

**THE PLANTATION CORPORATION  
OF KERALA LTD.**

**KOTTAYAM - 686 004**

REGD. OFFICE : KOTTAYAM - 686 004

GRAMS : PLANTCORP

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**34<sup>th</sup>  
Annual Report  
1995-96**

## *Board of Directors*

**Sri. N.P. MOIDEEN**

Chairman (from 18.10.1993 to 06.06.1996)

**Sri. V. KRISHNAMURTHY, I.A.S.**

Chairman (from 06.06.1996 to 30.10.1996)

**Adv. P.K. CHITHRABHANU**

Chairman (from 30.10.1996)

**Maj. Gen. (Rtd.) P.M. MENON**

Managing Director (from 26.08.1992 to 18.08.1995)

**Dr. JACOB THOMAS, I.P.S.**

Managing Director (from 18.08.1995 to 20.12.1995)

**Sri. AMARNATHA SHETTY, I.F.S.**

Managing Director (from 20.12.1995 to 03.04.1996)

**Sri. K.K. SRIVASTAVA, I.F.S.**

Managing Director (from 03.04.1996)

**Sri. G. MUKUNDAN, I.F.S**

Director (from 25.07.1991 to 03.08.1995)

**Sri. M.S. DHARAN**

Director (from 26.09.1992)

**Sri. P.P. JOSEPH**

Director (from 16.05.1995 to 13.05.1997)

**Sri. P.N. SURENDRAN, I.F.S**

Director (from 03.08.1995 to 24.04.1997)

**Dr. A.K. KRISHNAKUMAR**

Director (from 09.11.1995)

**Sri. C.K. UNNIKRISHNAN**

Director (from 22.03.1997)

**Sri. R.V. RAMANKUTTY WARRIER**

Director (from 22.03.1997)

**Sri. JOSE PATHALIN**

Director (from 22.03.1997)

**Sri. K. BALANCHANDRAN THAMPI, IFS**

Director (from 24.04.1997)

**Sri. SAJAN PETER, IAS**

Director (from 13.05.1997)

### *Secretary*

**Shri. M.R.V. NAIR**

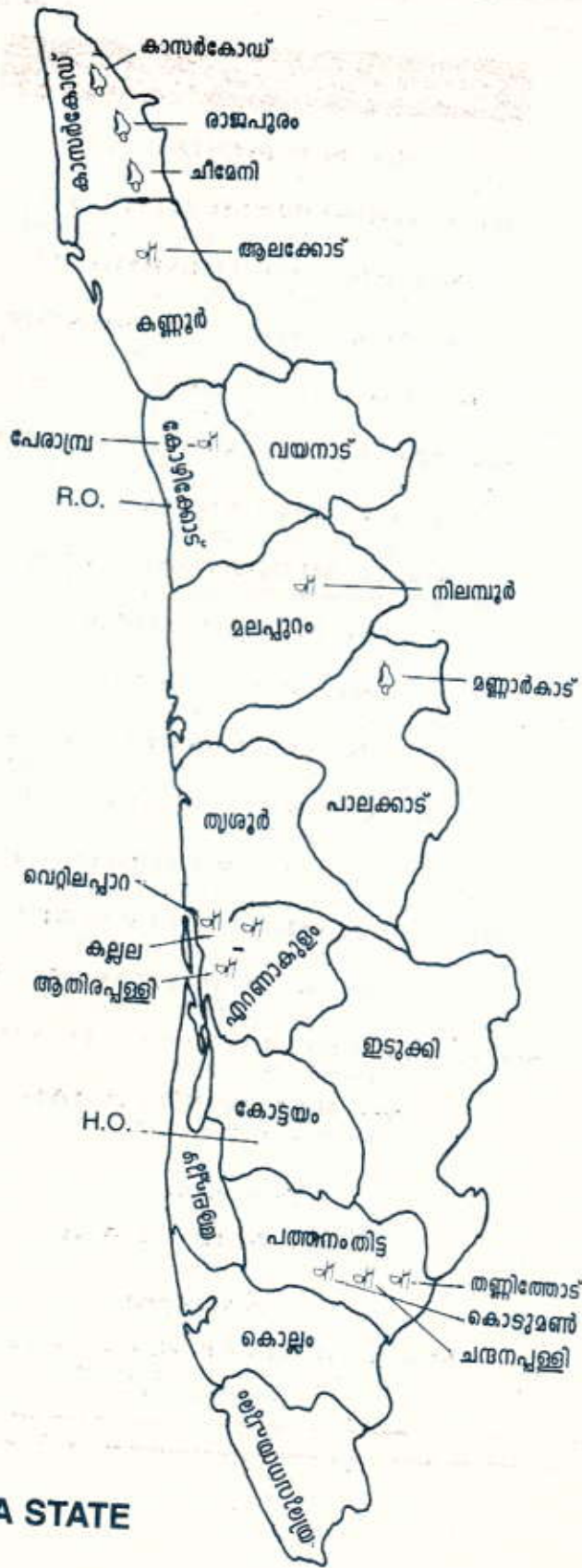
### *Auditors*

**M/s. CHERIYAN & CHERIYAN**

Chartered Accountants

KOTTAYAM

# CROP FIELDS AT A GLANCE



KERALA STATE

## THE PLANTATION CORPORATION OF KERALA LIMITED

**KOTTAYAM - 686 004**

The Plantation Corporation of Kerala Limited, the leading industry in Public Sector was registered in 1962 with an authorised share capital of Rs. 750 Lakhs. The paid up capital is Rs. 556.88 lakhs. The main objectives are given below

1. To establish Rubber Plantations
2. To establish Cashew Plantations
3. To cultivate other Plantations Crops. Oil Seeds and Food Crops.
4. To cultivate spices crops etc.

The company has established rubber Plantation in 7930 hectares and Cashew in 6315 hectares as on today. It has also a few hectares of Cardamom, Coffee and Arecanut in its Alakode Estate and Oil Palm Plantation in 218 hectares in the Vettilappara Estate. It has 13 Estates, three Rubber processing factories and one Rubber Wood Processing Unit as per the following tables.

### ESTATES

Name of the Estate	District	Total	Rubber	Cashew	(Area in Hectares)	
					Oil Palm	Others
1. Kodumon	Pathanamthitta	1202	1202	-	-	-
2. Chandanappally	do	1665	1613	52	-	-
3. Thannithode	do	668	606	62	-	-
4. Vettilappara	Ernakulam & Trissur	775	438	119	218	-
5. Adirappally	Ernakulam	1522	1330	192	-	-
6. Kallala	do	1478	1260	218	-	-
7. Nilambur	Malappuram	555	555	-	-	-
8. Mannarghat	Palakkad	544	-	544	-	-
9. Perambra	Kozhikode	1130	794	336	-	-
10. Alakode	Kannur	412	132	80	-	200
11. Rajapuram	Kasargode	1523	-	1523	-	-
12. Kasargode	do	2209	-	2209	-	-
13. Cheemeni	do	980	-	980	-	-
		14663	7930	6315	218	200

### FACTORIES

Name of Factory	District	Processing Capacity
1. Kodumon Group Latex Factory Nedumoncavu PO., (Via Koodal) Phone: 0473-485228	Pathanamthitta	2500 M.T annually
2. Kalady Group Latex Factory Kerala Estate Kalady Plantation PO., (via Aluva) Phone : 0484-696662	Ernakulam	2300 M.T annually
3. Vettilappara Crumb Rubber Factory Kalady Plantation PO., (via Aluva)	Ernakulam	1000 M.T annually
4. Kodumon Rubber Wood Factory Nedumoncavu PO., (via Koodal)	Pathanamthitta	36000 cft. annually

**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the 34th Annual General Meeting of the Corporation will be held at the Registered Office of the Corporation at Kottayam on Friday the 13th September 1996 at 10.30 A.M. transact the following business.

1. To consider the adjournment of the consideration of accounts for the year 1995-96 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.

- (1). Sri. P.N. Surendran, IFS
- (2). Sri. M.S. Dharan
- (3). Dr. A.K. Krishnakumar
- (4). Sri P.P. Joseph

By Order of the Board  
for The Plantation Corporation of Kerala Ltd.

