment order dated 31-1-1987 determining a liability of Rs. 25,463.85, was dismissed by the D. C. (Appeals) Quilon. Since it was felt that the Corporation would be unable to furnish any additional evidence. No further appeal has been preferred and accordingly the additional liability of Rs. 25,463.85 has been provided in the accounts.

ii) Assessment year 1980-81 to 1982-83
 Appeal against C. S. T. were remanded by D. C. (Appeals) for fresh hearing. They have not yet been posted for hearing by the Assessment Authority.

iii) Assessment year 1983-84
 Against the earlier remanded case, the revised C. S. T. assessment order, raised an additional demand for Rs. 3,065/- The Corporation preferred an appeal against the above demand before D. C. (Appeals) Quilon. The appeal was heard on 14-8-92 and the appellate order is awaited.

iv) Assessment year 1984-85
 On appeal, the D. C. (Appeals) reduced the amounts assessed by the Assessing Authority. Accordingly the Assistant Commissioner (Assessment) heard the case and the relevant order is awaited. Pending receipt of the revised assessment order, no provision has been made in the accounts for any additional liability.

v) Assessment year 1985-86
 Appeal filed against the assessment order not acceptable to the Corporation, was heard by the D. C. (Appeals), Quilon and his orders are awaited.

vi) Assessment year 1986-87
 The assessment proceedings have been completed and assessment order is awaited.

vii) Assessment year 1987-88

9 No employee in the Corporation has drawn remuneration in excess of Rs. 1,44,000/- in the aggregate during the year 1991-92. No person was employed for any part of the year on a monthly remuneration exceeding Rs. 12,000/-
 10 Management remuneration paid/payable to Managing Director.

	Current Year	Previous Year
1. Pay & Allowances	68,243/-	61,422/-
2. Festival Allowance	500/-	450/-
3. Leave salary & Pension contribution	Nil	Nil

The Managing Director is provided with a car for his official purpose and was charged at Rs. 500/- per month vide G. O. (MS) NO: 628/90/Fin. dated 15-12-90 for the Private use limiting to 500 Kmrs a month.
 The Managing Director is provided with furnished accommodation charging 10% of salary.

11 Remuneration to other Directors

	Current Year	Previous Year
1. Sitting fees	-	3,400.00
2. T. A. to Directors (including MD)	24,385/-	44,920.00
TOTAL	24,385/-	48,320.00

12 The Corporation has made lease rent payment at rates lower than the revised lease rates fixed by the Government from time to time. Consequently the Forest Department has raised a demand for Rs. 373.20 lakhs on account of compound interest on amounts over due as provided in the lease agreement. This liability upto 31-3-92 has not been provided for as the matters is under correspondence with Government regarding the heavy increase in the rates of lease rent.

13 Information in regard to amounts paid to Auditors.

	Current year	Previous year
1 Statutory Auditors	15,000.00	15,000.00
2 Expenses to Statutory Auditors	5,000.00	5,000.00
3 Internal Auditors	Nil	Nil
4 Others	Nil	Nil

14 The expenditure on Repairs & Maintenance of Roads shown under schedule I is not expenditure after deducting tolls collected for using estate roads. This toll collection is only nominal for meeting the repair expenses.

15 Packing drums, tapping stores and other implements issued during the year have been charged to revenue. The manufacturing and selling expenses include a sum of Rs. 73,26,844/- being the cost of Rs. 21,148 drums utilised during the year.

16 The Corporation is maintaining a pilot plant at Kodumon for treatment of rubber wood from the estate to make it into a saleable condition. The profit earned from the project has been separately shown in Schedule L to the profit & Loss Account.

17 Additional information pursuant to the provisions of paragraph 3, part II of schedule VI to the companies Act 1956.

	Current year		Previous year	
	Qty.	Value	Qty.	Value
Sales by class of goods as per Sales Register	MT.	Rs.	MT.	Rs.
1 Rubber	3736.8	11,42,15,742	4620.4	15,83,32,485
2 Cashew	—	1,91,65,747	—	1,47,68,246

Quantitative particulars of cashew are not available as the sales were effected by tender-cum-auction.

