



THE PLANTATION CORPORATION OF KERALA LTD.

KOTTAYAM - 686 004

(An ISO 9001-2008 Certified Company)



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53rd Annual Report

2014 - 2015

BOARD OF DIRECTORS

Dr. Varughese George
Chairman

Sri. K.S. Anilkumar
Director

Prof. A.K. Sankaran
Director

Sri. P. Khalid Master
Director

Sri. A. Nizar
Director

Sri. K. Babu
Director

Auditors
M/s JRS & Co.
Chartered Accountants
2nd Floor, The Monarch
P.T. Usha Road, Kochi - 682 011

Company Secretary
Agate Joseph Easow

Sri. A. Unnikrishnan
Managing Director

Sri. S. P. Singh IFS
IFS Director

Adv. E.R. Santhoshkumar
Director

Sri. V.T. Joseph
Director

Internal Auditors
M/s Argee & Co.
Chartered Accountants
Ernakulam

&

M/s Rangamani & Associates
Chartered Accountants

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SEC/5818

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 53rd Adjourned Annual General Meeting of The Plantation Corporation of Kerala Limited will be held on Monday, the 21st December, 2015 at 11.00 AM at the Registered Office of the Corporation at Muttambalam (P.O), Kottayam-686004 to transact the following business;

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2015 and Profit and Loss Account for the year ended on that date, the reports of Directors and Auditors thereon.
2. To consider declaration of dividend on equity shares.

By Order of the Board,
For The Plantation Corporation of Kerala Ltd

Kottayam
18.11.2015

Sd/-
Agate Joseph Easow
Company 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. A proxy form must be returned duly completed to reach the office not less than 48 hours before the meeting.

Directors' report, Auditors' report, audited profit and loss account for the year ended 31st March 2015 and Balance Sheet as on that date are also seen attached herewith.

SEC/4013

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 53rd Annual General Meeting of The Plantation Corporation of Kerala Limited will be held on Tuesday, the 29th September, 2015 at 11.00 AM at the Registered Office of the Corporation at Muttambalam (P.O), Kottayam-686004 to transact the following business;

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2015 and Profit and Loss Account for the year ended on that date, the reports of Directors and Auditors thereon.
2. To consider declaration of dividend on equity shares.
3. To record the appointment of Directors by the Governor of Kerala in place of Directors retiring at the Annual General Meeting under Article 63(2) of the Articles of Association. The following Directors retire and are eligible for re-appointment.
 - i. Sri S P Singh
 - ii. Sri K S Anilkumar
 - iii. Sri K Babu
 - iv. Sri P Khalid Master
 - v. Adv. E R Santoshkumar
 - vi. Sri V T Joseph
 - vii. Prof A K Sankaran
 - viii. Sri A Nizar
4. To authorise the Board of Directors to fix the remuneration of the Auditors appointed by the Comptroller and Auditor General of India.

By Order of the Board,
For The Plantation Corporation of Kerala Ltd

Sd/-

Agate Joseph Easow
Company Secretary

Kottayam
01.09.2015

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. A proxy form must be returned duly completed to reach the office not less than 48 hours before the meeting.

DIRECTORS' REPORT FOR THE YEAR 2014-'15

To the Members,
The Plantation Corporation of Kerala Limited,

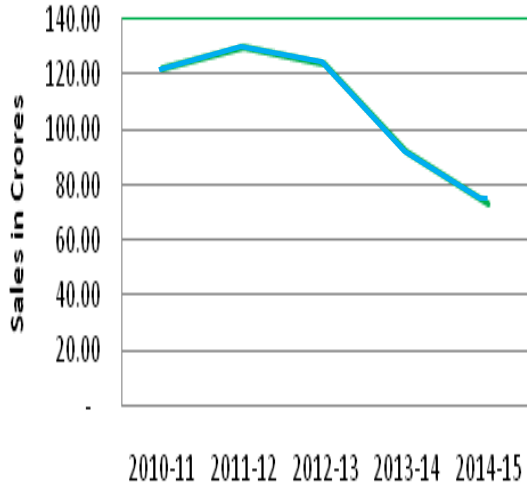
Your Directors have pleasure in submitting their 53rd Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015.

1 A. FINANCIAL SUMMARY

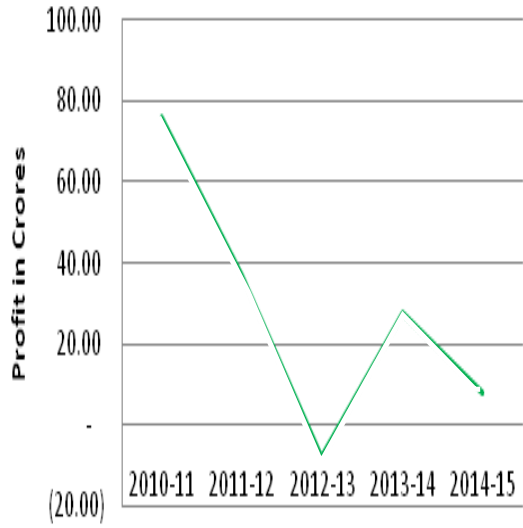
(Rs. in Lakhs)