Sd/-  
**M.R. VISWAMBHARAN NAIR**  
**Secretary**

Kottayam  
09.08.96

*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 34th (adjourned) Annual General Meeting of the Corporation will be held at the Registered Office of the Corporation at Kottayam at 11 A.M. on Wednesday the 28th May 1997 to transact the following business.

To receive, consider and adopt Directors' Report, Auditor's Report and the audited Profit & Loss Account for the year ended 31st March 1996 and the Balance Sheet as on that date

By Order of the Board  
for The Plantation Corporation of Kerala Ltd.

Kottayam  
30.04.97

Sd/-  
**M.R. VISWAMBHARAN NAIR**  
Secretary

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

## DIRECTORS' REPORT

Gentlemen,

Your Directors have pleasure in presenting the 34th Annual Report of the Corporation for the year ended 31st March 1996.

### 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 31.03.1995 continued unchanged during 1995-96.

The Corporation has repaid all the loans payable to Government of Kerala except the loan drawl for investment in Oil Palm India Limited. The said loan has been cancelled by Government of Kerala when the the subsidiary status of Oil Palm India Limited was terminated. The balance outstanding in the loan account as on 31-3-1996 is Rs. 32,61,222/-.

However, the penal interest for the delayed remittance of loan instalments and interest is due to Government of Kerala. In earlier years, when the corporation was meeting its working capital requirements with Overdraft facility the loan installments and interest could not be remitted in time. Requests were made for waiver of penal interest. The request has been declined on the ground that the Corporation's financial position has been improved subsequently. The balance outstanding as on 31-3-1996, as payable on the above account amounted to Rs. 90,55,301.51. An amount of Rs. 34.76 lakhs was paid in 1996-97 towards this as per Government order.

### PROFIT & LOSS ACCOUNT

The net profit for the year as per the Profit & Loss Account is Rs. 1034.90 lakhs after making the following provisions.

Interest on loan	:	Rs. 4.37 lakhs
Depreciation	:	Rs. 58.93 lakhs
Provision for Gratuity	:	Rs. 370.89 lakhs

From the above net profit, the following provisions/appropriations have been made.

Provision for taxation	:	Rs. 160/- lakhs
Replanting Reserve	:	Rs. 140/- lakhs

### AGRICULTURE INCOME TAX

The assessment of Agriculture Income Tax of the Corporation has been completed upto the financial year 1994-95. For the completed assessment the Company has filed appeals before the higher authorities which are pending for disposal.

**SALES - RUBBER**

During 1995-96, the quantity of rubber sold was 2665.36 MT for Rs. 1737.09 lakhs against 3821.59MT. for Rs.1683.70 lakhs in 1994-95. Average price realised in 1995-96 was Rs. 65.17per Kg. against Rs. 44.06 per Kg. realised in 1994-95.

**CASHEW**

In the year 1995-96, the amount received on sale of cashew nut was Rs. 379.16 lakhs against Rs. 320.20 lakhs received in 1994-95.

**RUBBER ESTATES**

There are 8 Rubber Estates under the ownership of the Corporation which are located in the Districts of Pathanamthitta, Ernakulam, Trichur, Malappuram and Kozhikode.

**AREA UNDER RUBBER**

	94 - 95	95 - 96	96 - 97	97 - 98
	( Area in Hectares )			
Tapping area	3650	3490	3622	3369
Immature area	3059	3655	3658	3899
Area under Oil Palm	145	218	218	218
Vacant land & land under clearance for replanting	1324	388	680	692
Area under replanting:				
Rubber	-	427	-	-
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 area under cashew is about 6315 hectares.

**ENGINEERING WORKS**

**KODUMON ESTATE**

Completed the work of additional shed for Wood Factory. Routine repairs and maintenance of buildings and roads attended during the year. Arranged the chipping carpet of the road from Theppupara to Kurisummukku (6 Kmrs ) and semi - grouting and chipping carpet to road from Division D to F ( 4 Kmrs ).

**CHANDANAPPALLY ESTATE**

Arranged the work of Manager's Office and routine repairs and maintenance of buildings, factory and Effluent Treatment Plant.

## THE PLANTATION CORPORATION OF KERALA LTD.

### THANNITHODE ESTATE

Completed the construction of 12 sets labour lines, 3 Nos. Collecting stations in Division C and 1 No. Canteen in Division B. Attended routine repairs and maintenance of buildings during the year.

Arranged the work of 2 sets labour lines and 1 No. Canteen in Division C and metalling and semi - grouting the road in Div. A & B ( 2 Kmrs. )

### HEAD OFFICE, KOTTAYAM

Arranged the work of repairs and maintenance of Head Office building and Staff Quarters and construction of 1 No. Type B Quarter at Vadavathoor.

### KALADY GROUP

Completed about 7 Kmrs barbed wire fencing for replanting area in Adirappally and Kallala Estates. Attended routine repairs and maintenance of buildings and tarred roads during the year.

Arranged the work of additional water tank, remetalling, semi - grouting to the road from Division F to A and chipping carpet to road in Division C, Adirappally Estate and black topping the road to Division A from Kallala Factory and routine repairs and maintenance of buildings, tarred roads etc.

### MALABAR GROUP:

### PERAMBRA ESTATE

Completed the work of metalling and semi - grouting the ascends of road from Factory junction to Muthukad and attended the routine repairs and maintenance of buildings in Perambra Estate.

### 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. This could be achieved by upholding the principles of industrial democracy. Joint conferences, discussions and negotiations at various levels 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 as well as by organising in house 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 an essential ingredient of the Corporation's Management Philosophy, continued to have 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, measures were taken to bring about the 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 uniforms and its maintenance, the Tappers are being paid an all inclusive allowance at the rate of Rs. 350/- per annum. In the event of death of worker, an amount of Rs. 500/- is being paid by the Corporation towards funeral expenses.

The salary revision proposed for the officers with effect from 25.10.1991 is pending with the Government for final orders. The wages of workers in Rubber Estates have been revised as per P.L.C. Settlement with effect from 01.04.1995.

Following the revision and as per existing formula the wages of workers in Cashew Plantations have also been revised with effect from 01.04.1995.

The Corporation could give 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, 17 persons in the staff category could be promoted to officers category. With a view to honour the extra ordinary contributions of individual employees including workers, a Cash Award Scheme was introduced. In all respect this would be a stepping stone to further improve the efficiency and effectiveness of the Corporation.

PCK did not fail in its obligation to adhere to the statutory requirements of various statutes. In the matter of appointments, the Corporation continued to conform to Rules and Directions with respect to communal rotation and reservation to Scheduled Castes and Scheduled Tribes. Under the Compassionate Employment Scheme 13 dependents were appointed in staff category and 10 in workers category.

During the year 37 staff members and 12 officers left the services of the Corporation by way of retirement/resignation/death etc. Due to the decreases in the strength of employees, the Corporation has been facing acute shortage of manpower particularly in the supervisory cadre. As there has been undue delay in recruitment on the part of Public Service Commission the situation has become all the more difficult. Despite these constraints the activities of the Estates could be carried on with substantial effectiveness.

#### **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 the 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 is given in Annexure - II.

#### **CHAIRMAN**

Sri. N.P. Moideen appointed as Chair man from 18.10.1993 continued to hold the Office of the Chairman during the remaining period under report.

#### **MANAGING DIRECTOR**

Maj. Gen. (Retd). P.M. Menon appointed as Managing Director from 28.06.1992 held the Offices of the Managing Director till 18.08.1995. Dr. Jacob Thomas, IPS appointed as managing Director from 18.08.1995 held the Office of the Managing Director till 20.12.1995 and Sri. Amaranatha Shetty, IFS appointed as managing Director on 20.12.1995 held the Office of the Managing Director during the remaining period under report.

#### **HIGHLIGHTS ON CURRENT ACTIVITIES**

Upto 31.03.1997 an area of 4029.72 Hectares were replanted with Rubber. Apart from this, another 20 Ha. were also planted with Rubber in Nilambur. Decision has been taken to plant oil palm in an area of about 279.54 Ha. so as to make the total oil palm cultivation to 500 ha.

As per Plantation Labour Committee Settlement, the wages of daily rated workers in Cashew Estates have been revised on receiving Government approval.