18 The right of collection of cashew nuts from the Corporation estates have been given on contract under Tender-cum-auction system. As the crop season is from February to June, 40% of the auction price has been treated as income for the current year and the balance is income received in advance.

19 The Corporation has given certain Rubber Plantations for slaughter tapping. As per the agreement the contractors are permitted to remit the amount agreed in instalments. The actual amount received during the year from the Contractors are credited to the profit and loss account as per practice followed by the Corporation.

THIRTIETH ANNUAL REPORT

- 20 With regard to the valuation of ammoniated latex which is kept at various collection centres in the estates, factories etc. for which some more processing is required, to make it saleable as a finished product, the valuation is made on an estimated basis by ascertaining the quantity of DRC in the respective items.
- 21 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 92,00,500/- (previous year Rs. 58,39,359/-).
- 22 The Corporation is liable to pay a compensation of Rs. 5353.75 (previous year 5353.75) to person evicted from Kodumon group of estates which has not been provided since the persons are deceased and the claimants have to produce succession of heirship certificates.
- 23 Five cases are pending against the Corporation against which the amounts payable are not ascertainable as claims to the parties are not finalised. As such they are not acknowledged as debtors and not provided for.
- 24 The total area of land handed over to the Corporation by the government department as on 31-3-92 is approximately 14454 hect. (previous year total area 14454 hectares). Total area has not been surveyed.

Rubber Plantations	7614.00
Cashew in rubber estates	1059.00
Cashew Plantations	5259.00
Submergible area	220.00
Handed over to PWD for Kallada Irrigation project	3.30
Area under buildings, factories roads, canals, marshy places, fire belts etc.	295.00
Area to be planted	3.70
	<u>14454.00</u>

- 25 An area of 3.28 hectares of 1961 plantation in Kodumon Group of estates under survey No: 783/1 of Koodal Village has been handed over to PWD for Kallada Irrigation project. The value of this will be adjusted after finalisation of the valuation by the District Collector, Quilon.
- 26 The terms and conditions under which the Corporation has taken 975 hectares of land covered by Cheemeni estate are yet to be determined.
- 27 Lease deed for land handed over to the Corporation since 1970 has yet to be executed except for the land handed over for development of Cashew Plantations (Rajapuram estate) under the World Bank Scheme.
- 28 In making alternate arrangements for the works abandoned by M/s. ENCOS, the Company incurred an expenditure of Rs. 3,60,000/- The Government vide order No: MS 137/81/AD dated 20-4-81 appointed an Arbitrator for the settlement, who has not taken up the arbitration proceedings.
- 29 Development expenditure has been allocated on the basis of the practice followed during the previous year for capitalisation.

PLANTATION CORPORATION OF KERALA LTD.

Additional information as per clause IV-D of Part II to Schedule VI.

	Current year		Previous year	
a) CIF value of imports during the year.	Nil		Nil	
b) Expenditure in Foreign currency.	Nil		Nil	
c) Value of raw materials, stores, spare parts and components during the year				
	Value	Consumption	Value	Consumption
1 Imported value	Nil	Nil	Nil	Nil
2 Indegeneous (Stores & Spares)	80,38,796	100%	1,02,95,116	100%
3 Particulars of dividend remitted in foreign exchange.	Nil	Nil	Nil	Nil
4 Earnings in foreign exchange	Nil	Nil	Nil	Nil

Total wages paid during the year to workers, tappers, field workers and factory workers is Rs. 558.29 lakhs.

Previous year figures have been regrouped/restated wherever necessary to make them comparable with current years figures.