Particulars	2014-15	2013-14
Sales	7,301.06	9,238.97
Stock differential	858.29	814.27
Other income	1,458.65	1,228.86
Total Revenue	8,774.63	10,604.89
Manufacturing and other cost	8,333.63	8,394.47
Depreciation	473.03	204.96
Tax provision	400.00	1,000.00
Net profit before tax	825.91	2,796.78
Earnings Per Share	1,682.74	3,226.52
Capital	556.88	556.88
Reserves	18,569.80	17,834.30
Net worth	19,126.68	18,391.18

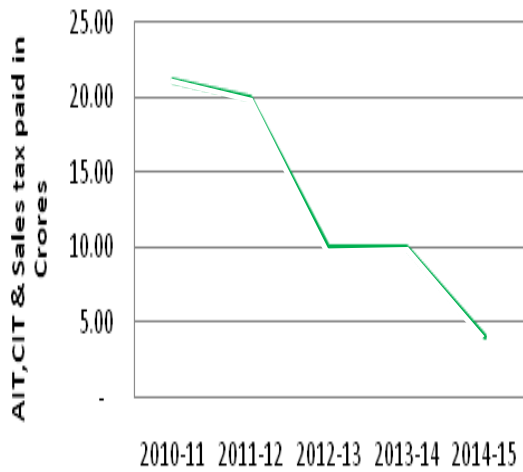
Sales



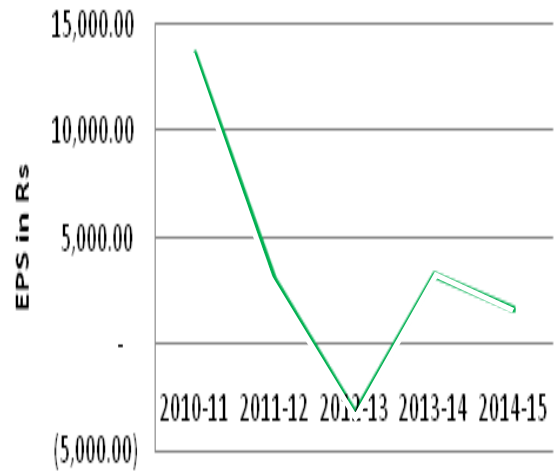
Profit



Contribution to Exchequer



EPS



B. PRODUCTION DETAILS

a) Rubber

Production target was 5343.MTs(PY 5715) and the achievement was 4776.865 MTs (PY 5129.927 MTs) during the period 2014-2015. In terms of target achievement percentage of the year 2014-15 is 89.40%.

b) Cenex

Production of cenex during the period of 2014-15 was 3156.577 MTs (PY3837.80 MTs) [Kallala Factory- 1292.50 MTs & KGL - 1864.077MTs]

c) Rubber Wood Factory

During the period of 2014-15, the quantity of 6417.10 cft (PY 5767) of treated rubber wood was sold and value realized was Rs.41,96,903.00.

d) Oil Palm Plantations

FFB harvested during the year 2014-15 was 4440.603 MTs (PY 4924.875 MTs)

C. SALES DETAILS

a) Rubber

During the year 2014-15 the value of rubber sold was Rs. 6376.71/- lakhs as against value of Rs.7852.93 lakhs in 2013-14.

b) Cashew

During the year 2014-15 the amount received on sale of cashew was Rs.324.43 lakhs as against Rs.500.94 lakhs in 2013-14.

2. DIVIDEND & RESERVE

Your Directors are pleased to recommend a dividend of 5% on the paid up equity capital of the company. The outgo on dividend would be Rs. 27, 84,400.00. Your company has transferred a sum of Rs.**93,70,828.85** to General Reserves.

3.TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

Your Directors are optimistic about company's business and hopeful of better performance with increased revenue in next year. There was no change in the nature of business of company.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

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

The Plantation Corporation of Kerala Limited has taken all necessary steps to conserve energy. Suitable technologies have been adopted in the Corporation from time to time. There was no foreign exchange inflow or Outflow during the year under review.

7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The business risk relating to production and market prices are reviewed by core committee periodically and remedial measures are decided and other measures are proposed to the Managing Director/ Board of Directors for matter beyond their power. The Company has a system of making business plan regarding planting, replanting, production and sales price fixation which is reviewed periodically. Apart from the above, the Company is preparing annual Budgets and the same is compared with actual and reviewed periodically.

8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has developed and implemented various Corporate Social Responsibility initiatives during the year under review. The Board constituted Corporate Social Responsibility (CSR) Committee in its 405th Board Meeting held on 06.November.2014. The Corporate Social Responsibility Policy of the Company was approved by the Board in its 410th meeting held on 17.March.2015.The members of CSR Committee include:

1. Prof. A K Sankaran
2. Sri. P Khalid Master
3. Sri. A Nizar

The committee assures that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company. Since the constitution of CSR Committee and formulation of CSR policy was delayed, the Company could not spent the prescribed amount for CSR activities. The Committee has taken keen effort in implementing the CSR initiatives in an effective manner.

9. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

10. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company has conducted 13 (Thirteen) Board meetings (including adjourned meetings)during the financial year under review.

11. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

13. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

14. DIRECTORS

The Board of Directors of the Company as on 31.March.2015 include:

- i. Dr. Varughese George (Chairman)
- ii. Sri. A Unnikrishnan (Managing Director)
- iii. Sri. S P Singh
- iv. Sri. K S Anilkumar
- v. Sri. K Babu
- vi. Dr. J Thomas
- vii. Sri. P Khalid Master
- viii. Adv. E R Santhoshkumar
- ix. Sri. V T Joseph
- x. Prof. A K Sankaran
- xi. Sri. A Nizar

15. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 for appointment of Independent Directors do not apply to the company.

16. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review no reportable material weakness in the design or operation were observed.

17. STATUTORY AUDITORS

M/s. JRS & CO, Chartered Accountants, Kochi were appointed as Statutory Auditors for the year 2014-2015 by The Comptroller and Auditor General of India, New Delhi vide letter No./CA.V/COY/KERALA,PLACOR(1)/701 Dated 04.08.2014.

18. SHARES

During the year under review, the company has undertaken following transactions:

Increase in Share Capital	Buy back of Securities	Sweat Equity	Bonus Shares	Employees Stock Option Plan
Nil	Nil	Nil	Nil	Nil

19. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

20. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

Date: 29.09.2015

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

Dr. Varughese George
Chairman

ANNEXURE - I

Details of Directors including changes taken place during the year ending 31.03.2015

Sl. No.	Name	Address	Date of Appointment
1.	Dr. Varughese George	Kodumtharamalayil Eraviperoor P.O., Thiruvalla	24.12.2011
2.	Sri. A. Unnikrishnan	Managing Director Plantation Corporation of Kerala Limited, Kottayam	14.12.2012
3.	Sri. S.P. Singh	Principal, Chief Conservator of Forests (Social Forestry), Forest Head Quarters, Vazhuthacaud, Thiruvananthapuram	05.01.2012
4.	Dr. J. Thomas	Rubber Board Production Commissioner, Kottayam	09.12.2011
5.	Sri. M.V. Markose	Additional Secretary Finance Department, Government of Kerala, Secretariat Thiruvananthapuram	09.12.2011 to 09.01.2015
6.	Sri. K. Babu	Additional Secretary Finance Department, Government of Kerala, Secretariat Thiruvananthapuram	09.01.2015
7.	Sri. P.K. Mohanan	Deputy Secretary, Agriculture Department Government of Kerala, Secretariat Thiruvananthapuram	03.02.2014 to 26.03.2015
8.	Sri. K.S. Anilkumar	Additional Secretary Agriculture Department, Government of Kerala, Secretariat Thiruvananthapuram	26.03.2015
9.	Sri. P. Khalid Master	Chokad, Pullengodu P.O, Malappuram	17.10.2012
10.	Adv. E.R. Santhoshkumar	Eranallur House, Panamaram P.O. Wynadu	24.08.2012
11.	Sri. P. Binu	Ambady, Chaathanadu, Alappuzha	19.11.2012 to 08.08.2014
12.	Sri. A. Nizar	Kokkattu Veedu, Cheravally, Kayamkulam	08.08.2014
13.	Sri. V.T Joseph	Veliyilparambil (H), CMC 34, Cherthala P.O, Alappuzha	03.08.2013
14.	Prof. A.K. Sankaran	Aaranyakam, Padannakadu P.O., Kasargod.	23.09.2013

ANNEXURE - II

REPORT ON CORPORATE GOVERNANCE

During the period 2014-15, 13 (Thirteen) meetings of the Board of Directors were convened (including adjourned meetings). The details regarding number of Board meetings held during the period 2014-15 and meetings attended by the Directors are as follows:

Sl. No.	Name of the Director	Total No. of Board meetings in the FY	Total number of meetings attended by the Director	Total number of meetings required to be attended	Whether AGM attended by the Director
1	Dr. Varughese George	13	13	13	Yes
2	Sri. A. Unnikrishnan	13	13	13	Yes
3	Sri. S.P. Singh IFS	13	0	13	No
4	Dr. J. Thomas	13	7	13	No
5	Sri.M.V.Markose	13	5	9	Yes
6	Sri.K.Babu	13	2	4	No
7	Sri.P.K.Mohanan	13	8	13	No
8	Sri.K.S.Anilkumar	13	0	0	No
9	Sri.P.Khalid Master	13	12	13	No
10	Adv.E.R.Santhoshkumar	13	13	13	No
11	Sri.P.Binu	13	4	4	No
12	Sri.A.Nizar	13	9	9	No
13	Shri. V.T. Joseph	13	11	13	No
14	Prof.A.K.Sankaran	13	10	13	No

Note:

Sri. M.V. Markose is a shareholder of the Company wef - 06.04.2013

ANNEXURE - III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Sl.No	Particulars	Remarks
1	CSR policy	The Board approved the CSR policy in the 410th meeting held on 17.Mar.2015 with the commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the focus areas as notified under Section 135 of the Companies Act 2013.
2	Composition of CSR Committee	1. Prof. A K. Sankaran 2. Sri. P. Khalid Master 3. Sri. A. Nizar
3	Average net profit of the company for last three financial years:	Rs. 19,14,89,016.00
4	Prescribed CSR Expenditure (Two percent of the amount as in item 3 above)	Rs. 38,29,780.00
5	Details of CSR spend for the financial year	Total amount spent for the financial Year: Rs. 8,75,589.00 Amount unspent: Rs. 29,54,191.00

The manner in which the amount spent during the financial year is detailed below:

Sl. No.	Activity	Sector	Location	Amount spent on project or program wise (Rs.)	Cumulative expenditure upto reporting period (Rs.)	Amount spent (Rs.)
1	Eraviperoor EACP School - Lunch Programme	Promoting education	Eraviperoor	10,000/-	10,000/-	10,000/-
2	Mega Medical Camp - Koothuparambu	Promoting health care	Koothuparambu	1,00,000/-	1,00,000/-	1,00,000/-
3	Study Equipments Supply	Promoting education	Kottayam	7,500/-	7,500/-	7,500/-
4	Rural Programme Advisory Meet	Socio-economic development	Kottayam	11,155/-	11,155/-	11,155/-
5	Santhisadan - Orphanage	Supporting orphans	Malappuram	20,000/-	20,000/-	20,000/-
6	Kumaranelloor School	Promoting education	Kumaranelloor	10,000/-	10,000/-	10,000/-
7	Donation to Shihab Thangal Relief Cell	Promoting health care	Malappuram	20,000/-	20,000/-	20,000/-
8	Children's Day - Sponsorship	Promoting education	Kottayam	5,000/-	5,000/-	5,000/-
9	Kalady School	Promoting education	Kalady	6,91,934/-	6,91,934/-	6,91,934/-

Sd/-
Chairman

Sd/-
Managing Director

Form No. MGT - 9
EXTRACT OF ANNUAL RETURNS ON THE FINANCIAL YEAR ENDED ON
31.MARCH.2015

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U01119KL1962SGC001997
ii.	Registration Date	12/11/1962
iii.	Name of the Company	THE PLANTATION CORPORATION OF KERALA LIMITED
iv.	Category / Sub-Category of the Company	Company Limited by Shares State Government Company
v.	Address of the Registered office and contact details	THE PLANTATION CORPORATION OF KERALA LIMITED, MUTTAMBALAM PO, KOTTAYAM - 686004 Phone: 0481 - 2578301
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Rubber	013 0129 01291	87%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% Change during the year
	Physical	% of total shares	Physical	% of total shares	
A. Promoter					
1) Indian					
a) Individual/ HUF	-	-	-	-	-
b) Central Govt	-	-	-	-	-
c) State Govt (s)	55,688	100%	55,688	100%	0%
d) Bodies Corp	-	-	-	-	-
e) Banks / FI	-	-	-	-	-
f) Any Other	-	-	-	-	-
Sub-total(A)(1):-	55,688	100%	55,688	100%	0%
2) Foreign					
B. Public Shareholding					
1. Institutions	-	-	-	-	-
2. Non Institutions	-	-	-	-	-
C. Shares held by Custodian for GDRs&ADRs	-	-	-	-	-
GrandTotal(A+B+C)	55,688	100%	55,688	100%	0%

ii. Share holding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in share holding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1.	Gov. of Kerala	55,688	100%	55,688	100%	0%
	Total	55,688	100%	55,688	100%	0%

iii. Change in Promoter's Shareholding

NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid		48,20,960.51		
iii) Interest accrued but not due				
Total(i+ii+iii)		48,20,960.51		
Change in Indebtedness during the financial year				
- Addition				
- Reduction		-		
Net Change		-		
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid		48,20,960.51		
iii) Interest accrued but not due				
Total (i+ii+iii)		48,20,960.51		

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager
		Sri. A. Unnikrishnan
1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary undersection17 (3)Income- tax Act, 1961	9,08,446/- 1,56,000/- -
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as%ofprofit - others,specify...	-
5.	Others, please specify	-
6.	Total(A)	10,64,446/-

B. Remuneration to other directors:

SI. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager
		Dr. Varghese George (Chairman)
1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961 (b)Value of perquisites u/s17 (2) Income-tax Act,1961 (c)Profits in lieu of salary undersection17(3) Income- tax Act, 1961	2,69,664/-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission- as% of profit- others, specify...	-
5.	Others, please specify	-
6.	Total(A)	2,69,664/-

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

SI.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b)Value of perquisites u/s17 (2) Income-taxAct, 1961 (c)Profits in lieu of salary under section17(3) Income-taxAct, 1961		2,55,668/-		
2.	Stock Option		-		
3.	Sweat Equity		-		
4.	Commission- as% of profit-others, specify...		-		
5.	Others, please specify		-		
6.	Total		2,55,668/-		

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

NIL

INDEPENDENT AUDITORS' REPORT

To

Members

The Plantation Corporation Of Kerala Limited

Muttambalam P.O, Kottayam

Report on the Financial Statements

We have audited the accompanying financial statements of The Plantation Corporation Of Kerala Limited ("The company") which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit & Loss for the year then ended and the Cashflow Statements for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the Accounting and Auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on

whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Basis for Qualified Opinion