**THE PLANTATION CORPORATION OF KERALA LTD.**

Government approval for the proposal of construction of a Shopping Complex in the compound of Regional Office, Kozhikode has been received.

As a commitment to the efforts of the Government of Kerala for implementing a massive scheme of opening 140 vegetable outlets (one in every L.A. constituency) the Corporation has sanctioned a temporary loan of Rs. 30,166,737/- to the Kerala State Horticultural Products Development Corporation Limited, Thiruvananthapuram on certain terms and conditions.

**ACKNOWLEDGEMENT**

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

Your Directors 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  
30.04.97

Sd/-  
CHAIRMAN

**ANNEXURE - I**

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 Investment and proposals, if any,<br>being implemented for reduction of energy.   | : | Nil   |
| c). Impact of the measures (a) and (b) above for<br>reduction of energy consumption and consequent<br>impact on the cost of production of goods. | : | Due to the efforts taken during the previous<br>years in getting steady electric supply, the<br>production cost is reduced. |
| d). Total energy consumption per unit off production.  | : | Not applicable.   |

**FORM - B**

(See Rule 2)

**Form of Disclosure of Particulars with Respect to Absorption**

- |   |   |                 |
|---|---|-----------------|
| Research and Development  | : | Not Significant |
| e). Foreign Exchange earnings and outgo   | : | Nil             |
| f). Activities relating to exports initiatives taken to<br>increase exports development of new export<br>market for new products and services and export plants | : | Nil             |
| g). Total foreign exchange used and earned  |   |                 |
| Used  | : | Nil             |
| Earned  | : | Nil             |

THE PLANTATION CORPORATION OF KERALA LTD.

ANNEXURE - II

Details of Directors including changes taken place during the year ending 31.03.1996

SL No.	Name	Address	Date of Appointment
1.	Sri. G. Mukundan, IFS	Principal Chief Conservator of Forests, Vazhuthakad, Thiruvananthapuram.	From 25.07.1991
2.	Sri. M.S. Dharan	Addl. Secretary to Government, Finance Department, Secretariat, Thiruvananthapuram.	From 25.07.1991
3.	Sri. P.P. Joseph	Under Secretary to Government, Agriculture Department, Secretariat, Thiruvananthapuram.	From 16.03.1995
4.	Sri. P.N. Surendran, IFS	Principal Chief Conservator of Forests, (General) Vazhuthakad, Thiruvananthapuram.	From 03.08.1995
5.	Dr. A.K. Krishnakumar	Rubber Production Commissioner, Rubber Board, Kottayam.	From 09.11.1995

**REVIEW OF ACCOUNTS OF THE PLANTATION CORPORATION OF KERALA LIMITED, KOTTAYAM FOR  
THE YEAR ENDED 31ST MARCH 1996  
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 1995-96.

**Liabilities**

	1993-94	1994-95	1995-96
	(Rupees in Lakhs)		
1. Paid up Capital	556 . 88	556 . 88	556 . 88
2. Reserves and Surplus	1513 . 58	1933 . 39	2808 . 51
3. Borrowings	58 . 97	32 . 61	32 . 61
4. Trade dues & Current liabilities (Including Provisions)	3217 . 83	3820 . 16	4262 . 04
	5347 . 26	6343 . 04	7660 . 04

**Assets**

1. Gross Block	1161 . 50	1211 . 49	1273 . 98
2. Less: Depreciation	574 . 57	623 . 28	675 . 33
3. Net Block	586 . 93	588 . 21	598 . 65
4. Development of Property	1432 . 03	1651 . 12	1861 . 81
5. Capital work-in-progress	20 . 99	12 . 26	18 . 11
6. Investments	0 . 01	0 . 01	100 . 01
7. Current Assets, Loans and Advances	3307 . 30	4091 . 44	5081 . 46
	5347 . 26	6343 . 04	7660 . 04
<b>Capital Employed</b>	3041 . 12	3709 . 71	4629 . 95
<b>Net Worth</b>	2070 . 46	2490 . 27	3365 . 39

Note: 1. Capital employed represents net fixed assets plus working capital.  
2. Net worth represents paid up capital plus reserves and surplus.

## THE PLANTATION CORPORATION OF KERALA LTD.

### 2. CAPITAL STRUCTURE

The debt equity ratio of the Company declined from 0.11 : 1 in 1993-94 to 0.058 : 1 in 1994-95 and remained at 0.058 : 1 in 1995-96. 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 1995-96 amounted to Rs. 1513.58 lakhs, Rs. 1933.39 lakhs and Rs. 2808.51 lakhs respectively. The reserves and surplus worked out to 28.31 percent of total liabilities in 1993-94, 30.48 percent in 1994-95 and 36.66 percent in 1995-96 and 271.8 percent of equity capital in 1993 - 94, 347.18 percent in 1994-95 and 504.33 percent in 1995-96.

### 4. LIQUIDITY AND SOLVENCY

- a). The percentage of current assets to total net assets increased from 61.85 in 1993-94 to 64.50 in 1994-95 and 66.34 in 1995-96.
- b). The percentage of current assets to current liabilities (including provisions) varied from 102.78 in 1993-94, 107.10 in 1994-95 and 119.23 in 1995-96.
- c). The percentage of quick assets (Sundry Debtors) cash and bank balances and advances recoverable to current liabilities(excluding provisions) increased from 122.58% in 1993-94 to 145.08 % in 1994-95 and 155.21% in 1995-96.

### 5. SOURCES AND USES OF FUNDS

Funds amounting to Rs. 1068.07 lakhs from internal sources and Rs. 300.98 lakhs from other sources were utilised during the year as shown below:-

	Rs. in lakhs
Gross Fixed Assets (Including capital work-in-progress)	68 . 34
Development of Property	210 . 69
Current Assets, Loans and Advances	990 . 02
Investment	100 . 00
	<hr/>
	1369 . 05

### 6. WORKING RESULTS

The working results of the Company for the three years upto 1995-96 are tabulated below:-

	1993-94	1994-95	1995-96
	(Rupees in Lakhs)		
i. Profit for the year as per accounts (before tax)	631 . 08	599 . 10	1034 . 90
ii. Provision for taxation	160 . 00	200 . 00	160 . 00
Profit after tax	471 . 08	399 . 10	874 . 90

iii. Percentage of profit before tax to:

a). Sales	34 . 73	29 . 80	48 . 80
b). Gross Fixed Assets	24 . 33	20 . 93 *	33 . 00
c). Capital employed	20 . 75	16 . 15 *	22 . 35

iv. Percentage of profit after tax to:

a). Net worth	22 . 75	16 . 03 *	26 . 00
b). Equity Capital	84 . 59	71 . 77	157 . 11
c). Capital Employed	15 . 49	10 . 76	18 . 90

\* 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**

	1993-94	1994-95	1995-96
	(Rupees in Lakhs)		
Sales	1817 . 22	2010 . 37	2120 . 89
Less: Profit for the year	631 . 08	599 . 10	1034 . 90
Cost of Sales	1186 . 14	1411 . 27	1085 . 99
Percentage of cost of sales to sales	65 . 27	70 . 20	51 . 20

**8. PRODUCTION PERFORMANCE**

The value of production for the three years upto 1995-96 is worked out as below:

	1993-94	1994-95	1995-96
	(Rupees in Lakhs)		
a). Sales	1817 . 22	2010 . 37	2120 . 89
b). Closing stock and Work in progress	187 . 34	205 . 26	580 . 26
c). Opening stock of finished goods and work-in-progress	206 . 48	187 . 34	236 . 19
d). Value of production (a + b-c)	1798 . 08	2028 . 29	2464 . 96

The percentage of value of production to net worth declined from 86.84 in 1993-94 to 81.45 in 1994-95 and to 73.24 in 1995-96. The percentage of value of production to total net assets varied from 33.63 in 1993-94 to 31.98 in 1994-95 and 32.18 in 1995-96.

**9. INVENTORY**

The following table indicates the comparative position of inventory and its distribution at the close of the three years upto 1995-96.