Sd/-
N. P. MOIDEEN
(Chairman)

Sd/-
P. MUKUNDAN MENON
(Managing Director)

Sd/-
M. R. V. NAIR
(Secretary)

For PHILIP & GEORG
CHARTERED ACCOUNTANTS

Sd/-
GEORG KURIAN
(Partner)

SCHEDULE I

Previous Year Rs.	REPAIRS & MAINTENANCE ASSETS-	Current Year Rs.
1,038,903	Building	2,015,259
968,746	Vehicles	849,992
2,601,719	Roads	3,832,355
428,340	Electrification	880,511
466,394	Water supply	157,456
130,372	Temporary shed	115,780
339,663	Fence/Kayyala	150,508
355,482	Others	307,582
<hr/>	Total	<hr/>
6,329,619		8,309,443

SCHEDULE J

MISCELLANEOUS EXPENSES

370,118	Postage, Telephone & Telegram	357,481
289,915	Printing & Stationery	379,826
82,347	Office expenses & Miscellaneous	59,690
8,294	Bank charges	52,872
19,547	Books & Periodicals	18,874
84,956	Storage expenses	75,623
71,902	I. B. expenses	47,189
45,513	Entertainment expenses	39,034
7,700	Staff training expenses	9,250
174,811	Ferry expenses	122,834
9,435	Gardening	9,872
0	Others	37,000
<hr/>	Total	<hr/>
1,164,538		1,209,545

Sd-
N. P. MOIDEEN
Chairman

Sd-
P. MUKUNDAN MENON
Managing Director

Sd-
M. R. V. NAIR
Secretary

For PHILIP & GEORG
Chartered Accountants

Sd-
GEORG KURIAN
Partner

SCHEDULE K

Previous year Rs	WELFARE EXPENSES	Current year Rs.
1,513,422	Sickness Benefit	1559,410
68,351	Maternity Benefit	124,892
2,338,160	Leave with wages	2,424,149
1,745,435	Holiday wages	2,710,055
333,354	Weather Protection expense	416,417
1,144,596	Drinking water supply	1,227,698
163,827	Sanitation	127,033
73,464	Recreation facilities	81,095
3,984,749	Medical & Hospital Facility	4,761,617
46,270	Way expenses to workers	48,797
59,686	Running & Maintenance of school	42,764
57,367	Creche expenses	21,418
68,197	Workmen's Compensation	65,985
17,753	Workers Education	0
1,132,958	Uniform to staff & workers	834,582
168,245	Subsistence allowance	111,674
54,429	Labour Welfare Fund	23,238
<u>12,970,263</u>		<u>14,580,824</u>

Sd/-
Chairman
N. P. MOIDEEN

Sd-
P. MUKUNDAN MENON
Managing Director

Sd-
M. R. V. NAIR
Secretary

For PHILIP & GEORG
Chartered Accountants

Sd-
GEORG KURIAN
Partner

SCHEDULE L

Profit & Loss Account- Rubberwood Project

Previous Year Rs.	EXPENSES	Current Year Rs.
	618864	510,636
	108228	342,812
107,198	Opening Stock	65,064
537,604	Less trees returned to estates	128,373
46,586	Cost of rubber trees purchased	20,145
120,847	Factory chemicals	214,279
8,993	Wages	32,754
216,613	Factory expenses	31,883
30,030	Pay & Allowance	5,730
35,918	Provident Fund	75,628
7,696	Bonus to staff & officers	6,830
55,844	Travelling expenses	5,935
6,266	Repairs & Maint. of assets	13,709
15,355	Office expenses & misc.	185,016
2,430	Welfare expenses	173,060
137,587	Advertisement	
0	Depreciation	
45,683	Cutting & Transporting charges	
	Net income	
	Total	<u>1,811,854</u>
<u>1,374,650</u>		

Previous Year Rs.	INCOME	Current Year Rs.
		789,153
568,310	Sale of treated and seasoned wood	219,734
186,547	Sale of fire wood	919
729	Interest on motor cycle loan	4,497
—	Interest on fixed deposits	1,416
200	Misc. Income	515,646
618,864	Closing Stock of rubberwood & and Standing trees	280,489
	Net loss on rubberwood project	
	Total	<u>1,811,854</u>
<u>1,374,650</u>		

Sd/-
N. P. MOIDEEN
Chairman

Sd/-
P. MUKUNDAN MENON
Managing Director

Sd/-
M.R.V.NAIR
Secretary

For PHILIP & GEORG
Chartered Accountants

Sd/-
GEORG KURIAN
Partner

PHILIP & GEORG
Chartered Accountants
KUDAKASERIL BUILDING
KOTTAYAM-686 002
PHONE 0481-564910

**AUDITOR'S REPORT TO THE MEMBERS
OF THE PLANTATION CORPORATION OF KERALA LTD.**

We have audited the attached Balance Sheet of the Plantation Corporation of Kerala Limited as at 31st March 1992 and the relative Profit & Loss Account for the year ended on that date annexed thereto, both signed by us under reference to this report.

