



**THIRTY THIRD ANNUAL REPORT
1994-'95**

THE PLANTATION CORPORATION OF KERALA LTD.

KOTTAYAM-686 004.

BOARD OF DIRECTORS

Shri. N.P. Moiden

Chairman (from 18-10-1993 to 6-6-1996)

Shri V. Krishnamurthy, I.A.S

Chairman (from 6-6-1996)

Maj. Gen. (Rtd.) P.M. Menon

Chairman (from 4-9-1992 to 17-10-1993)

Managing Director (from 26-8-1992 to 18-8-1995)

Dr. Jacob Thomas, I.P.S

Managing Director (from 1-10-1991 to 26-8-1992 and from 18-8-1995 to 20-12-1995)

Shri Amarnatha Shetty, I.F.S.

Managing Director (from 20-12-1995 to 3-4-1996)

Shri K.K.Srivastava, I.F.S.

Managing Director (from 3-4-1996)

Smt. Neela Gangadharan, I.A.S

Director (from 1-10-1993 to 16-3-1995)

Shri G.Mukundan, I.F.S

Director (from 25-7-1991 to 3-8-1995)

Shri M.S.Dharan

Director (from 26-9-1992)

Shri P.P. Joseph

Director (from 16-3-1995)

Shri. P.N.Surendaran, I.F.S.

Director (from 3-8-1995)

Dr. A.K. Krishnakumar

Director (from 9-11-1995)

SECRETARY

Shri M.R.V. Nair

AUDITORS

M/s. Cherian & Cherian

Chartered Accountants

Kottayam

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 33rd Annual General Meeting of the Corporation will be held at the Registered Office of the Corporation at Kottayam on Thursday the 14th September 1995 at 10.30 A.M. To transact the following business.

1. To consider the adjournment of the consideration of accounts for the year 1994-95 to a suitable date.
2. To record the appointment of Directors by the Governor of Kerala in the place of Directors retiring at the Annual General Meeting under the Articles 63 (2) of the Articles of Association. The following Directors retire and are eligible for re-appointment.
 - i. Sri. P.N. Surendran, I.F.S
 - ii. Sri. M.S. Dharan
 - iii. Sri. P.P. Joseph

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

Kottayam,
10-8-1995

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

Note:- *A member entitled to attend and vote can if necessary 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 later than 48 hours before the meeting*

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 33rd (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 Thursday the 14th November 1996 to transact the following business.

To receive, consider and adopt Director's Report, Auditor's Report and the audited profit & Loss Account for the year ended 31st March 1995 and the Balance Sheet as on that date.

By order of the Board
for the Plantation corporation of Kerala Limited

Kottayam,
14-10-1996

Sd/
M.R.V. NAIR
Secretary

Note:- A member entitled to attend and vote can, if necessary, 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.

DIRECTOR'S REPORT

Gentlemen,

Your Directors have pleasure in presenting the 33rd Annual Report of the corporation for the year ended 31st March 1995.

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 31-3-1994 continued unchanged during 1994-95.

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 during 1994-95	:	26.36 lakhs
Payment of interest during 1994-95	:	4.98 lakhs
Payment of loan during 1995-96	:	17.30 lakhs ✓
Payment of interest during 1995-96	:	5.01 lakhs

Profit & Loss Account

The net profit for the year as per the profit & Loss Account is Rs. 599.10 lakhs after making the following provisions.

Interest on loan	:	19.33 lakhs
Depreciation	:	46.95 lakhs
Provision for Gratuity	:	394.51 lakhs
From the above net profit, the following provisions / appropriation have been made		
Provision for Taxation	:	200.00 lakhs
Replanting Reserve	:	140.00 lakhs

Agriculture Income Tax

The assessment of Agricultural Income Tax of the Corporation has been completed upto the financial year 1992-93. For the completed assessment the Company has filed appeals before the higher authorities which are pending for disposal.

Sales - Rubber

During 1994-95 the quantity of rubber sold was 3,821.59 M.Ts. for Rs. 1,683.70 lakhs against 4194 M.Ts for Rs. 1,481.20 lakhs in 1993-94. Average price realised in 1994-95 was Rs. 44.06 per Kg. against Rs. 35.32 lakhs realised in 1993-94.

Cashew

In the year 1994-95 the amount received on sale of cashew nut was Rs. 320.19 lakhs against Rs. 318.52 lakhs received in 1993-94.

Rubber Estates

There are 8 rubber estates under the ownership of the corporation which are located in the Districts of Pathanamthitta, Ernakulam, Trissur, Malappuram and Kozhikode.

Area under rubber

	1993-94	1994-95	1995-96	1996-97
		(Area in hecets.)		
Tapping area	4257	3650	3490	3622
Immature area	2299	3059	3655	3658
Area under Oil Palm	145	145	218	218
Vacant land and land under clearance for replanting	1477	1324	388	680
Area under replanting-Rubber			427	
Area under replanting -Oil Palm	---	---	---	---
Total	8178	8178	8178	8178

Cashew Area

There are 4 cashew estates viz. Kasargode, Rajapuram, Cheemeni and Mannarghat under the corporation. These estates are maintained in satisfactory condition. The total area under cashew is about 6315 hectares.

Engineering works - Kodumon Group

Thannithode Estate

Completed re-metalling and semi grouting the ascends of road in Division-C and work of 1 number collecting station in Division -C is in progress.

Chandanappally and Kodumon Estates

Completed about 8 k.m barbed wire fencing for replanting area in Kodumon and Chandanappally estates. Routine repairs and maintenance of buildings attended during the year in Chandanappally and Kodumon estates.

Kalady Group

Completed re-metalling and semi grouting the road from Manager's office to division -C (2.2 K.M) Adirappally estate and about 24 K.M. Barbed wire fencing for replanting area in Kallala, Adirappally and vettilappara estates. Completed the construction of 4 nos.wells and pump houses for drip irrigation in division -D, Vettilappara, Latex Storage Tank in Kallala Factory. Drip Irrigation for 145 Ha. Oil Palm Plantation in division -D was completed. Attended the routine repairs and maintenance of buildings, tarred roads during the year in Kalady Group of estates.

Malabar Group - perambra Estate

Arranged the work of metalling and semi grouting the ascends of road from factory junction to Muthukad area and repairs to tarred roads from Peruvannamuzhy to estate. Attended the Routine repairs and maintenance of buildings.

Alakode Estate

Constructed shed for providing cinnamon distillation plant in Nadukani division.

PERSONNEL MANAGEMENT, INDUSTRIAL RELATIONS AND LABOUR WELFARE

The earlier set up of the Company continued unchanged during the year under report. Industrial relations were smooth and cordial. This could be achieved by upholding the principles of industrial democracy. Joint conferences, discussions and negotiations at various levels were held to sort out issues concerning staff and workers amicably.

The Corporation continued to have its faith in human resources and its development as a means of achieving individual and organisational effectiveness. Need based training was given to a good number of employees by sponsoring them to various professional bodies and organising inhouse training courses in the estates. The knowledge and skill acquired by the employees from the training courses were utilised to improve the efficiency of the Corporation.

Welfare orientation, and essential ingredient of the Corporations Management Philosophy had its supremacy during the year. In addition to providing basic amenities such as free quarters with electricity and water supply, medical, educational and recreational facilities etc. Measures were taken to bring about improvement in the welfare amenities. The welfare fund loan which was introduced to help the workers and other employees to meet emergency requirements was extended to more number of employees by enhancing the fund amount. Towards the cost of the

uniforms and its maintenance, the all inclusive allowance being paid to the tappers could be increased to Rs. 350/- per annum. P.C.K was the first in the plantation Industry to pay an interim relief of Rs. 3/- day to the workmen as per the recommendation of Justice M.P.Menon Commission. However a salary revision proposed for the officers with effect from 25-10-91 is pending with the Government for orders.

The corporation also paid attention for providing employment opportunities to a certain extent. Under the compassionate employment scheme, 35 persons have been given appointment. It is hoped to provide more employment opportunities as and when new projects under consideration are implemented.