I. *Loans amounting to Rs.150 lakhs given to Kerala State Horticultural Products Development Corporation Ltd and Rs.25 lakhs given to Kerala State Coconut Development Corporation Ltd under Note No.11(4) are outstanding for a long period. It is further mentioned in the notes to accounts that Kerala State Coconut Development Corporation Ltd is under liquidation. The company has not created any provision for loss against the same. The consequential financial impact is unascertainable since the quantum of recovery possible is unknown, according to the information provided.*

II. *Rs.48.21 lakhs shown under long term borrowing under Note. No: 4 is due to the government of Kerala for estate development being interest accrued and due which is subject to confirmation /adjustment by the concerned government department.*

III. *Balance of each item under Other Current liabilities amounting to Rs.311,297,602.76 under Note.7, Trade Payable amounting to Rs.1,11,99,523.80 under Note.6, Trade Receivables amounting to Rs.69,45,993.11 under Note.13, Long term loans and advances amounting to Rs.6,01,45,857.89 under Note.11 and short term loans and advances amounting to Rs.92,37,98,364.54 under Note No.15, Capital Work in Progress amounting to Rs.3,78,20,065.95 under Note No.9 are subject to confirmation, reconciliation and consequential adjustment if required. We have relied only on the books of accounts maintained and information and explanation furnished by the company. The impact, if any, on the financial statements is not ascertainable.*

IV. *The company has not charged depreciation on development of property on Note.9 for various cultivation Viz. Rs.61.16 Crores for Rubber plantation, Rs.9.68 Crores Cashew plantation, Rs.3.44 Crores For Oil palm plantation and Rs.0.48 Crores for other plantation excluding Dairy Farm. The company should have amortised the development of property on a systematic basis over their useful lives. The amount of such non- provision of depreciation pertaining to the current year and prior years is not furnished, the consequential impact on the financial statement is not ascertainable.*

V. *The company has not recognized impairment of development of property with respect to Vanilla cultivation of Rs.5.23 lakhs in accordance with Accounting Standard 28. As a result we are of the opinion that the profit is overestimated to the extent of Rs.5.23 lakhs and development of property (Note:9) under fixed assets is overstated to that extent.*

VI. *The company has shown subsidy received under the head of "Subsidy from Government" under Note.3 "Reserve & Surplus". The total subsidy from Rubber Board till 31.03.2015 is Rs.150.48 lakhs and against cashew plantation is Rs.333.34 lakhs out of which Rs.16.52 lakhs received in the Financial Years 2013-14 and 2014-15 has been charged off on the basis of utilisation whereas the balances prior*

to 2013-14 has been retained as Subsidy from Government. These government grants related to specific assets should have been deducted from the gross value of the assets in arriving at their book value. Alternatively it could have been credited in the statement of Profit & Loss on a systematic and rational manner over the useful life of assets in proportion in which depreciation on those assets charged. The above method of treatment as prescribed in "Accounting Standard 12 - Accounting for Government Grants" has not been complied by the company. The impact as a result of the departure on the financials statement is not ascertainable in the absence of relevant details.

- VII. As shown in Note.13 to the financial statements, the company has classified sundry debtors amounting to Rs.69.46 lakhs as unsecured considered good. In Absence of records relating to sundry debtors against which provision for doubtful debts is created, we are unable to verify the correctness of the amount shown as provision for doubtful debts of Rs.13.88 lakhs and sundry debtors of Rs. 69.46 lakhs in note No.12. The Impact of the above, if any, on the financial statement is not ascertainable.
- VIII. Since no records are made available to us for verifying the individual breakup or party wise details of many items under "Other Deposits" in Note.11(3) amounting to Rs.35.37 lakhs, "Secured Loan" in Note.11(2) amounting to Rs.268.83 lakhs, "Advance recoverable in cash or kind" in Note.15(1) amounting to Rs.1,304.46 lakhs, we are unable to verify the correctness of the same. The impact of the same, if any on the financial statement is not ascertainable.
- X Though the company has incurred a loss of Rs.12.71 lakhs on account of budding failure in Rubber nursery at Kallala Estate, the same has not been recognized in the statement of Profit & Loss. As such we are of the opinion that profit is overstated and inventories under Note No.12 have been overstated to that extent.
- X The valuation of Nurseries mentioned in Note No.12(viii) amounting to Rs.206.81 lakhs are subject to confirmation/reconciliation. Hence we are unable to quantify the effect, if any on the value of Inventories and the corresponding effects in the Statement of Profit and Loss.
- XI The company has estimated its tax liability for the financial year 2014-15 at 4 Crores and provided same in the Statement of Profit & Loss. Since no records were made available to us for verifying the details of such estimation, we are unable to verify the correctness of the same. The impact of the same, if any on the financials statement is not ascertainable. Further it was noted that, the company has created a provision for Income Tax amounting to Rs.10 Crores for the financial year 2013-14 against which the actual tax liability as per return of income was Rs.4.8 Crores and the excess provision for 2013-14 has been reversed during the year. However the company has not reversed the excess provision created for the years prior to 2013-14. We are unable to quantify the impact of the same, if any on the financials statement.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally

accepted in India, of the state of affairs of the company as at March 31, 2015 and its profit and its cashflows for the year ended on that date **except for the effects stated in Basis for Qualified Opinion.**