**THE PLANTATION CORPORATION OF KERALA LTD.**

	1993-94	1994-95	1995-96
	(Rupees in Lakhs)		
a). Stores and Spares	94.28	112.67	80.70
b). Loose Tools	4.75	4.64	8.39
c). Stock-in-trade of finished goods (including work in progress)	187.34	205.26	580.26
d). Agricultural Equipments	5.47	7.79	5.08
	<u>291.84</u>	<u>330.36</u>	<u>674.43</u>

The stock-in-trade was equivalent to 1.24 months' sales in 1993-94 and 1.23 months' in 1994-95 and 3.28 months' in 1995-96.

**10. SUNDRY DEBTORS AND TURNOVER**

The following table indicates the volume of book debts and sales for the three years upto 1995-96.

As on 31st March	Book Debts considered Good/ Doubtful	Total	Sales during the year	Percentage to sales
(Rupees in Lakhs)				
1994	63.91 Nil	63.91	1817.22	3.52
1995	58.55 Nil	58.55	2010.37	2.91
1996	42.91 Nil	42.91	2120.89	2.02

The age-wise break up of the book debts as on 31st march 1996 is indicated below:

	(Rupees in Lakhs)
i). Less than one year	41.98
ii). Between one year and three years	Nil
iii). Over three years	0.93
	<u>42.91</u>

Note:- No effect on the qualifications in the report of auditors has been given in the review of accounts.

Sd/-

**S.B. PILLAY**  
ACCOUNTANT GENERAL  
(AUDIT), KERALA

**ANNUAL ACCOUNTS  
AND  
SCHEDULES  
1995 - '96**

**BALANCE SHEET**

**LIABILITIES**

**PREVIOUS YEAR**

**CURRENT YEAR**

Rs. Ps.

Rs. Ps.

75,000,000 . 00

75,000,000 . 00

55,688,000 . 00

55,688,000 . 00

**SHARE CAPITAL**

Authorised - 75,000 Equity Shares of Rs. 1,000/- each.

Issued - 55688 Equity Shares of Rs. 1,000/- each.

Subscribed, called up and paid up- 55688 Equity Shares of Rs. 1000/- 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 . 00

55,688,000 . 00

193,338,790 . 75

280,851,138 . 95

**RESERVES & SURPLUSES (SCHEDULE - A)**

**UNSECURED LOANS**

From Govt. of Kerala for

3,261,222 . 00

i. Estate Development

3,261,222 . 00

9,055,301 . 51

ii. Interest accrued and due

9,055,301 . 51

12,316,523 . 51

**CURRENT LIABILITIES & PROVISIONS**

197,872,158 . 79

a. Current Liabilities (Schedule B)

227,970,475 . 03

175,088,736 . 07

b. Provisions (Schedule C)

189,178,972 . 07

417,149,447 . 10

634,304,209 . 12

**TOTAL**

766,005,109 . 56

Sd/-

ADV. PK. CHITHRABHANU  
CHAIRMAN

Sd/-

K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

AS ON 31.03.96

## ASSETS

## PREVIOUS YEAR

## CURRENT YEAR

Rs.	Ps.			Rs.	Ps.
		<b>FIXED ASSETS</b>			
165,111,502 . 11		a. Plantations	(Schedule D)	186,181,011 . 67	
58,821,367 . 92		b. Plant & Machinery	} (Schedule E)		
		Roads, Buildings etc		59,865,685 . 52	
1,226,373 . 25		c. Capital work in Progress		1,810,939 . 59	247,857,636 . 78
		<b>INVESTMENTS</b>			
1,100 . 00		In Shares at Cost	(Schedule F)		10,001,100 . 00
		<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
56,903,697 . 53		a. Current Assets	(Schedule G)	101,961,704 . 63	
352,240,168 . 31		b. Loans and Advances	(Schedule H)	406,184,668 . 15	508,146,372 . 78
634,304,209 . 12		<b>TOTAL</b>			766,005,109 . 56

Sd/-  
M.R.V NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

**PROFIT & LOSS ACCOUNT**

**EXPENDITURE**

**PREVIOUS YEAR**

**CURRENT YEAR**

PREVIOUS YEAR			CURRENT YEAR	
Rs.	Ps.		Rs.	Ps.
18,733,788	. 00	To Opening Stock Finished Goods	23,619,193	. 00
28,766,953	. 80	To Salaries & Allowances	31,556,549	. 38
144,090	. 60	To Salaries & Allowances To MD	108,219	. 41
2,148,258	. 73	To Leave Encashment	2,282,772	. 56
10,414,771	. 95	To Employer's Contribution P F	11,046,805	. 01
17,438,398	. 98	To Bonus & Production Incentive	15,442,951	. 03
3,045,751	. 16	To Voluntary Retirement	3,822,173	. 75
12,000	. 00	To Honararium to Chairman	12,000	. 00
117,047	. 00	To T A & Sitting Fee to Directors	29,291	. 88
696,327	. 40	To T A to Staff & Officers	728,411	. 47
21,244	. 75	To Rent	23,666	. 00
1,695,022	. 60	To Rates & Taxes	2,658,768	. 43
4,668,524	. 07	To Electricity Charges	5,278,160	. 93
15,219,737	. 00	To Lease Rent	15,219,737	. 00
476,330	. 25	To Insurance Charges	556,102	. 35
734,988	. 31	To Advertisement Charges	1,021,188	. 72
145,147	. 44	To Legal Expenses	218,063	. 55
52,000	. 00	To Remuneration to Auditors (Including Expenses)	45,500	. 00
193,260	. 19	To Interest on Loans	437,181	. 00
6,986,415	. 52	To Repairs & Maintenance of Assets (Schedule - I)	7,971,763	. 09
2,732,924	. 61	To Miscellaneous Expenses (Schedule - II)	2,286,770	. 70
18,409,739	. 67	To Welfare Expenses (Schedule - III)	18,899,143	. 29
4,695,317	. 67	To Depreciation	5,892,568	. 01
7,734,712	. 77	To Cultivation & Upkeep of Rubber	12,139,745	. 67
34,998,728	. 48	To Tapping & Collection of Rubber	34,526,721	. 69
19,926,148	. 37	To Manufacturing & Selling Expenses	16,639,427	. 19
9,489,701	. 39	To Cultivation & Upkeep of Cashew	10,189,251	. 52
686,368	. 90	To Cultivation & Upkeep Other Crops	815,243	. 66
413,253	. 12	To Collection Charges - Cashew	469,663	. 30
3,820,982	. 02	To Purchase of Latex	30,869,410	. 31
383,664	. 61	To Net Loss on rubber Wood Project	—	
39,450,841	. 62	To Provision for Gratuity	37,089,458	. 87
59,910,047	. 48	To Net Profit - CD to P & L Appropriation A/C	103,490,348	. 20
<b>314,362,488</b>	<b>. 46</b>		<b>395,386,250</b>	<b>. 97</b>

Sd/-  
ADV. P.K. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

FOR THE YEAR 31.03.96

**INCOME**

**PREVIOUS YEAR**

**CURRENT YEAR**

Rs.	Ps.	BY SALES	Rs.	Ps.
168,370,579	. 08	Rubber	173,709,328	. 29
32,019,739	. 93	Cashew	37,915,645	. 55
101,700	. 00	Slaughter Tapping	----	
545,439	. 87	Agriculture Produce	463,562	. 20
62,120,474	. 32	Rubber Trees & Firewood	86,255,925	. 68
18,419	. 00	Sale of Tender Forms	34,251	. 00
471,948	. 15	Empties & Unserviceables	282,751	. 96
				298,661,464 . 68
<b>BY INTEREST INCOME</b>				
1,061,992	. 40	From Contractors & Customers	1,320,705	. 56
156,272	. 91	Staff Loans	194,646	. 50
22,905,479	. 34	Treasury & Bank Deposit	31,018,753	. 90
119,230	. 00	Others	272,616	. 00
				32,806,721 . 96
<b>BY OTHER INCOME</b>				
132,428	. 79	Rent of Building	120,803	. 14
51,748	. 76	Profit on Sale of Assets	877,519	. 30
1,167,851	. 63	Miscellaneous Income	840,628	. 44
1,499,991	. 28	Inter Crops	2,380,755	. 57
		Net Profit R.W. Project (Schedule - IV)	592,885	. 61
				4,812,592 . 06
<b>BY CLOSING STOCK (FINISHED GOODS &amp; W I P)</b>				
20,526,313	. 00	Rubber	58,026,185	. 27
2,601,596	. 00	Cashew	610,020	. 00
491,284	. 00	Other Agricultural Produces	469,267	. 00
				59,105,472 . 27
314,362,488	. 46	<b>TOTAL</b>		395,386,250 . 97