The corporation could give due recognition to its human asset. In accordance with the existing norms, timely promotions were given to employees in various categories. During the period under reference, 6 persons in the staff category could be promoted to officers category.

P.C.K did not fail in its obligation to adhere to the statutory requirements of various statutes. In the matter of appointments, the Corporation continued to confirm to rules and directions with respect to communal rotation and reservation to Scheduled Castes and Scheduled Tribes. Special recruitment was also resorted to for appointing middle level Executives in these categories.

During the year, 39 staff members and 9 Officers left the service of the corporation by way of retirement / resignation/death.

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 the 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

Sri. N.P. Moideen appointed as Chairman from 18-10-1993 continued to hold the office of the Chairman during the remaining period under report.

Managing Director

Maj. Gen. (Rtd.) P.M. Menon appointed as Managing Director from 26-8- 1992 held the office of the Managing Director during the remaining period under report.

Highlights on Current Activities

Upto 1996 we have replanted an area of 3445.88 hectares with rubber and 218 hectares with Oil Palm.

With a view to honour the extraordinary contribution of individual employees including workers a cash award scheme has been introduced. In all respects this would be a stepping stone for the corporation to reach greater heights of glory and achievements. As per plantation labour committee settlement the wages of daily rated workers in rubber, coffee, cardamom and cinnamon have been revised. The rate of gratuity payment to workers and staff have been revised with effect from 24-5-1994. As per the revision the workers and staff will get gratuity at the rate of one month wages/ salary per year of service subject to a maximum of Rs. 1 lakh. The Officers will continue to be eligible for gratuity at the existing rate subject to a maximum of 20 months salary as per their service rules.

A proposal for constructing shopping complex in the compound of Regional Office, Calicut has been approved by the Board and submitted to the government for approval.

The Corporation has participated in the equity of Cochin International Airport Ltd. and Kerala Feeds Ltd. to the extent of Rs. 25 lakhs and Rs. 1 crore respectively.

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

sd/-

V. KRISHNAMURTHY, I.A.S

CHAIRMAN

Ernakulam

28-9-1996

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 | : | Not significant |
| 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 | : | Due to the efforts taken during the previ-
ous years in getting steady electric supply,
the production cost is reduced. |
| d) Total energy consumption per unit of production | : | Not applicable |

FORM - B

(See Rule 2)

Form for disclosure of particulars with respect to absorption

- | | | |
|--|---|-----------------|
| Research and Development (R & D) | : | Not significant |
| e) 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 plants | : | Nil |
| g) Total foreign exchange used and earned | | |
| Used | : | Nil |
| Earned | : | Nil |

ANNEXURE - II

Details of Directors including changes taken place during the year ending 31st March 1995

Sl. no.	Name	Address	Date of appointment
1.	Sri.G. Mukundan, I.F.S.	Principal Chief Conservator of Forests Vazhuthacaud Thiruvannanthapuram	From 25-7-1991
2.	Sri. M.S. Dharan	Additional Secretary to Government Finance Department Secretariat Thiruvannanthapuram	From 25-7-1991
3.	Smt.Neela gangadharan, I.A..S	Secretary to Government, Agriculture - Department, Secretariat, Thiruvannanthapuram	From 1-10-1993
4.	Sri. P.P. Joseph	Under Secretary to Government ,Agriculture - Department, Secretariat, Thiruvannanthapuram	From 16-3-1995

**REVIEW OF ACCOUNTS OF THE PLANTATION CORPORATION OF
KERALA LIMITED, KOTTAYAM
FOR THE YEAR ENDED 31ST MARCH 1995
BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA**

I. Financial Position

The table below summarises the financial position of the Company under broad headings for the three years upto 1994-95.

LIABILITIES

	1992-93	1993-94	1994-95
	(Rupees in Lakhs)		
1. Paid up Capital	556.88	556.88	556.88
2. Reserves and Surplus	1016.25	1513.58	1933.39
3. Borrowings	64.84	58.97	32.61
4. Total dues & current Liabilities (including provisions)	2903.55	3217.83	3820.16
	4541.52	5347.26	6343.04

ASSETS

1. Gross Block	1140.86	1161.50	1211.49
2. Less : Depreciation	525.27	574.57	623.28
3. Net Block	615.59	586.93	588.21
4. Development of Property	1278.99	1432.03	1651.12
5. Capital work-in-progress	12.18	20.99	12.26
6. Investments	0.01	0.01	0.01
7. Current Assets, Loans and Advances	2634.75	3307.30	4091.44
	4541.52	5347.26	6343.04
Capital employed	2466.29	3041.12	3709.71
Net Worth	1573.13	2070.46	2490.27

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 0.12:1 in 1992-93 to 0.11:1 in 1993-94 and to 0.058:1 in 1994-95. The borrowings have come down year by year due to the repayment of the principal.

3. Reserves and Surplus

The reserves and surplus accumulated as at the end of three years upto 1994-95 amounted to Rs. 1016.25 Lakhs, Rs. 1513.58 Lakhs and rupees 1933.39 Lakhs Respectively. The reserves and surplus worked out to 22.38 percent of total liabilities in 1992-93, 28.31 percent in 1993-94 and 30.48 percent in 1994-95 and 18.2.49 percent of equity capital in 1992-93, 271.80 percent in 1993-94 and 347.18 percent in 1994-95.

4. Liquidity and Solvency

- The percentage of current assets to total net assets increased from 58.02 in 1992-93 to 61.85 in 1993-94 and 64.50 in 1994-95.
- The percentage of current assets to current liabilities (including provisions) varied from 90.74 in 1992-93, 102.78 in 1993-94 and 107.10 in 1994-95.
- The percentage of quick assets (Sundry debtors) cash and bank balances and advances recoverable to current liabilities (excluding provisions) increased from 92.95 % in 1992-93 to 122.58 % in 1993-94 and 145.08% in 1994-95.

5. Sources and Uses of Funds

Funds amounting to Rs. 909.65 Lakhs from internal sources and Rs. 161.19 Lakhs from other sources were utilised during the year as shown below :-

	(Rs. in Lakhs)
Gross Fixed Assets (including capital work-in-progress)	: 41.26
Development of Property	: 219.08
Repayment of borrowings	: 26.36
Current Assets, Loans and Advances	: 784.14
	<hr/>
	1070.84

6. Working Results

The working results of the company for the three years up to 1994-95 are tabulated below.

	1992-93	1993-94	1994-95
	(Rupees in lakhs)		
i. Profit for the year as per accounts (before tax)	100.78	631.08	599.10
ii. Provision for taxation	81.00	160.00	200.00
Profit after tax	19.78	471.08	399.10
iii. Percentage of profit before tax to:			
a) Sales	6.44	34.73	29.80

b) Gross Fixed Assets	43 . 16	24 . 33	20 . 93*
c) Capital employed	4 . 09	20 . 75	16 . 15*
iv Percentage of Profit after tax to :			
a) Net worth	1 . 26	22 . 75	16 . 03*
b) Equity Capital	3 . 55	84 . 59	71 . 77
c) Capital Employed	0 . 80	15 . 49	10 . 76

* The decrease in percentage during the year was due to the marginal reduction in the sale of slaughtered rubber trees as compared to the previous year.

7. Cost Trends

	1992-93	1993-94	1994-95
		(Rupees in lakhs)	
Sales	1564 . 47	1817 . 22	2010 . 37
Less: Profit for the year	100 . 78	631 . 08	599 . 10
Cost of sales	1463 . 69	1186 . 14	1411 . 27
Percentage of cost of sales to sales	93 . 56	65 . 27	70 . 20

8. Production performance

The value of production for the three years upto 1994 -95 is worked out as below.

	1992-93	1993-94	1994-95
		(Rupees in lakhs)	
a) Sales	1564 . 47	1817 . 22	2010 . 37
b) Closing stock and work in process	206 . 48	187 . 34	205 . 26
c) Opening stock of finished goods and work-in-process	296 . 35	206 . 48	187 . 34
d) Value of production			
(a + b - c)	1474 . 60	1798 . 08	2028 . 29

The percentage of value of production to net worth declined from 93.74 in 1992-93 to 86.84 in 1993-94 and to 81.45 in 1994-95. The percentage of value of production to total net assets varied from 32.47 in 1992-93 to 33.63 in 1993-94 and 31.98 in 1994-95.