We Report that:-

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.

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

Proper returns adequate for the purpose of audit have been received from the estates of the Corporation.

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

- 1 In respect of Agricultural Income tax up to 1991-92 and Central Income tax upto 1990-91 there is an under provision for tax liabilities estimated at Rs. 231.12 lakhs. As a result Reserves and surplus has been overstated by this amount and the net current assets overstated by a corresponding amount.
- 2 Interest of Rs. 2,13,800/- earned for the current year on a deposit with a financial institution has not been booked. As a result the Profit for the year, the Reserves and Surplus as also deposits are under stated by this amount.
- 3 Sundry debtors include Rs. 18.72 lakhs outstanding for over three years for which adequate information is not available to ascertain if these are realisable.
- 4 The accounting policy consistantly followed by the Company is to account for revenue from slaughter tapping contracts on cash basis. This practice is not in conformance with accrual basis of accounting which the Company is required to follow as per Section 209 (3) (b) of the Companies Act, 1956. This has resulted in an overstatement of Reserves & Surplus to the extent of Rs. 5.83 Lakhs and an overstatement of net current assets by a corresponding amount.
- 5 In respect of Rs. 15.09 lakhs lying in Sales Tax adjustment account, no explanation or details were made available to us for verification. Consequently we are unable to ascertain its authenticity.
- 6 In the absence of confirmation of balances of sundry debtors, sundry creditors, government loans, other loans, Advances and deposits, we have not been able to confirm the correctness of these balances. Adequate information was not available for verification of company accounts regarding the dues of sundry creditors. Hence we are unable to ascertain the status of their liability.
- 7 As required by Schedule VI of the Companies Act, 1956.

ear

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279
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5,830
5,935
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5,016
3,060

11,854

nt Year
Rs.

789,153
219,734
919
4,497
1,416
515,646
280,489

1,811,854

THIRTIETH ANNUAL REPORT

- a) Company has not furnished a consolidated statement of reconciliation showing the quantitative particulars of agricultural produce and inputs.
 - b) The maximum amount due from officers classified under loans and advances has not been disclosed.
- In our opinion, and to the best of our information and according to the explanation given to us, the said Balance sheet and the profit & Loss Account read together with the notes thereon,
- a) Give the information required by the Companies Act 1956 except as stated in paragraph numbered 7 above.
 - b) And also give respectively, EXCEPT as stated in paragraphs numbered 1 to 4 above and SUBJECT to the matter stated in paragraph numbered 5 & 6 above a TRUE AND FAIR view of the state of the Corporation's affairs as at 31st MARCH 1992 and its PROFIT for the year ended on that date.

As required by the Manufacturing and other companies (Auditor's Report) Order 1988 issued by the Company Law Board in terms of Section 227 (4 A) of the Companies Act 1956, we have attached an annexure in which we have set out our report on the matters specified in the above order.

For PHILIP & GEORG
Chartered Accountants

Sd/-
GEORG KURIAN
Partner

Kottayam
20-1-1994

PHILIP & GEORG
Chartered Accountants
KUDAKASERIL BUILDING
KOTTAYAM-686 002
PHONE 0481-564910