26364830031

Sd/-  
M.R.V NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)



## SCHEDULE - A

## RESERVES &amp; SURPLUS AS ON 31.03.96

PREVIOUS YEAR			CURRENT YEAR	
Rs.	Ps.		Rs.	Ps.
2,872,021 . 30		<b>1. CAPITAL RESERVE</b>		
		As per last Balance Sheet	2,872,021 . 30	
		Additions this year	0 . 00	
			.....	2,872,021 . 30
67,958,000 . 00		<b>2. REPLANTING RESERVE</b>		
		As per last Balance Sheet	67,958,000 . 00	
		Additions this year	14,000,000 . 00	
			.....	81,958,000 . 00
14,079,091 . 48		<b>3. REHABILITATION RESERVE</b>		
		As per last Balance Sheet	14,079,091 . 48	
		Additions this year	0 . 00	
			.....	14,079,091 . 48
1,875,000 . 00		<b>4. SUBSIDY RECEIVED FROM GOVT. OF KERALA - HOUSING SCHEME</b>		
		As per last Balance Sheet	1,875,000 . 00	
		Additions this year	0 . 00	
			.....	1,875,000 . 00
2,897,940 . 00		<b>5. SUBSIDY RECEIVED FROM GOVT. OF KERALA - CASHEW PLANTATION UPKEEP</b>		
		As per last Balance Sheet	2,897,940 . 00	
		Additions this year	0 . 00	
			.....	2,897,940 . 00
6,488,127 . 50		<b>6. SUBSIDY RECEIVED FROM RUBBER BOARD FOR RUBBER CULTIVATION</b>		
		As per last Balance Sheet	6,488,127 . 50	
		Additions this year	0 . 00	
			.....	6,488,127 . 50
97,168,610 . 47		<b>7. PROFIT &amp; LOSS ACCOUNT</b>		
				170,680,958 . 67
193,338,790 . 75				280,851,138 . 95

Sd/-  
ADV. P.K. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

Sd/-  
M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

THE PLANTATION CORPORATION OF KERALA LTD.

**SCHEDULE - B**

**CURRENT LIABILITIES AS ON 31.03.96**

PREVIOUS YEAR			CURRENT YEAR	
Rs.	Ps.		Rs.	Ps.
2,292,361 . 48		Sundry Creditors	1,535,079 . 19	
149,044,270 . 57		Other Liabilities	165,626,442 . 47	
3,203,726 . 17		E M D	3,470,172 . 12	
7,008,926 . 52		Security Deposit	13,316,046 . 62	
106,800 . 00		Sale of Land to K W A	106,800 . 00	
36,207 . 00		KGST Payable	3,513,383 . 21	
176,49,111 . 00		Income Received in Advance	21,596,765 . 60	
10,000 . 00		Housing Scheme Workers	10,000 . 00	
27,491 . 15		Welfare Fund	28,618 . 30	
641,000 . 00		Sale of Secondary Growth	641,000 . 00	
17,701,942 . 90		Agriculture Income Tax Due	17,701,942 . 90	
150,332 . 00		Central Sales Tax Payable	424,224 . 62	
<b>197,872,158 . 79</b>		<b>Total</b>	<b>227,970,475 . 03</b>	

Sd/-  
ADV. P.K. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

Sd/-  
M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

## SCHEDULE - C

## PROVISIONS AS ON 31.03.96

PREVIOUS YEAR				CURRENT YEAR	
Rs.	Ps.			Rs.	Ps.
119,910,260 . 00		<b>1. GRATUITY</b>			
		As per last Balance Sheet	119,910,260 . 00		
		Additions this year	37,089,458 . 87		
			-----		
			156,999,718 . 87		
		Less: Paid this year	21,993,455 . 87		
			-----		
				135,006,263 . 00	
4,500,000 . 00		<b>2. BONUS</b>			
		As per last Balance Sheet	4,500,000 . 00		
		Additions this year	4,500,000 . 00		
			-----		
			9,000,000 . 00		
		Less: Adjusted this year (from 1.1.96 to 31.3.96)	4,500,000 . 00		
			-----		
				4,500,000 . 00	
50,678,476 . 07		<b>3. TAXATION</b>			
		As per last Balance Sheet	50,678,476 . 07		
		Additions this year	16,000,000 . 00		
			-----		
			66,678,476 . 07		
		Less: Adjusted this year	17,005,767 . 00		
			-----		
				49,672,709 . 07	
175,088,736 . 07		<b>TOTAL</b>		189,178,972 . 07	

Sd/-  
ADV. P.K. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

Sd/-  
M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

THE PLANTATION CORPORATION OF KERALA LTD.

**SCHEDULE - D**

**DEVELOPMENT OF**

ITEM	OPENING BALANCE	ADDITIONS
Rubber	144,792,725 . 61	21,586,699 . 43
Cashew Plantations	15,046,838 . 72	74,204 . 95
Coffee Plantations	478,684 . 94	--
Arecanut Plantations	377,026 . 13	26,426 . 79
Oil Palm Plantations	2,326,556 . 16	1,720,396 . 32
Teak Plantations	66,584 . 97	44,092 . 59
Coconut Plantations	795 . 36	--
Survey	225,195 . 53	--
Evicted Area Expenses	1,694,037 . 42	--
Eucaliptus	15,963 . 37	--
Cardamom Plantations	87,093 . 90	--
	165,111,502 . 11	23,451,820 . 08

Sd/-  
ADV. P.K. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

## PROPERTY AS ON 31.03.96

DISPOSALS	CLOSING BALANCE
2,382,310 . 52	163,997,114 . 52
--	15,121,043 . 67
--	478,684 . 94
--	403,452 . 92
--	4,046,952 . 48
--	110,677 . 56
--	795 . 36
--	225,195 . 53
--	1,694,037 . 42
--	15,963 . 37
--	87,093 . 90
2,382,310 . 52	186,181,011 . 67

Sd/-  
M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

THE PLANTATION CORPORATION OF KERALA LTD.

**SCHEDULE - E**

**FINAL CONSOLIDATED ASSET**

I T E M S	ORIGINAL COST			DEPRECIATION		
	At the end of	Additions during	Total Cost	At the end of	For the current	Total
	previous year	the year		previous year	year	Depreciation
	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.
Furniture	1841711 . 88	101800 . 09	1943511 . 97	1372070 . 09	94028 . 95	1466099 . 04
Office Equipments	1303386 . 73	41979 . 00	1345365 . 73	698092 . 09	177368 . 37	875460 . 46
Electric Appliances	77778 . 53	17202 . 60	94981 . 13	69539 . 53	4671 . 12	74210 . 65
Electric Installation	5618838 . 31	30338 . 00	5649176 . 31	4515610 . 65	157073 . 96	4672684 . 61
Telephone	130919 . 38	124205 . 00	255124 . 38	36111 . 93	19392 . 71	55504 . 64
Survey Instruments	12484 . 92	0 . 00	12484 . 92	11527 . 47	142 . 50	11669 . 97
Library	51758 . 36	0 . 00	51758 . 36	41005 . 38	1075 . 29	42080 . 67
Roads	17224851 . 52	0 . 00	17224851 . 52	5183248 . 31	602080 . 17	5785328 . 48
Fence/Kayyala	7488946 . 55	0 . 00	7488946 . 55	2024369 . 48	546457 . 70	2570827 . 18
Electric Fittings	68900 . 78	6615 . 00	75515 . 78	57397 . 85	2958 . 58	60356 . 43
Plant & Machinery	15460073 . 68	80384 . 40	15540458 . 08	11441538 . 02	692506 . 70	12134044 . 07
Building	53290456 . 15	810394 . 79	54100850 . 94	25676325 . 98	1591313 . 61	27267639 . 59
Vehicles	7457638 . 11	5956955 . 61	13414593 . 72	6535649 . 42	1220530 . 10	7756179 . 52
Water Supply Installation	7199909 . 97	4955 . 00	7204864 . 97	4344426 . 23	857636 . 13	5202062 . 36
Free Hold Land	3148287 . 65	348 . 00	3148635 . 65	0 . 00	0 . 00	0 . 00
Ammonia Cylinders	523639 . 00	0 . 00	523639 . 00	249797 . 91	109536 . 44	359334 . 35
Wells	111888 . 71	24710 . 63	136599 . 34	14488 . 58	4870 . 01	19358 . 59
Landing Pad	118844 . 25	0 . 00	118844 . 25	40000 . 57	3942 . 19	43942 . 76
Jankar & Boat	19051 . 49	0 . 00	19051 . 49	16798 . 56	225 . 29	17023 . 85
<b>Total</b>	<b>121149365 . 97</b>	<b>7199888 . 12</b>	<b>128349254 . 09</b>	<b>62327998 . 05</b>	<b>6085809 . 82</b>	<b>68413807 . 87</b>