9. Inventory

The following table indicates the comparative position of inventory and its distribution at the close of the three years upto 1994-95.

ANNUAL ACCOUNTS AND SCHEDULES

LIABILITIES

PREVIOUS YEAR			CURRENT YEAR
Rs.	SHARE CAPITAL		Rs. Ps
75,000,000	Authorised-75,000/- Equity Shares of Rs.1,000/- each		75,000,000 . 00
<u>55,688,000</u>	Issued - 55,688/- Equity Shares of Rs. 1,000/- each		<u>55,688,000 . 00</u>
	Subscribed, called up and paid up 55,688/- Equity Shares of Rs. 1,000/- each		
	Of the above Shares 12,182/- shares are allotted as fully paid up pursuant to a contract without payments being received in cash.		
55,688,000			55,688,000 . 00
151,358,343	RESERVES AND SURPLUSES - SCHEDULE - A		193,338,790 . 75
	UNSECURED LOANS		
	From Government of Kerala for		
4,991,392	i) Estate development	3,261,222 . 00	
905,900	ii) Subsidised Housing Scheme	-----	
9,328,624	iii) Interest accrued and due on above	<u>9,055,301 . 51</u>	12,316,523 . 51
	CURRENT LIABILITIES & PROVISIONS		
181,479,356	(A) Current Liabilities Sch B	197,872,158 . 79	
130,975,361	(B) Provisions Sch C	<u>175,088,736 . 07</u>	372,960,894 . 86
<u>534,726,976</u>	TOTAL		<u>634,304,209 . 12</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

AS ON 31-03-95

ASSETS

PREVIOUS YEAR

CURRENT YEAR

Rs.	FIXED ASSETS		Rs. Ps
143,203,022	a) Plantations Schedule D	165,111,502 . 11	
	b) Plant & Machinery, Roads, Buildings, etc.	58,821,367 . 92	
58,694,038			
2,098,721	c) Capital work in Progress	<u>1,226,373 . 25</u>	225,159,243 . 28
	INVESTMENTS		
1,100	In shares at cost - Sch F		1,100 . 00
	CURRENT ASSETS, LOANS & ADVANCES		
65,186,332	a) Current Assets Sch - G	56,903,697 . 53	
265,543,763	b) Loans & Advances Sch - H	<u>352,240,168 . 31</u>	409,143,865 . 84
534,726,976			<u>634,304,209 . 12</u>
	TOTAL		

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

THE PLANTATION CORPORATION OF KERALA LTD.

PROFIT & LOSS ACCOUNT

EXPENDITURE

PREVIOUS YEAR

CURRENT YEAR

Rs.		Rs. Ps
20,648,025	To Opening Stock Finished Goods	18,733,788 . 00
28,146,714	To Salaries & Allowances	28,766,953 . 80
87,707	To Salaries & Allowances to M.D	144,090 . 60
2,013,652	To Leave Encashment	2,148,258 . 73
10,707,835	To Employer's Contribution P.F	10,414,771 . 95
14,242,008	To Bonus & Production Incentive	17,579,894 . 22
	To Voluntary Retirement	3,045,751 . 16
5,129	To Honararium To Chairman	12,000 . 00
40,609	To T.A & Sitting Fee to Directors	117,047 . 00
589,571	To T.A to Staff & Officers	696,327 . 40
21,346	To Rent	21,244 . 75
1,630,765	To Rates & Taxes	1,695,022 . 60
4,152,969	To Electricity Charges	4,668,524 . 07
14,678,401	To Lease Rent	15,219,737 . 00
402,509	To Insurance Charges	476,330 . 25
655,700	To Advertisement Charges	734,988 . 31
152,510	To Legal Expenses	145,147 . 44
42,000	To Remuneration to Auditors Including Expenses	52,000 . 00
330,491	To Security Expenses	308,426 . 01
337,843	To Interest On Loans	193,260 . 19
6,191,718	To Repairs & Maintenance Assets - Seh- I	6,986,415 . 52
1,302,911	To Miscellaneous Expenses - Sch -II	2,427,748 . 60
17,276,753	To Welfare Expenses Sch - III	18,264,994 . 43
4,673,024	To Depreciation Including Loss on Revaluation	46,95,317 . 67
11,141,692	To Cultivation & Upkeep of Rubber	7,734,712 . 77
32,266,893	To Tapping & Collection of Rubber	34,998,728 . 48
24,693,547	To Manufacturing & Selling Expenses	19,926,148 . 37
6,703,932	To Cultivation Upkeep of Cashew	9,489,701 . 39
2,267,188	To Cultivation & Upkeep of Other Crops	686,368 . 90
481,209	To Collection Charges - Cashew	413,253 . 12
7,433,040	To Purchase of Latex	3,820,982 . 02
300,637	To Net Loss on Rubber Wood Project	383,664 . 61
16,657,469	To Provision Gratuity	39,450,841 . 62
63,108,059	To Net Profit For the Year	59,910,047 . 48
<u>293,383,858</u>		<u>314,362,488 . 46</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

FOR THE YEAR ENDED 31-03-95

INCOME

PREVIOUS YEAR

CURRENT YEAR

Rs.	BY SALES		Rs. Ps
148,120,555	Rubber	168,370,579 . 08	
31,852,235	Cashew	32,019,739 . 93	
989,942	Slaughter Tapping	101,700 . 00	
758,787	Agriculture Produce	545,439 . 87	
71,113,740	Rubber Trees & Firewood	62,120,474 . 32	
	Sale of Tender Forms	18,419 . 00	
221,042	Empties & Unserviceables	471,948 . 15	
			263,648,300 . 35
	BY INTEREST INCOME		
1,939,113	From Contractors & Customers	1,061,992 . 40	
125,573	Staff Loans	156,272 . 91	
18,493,083	Treasury & Bank Deposit	22,905,479 . 34	
	Others	119,230 . 00	
			24,242,974 . 65
	BY OTHER INCOME		
104,170	Rent of Building	132,428 . 79	
	Profit on Sale of Assets	51,748 . 76	
931,830	Miscellaneous Income	1,167,851 . 63	
	Inter Crops	1,499,991 . 28	
			2,852,020 . 46
18,733,788	BY CLOSING STOCK FINISHED GOODS & WIP		
	Rubber	20,526,313 . 00	
	Cashew	2,601,596 . 00	
	Other Agricultural Produces	491,284 . 00	
			23,619,193 . 00
293,383,858		TOTAL	314,362,488 . 46

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

THE PLANTATION CORPORATION OF KERALA LTD.

PROFIT & LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31-03-95

PREVIOUS YEAR RS.		CURRENT YEAR RS. PS.	PREVIOUS YEAR RS.		CURRENT YEAR RS.PS.
107,086	To Prior Period expenses	25,000 . 00	36,227,871	By Balance as per last balance sheet	712,835,62 . 99
12,000,000	To Replanting reserve	14,000,000 . 00	54,719	By Prior Period income	--- . ---
16,000,000	To Tax Provision (Including Previous years)	20,000,000 . 00	63,108,059	By Net Profit as per loss account	59,910,047 . 48
71,283,563	To Net Profit transferred to reserves and surpluses	97,168,610 . 47			
<u>99,390,649</u>		<u>131,193,610 . 47</u>	<u>99,390,649</u>		<u>131,193,610 . 47</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