Emphasis of Matter

- I Without Qualifying we would like to draw your attention to Note No.28 on Deferred Tax Assets and Liabilities. The company has not created any Deferred Tax Assets/Liability in the books of Accounts. The company has virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Due to lack of information, we are unable to quantify the impact of the financial statements.
- II Without Qualifying, we would like to bring your attention to Note No.38(b) on Contingent Liability. The financial impact on the 273 cases which are pending against the company is not quantifiable and the provision for the same has not been provided in the financial statements.
- III Without Qualifying, we would like to bring your attention to Note No.9 (m), (n) and (o) on the assumptions for the transition provisions on Depreciation on Fixed Assets from Schedule XIV of the Companies Act, 1956 to Schedule II of Companies Act, 2013. Due to lack of information, we are unable to quantify the impact on the financial statements.

Report on other legal and other regulatory requirements

- 1 As required by the Companies (Auditor's Report) Order, 2015('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2 As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit **except for the matters described in the basis for qualified opinion paragraph.**
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statements dealt with by this report are in agreement with the books of accounts;
 - d) In our opinion, the Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statements dealt with by this report comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 **except for the effects stated in Basis for Qualified Opinion Paragraph.**
 - e) In pursuance of the notification No 1/2/2014-CL.V dated 05.06.2015, issued by the Department of Company Affairs relating to sub section (2) of section 164 of the Companies Act, 2013 pertaining to the disqualification of directors is not applicable to the company.

- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The financial impact if any on the 273 cases which are pending against the company is not quantifiable and the provision for the same if any has not been provided in the financial statements.*
 - ii. The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 3 As required by the Directions issued by the Indian Audit and Accounts Department, in terms of sub-section (5) of Section 143 of the Act, we give in the Annexure 2, a statement on the matters specified in the said directions, to the extent applicable.

Cochin
10.09.2015

For JRS & Co
Chartered Accountants
Firm Reg. No. 008085S
Sd/-
Rajesh Ramachandran
Partner
Membership No.206211

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

The Annexure 1 referred to in our Independent Auditor's Report to the members of The Plantation Corporation Of Kerala Limited on the standalone financial statements for the year ended 31.03.2015, we report that:

- (i) In respect of fixed assets
- a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. *However, the quantitative details of the fixed assets acquired upto 31.03.2007 requires reconciliation.*
- b) As per the information and explanations given to us, the fixed assets have been physically verified by the management at reasonable intervals. *However, the reconcilitaion of the physical verification report with the fixed asset register has not been done and hence we are unable to comment on the discrepancies if any.*
- (ii) In respect of inventories
- a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) On the basis of examination of the records of inventory, in our opinion, the company has generally maintained proper records of inventory. No material discrepancies were noticed on physical verification of inventory as compared to the book records.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act , 2013. *However the company has granted loan to Kerala State Coconut Development Corporation Ltd for Rs.25 lakhs and Kerala State Horticultural Products Development Corporation Ltd for Rs.150 lakhs in earlier years which is still outstanding.*
- a) *In respect of loans and advances in the nature of loans given by the company during the prior years to Kerala State Coconut Development Corporation Ltd. (25 lakhs) and Kerala State Horticultural Products Development Corporation Ltd. (150 lakhs), receipt of both the principal amount and the interest was outstanding for a long time. But in the case of Kerala State Horticultural Products Development Corporation Ltd, interest is waived by the Department of Agriculture through a letter No.6571/PU2/13/AD dated 19-07-2013.*
- b) *According to the information provided, the Company has taken reasonable steps for the recovery of the principal and interest, but no material evidence regarding this was made available to us.*
- (iv) In respect of Internal Control
- In our opinion and according to the information given to us, there are adequate internal control system commensurate with the size of the company and nature of business, for the purchase of fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.

- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from public within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) We have broadly reviewed the books of accounts relating to material, labour and other items of cost maintained by the company pursuant to the rules made by the Central Government for maintainance of cost records under Section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however carried out a detailed examination of the same.
- (vii) a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor education and protection fund, Employees' state insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the informations and explanations given to us there were no outstanding statutory dues as on 31st March, 2014 for a period of more than six months from the date they became payable. *However upon verification of the books of accounts, it was observed that an amount of Rs.942,467 was outstanding as Kerala Value Added Tax (Works Contract Tax TDS) payable which is outstanding for more than one year. The details/status of the same could not be verified.*
- b) *The disputed statutory dues that have not been deposited on account of disputed matters pending before appropriate authorities are as under : Central Income Tax of 601.42 lakhs, Agriculture Income Tax of 3,020.25 lakhs and Sales Tax of 624.13 lakhs as given in Note No. 36(A), (B), (C) respectively in the forums where the disputes are pending.*
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and immediately preceding financial year.
- (ix) As per the information and explanations given to us, the company has not availed any loans from banks or financial institutions or through debentures.
- (x) As explained to us, the company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof, are prejudicial to the interest of the company.
- (xi) According to the information and explanations given to us the company has not availed any term loan during the year. Therefore the requirements under clause (xi) of the said order are not applicable to the company.
- (xii) We have placed reliance on the explanations given by the management of the company that during the year no fraud on or by the company that causes the financial statements to be materially mis-stated has been noticed or reported.