**ANNEXURE REFERRED TO IN LAST PARA OF THE
AUDITORS' REPORT**

- 1 The Corporation has maintained proper records to show full particulars including quantitative details and situation of Fixed Assets. The fixed assets have been physically verified at the close of the financial year. We have observed that the discrepancies noticed were not significant.
- 2 None of the Fixed Assets have been revalued during the year.
- 3 Subject to our observation in para (7) of our report, stock of finished goods, stores, spare parts loose tools and other items have been physically verified by the Management at the close of the year.
- 4 The procedures for physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Corporation and the nature of its business.
- 5 Material discrepancies noticed on physical verification of stocks as compared to book records have been properly dealt with, except in the case of centrifuged latex where there was a shortage of 158 barrels of latex as per the physical verification report dt. 1-4-'92. This was however explained to have been located at a later stage after the Balance Sheet date.
- 6 Valuation of stocks is fair and proper and is in accordance with normally accepted accounting principles and is on the same basis as adopted in the preceding years.
- 7 The Corporation has not availed any loans either secured or unsecured from Companies, firms or other parties listed in the register, maintained under Section 301 and 370 (1B) and from Companies under the same management.
- 8 In our opinion, the rate of interest and other terms and conditions on which loans have been granted to Companies, firms or other Companies listed in the registers maintained under Section 301 and to the companies under the same management are not prima facie, prejudicial to the interest of the Company.
- 9 In respect of loans and advances in the nature of loans given by the Corporation, except in the case of Oil Palm India Limited, and in some cases in respect of employees, parties have repaid the principal amounts and have also been regular in the payment of interest wherever applicable in accordance with terms and conditions laid down by the Corporation. As explained by Management, steps are being taken to recover the amount due from Oil Palm India Ltd.
- 10 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials including components, plant & machinery, equipments and other assets and with regard to the sale of goods. However the internal control procedure in respect of:-
 - a) Collection and procurement of agricultural produce and its processing at factories and its despatch is not satisfactory.
 - b) Determination and accounting for dues payable to Sundry Creditors for supplies needs improvement.
- 11 In our opinion and according to the information and explanations given to us, the Corporation has not purchased any goods or materials or made sale of goods, materials or services in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 as aggregating during the year to Rs. 50,000/- or more in respect of each party.

THIRTIETH ANNUAL REPORT

- 12 As explained to us, unserviceable or damaged stores and raw materials are determined by the management and adequate provisions have been made in the accounts for loss so determined.
- 13 The Corporation has not accepted any deposits from the public.
- 14 The Corporation has maintained records for the sale and disposal of scrap and realisable by-products.
- 15 Based on our assessment of the extent of coverage of the internal audit department of the Corporation, we are of the opinion that the internal audit system in its present form is not commensurate with its size and nature of business.
- 16 Maintenance of cost records under Section 209 (1) (d) of the Companies Act 1956 is not applicable to the Corporation.
- 17 According to the records of the Corporation, Provident Fund and Employees State Insurance dues have been regularly deposited with appropriate authorities, though there has been delay in few cases, it is informed that amounts which remained unpaid inadvertently were paid subsequently.
- 18 According to the information and explanations given to us and subject to what is stated in Accounting Note No. 3 (b) & 8 (f) no undisputed amounts payable in respect of Income Tax, wealth Tax, Sales Tax, Customs Duty and Excise Duty were outstanding as at 31st March 1992, for a period of more than six months from the date they became payable.
- 19 According to the information and explanations given to us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
- 20 The Sick Industrial Companies (Special Provisions) Act 1985 does not apply to the Corporation.

for PHILIP & GEORG
Chartered Accountants

Sd/-
GEORG KURIAN
Partner

Kottayam,
20-01-1994.

REPLY TO THE REPORT OF STATUTORY AUDITORS FOR THE YEAR 1991-92

1. For the completed assessments we have already filed appeals before the higher authorities. Some of the appeals have been allowed in favour of the Corporation. Orders giving effect to the said appellate orders has yet to come. After the completion of the revised assessment there will not be any substantial short provision.
2. As per the terms of the deposit the interest and principal will be repaid only after 5 years. The deposit does not specify any interest rates. As such we have not provided for the interest accrued.
3. The Company does not consider any debt as doubtful. Out of this the major amount of Rs. 944,390.97 is due from Trivandrum Rubber Works, Govt. of Kerala Undertaking. Now the management of TRW has agreed to clear the dues in instalments.
4. The accounting policy of the Company with regard to slaughter tapping contracts have been disclosed in the Accounting notes. A. a. considering nature of the slaughter tapping contracts.
5. This is the balance amount lying in the account after adjustment of Advance Sales Tax paid and Sales Tax for the year 1991-92. The adjustment was done as per the directions of Statutory Auditors for 1991-92. The Balance amount lying also shall be adjusted against Sales Tax account.
6. Noted
7. (a) The Corporation is maintaining proper register in all its units showing the different items of stores, agricultural products received, manufactured and issued sold or consumed.
(b) Noted.