SCHEDULE - A

RESERVES & SURPLUS AS ON 31-03-95

PREVIOUS YEAR RS.			CURRENT YEAR RS. PS.
2,872,021	1. CAPITAL RESERVE		
	As per last Balance Sheet	2,872,021 . 30	
	Additions this Year	0 . 00	
		-----	2,872,021 . 30
53,958,000	2. REPLANTING RESERVE		
	As per last Balance Sheet	53,958,000 . 00	
	Additions this Year	14,000,000 . 00	
		-----	67,958,000 . 00
14,079,091	3. REHABILITATION RESERVE		
	As per last Balance Sheet	14,079,091 . 48	
	Additions this Year	0 . 00	
		-----	14,079,091 . 48
1,875,000	4. SUBSIDY RECEIVED FROM GOVT OF KERALA - HOUSING SCHEME		
	As per last Balance Sheet	1,875,000 . 00	
	Additions this Year	0 . 00	
		-----	1,875,000 . 00
2,897,940	5. SUBSIDY RECEIVED FROM GOVT OF KERALA - CASHEW PLANTATION UPKEEP		
	As per last Balance Sheet	2,897,940 . 00	
	Additions this Year	0 . 00	
		-----	2,897,940 . 00
4,392,728	6. SUBSIDY RECEIVED FROM RUBBER BOARD - RUBBER CULTIVATION		
	As per last Balance Sheet	4,392,728 . 00	
	Additions this Year	2,095,399 . 50	
		-----	6,488,127 . 50
71,283,563	7. PROFIT & LOSS ACCOUNT		97,168,610 . 47
<u>151,358,343</u>			<u>193,338,790 . 75</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

SCHEDULE - B

CURRENT LIABILITIES AS ON 31-03-95

PREVIOUS YEAR RS.		CURRENT YEAR RS. PS.
3,452,361	Sundry Creditors	2,292,361 . 48
129,002,171	Other Liabilities	144,519,193 . 23
3,376,788	E M D	3,203,726 . 17
8,399,562	Security Deposit	7,008,926 . 52
---	Sale of Land To K W A	106,800 . 00
77,787	K G S T Payable	36,207 . 00
18,741,541	Income Received in Advance	17,649,111 . 00
10,000	Housing Scheme Workers	10,000 . 00
00	Advance From Customers	4,525,077 . 34
26,211	Welfare Fund	27,491 . 15
641,000	Sale of Secondary Growth	641,000 . 00
17,701,943	Agriculture Income Tax Due	17,701,942 . 90
34,059	Interest Accrued But Not Due - Govt. Loan	
15,933	Central Sales Tax Payable	150,322 . 00
<u>181,479,356</u>	TOTAL	<u>197,872,158 . 79</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

SCHEDULE - C

PROVISIONS AS ON 31-03-95

PREVIOUS YEAR		RS. PS.	CURRENT YEAR
RS.			RS. PS.
93,268,720	1. GRATUITY		
	As per last Balance Sheet	93,268,720 . 00	
	Add Additions this Year	39,450,841 . 62	

		132,719,561 . 62	
	Less: Paid this Year	12,809,301 . 62	
		-----	119,910,260 . 00
3,200,000	2. BONUS		
	As per last Balance Sheet	3,200,000 . 00	
	Add Additions this Year	4,500,000 . 00	

		7,700,000 . 00	
	Less: Adjusted this Year (From 1-1-95 to 31-3-95)	3,200,000 . 00	
		-----	4,500,000 . 00
34,506,641	3. TAXATION		
	As per last Balance Sheet	34,506,641 . 07	
	Add Additions this Year	20,000,000 . 00	

	TOTAL	54,506,641 . 07	
	Less: Adjusted this Year	3,828,165 . 00	
		-----	50,678,476 . 07
<u>130,975,361</u>			<u>175,088,736 . 07</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

THE PLANTATION CORPORATION OF KERALA LTD.

SCHEDULE - D

DEVELOPMENT OF

ITEM	OPENING BALANCE	ADDITIONS DURING THE YEAR
	RS.	RS.
Rubber	12,39,00,285	230,19,826
Cashew	1,49,13,955	1,32,884
Oil Palm	16,80,377	6,46,179
Coffee	4,78,685	Nil
Arecanut	2,23,476	1,53,550
Cardamom	87,094	Nil
Eucaluptus	15,963	Nil
Coconut	795	Nil
Teak	Nil	66,585
Survey	2,08,355	16,841
Evicted Area Expenses	16,94,037	Nil
	<u>14,32,03,022</u>	<u>240,35,865</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

PROPERTY 1994-95

		DISPOSAL	CLOSING BALANCE
		RS.	RS.
		21,27,385	14,47,92,726
		Nil	1,50,46,839
		Nil	23,26,556
		Nil	4,78,685
		Nil	3,77,026
		Nil	87,094
		Nil	15,963
		Nil	795
		Nil	66,585
		Nil	2,25,196
		Nil	16,94,037
		<u>21,27,385</u>	<u>16,51,11,502</u>
		Sd/- SECRETARY M.R.V.NAIR	Sd/- For CHERIAN & CHERIAN ANU IPE JOHN PARTNER CHARTERED ACCOUNTANTS

SCHEDULE - E

SCHEDULE OF FIXED ASSETS

(Included in and forming a part of the Balance Sheet as on 31-03-95)

ITEMS	ORIGINAL COST			DEPRECIATION		
	At the end of previous year Rs.ps	Additions during the year Rs.Ps	Total cost Rs.Ps	At the end of previous years Rs.Ps	For the current year Rs.Ps	Total Depreciation Rs.Ps
Freehold Land	3148287 . 65	0 . 00	3148287 . 65	000 . 00	0 . 00	00 . 00
Buildings	52900066 . 08	390390 . 07	53290456 . 15	24052834 . 45	1623491 . 54	25676325 . 99
Vehicles	7460289 . 48	32966 . 00	7493255 . 48	6219701 . 47	350250 . 10	6569951 . 57
Plant & Machinery	14513612 . 68	946461 . 00	15460073 . 68	10698723 . 76	742814 . 26	11441538 . 02
Landing Pad	118844 . 25	0 . 00	118844 . 25	35850 . 90	4149 . 67	40000 . 57
Jankar & Boat	19051 . 49	0 . 00	19051 . 49	16548 . 23	250 . 33	16798 . 56
Ammonia Cylinders	257554 . 00	266085 . 00	523639 . 00	244627 . 19	5170 . 72	249797 . 91
Water Supply Installation	4775738 . 49	2424171 . 48	7199909 . 97	3926174 . 55	418251 . 68	4344426 . 23
Furniture	1752818 . 13	88893 . 75	1841711 . 88	1279807 . 81	92262 . 28	1372070 . 09
Office Equipments	741931 . 51	561455 . 22	1303386 . 73	457750 . 54	240341 . 55	698092 . 09
Survey Instruments	12484 . 92	0 . 00	12484 . 92	11359 . 63	167 . 84	11527 . 47
Library	51758 . 36	0 . 00	51758 . 36	39810 . 60	1194 . 78	41005 . 38
Roads	17151392 . 52	73459 . 00	17224851 . 52	4551174 . 40	632073 . 91	5183248 . 31
Fence / Kayyala	7349993 . 55	138953 . 00	7488946 . 55	1421508 . 74	602860 . 74	2024369 . 48
Electric Fittings	68900 . 78	0 . 00	68900 . 78	54522 . 13	2875 . 72	57397 . 85
Electric Appliances	77778 . 53	0 . 00	77778 . 53	67479 . 77	2059 . 75	69539 . 52
Electric Installations	5516694 . 51	102143 . 80	5618838 . 31	4348723 . 94	166886 . 71	4515610 . 65
Telephone	130919 . 38	0 . 00	130919 . 38	20793 . 40	15318 . 53	36111 . 93
Wells	103051 . 91	8836 . 80	111888 . 71	9739 . 95	4748 . 63	14488 . 58
Total	116151168 . 22	5033815 . 12	121184983 . 34	57457131 . 46	4905168 . 74	62362300 . 20