Sd/-  
ADV. P.K. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

## SCHEDULE AS ON 31.03.96

DISPOSALS & ADJUSTMENTS				BALANCE					
Original Cost		Depreciation Written off		Total Cost at the end of 31.03.96		Total Depreciation As on 31.03.96		Net Block As on 31.03.96	
Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.
0.00		0.00		1943511.97		1466099.04		477412.93	
0.00		0.00		1345365.73		875460.46		469905.27	
0.00		0.00		94981.13		74210.65		20770.48	
0.00		0.00		5649176.31		4672684.61		976491.70	
0.00		0.00		255124.38		55504.64		199619.74	
0.00		0.00		12484.92		11669.97		814.95	
0.00		0.00		51758.36		42080.67		9677.69	
0.00		0.00		17224851.52		5785328.48		11439523.04	
0.00		0.00		7488946.55		2570827.18		4918119.37	
0.00		0.00		75515.78		60356.43		15159.35	
0.00		0.00		1554458.08		121134044.72		3406413.36	
0.00		0.00		5410050.94		27267639.59		26833211.35	
950957.00		881196.30		12463636.72		6874983.22		5588653.50	
0.00		0.00		7204864.97		5202062.36		2002802.61	
0.00		0.00		3148635.65		0.00		3148635.65	
0.00		0.00		523639.00		359334.35		164304.65	
0.00		0.00		136599.34		19358.59		117240.75	
0.00		0.00		118844.25		43942.76		74901.49	
0.00		0.00		19051.49		17023.85		2027.64	
950957.00		881196.30		127398297.09		67532611.57		59865685.52	
Sd/- M.R.V. NAIR SECRETARY				Sd/- For CHERIYAN & CHERIYAN ANU IYPE JOHN PARTNER (CHARTERED ACCOUNTANTS)					

THE PLANTATION CORPORATION OF KERALA LTD.

**SCHEDULE - F**

**INVESTMENTS AS ON 31.03.96**

<b>PREVIOUS YEAR</b>			<b>CURRENT YEAR</b>	
<b>Rs.</b>	<b>Ps.</b>		<b>Rs.</b>	<b>Ps.</b>
<b>1,000</b>		a). 10 equity shares of Rs. 100/- each fully paid up in & BANANA & FRUIT DEVELOPMENT CORPORATION LTD., MADRAS.		1,000 . 00
<b>100</b>		b). One A class share of Rs.100/- fully paid up in MANNAM SUGAR MILLS CO-OPERATIVE SOCIETY. No. 4324, PANDALAM.		100 . 00
<b>Nil</b>		c). 750 equity shares of Rs. 10,000/- each fully paid up in the KERALA FEEDS LTD., TRICHUR.		75,00,000 . 00
<b>Nil</b>		d). 2,50,000 equity shares of Rs. 10/- each fully paid up in the COCHIN INTERNATIONAL AIRPORT LTD., NEDUMBASSERY.		25,00,000 . 00
<b>1,100</b>		<b>TOTAL</b>		<b>10,001,100 . 00</b>

Sd/-  
ADV. P.K. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

Sd/-  
M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

## SCHEDULE - G

## CURRENT ASSETS AS ON 31.03.96

PREVIOUS YEAR			CURRENT YEAR	
Rs.	Ps.		Rs.	Ps.
		<b>A. INVENTORIES</b> (As taken, valued and certified by the management)		
11,267,447 . 33		1. Stores and Spares at cost	8,069,794 . 06	
463,799 . 96		2. Loose Tools	839,396 . 61	
779,193 . 73		3. Agrl. and Other Equipments	508,076 . 75	
20,526,313 . 00		4. Stock of Rubber and Rubber in process	58,026,185 . 27	
		(Value Fixed by Management Less Incdl. Expenses)		
1,613,702 . 00		5. Stock of Rubber Wood	1,750,971 . 87	
2,601,596 . 00		6. Stock of Cashew Nuts	610,020 . 00	
491,284 . 00		7. Closing Stock - Others	469,267 . 00	
		8. Nurseries :		
43,346 . 96		Cashew	159,588 . 46	
137,873 . 70		Budwood - Rubber	107,749 . 89	
37,443 . 06		Teak	--	
5,475 . 34		Arecanut	3,549 . 80	
2,281 . 55		Coconut	2,281 . 55	
3,260,101 . 12		Polybag (Rubber)	3,951,813 . 67	
1,602,327 . 16		Rubber Seedlings	2,400,597 . 44	
319,953 . 28		Oil Palm	--	76,899,292 . 37
		<b>B. SUNDRY DEBTORS</b> (Unsecured considered good)		
582,559 . 01		Exceeding six months	716,058 . 89	
5,272,016 . 71		Other debts	3,574,771 . 18	4,290,830 . 07
		<b>C. CASH &amp; BANK BALANCES</b>		
137 . 00		a. Stamps & Stamp Papers	137 . 00	
		b. Bank Balances:-		
2,044,900 . 22		1) With Scheduled Banks in Current Accounts	8,407,842 . 85	
162,849 . 00		2) With Treasury S.B.	176,011 . 00	
5,689,097 . 40		3) Cash in transit	12,187,591 . 34	20,771,582 . 19
56,903,697 . 53		<b>TOTAL</b>		101,961,704 . 63

Sd/-  
ADV. PK. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

Sd/-  
M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

THE PLANTATION CORPORATION OF KERALA LTD.

**SCHEDULE - H**

**LOANS AND ADVANCES AS ON 31.03.96**

PREVIOUS YEAR				CURRENT YEAR	
Rs.	Ps.	Rs.	Ps.	Rs.	Ps.
		<b>I. SECURED(Considered Good)</b>			
		<b>STAFF LOAN:</b>			
778,419 . 31		1) Motor Car Loan	725282 . 40		
503,587 . 99		2) Motor Cycle Loan	371577 . 89		
					1,096,860 . 29
		<b>II. UNSECURED(Considered Good)</b>			
772,523 . 28		a) 1. Oil Palm India Ltd., Kottayam.	772,523 . 28		
1,300,000 . 00		2. KSHD Corpn., Trivandrum.	---		
11,512,885 . 88		b) Advances recoverable in cash or kind for value to be received.	14,098,847 . 11		
		c) Advance payment of taxes:			
3,194,494 . 52		1. Sales tax	3,264,494 . 21		
29,865,678 . 00		2. Agrl. Income tax	29,865,678 . 00		
32,528,247 . 00		3. CentraL Income tax	30,057,892 . 00		
196,327 . 00		d) Prepaid expenses	179,055 . 00		
		e) Tax refund due			
615,279 . 00		1. Income tax	109,312 . 00		
5,082,748 . 18		2. Agrl. Income tax	5,082,748 . 18		
61,668 . 25		f) Rebate receivable Govt. loan	61,668 . 25		
119,230 . 00		g) Int. recoverable (KSHDC)	---		
					83,492,218 . 03
		h) DEPOSITS:			
859,510 . 00		1. With K.S.E.B., Port Trust and other Govt. Depts.	859,510 . 00		
12,750 . 00		2. With Housing Board	12,750 . 00		
96,231 . 00		3. Other Deposits	96,231 . 00		
3,450 . 00		4. With Court	23,653 . 00		
207,415,000 . 00		5. With Treasury	212,776,900 . 00		
42,969,012 . 90		6. With Scheduled Banks	90,795,245 . 58		
12,049,017 . 00		7. Int. Receivable on FD	14,763,804 . 00		
275,000 . 00		8. With PCK Employees' Co-op. Society.	200,000 . 00		
2,000,000 . 00		9. KSFE (BHADRATHA)	2,000,000 . 00		
29,109 . 00		10. With Suppliers	67,496 . 25		
					321,595,589 . 83
352,240,168 . 31		<b>TOTAL</b>			406,184,668 . 15