For JRS & Co

Chartered Accountants

Firm Reg. No. 008085S

Sd/-

Rajesh Ramachandran

Partner

Membership No.206211

Cochin

10.09.2015

**REPLY TO THE COMMENTS OF STATUTORY AUDITORS ON
THE ACCOUNTS OF THE PLANTATION CORPORATION OF KERALA
LTD. FOR THE YEAR ENDED 31.03.2015**

- I. The loan amounting to Rs. 150 Lakhs and Rs. 25 Lakhs are given to Kerala State Horticultural Products Development Corporation Ltd. and Kerala State Coconut Development Corporation Ltd. as per Government order GO (Rt) No 1546/96/AD dated 1/11/1996 and GO (Rt) No 1828/97/AD dated 1/11/1997 and the same are fully Government owned Public Sector Undertakings. As the payment of principal amount and interest are not regular, it may be noted that the matter was again placed before with the Government as the loan has been paid as per Government direction and the details for the same is shown in Note No. 11(1)& 11(2) forming part of financial statements.
- II. This figure remains in the Balance sheet for the last several years and relates to the penal interest provided for the Government loan granted to Plantation Corporation of Kerala Ltd. The Corporation has fully repaid the principal amount due and interest amounts on Government loan.
- III. The report on the balance of each item under Current Liabilities (Note.7) Trade Payables (Note.6) Trade Receivables (Note No. 13) Long term Loans and Advances-(Note No.11) Short term Loans and advances (Note No. 15) and Capital Work in Progress (Note No. 9)are only a general statement and not specific.
- IV. The treatment of development expenditure for Plantation followed by the Corporation is shown in clause j of Note No. 1 significant accounting policies followed by the Corporation as on 31.03.15. This practice has been consistently followed.
- V. As per clause j of Note No.1, the policy of the company in treatment of development of Plantations is clearly disclosed. The policy is that at the time of disposal of the plantation, the proceeds are treated as profit or loss after setting off the related development expenditure less subsidy, if any, received. Here there is no such disposal of plantation, in the case of vanilla cultivation. Vanilla Cultivation is legally disputed in different Courts including Hon'ble High Court of Kerala. Therefore the writing off of this plantation has not been done during this year.
- VI. The treatment of subsidies is shown in clause k of Note No.1 Significant Accounting policies of Notes forming part of financial statements. The company is following capital accounting method as per AS-12. As the subsidy is not meant for the purpose of procurement of capital asset and moreover the development of property is not depreciable, the subsidy amount is not credited in development of property, but shown as separate head under Reserve & Surplus.
- VII. We are in the process of verification of "advance from customers", Sundry Debtors and other liabilities.
- VIII. For most of the Loans and Advances, individual breakups are available in the registers maintained at various Units.
- IX. The Board has directed to conduct domestic enquiry on this. The same is pending. Hence no adjustment has been made in the accounts.
- X. Majority of the estates have furnished their physical numbers and value of nurseries in a detailed format which matches with the corresponding figures in their accounts. But per unit plant cost does not provide a comparative picture for some units. However we are in the process of reconciling the same.
- XI. Provision for tax liability during the year 2014-15 is provided based on the estimated income. The company has not adjusted the provision of earlier years because the appeal has been preferred for the Assessment Years 2004-05, 2005-06, 2007-08, 2009-10, 2010-11, 2011-12 and 2012-13. So this excess provision may have to be utilized if there is any change in tax liability for those years.

THE PLANTATION CORPORATION OF KERALA LIMITED. KOTTAYAM - 686004
(CIN-U01119KL1962SGC001997)

BALANCE SHEET AS AT 31ST MARCH, 2015

(All amounts in Rupees, unless otherwise mentioned)

Particulars	Note No.	Current Year Rs.	Previous Year Rs.
EQUITY AND LIABILITIES			
I) Shareholder's Funds			
a) Share Capital	2	5,56,88,000.00	5,56,88,000.00
b) Reserves and Surplus	3	1,85,69,80,199.71	1,78,34,30,557.25
II) Non-Current Liabilities			
a) Long-term borrowings	4	48,20,960.51	48,20,960.51
b) Long-term provisions	5	2,31,47,848.00	2,03,87,734.00
III) Current Liabilities			
a) Trade payables	6	1,11,99,523.80	82,96,061.82
b) Other current liabilities	7	31,12,97,602.76	31,76,95,701.17
c) Short-term provisions	8	1,19,31,97,571.07	1,25,08,51,674.07
TOTAL		3,45,63,31,705.85	3,44,11,70,688.82
ASSETS			
IV) Non-current assets			
a) Fixed assets			
i) Tangible assets	9	88,04,13,999.07	85,55,75,095.44
ii) Intangible assets	9	-	3,41,905.90
iii) Capital work-in-progress	9	3,78,20,065.15	84,17,828.95
b) Non-current investments	10	1,50,01,000.00	1,50,01,000.00
c) Long term loans and advances	11	6,01,45,857.89	5,31,04,552.49
V) Current assets			
a) Inventories	12	32,41,34,361.69	24,00,76,131.54
b) Trade receivables	13	55,58,206.20	88,31,693.20
c) Cash and cash equivalents	14	1,14,24,28,596.01	1,31,13,74,148.43
d) Short term loans and advances	15	92,37,98,364.54	77,88,34,768.44
e) Other current assets	16	6,70,31,255.30	16,96,13,564.43
TOTAL		3,45,63,31,705.85	3,44,11,70,688.82