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

DISPOSAL & ADJUSTMENT			BALANCE	
Original Cost	Depreciation Written off	Total cost at the end of current year	Total current year Depreciation	Net Block
Rs.Ps	Rs.Ps	Rs.Ps.	Rs.Ps	Rs . Ps
0 . 00	0 . 00	3148287 . 65	0 . 00	3148287 . 65
0 . 00	0 . 00	53290456 . 15	25676325 . 99	27614130 . 16
35617 . 37	34302 . 14	7457638 . 11	6535649 . 43	921988 . 68
0 . 00	0 . 00	15460073 . 68	11441538.02	4018535 . 66
0 . 00	0 . 00	118844 . 25	40000 . 57	78843 . 68
0 . 00	0 . 00	19051 . 49	16798 . 56	2252 . 93
0 . 00	0 . 00	523639 . 00	249797 . 91	273841 . 09
0 . 00	0 . 00	7199909 . 97	4344426 . 23	2855483 . 74
0 . 00	0 . 00	1841711 . 88	1372070 . 09	469641 . 79
0 . 00	0 . 00	1303386 . 73	698092 . 09	605294 . 64
0 . 00	0 . 00	12484 . 92	11527 . 47	957 . 45
0 . 00	0 . 00	51758 . 36	41005 . 38	10752 . 98
0 . 00	0 . 00	17224851 . 52	5183248 . 31	12041603 . 21
0 . 00	0 . 00	7488946 . 55	2024369 . 48	5464577 . 07
0 . 00	0 . 00	68900 . 78	57397 . 85	11502 . 93
0 . 00	0 . 00	77778 . 53	69539 . 52	8239 . 01
0 . 00	0 . 00	5618838 . 31	4515610 . 65	1103227 . 66
0 . 00	0 . 00	130919 . 38	36111 . 93	94807 . 45
0 . 00	0 . 00	111888 . 71	14488 . 58	97400 . 13
35617 . 37	34302 . 14	121149365 . 97	62327998 . 05	58821367 . 92

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

THE PLANTATION CORPORATION OF KERALA LTD.

SCHEDULE - F

INVESTMENTS AS ON 31-3-95

PREVIOUS YEAR		CURRENT YEAR	
RS.			RS.
	a) 10 Equity Shares of Rs.100/- each fully paid up in Banana & Fruit Development corporation LTD. Madras (Unquoted)		1,000
1,000			
	b) One A Class Share of Rs.100/- fully paid up in Mannam Sugar Mills Co-Operative Society No. 4324		100
100			
<u>1,100</u>			<u>1,100</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

CHARTERED ACCOUNTANTS
CHERIAN & CHERIAN
PARTNERS
100, N. C. ROAD
TRIPUNITHURUR
K. ERNACULAM DISTRICT
KERALA

SCHEDULE - G

CURRENT ASSETS AS ON 31-3-95

PREVIOUS YEAR RS.		RS.PS.	CURRENT YEAR RS.PS.
	A. INVENTORIES (As taken, valued and certified by the management)		
9,428,429	1. Stores and Spares At Cost	11,267,447 . 33	
474,762	2. Loose Tools	463,799 . 96	
547,066	3. Agrl And Other Equipments	779,193 . 73	
18,733,788	4. Stock of Rubber and Rubber in Process	20,526,313 . 00	
	(Value Fixed by Management Less Incidental Expenses)		
772,697	5. Stock of Rubber Wood	1,613,702 . 00	
	6. Stock of Cashew Nuts	2,601,596 . 00	
	7. Closing Stock - Others	491,284 . 00	
86,612	8. Nurseries		
265,833	Cashew	43,346 . 96	
64,027	Budwood	137,873 . 70	
63,081	Teak	37,443 . 06	
569	Arecanut	5,475 . 34	
	Coffee		
	Coconut	2,281 . 55	
4,964,679	Polybag (Rubber)	3,260,101 . 12	
944,481	Rubber Seedlings	1,602,327 . 16	
	Oil Palm	319,953 . 28	43,152,138 . 19
6,391,024	B. SUNDRY DEBTORS		
	(Unsecured Considered Good)		
	Exceeding Six Months	582,559 . 01	
	Other Debts	5,272,016 . 71	5,854,575 . 72
	C. CASH & BANK BALANCES		
	a) Stamps & Stamp Papers	137 . 00	
	b) Bank Balances:-		
11,909,537	1. With Scheduled Banks		
	in Current Accounts	2,044,900 . 22	
344,030	2. With Treasury S.B	162,849 . 00	
10,195,717	3. Cash in Transit	5,689,097 . 40	7,896,983 . 62
<u>65,186,332</u>			<u>56,903,697 . 53</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

SCHEDULE - H

LOANS AND ADVANCES

PREVIOUS YEAR

CURRENT YEAR

RS.		RS. PS.	RS. PS.
	I. SECURED (Considered Good)		
	STAFF LOAN		
600,271	1) Motor Car Loan	778,419 . 31	
456,464	2) Motor Cycle Loan	503,587 . 99	1,282,007 . 30
	II. UNSECURED (Considered Good)		
1,292,289	a) 1. Oil Palm India Ltd.	772,523 . 28	
	2. KSHD Corpn.	1,300,000 . 00	
8,222,045	b) Advances recoverable in Cash or kind for value to be received	11,512,885 . 88	
3,862,083	c) Advance payment of taxes		
32,465,678	1. Sales Tax	3,194,494 . 52	
24,045,216	2. Agrl Income Tax	29,865,678 . 00	
118,296	3. Central Income Tax	32,528,247 . 00	
175,403	d) Prepaid Expenses	196,327 . 00	
2,482,748	e) Tax refund due		
61,668	1. Income Tax	615,279 . 00	
	2. Agrl. Income Tax	5,082,748 . 18	
	f) Rebate Receivable Govt. Loan	61,668 . 25	
	g) Int. Recoverable (KSHDC)	119,230 . 00	
	h) DEPOSITS		
889,190	1. K.S.E.B, Port Trust and other Govt. Dept.	859,510 . 00	
12,750	2. With Housing Board	12,750 . 00	
2,094,036	3. Other Deposits	96,231 . 00	
3,450	4. With Court	3,450 . 00	
162,868,600	5. With Treasury	207,415,000 . 00	
14,247,773	6. With Scheduled Banks	42,969,012 . 90	
11,236,640	7. Int. Recoverable On FD	12,049,017 . 00	
350,000	8. With PCK Empl. Society	275,000 . 00	
	9. KSFC (Bhadratha)	2,000,000 . 00	
59,163	10. With Suppliers	29,109 . 00	350,958,161 . 01
<u>265,543,763</u>			<u>352,240,168 . 31</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

SCHEDULES TO PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31-03-95

REPAIRS & MAINTAINCE ASSETS - SCHEDULE I

PREVIOUS YEAR		CURRENT YEAR
Rs.		Rs. Ps
192,693	Tools	216,939 . 99
313,766	Plant & Machinery	563,904 . 58
1,399,674	Building	1,353,594 . 33
2,209,454	Vehicles	2,745,059 . 44
1,251,305	Roads	858,384 . 09
244,837	Electrification	223,485 . 81
209,185	Water supply	307,018 . 04
127,744	Temporary Shed	134,578 . 00
193,348	Fence/Kayyala	496,110 . 14
49,712	Others	87,341 . 10
<u>6,191,718</u>	TOTAL	<u>6,986,415 . 52</u>

MISCELLANEOUS EXPENSES - SCHEDULE II

322,306	Postage, Telephone, Telegram	514,456 . 72
365,037	Printing & Stationery	402,367 . 48
52,818	Office Expenses & Miscellaneous	192,153 . 81
19,916	Survey Expenses	5,330 . 57
24,741	Books & Periodicals	28,489 . 22
29,792	Storage Expenses	38,422 . 71
71,479	I.B Expenses	110,291 . 64
100,240	Entertainment Expenses	100,790 . 39
22,355	Staff Training Expenses	68,246 . 00
261,717	Ferry Expenses	246,147 . 66
2,377	Gardening	560 . 70
30,135	Donations	703,400 . 00
	Bank Charges	17,091 . 70
<u>1,302,913</u>		<u>2,427,748 . 60</u>

WELFARE EXPENSES - SCHEDULE III

PREVIOUS YEAR RS.		CURRENT YEAR RS. PS.
1,844,960	Sickness Benefit	2,101,379 . 52
109,678	Maternity Benefit	123,930 . 18
2,913,564	Leave With Wages	3,139,990 . 91
3,225,796	Holiday Wages	2,828,343 . 22
607,881	Weather Protection Expenses	492,900 . 47
1,177,494	Drinking Water Supply	1,284,384 . 44
168,901	Sanitation	218,292 . 37
81,673	Recreation Facilities	85,123 . 15
5,644,926	Medical & Hospital Facility	5,957,731 . 85
38,695	Way Expenses To Workers	37,929 . 80
35,677	Running & Maint. School	35,445 . 62
11,843	Creche Expenses	19,870 . 41
180,546	Work Men's Compensation	254,986 . 80
145,575	Group Insurance	172,893 . 00
711,808	Uniform To Staff And Workers	983,174 . 33
37,880	Subsistence Allowance	133,078 . 66
23,690	Labour Welfare Fund	92,679 . 80
316,166	Deposit Linked Insurance	302,859 . 90
<u>17,276,753</u>		<u>18,264,994 . 43</u>

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

THE PLANTATION CORPORATION OF KERALA LTD.