Sd/-  
ADV. P.K. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

Sd/-  
M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

**SCHEDULE TO PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31.03.96**

**REPAIRS & MAINTENANCE OF ASSETS - SCHEDULE - I**

PREVIOUS YEAR		CURRENT YEAR
Rs. Ps.		Rs. Ps.
2,745,059 . 44	Repairs to Vehicies	2,641,155 . 48
1,353,594 . 33	Repairs to Building	1,283,661 . 90
563,904 . 58	Repairs to Plant & Machinery	605,404 . 45
858,384 . 09	Repairs to Roads	1,846,361 . 80
223,485 . 81	Repairs to Electrification	448,545 . 64
307,018 . 04	Repairs to Water Supply	421,847 . 12
20,170 . 32	Repairs to Office Equipments	45,038 . 90
496,110 . 14	Repairs to Fence / Kayyala	298,889 . 71
216,939 . 99	Repairs to Tools	212,938 . 35
134,578 . 00	Repairs to Temporary Shed	111,605 . 01
18,961 . 31	Repairs to Jhankar & Boat	0 . 00
13,439 . 00	Repairs to Computer	35,544 . 90
28,711 . 21	Repairs to Foot Bridge	0 . 00
6,059 . 26	Repairs to Furniture	20,769 . 83
6,986,415 . 52	TOTAL	7,971,763 . 09

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M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

**MISCELLANEOUS EXPENSES - SCHEDULE - II**

514,456 . 72	Postage, Telephone, Telegram	585,205 . 88
402,367 . 48	Printing Stationary	390,216 . 06
188,903 . 81	Office Expenses & Others	147,714 . 30
308,426 . 01	Security Expenses	425,709 . 33
38,422 . 71	Storage Expenses	26,380 . 15
5,330 . 57	Survey Expenses	15,616 . 59
28,489 . 22	Books & Periodicals	53,071 . 75
110,291 . 64	I B Expenses	148,510 . 51
100,790 . 39	Entertainment Expenses	116,444 . 51
68,246 . 00	Staff Training Expenses	69,709 . 00
246,147 . 66	Ferry Expenses	276,018 . 32
560 . 70	Gardening	4,589 . 00
703,400 . 00	Donations	13,900 . 00
17,091 . 70	Bank Charges	14,585 . 30

2,732,924 . 61

TOTAL

2,286,770 . 70

Sd/-

ADV. P.K. CHITHRABHANU  
CHAIRMAN

Sd/-

K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

Sd/-

M.R.V. NAIR  
SECRETARY

Sd/-

For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

## WELFARE EXPENSES - SCHEDULE - III

## PREVIOUS YEAR

Rs. Ps.

2,101,379 . 52	Sickness Benefit
123,930 . 18	Maternity Benefit
3,139,990 . 91	Leave with Wages
2,828,343 . 22	Holiday Wages
492,900 . 47	Weather Protection Expenses
1,284,384 . 44	Drinking Water Supply
218,292 . 37	Sanitation
85,123 . 15	Recreation Facility
5,936,397 . 58	Medical & Hospital Facility
37,929 . 80	Way Expenses to Workers
35,445 . 62	Running & Maintenance of School
19,870 . 41	Creche Expenses
254,986 . 80	Workmens Compensation
172,893 . 00	Group Insurance
983,174 . 33	Uniform to Staff & Workers
133,078 . 66	Subsistance Allowance
92,679 . 80	Labour Welfare Fund
302,859 . 90	Deposit Linked Insurance
21,334 . 27	Medical & Hospital Facility - M D
141,495 . 24	Attendance Bonus
3,250 . 00	Awards & Incentives
0 . 00	Funeral Expenses
18,409,739 . 67	TOTAL

## CURRENT YEAR

Rs. Ps.

1,929,095 . 50
97,265 . 21
3,137,923 . 29
3,439,220 . 47
405,186 . 25
1,422,376 . 16
220,760 . 45
99,280 . 56
6,164,092 . 86
50,206 . 08
44,851 . 96
30,653 . 94
60,915 . 63
157,584 . 00
908,027 . 57
90,395 . 65
93,378 . 25
238,513 . 15
6,493 . 50
297,185 . 31
2,237 . 50
3,500 . 00
18,899,143 . 29

Sd/-  
ADV. PK. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

Sd/-  
M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

## RUBBER WOOD FACTORY

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.96 (SCHEDULE IV)

PREVIOUS YEAR		CURRENT YEAR		PREVIOUS YEAR		CURRENT YEAR	
Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.
772,697 . 00		1,613,702 . 00		1,763,720 . 00		5,717,609 . 52	
1,955,254 . 00	To purchase of Rubber Trees	4,485,252 . 32		912,149 . 00	By Sale of by-products & waste	1,723,764 . 62	
392,847 . 00	To Pay & Allowances	490,280 . 93		81,536 . 00	By Interest on Deposits	183,770 . 00	
152,414 . 00	To Factory Wages	185,058 . 45					
24,285 . 00	To Bonus to Staff and Workers	13,342 . 95					
48,780 . 00	To Contribution to P F	57,769 . 00		3,012 . 00	By Interest on Staff Loan	4,076 . 95	
45,098 . 00	To Welfare Expense	55,165 . 80			By Miscellaneous Income	53,128 . 33	
8,246 . 00	To Travelling Expenses	8,437 . 54		1,613,702 . 00	By Closing Stock	1,750,971 . 87	
96,876 . 00	To Repairs & Maintenance of Assets	127,713 . 74					
58,954 . 00	To Advertisement & Sales Promotion	22,525 . 56		383,665 . 00	By Net Loss transferred to P & L A/C	--	
288,247 . 00	To Cutting & Transportation of tree	443,401 . 00					
3,880 . 00	To Office Expenses	9,293 . 65					
237,054 . 00	To Depreciation	193,241 . 81					
673,152 . 00	To Manfg. & Selling Expenses	1,135,250 . 93					
	To Net Profit transferred to P & L A/C	592,885 . 61					
4,757,784 . 00	TOTAL	9,433,321 . 29		4,757,784 . 00	TOTAL	9,433,321 . 29	

Sd/-  
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Sd/-  
M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE JOHN  
PARTNER  
(CHARTERED ACCOUNTANTS)

**NOTES TO ACCOUNTS FORMING PART OF THE  
BALANCE SHEET AS AT 31ST MARCH 1996**

**1. RESERVES & SURPLUSES**

a. The Corporation has received Rs. 64,88,128/- as rubber Board subsidy upto 31.03.1996 (Previous Year Rs. 64,88,128/-) 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
Replanting Reserve	Rs. 1,40,00,000 /-

**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 31.03.1996. The Director of Agriculture vide his 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 31.03.96

**3. OTHER LIABILITIES:**

**Labour Welfare Fund**

An amount of Rs. 28,618/- (Previous year Rs. 27,491/-) payable to the labour welfare fund of the State Government represents fund created out of time-barred advances.