GOVERNMENT OF KERALA

No. 6522/PUBI/94/FIN

Finance Department

Comments of the Commissioner & Secretary (Finance) to the Government of Kerala on the Accounts of the Plantation Corporation of Kerala Limited for the year ended 31. 3. 1992.

2 "It is noticed that the profit of the company during 1991-92 is Rs. 109 lakhs against its profit of Rs. 202 lakhs during the previous year. Income by sales of rubber has decreased from Rs. 1583 lakhs (90-91) to Rs. 1142 lakhs during 1991-92. Sales of rubber also came down to 3736.8 M. T. during 1991-92 From that of 4620.4 M. T. during 90-91. Short provision to the tune of Rs. 231.12 lakhs towards taxation and non provision of Rs. 373.20 lakhs on account of compound interest on amounts due to Government in Forest department as provided in the lease agreement have resulted in over statement of the surpluses and reserves and if those amounts were provided, the company could draw up only a loss account for the year 1991-92. The Board of Directors should adopt measures to reverse the loss making trend."

Sd/-

M. Mohankumar
Commissioner & Secretary (Finance)

Thiruvananthapuram,
8-6-94.

REPLY TO THE COMMENTS OF THE COMMISSIONER &
SECRETARY (FINANCE) FOR THE YEAR ENDED 31.3.1992.

Noted.

The decrease in the sale of rubber is due to lower production because of the massive replanting programme undertaken by the Company. The short provision of tax also is due to the fact that the appeals filed by the Company towards completed Agricultural Income Tax assessments has not been disposed off. Some of the appeals have been allowed in favour of the Company setting aside most of the disallowances made by the assessing authorities. Orders giving effect to the said appellate orders has yet to come. After the completion of appeals and revised assessments there will not be any substantial short provision of tax.

As the increase in rate of lease rent was unilateral and not in conformity with the agreements, we have requested the Government of Kerala to reconsider the matter and to reduce the lease rent rates. The matter is being reviewed by the Government. A final decision in the matter is yet to come. As such we have not provided for the compound interest.

OFFICE OF THE ACCOUNTANT GENERAL (AUDIT) KERALA,
THIRUVANANTHAPURAM.

Comments of the Comptroller and Auditor General of India under Section 619 (4) of the Companies Act 1956 on the Accounts of THE PLANTATION CORPORATION OF KERALA LIMITED, KOTTAYAM for the year ended 31st March 1992.

1 Balance Sheet

B Assets

1 Current Assets, Loans and Advances

a) Current Assets - Inventories (as valued and certified by Management)
- Rs. 523.40 Lakhs.

1 1 The mode of valuation of the following inventories has not been disclosed as required under Part I of Schedule VI to the Companies Act, 1956.

i) Stock of Rubber wood	:	Rs. 6,12,446
ii) Nurseries :		
Rubber	:	.. 31,57,810
Arecanut	:	.. 24,778
Others	:	.. 33,70,971

2 Profit & Loss Appropriation Account

Net profit transferred to Reserves and Surplus (Sch.A)
Rs. 345.62 lakhs.

2 1 The transfer has been made without providing for the arrears lease rent amounting to Rs. 32.85 lakhs payable to the Government of Kerala for the years 1987-88 to 1990-91.

3 General

The liability in respect of gratuity payable to 27 employees taken over from the Agricultural Department of Government of Kerala for the services rendered in Government and 10 employees transferred to Oil Palm India Limited for the period they served in the Company has not been quantified and disclosed.

Sd/-
(A. K. CHAKRABARTI)
Principal Accountant General (Audit)
KERALA

Trivandrum
3-05-94

REPLY TO THE COMMENTS OF THE COMPTROLLER
AND AUDITOR GENERAL OF INDIA
UNDER SECTION 619 (4) OF THE COMPANIES ACT.

1. Noted
2. 1 Noted
3. 1 Noted: This has been considered in the Accounts for the year 1992-93.