RUBBER WOOD FACTORY

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-95 (SCHEDULE IV)

PREVIOUS YEAR RS.	CURRENT YEAR RS.	PREVIOUS YEAR RS.	CURRENT YEAR RS.
586,297	772,697	1,207,340	1,763,720
			By Sale of Processed Rubber Wood
659,825	1,955,254	339,474	912,149
285,339	392,847	-----	By Sale of By products & Waste By Wood Issued to Other Units
159,713	152,414	-----	
33,552	24,285	90,397	81,536
49,612	48,780	-----	By Interest on Deposits
24,258	45,098	2,905	3,012
4,754	8,246	772,697	1,613,702
106,853	96,876		By Interest on Staff Loan
11,043			By Miscellaneous Income
			Closing Stock
150,947	58,954	300,637	383,665
4,382	288,247		By Net Loss Transferred To Balance Sheet
257,516	3,880		
379,359	237,054		
	673,152		
<u>2713,450</u>	<u>4757,784</u>	<u>2713,450</u>	<u>4757,784</u>
			TOTAL

Sd/-	Sd/-	Sd/-
CHAIRMAN	MANAGING DIRECTOR	SECRETARY
N.P.MOIDEEN	AMARNATHA SHETTY	M.R.V.NAIR
		For CHERIAN & CHERIAN
		ANUJPE JOHN
		PARTNER
		CHARTERED ACCOUNTANTS

**SIGNIFICANT ACCOUNTING POLICIES
FORMING PART OF THE ACCOUNTS FOR THE
YEAR ENDED 31ST MARCH 1995**

1. Basis Of Accounting

The accounts are prepared under the Historical cost convention using the accrual method except in the case of revenue from slaughter tapping which is recognised on receipt basis. Accounting policies, not referred to otherwise are consistent with generally accepted accounting policies.

2. Fixed assets

Fixed assets are accounted for on historical cost basis which includes purchase price and all other costs attributable to bringing the assets into its working condition as reduced by depreciation up to 31st March 1995. There has been no revaluation of fixed assets during the period under audit.

3. Depreciation

Depreciation has been provided for in the accounts at the rates specified in schedule - XIV of the Companies act 1956. The reducing balance method of depreciation has been consistently followed by the company.

4. Inventories

- a) Closing stock of finished goods and work in process are valued at lower of costs or net realisable value as in previous years. Net realisable value of finished goods is selling price less associated selling costs.
- b) Serviceable tools and implements and other equipments are valued at cost less depreciation.
- c) Nurseries comprising of saplings held for planting or sale have been valued at cost.
- d) Stores and spares are valued at cost less provision if any for obsolescence.

5. Treatment of expenses during construction period

Expenses during construction period is included under the head capital work in progress and the same is allocated to the respective fixed assets on the completion of construction.

6. Development expenditure

Cost of development of plantation is capitalised until maturity. In the year of disposal of the depleted assets the sale proceeds are recognised as revenue after setting of the related development expenditure.

7. Investments

Investments are stated at cost

8. Retirement benefits

Gratuity is provided for on the basis of actuarial valuation of an approved actuary.

9. Contingent liabilities

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

10. Subsidies

Subsidy received from the Rubber Board of Rs. 2095399 . 50/- has been capitalised and is shown under the head Reserves and Surplus.

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

**NOTES TO ACCOUNTS FORMING PART OF
THE BALANCE SHEET AS AT 31ST MARCH 1995**

1. Reserves & Surplus

a) The Corporation has received Rs. 64,88,128/- as Rubber Board Subsidy upto 31-03-95 (Previous year Rs. 43,92,728/) and the Corporation is contingently liable to the Board for the same in case the Plantation is destroyed or is used for any public purpose.

b) The following amount has been set aside as reserve:

	Current Year	Previous Year
Replanting Reserve	Rs.1,40,00,000	Rs.1,20,00,000

2. Unsecured Loans:

Estate Development

This represents loan from Govt. Of Kerala for investment in the erst while subsidiary Oil Palm India Ltd. Following the termination of the subsidiary status vide Govt. Order MS. 238/93/AD dated 04-08-83 this balance is pending adjustment/repayment since the mode of repayment/adjustment has not been confirmed as on 31-03-95. The Director of Agriculture vide its letter dated 09-08-94 has requested payment of Rs. 61,53,688 towards principal and Rs. 74,45,411 being interest upto 31-07-94 in respect of the above loans. However the Government of Kerala vide its letter dated 03-10-89 has confirmed that no interest be charged on the above loans and has also by letter dated 04-08-93 Confirmed that the above loans may be treated as cancelled. No interest has been provided on these loans for the year ended 31-03-95.

3. Other Liabilities:

Labour Welfare Fund.

An amount of Rs. 27,491/- (Previous year Rs. 26,211/-) payable to the labour welfare fund of the State Government represents fund created out of time barred advances.

4. Provisions:

- 1) Gratuity has been provided for on the basis of actuarial valuation.
- 2) a) The Company has paid to the employees bonus 8.33% and production incentive @ 11.67% for the year 1994-95 as per G.O Rt. No.1203/95/AD dt. 25-8-1995. Bonus is computed based on the calendar year earnings of employees.
- b) A Provision of Rs. 45 Lakhs has been made in the accounts towards bonus pertaining to January 1995 to March 1995.
- c) Taxation

The corporation has provided for Agricultural Income Tax and Central Income Tax liabilities based on the estimated tax liability from assessment year 1988-89 for Agricultural Income Tax and from 1991-92 for Central Income tax. This has resulted in short provision of taxation to the tune of Rs.149 Lakhs.

5. Fixed assets

- a) The total area of land handed over to the company by the Govt. Of Kerala as on 13-03-1994 is 14399-76 Hectares. (Previous year total area: 14405.61 Hectares). Certain areas have been subjected to survey. Particulars of area are given below:

Rubber Plantations	7,590.63	Hect.
Cashew in Rubber Estates	1,056.45	Hect.
Cashew Plantations	5,237.68	Hect.
Submergible area	220.00	Hect.
Area under buildings, factories, Roads, canals, marshy places, fire belts etc.	295.00	Hect.
	<u>14,399.76</u>	Hect.

- b) The terms and conditions under which the company has taken 975 hecters of land covered by cheemeni Estate is yet to be determined.
- c) Lease deed for lands handed over to the company since 1970 are pending execution except for the land handed over for development of Cashew Plantations (Rajapuram Estate) under the World Bank Scheme.
- d) An area of 3.28 Hect. 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.
- e) An area of 0.40 Hect in R S No: 260/ IAIC of Cheemeni Village in Hosdurg Taluk has been handed over during the year to the Department of Indian Systems of Medicine free of cost vide Government order (Rt) 77/95/RD dt 12-01-95.
- f) During the year the Corporation received a sum of Rs.1,06,800/- as advance towards consideration for the transfer of 2.15 Hect of land in Cheemini village in Hosdurg Taluk to the Kerala Water Authority vide government order No: 23902/PU/94/AD dt 21-07-94. The amount so received has been shown under the head "Current Liabilities" since there is a dispute with regard to the value fixed. The matter is persued by the Corporation.
- g) The cost of buildings, roads, landing pads and fences is Rs. 451.20 Lakhs of which Rs. 429.07 Lakhs are constructed on lease hold lands.
- h) Buildings completed includes cost of building constructed with loan and subsidy assistance from the Government of Kerala

6. Sundry Debtors

Sundry debtors include Rs. 5,82,559.01/- due for more than six months from Trivandrum Rubber works Ltd., a Company owned by the government of Kerala.