**4. PROVISIONS:**

- i). Gratuity has been provided for on the basis of actuarial valuation.
- ii). a. The Company has paid to the employees bonus at 8.33% and production incentive @11.67% for the year 1995-96 as per G.O. Rt. No. 1205/96/AD dt. 20.08.96. Bonus is computed based on the calendar year earning of employees.
- b. A Provision of Rs. 45 Lakhs has been made in the accounts towards bonus pertaining to January 1996 to March 1996.
- c. Taxation

The Corporation has provided for Agriculture 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 Government of Kerala as on 31.03.96 is 14399.76 Hectares. (Previous year total area 14399.76 Hect.) Certain areas have been subjected to survey. Particulars of area are given below:

Rubber Plantations	7590.63	Hect.
Cashew in Rubber Estates	1056.45	Hect.
Cashew Plantations	5237.68	Hect.
Submergible Area	220.00	Hect.
Area under Buildings, Factories, Roads, Canals, Marshy places, Fire belts etc.	295.00	Hect
	<u>14399.76</u>	<u>Hect.</u>

- b. The terms and conditions under which the Company has taken 975 hect. of land covered by Cheemeni Estate are yet to be determined. No provision for lease rent is made for the 975 hectares. The company is paying land-tax for the land of Cheemeni. The entire revenue from the estate is treated as income.
- 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 Hectares of 1961 plantations 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 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 94-95 the Corporation received a sum of Rs. 1,06,800/- as advance towards consideration for the transfer of 2.15 Hect. of land in Cheemeni Village in Hosdurg Taluk to the Kerala Water Authority vide Government Order No. 2392/PUL/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 being pursued by the Corporation.
- g. The Cost of Buildings, Roads, landing pads and Fences is Rs. 459.30 Lakhs of which assets worth Rs. 437.17 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. 241,976.41 due for more than six months from Companies owned by the Government of Kerala and Government of India, details of which are as under:-

Trivandrum Rubber Works, TVM	1,39,846 . 47
Hindustan Latex Ltd., TVM	17,446 . 54
Hindustan Latex Ltd., Belgam	84,683 . 40
	<u>2,41,976 . 41</u>

## THE PLANTATION CORPORATION OF KERALA LTD.

### 7. STAFF LOAN

Motor Vehicle Loans to officers and staff 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. 14,28,434 . 30 (Previous year Rs. 10,96,860 . 29).

### 8. ADVANCE 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.3,60,000/- 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.

	Previous Year Rs.	Current Year Rs.
T.A. Advance	1,07,684	1,10,432
Salary Advance	10,21,174	10,35,385
Other Advance	1,30,017	1,22,787
Interest on Vehicle Loan	2,43,581	2,33,119
Stores Recoverable	40,023	45,233
Fuel Charges Recoverable	3,232	4,486
IB Charges Recoverable	3,398	5,318
Postage Recoverable	644	628

### 9. LOANS AND 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 & Telegraph Department	40,317	40,317
Kerala State Electricity Board	8,05,593	8,05,593

### 10. PLANTATION TAX:

The payment of Plantation Tax has been effected on the basis of last assessment order of the assessing authority, except in the case of Nilambur Estate where plantation tax has been provided on the basis of census of plantation. The plantation tax calculated on the 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. Assessment order for 87-88 has not yet been received. The assessments 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. 848.19 lakhs on account of compound interest on amounts over due as provided in the lease agreement. This liability upto 31.03.96 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 Rs.	Previous Year Rs.
Pay & Allowances	107,567	144,091
Festival Allowances	850	500
Medical Reimbursement	6,494	21,334

The Managing Director is provided with car for his official purposes and is charged at Rs. 1500/- per quarter vide Government Order for private use limited to 1500 kms. per 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 RS.	Previous Year RS.
Sitting Fees	400	500
T.A. to Directors	29,622	26,271
Honorarium of Chairman	12,000	12,000

**15. AUDITORS' REMUNERATION:**

	Current Year RS.	Previous Year RS.
Statutory Auditors Fees	18,000	15,000
Expenses to statutory Auditors	7,000	5,000
Other Services (Incl. Income Tax and Sales Tax audit fees)	25,450	36,000

**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 14769 Nos. packing drums used worth Rs. 59,90,182 . 98.

**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	2665 . 36	1737 . 09	3821 . 59	1683 . 71
Cashew	--	379 . 45	--	313 . 54

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 crops 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.

**19. RUBBER WOOD FACTORY:**

The Corporation has a pilot plant at Kodumon for the treatment of rubber wood collected from the estate. The working result of the project has been separately shown in Schedule - IV of the Profit and Loss Account as on 31.03.96.

**20. CONTINGENT LIABILITIES:**

- Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 10,058,556/- (Previous year Rs. 20,51,369/-)
- The Corporation is liable to pay compensation of Rs. 5,353 . 75 (previous year Rs. 5,353 . 75) to persons evicted from Kodumon Group of Estates, which has not been provided for since the persons are deceased and the claimants have to produce succession certificate.
- 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.
- 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 states in Note No. 10. Appeals are pending against the same and the Corporation is contingently liable for the same to the extent of Rs. 3,175,012 . 50 and the same has not been provided in the accounts.

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

	Current Year		Previous Year	
a. CIF value of imports during the year	Nil		Nil	
b. Expenditure on foreign currency	Nil		Nil	
c. Value of raw materials, stores, spare parts and components during the year:				
	Value (Rs. Lakhs)	Consumption (%)	Value (Rs. Lakhs)	Consumption (%)
1. Imported Value	Nil	Nil	Nil	Nil
2. Indigenous (Stores and Spares)	194.62	100%	130.30	100%
		Amount		Amount
d. Particulars of dividend remitted in foreign exchange		Nil		Nil
e. Earnings in foreign exchange		Nil		Nil

22. Total wages paid during the year to workers, tappers, field workers and factory workers is Rs. 671.84 lakhs.

23. From Kodumon Estate some Rubber trees were removed by a contractor without the knowledge of the corporation. The loss is estimated at Rs. 491,394/-. Legal proceedings have been initiated by the corporation against the concerned persons for recovery of the estimated amount.

24. Previous year figures have been regrouped/recast wherever necessary.

Sd/-  
ADV. P.K. CHITHRABHANU  
CHAIRMAN

Sd/-  
K.K. SRIVASTAVA I.F.S.  
MANAGING DIRECTOR

Sd/-  
M.R.V. NAIR  
SECRETARY

Sd/-  
For CHERIYAN & CHERIYAN  
ANU IYPE 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, 1996 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 on the date of delivery order. This policy was followed upto 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 for the period 01.04.95 to 31.03.96 is Rs. 36,45,720/-.
2. 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 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.
3. 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 3 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 1996 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 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.

KOTTAYAM  
27.01.1997

For **CHERIYAN & CHERIYAN**  
Sd/-  
**ANU IYPE JOHN**  
PARTNER  
(CHARTERED ACCOUNTANTS)

**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. None of the fixed assets have been revaluated during the year.
3. Subject to our observation in para 3 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 preceding 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 employees, 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 confirmed that 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 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 suppliers 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.

**THE PLANTATION CORPORATION OF KERALA LTD.**

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 1996, 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 does not fall within ambit of a Sick Industrial Company vide sec. 3(1) (0) of the Sick Industrial Companies (Special Provisions) Act of 1985.

KOTTAYAM  
27.01.1997

For CHERIYAN & CHERIYAN

Sd/-

ANU IYPE JOHN

PARTNER

(CHARTERED ACCOUNTANTS)

**REPLY TO THE REPORT OF THE STATUTORY AUDITOR'S  
FOR THE YEAR 1995-96**

1. The matter is under investigation by the Vigilance Department.
2. Noted. Proper schedules are maintained in the estates and Head Office for the balance due to Sundry Creditors.
3. 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 the Auditors.  
b). Noted.

**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 PLANTATION CORPORATION OF KERALA LIMITED, KOTTAYAM for the year ended 31st March 1996.

I have to state that the Comptroller and Auditor General of India has no comments upon or supplement to the Auditor's Report under Section 619 (4) of the Companies Act, 1956 on the accounts of The Plantation Corporation of Kerala Limited for the year ended 31st March 1996.

THIRUVANANTHAPURAM  
07.04.1997

Sd/-  
S.B. PILLAY  
ACCOUNTANT GENERAL  
(AUDIT), KERALA

**GOVERNMENT OF KERALA**

No: 8946-A/PU.BI/97/FIN

**FINANCE (PUB) DEPARTMENT**

COMMENTS OF THE PRINCIPAL SECRETARY (FINANCE) TO THE  
GOVERNMENT OF KERALA UNDER ARTICLE 105 OF THE ARTICLES OF  
ASSOCIATION OF THE PLANTATION CORPORATION OF KERALA LIMITED ON  
THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH 1996.

"NO COMMENTS"

THIRUVANANTHAPURAM  
10.03.1997

Sd/-  
**SPECIAL SECRETARY  
(FINANCE EXPENDITURE)**