THE PLANTATION CORPORATION OF KERALA LTD.

7. Staff Loan

Motor Vehicle loans to officers are fully secured by hypothecation of the vehicles in favour of the company. The maximum amount of such loan during the year works out to Rs.13,43,500.29/-(Previous year Rs. 8,71,435/-)

8. Advances recoverable in cash or in kind

a) In making alternate arrangements for the works abandoned by M/s.ENCOS, the company incurred an expenditure of Rs.360,000 which is classified under this head. The government of Kerala appointed an Arbitrator for the settlement, who has not taken up the arbitration proceedings.

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

	Current Year	Previous Year
T.A Advance	1,07,684	1,09,970
Salary advance	10,21,174	10,76,109
Other advance	1,30,017	1,59,005
Interest on Vehicle Loan	2,43,581	1,93,722
Stores recoverable	40,023	44,833
Fuel charges recoverable	3,232	9,797
IB charges recoverable	3,398	4,747
Postage recoverable	644	696

9. Loans & Advances

Deposits with Government departments.

This comprises balances with:

	Current Year	Previous Year
Cochin Port Trust	3,600	3,600
Civil Supplies Corporation	10,000	10,000
Post & Telegram Dept.	40,317	40,317
KSEB	8,05,593	8,35,273

10. Plantation Tax

The payment of Plantation Tax has been effected on the basis of last assessment order of the assessing authority. The plantation tax calculated on basis of yielding trees as shown in the return filed by the company is lower than the tax assessed by the assessing authority. The company has taken credit for the difference between the tax paid and the tax admitted in the accounts.

11. Sales tax

Assessments up to 1987-88 have been completed. The assessment for 1980-81 to 1982-83 have been remanded for fresh hearing. Assessments from 1988-89 have not been taken up for hearing.

12. Lease rent

The company 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 of Rs. 731.99 Lakhs on account of compounded interest on amounts over due as provided in the lease agreement. This liability up to 31-03-95 has not been provided for as the matter is under correspondence with the Government regarding heavy increase in the rate of lease rent.

13. Managerial remuneration

Managerial remuneration paid/payable to Managing director is as follows:

	Current Year	Previous Year
Pay & allowances (Incl. arrears Rs. 49,210.95)	1,44,091	87,707
Festival allowance	500	500
Leave salary and Pension contribution	Nil	Nil
Medical Reimbursement	21,334	21,682

The Managing Director is provided with car for his official purpose and is charged at Rs. 1500 per quarter vide Govt. Order for private use limited to 1500 Kms. a quarter. The Managing director is also provided with furnished quarters for which 7.5% of the basic salary is recovered.

14. Remuneration to other Directors

	Current Year	Previous Year
Sitting Fees	500	1,100
Travelling allowance to Directors	26,271	39,509
Honorarium to Chairman	12,000	5,129

15. Auditors' remuneration

	Current Year	Previous Year
Statutory Auditors fees	15,000	15,000
Expenses to statutory auditors	5,000	5,000
Other services (Incl. Income tax and Sales tax audit fees)	36,000	22,000

16. Repairs and Maintenance

The expenditure on repairs and maintenance of roads is net expenditure after deducting nominal tolls collected for usage of estate roads.

17. Manufacturing and Selling expenses

This includes cost of Rs. 22,045 packing drums (Rs. 88.21 Lakhs) utilised during the year.

THE PLANTATION CORPORATION OF KERALA LTD.

18. Sales

a) Additional information pursuant to the provisions paragraph 3, part II of Schedule VI to the Companies Act 1956.

	Current Year		Previous Year	
	Qty	Value	Qty	Value
Sale of goods as Classified in Sales Register	MT	Rs.In Lakhs	MT	Rs.In Lakhs
Rubber	3821.59	1683.71	4194	1481.21
Cashew	-----	313.54	-----	318.52

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

- b) The right of collection of cashew nuts from most of the company estates has been awarded under tender-cum-auction system. As the crop season is from February to June, 40 % of the auction price has been recognised as income of the current year and the balance as deferred income.
- c) The Company has given certain portion of rubber plantation for slaughter tapping. As per the agreement the contractors are permitted to remit the amount agreed in instalments and only the amount received during the year is recognised as revenue in accordance with the practice consistent with previous year.

19. Rubber Wood Factory

The Corporation has a pilot plant at Kodumon for the treatment of rubber wood collected from the estates. The working result of the project has been separately shown in Schedule IV to the profit and loss account as on 31-03-95.

20. Contingent Liabilities

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs.20,51,369/- (Previous year Rs. 41,96,330/-)
- b) The Corporation is liable to pay compensation of Rs. 5,353.75 (Pr.year Rs. 5353.75) to persons evicted from Kodumon group of estate, which has not been provided for since the persons are deceased and the claimants have to produce succession certificate.
- c) Five cases are pending against the company for which the amounts payable are not ascertainable as claims of the parties have not been finalised. As such they are not acknowledged as creditors and have not been provided for.
- d) The Corporation has paid Plantation Tax based on the last assessment. However the Corporation has taken Credit for the difference between the tax paid and the tax admitted as stated in Note No:10. Appeals are pending against the same and the Corporation is contingently liable for the same to the extent of Rs.25,45,722 and the same has not been provided in the accounts.

Sd/-
CHAIRMAN
N.P.MOIDEEN

Sd/-
MANAGING DIRECTOR
AMARNATHA SHETTY

Sd/-
SECRETARY
M.R.V.NAIR

Sd/-
For CHERIAN & CHERIAN
ANU IPE JOHN
PARTNER
CHARTERED ACCOUNTANTS

AUDITOR'S REPORT TO THE MEMBERS OF THE PLANTATION CORPORATION OF KERALA LIMITED, KOTTAYAM, KERALA.

We have audited the attached Balance sheet of THE PLANTATION CORPORATION OF KERALA LIMITED as at 31st March, 1995 and the relative profit & Loss Account for the year ended on that date annexed here to, 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.

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. The Corporation has been consistently following the method of billing of sale of centrifuged latex based on the rates prevailing of the date of delivery order. This policy was followed up to 29-12-94 and thereafter the policy is seen changed to billing based on the rates prevailing on the date of payment of Demand Draft? Cheque. The Board of Directors of the Corporation in its meeting held on 08-08-95 disapproved this change in policy. In view of the above the loss incurred by the Corporation up to 31-03-95 is Rs. 2,49,690/-.

2. The accounting policy consistently followed by the Company is to account for revenue from slaughter tapping contracts on cash basis. This practice is not in conformity with accrual basis of accounting which the company is required to follow as per section 209 (3) (b) of the companies Act, 1956. As the relevant records pertaining to amounts due from Contractors to whom slaughter tapping rights has been awarded, were not made available, we were unable to ascertain the extent to which this reflect on the Reserves & Surplus and the net current assets.

3. In the absense 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 and the realisability of long outstanding dues Adequate information was not available for verification of company accounts regarding the dues to sundry creditors. Hence we are unable to ascertain the status of their liability and the realisability of Sundry Debtors.

4. As required by Schedule VI of the Companies Act, 1956.

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 profit & Loss account read together with the notes thereon, Subject to the qualification in 1 to 4 above give the information required by the companies Act, 1956, and also give respectively a TRUE AND FAIR view of the state of the corporation's affairs as at 31st March 1995 and its profit for the year ended on that date.

As required by the Manufacturing and other companies (Auditors's report) order 1988, issued by the company Law Board in terms of Sec. 227 (4A) 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 CHERIYAN & CHERIYAN

Sd/-

ANU IYPE JOHN
PARTNER
(CHARTERED ACCOUNTANT)

KOTTAYAM
11-03-1996

THE PLANTATION CORPORATION OF KERALA LTD.

ANNEXURE REFERRED TO IN LAST PARA. OF THE AUDITOR'S 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. Non of the fixed assets have been revalued during the year.
3. Subject to our observation in Para 4 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 stock as compared to book records have been properly dealt with.
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 preceeding years.
7. The Company 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 (I-B) 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 and other companies listed in the registers, maintained under Sec. 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 company except in the case of Oil Palm India Ltd. and in some cases in respect of employes, parties have repaid the principal amount and have also been regular in payment of interest wherever applicable in accordance with terms and conditions laid down by the company. The management has con firmed tat 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 he size of the company and the nature of its business with regard to purchase of stores, raw materials including components, plant and 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 of dues payable to sundry creditors for supplies needs improvement.
 - c) Determination and accounting of dues from sundry debtors call for considerable improvement.

11. In our opinion and according to the information and explanations given to us, the company has not purchased any 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/- (Rupees fifty thousand) or more, in respect of each party.
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 company has not accepted any deposits from the public.
14. The company 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 company, we are of the opinion that the internal audit system in its present form is not commensurate with the company's size and nature of activities.
16. Maintenance of cost records under section 209 (1) (d) of the companies Act 1956, is not applicable to the company.
17. According to the records of the company, provident fund and employees state insurance dues have been regularly deposited with appropriate authorities, though there has been delay in few cases.
18. According to the information and explanations given to us and subject to what is stated in accounting notes, no undisputed amounts were payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding as at 31st March 1995, for a period of more than six months from the date they become 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 company do not fall within the ambit of a sick industrial company vide sec. 3(1) (o) of the sick industrial companies (Special Provisions) act of 1985.

Kottayam

11-03-1996

For Cheriyan & Cheriyan

sd/-

Anu Iype John

Partner

(Chartered Accounts)

**REPLY TO THE REPORT OF THE STATUTORY AUDITORS
FOR THE YEAR 1994-95**

1. The matter is under investigation by the Vigilance Department.
2. The accounting policy with regard slaughter tapping contracts have been disclosed in Note No.1 of significant accounting policies. Since 1993 there is no fresh slaughter tapping contracts.
3. Noted
- 4.(a) The Corporation is maintaining proper registers in all its units, showing the different items of Agricultural produce and other inputs, received, manufactured and issued/ sold or consumed. It is practically difficult to prepare a consolidated register. This has been explained to Auditors.
- (b) Noted.

GOVERNMENT OF KERALA

No: 23454/PU. B1/FIN.

FINANCE (PUB) DEPARTMENT

Comments of the Commissioner and Secretary (Finance) to the Govrnment 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 31-03-1995.

"NO COMMENTS"

Thiruvananthapuram,
Dated: 15-04-1996.

Sd/
K.M. CHANDRASEKHAR,
COMMISSIONER & SECRETARY (FINANCE)

**REPLY TO THE COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF
INDIA U/S 619 (4) OF THE COMPANIES ACT 1956 ON THE ACCOUNTS OF
THE PLANTATION CORPORATION OF KERALA LTD.**

FOR THE YEAR ENDED 31st MARCH 1995

I. Profit & Loss Appropriation Account

(i) Noted

(ii) The non provision of interest pertains to the period from 13-1-72 to 12-4-89 and does not relate to the year under reference. The enhancement of interest from 7% to 10.75% is objected to and the final decision from Govt. is yet to come.

II. General

The land at Cheemeni was handed over to PCK not as a lease hold land. The terms and conditions of transfer of the surplus land taken over at Cheemeni and handed over to PCK is yet to be decided. Further the Company is paying land-tax for the land at Cheemeni. Hence no provision for lease rent is considered necessary.

**OFFICE OF THE ACCOUNTANT GENERAL (AUDIT)
KERALA, TRIVANDRUM**

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 1995

I. Profit and Loss Appropriation Account

The net profit Rs. 971.69 Lakhs transferred to reserves and surplus is overstated by Rs. 6.44 Lakhs due to:

	(Rs. in Lakhs)
i. Non-provision of plantation tax in respect of matured rubber trees in Nilambur for the years 1990-91 to 1994-95	2 . 07
ii. Non-Provision of interest demanded at 10.75% by Govt.(October 1993) as against 7% paid by the Company on a Govt. loan of Rs. 7 Lakhs availed in January 1972.	4 . 37

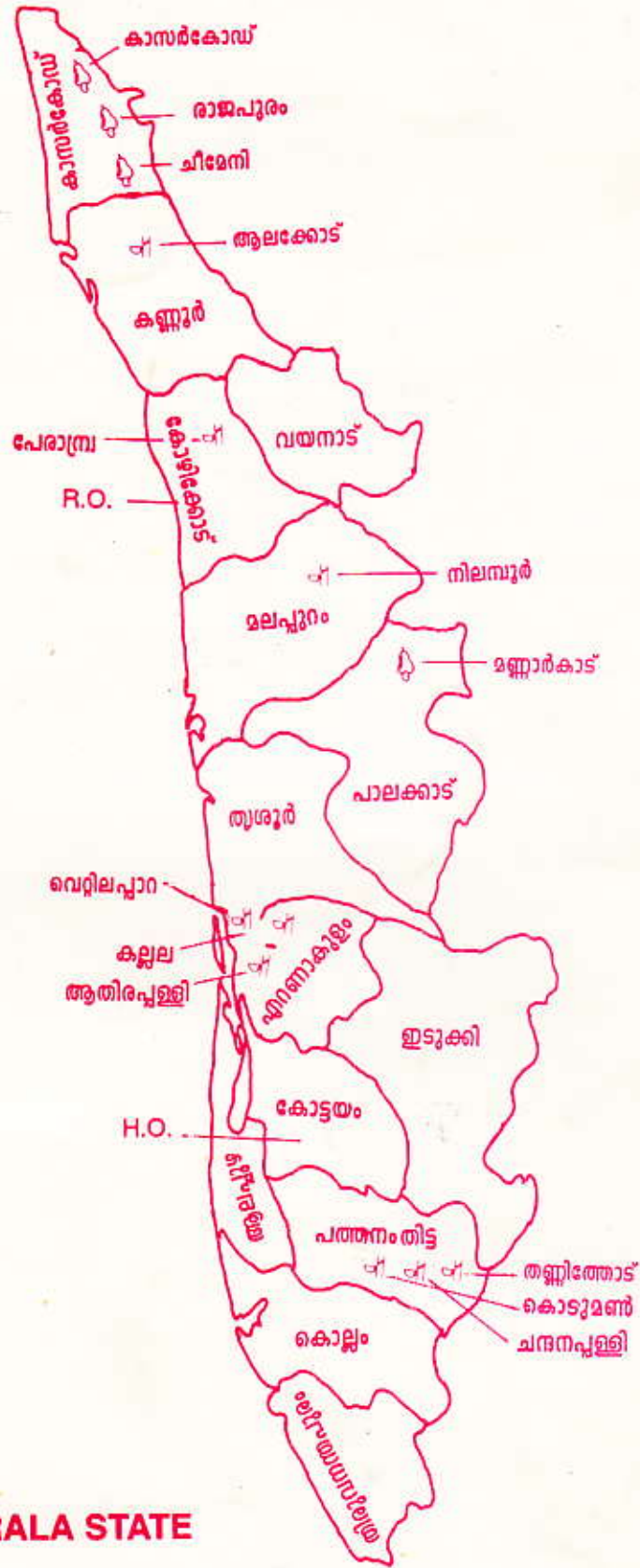
II. GENERAL

Reference is invited to Note No.5(b) of notes to accounts forming part of balance sheet wherein it is stated that the terms and conditions under which 975 hectares of land covered by cheemeni Estate taken over is yet to be determined. The Company has treated the entire revenue from the estate as income, against which the lease rent payable on the ground has not been provided.

Thiruvananthapuram
16-09-1996.

Sd/
(SHANKAR NARAYAN)
ACCOUNTANT GENERAL (AUDIT) KERALA

CROP FIELDS AT A GLANCE



KERALA STATE