Significant accounting policies & notes on financial statements 1 to 44

For and on behalf of Board of Directors

Sd/-
Dr. Varughese George
Chairman
DIN - 05237018

Sd/-
A. Unnikrishnan
Managing Director
DIN - 06476646

Sd/-
Sreelakumar.S.
G.M. (F&A) i/c

As per our report of even dated attached

Sd/-
Agate Joseph Easow
Company Secretary

Sd/-
JRS & Co.
Chartered Accountants
(FRN : 008085S)

Kottayam
10.09.2015

C.A Rajesh Ramachandran
(Partner)
Membership No. 206211

THE PLANTATION CORPORATION OF KERALA LIMITED. KOTTAYAM - 686004
(CIN-U01119KL1962SGC001997)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015

(All amounts in Rupees, unless otherwise mentioned)

Particulars	Note No.	Current Year Rs.	Previous Year Rs.
I. Revenue from operations	17	73,01,06,233.95	92,38,97,998.45
II. Other Income	18	14,58,64,786.21	12,28,86,031.34
III. Prior Period Income	19	14,91,720.00	1,37,05,480.00
Total Revenue		87,74,62,740.16	1,06,04,89,509.79
IV. Expenses:			
Cost of materials consumed	20	38,38,52,725.19	33,63,32,812.92
Changes in inventories	21	(8,58,29,492.00)	(8,14,27,384.00)
Employee benefit expense	22	31,65,97,935.34	35,62,93,352.82
Depreciation and amortization expense	9	4,73,02,783.29	2,04,96,955.55
Administrative and Other expenses	23	13,29,12,770.86	14,68,21,459.43
Prior Period Expense	24	34,922.00	22,93,740.00
Total Expenses		79,48,71,644.68	78,08,10,936.72
V. Profit before tax		8,25,91,095.48	27,96,78,573.07
VI. Tax expense:			
Current tax		4,00,00,000.00	10,00,00,000.00
Excess provision for Current Tax for the F.Y.2013-14 written back		(5,11,17,193.00)	
Total		(1,11,17,193.00)	10,00,00,000.00
VII. Profit/(Loss) for the period (V-VI)		9,37,08,288.48	17,96,78,573.07
VIII. Earning per equity share:			
Basic and Diluted	30	1,682.74	3,226.52

Significant accounting policies & notes on financial statements 1 to 44

For and on behalf of Board of Directors

Sd/-
Dr. Varughese George
Chairman
DIN - 05237018

Sd/-
A.Unnikrishnan
Managing Director
DIN - 06476646

Sd/-
Sreelakumar.S.
G.M. (F&A) i/c

As per our report of even dated attached

Sd/-
Agate Joseph Easow
Company Secretary

Sd/-
JRS & Co.
Chartered Accountants
(FRN : 008085S)

Kottayam
10.09.2015

C.A Rajesh Ramachandran
(Partner)
Membership No. 206211

THE PLANTATION CORPORATION OF KERALA LIMITED. KOTTAYAM - 686004
(CIN:U01119KL1962SGC001997)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

Particulars	For year ended March 31, 2015 (In Rs.)	For year ended March 31, 2014 (In Rs.)
I Cash flows from operating activities		
Profit before tax and exceptional item	8,25,91,095	27,96,78,573
Non- cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense including amount charged to Reserves	4,73,02,783	2,04,96,956
Dividend on Investments	(9,00,000)	(9,00,000)
Interest on Investments	(13,95,18,390)	(10,83,13,236)
Interest on Loans and Advances	(26,57,301)	(17,62,900)
Profit on sale of Assets	-	(55,000)
Subsidy written back	(14,91,720)	-
Operating profit before working capital changes	(1,46,73,532)	18,91,44,393
Movements in working capital:		
Increase/(decrease) in other liabilities	(63,98,100)	2,66,14,919
Increase/(decrease) in provisions	18,48,402	(13,92,451)
Increase/(decrease) in trade payables	29,03,462	9,81,971
Decrease/(increase) in loans and advances	(9,30,99,239)	(1,52,00,901)
Decrease/(increase) in Inventories	(8,40,58,230)	(9,22,65,867)
Decrease/(increase) in trade receivables	32,73,487	(16,46,596)
Cash generated from/(used in) operations	(19,02,03,750)	10,62,35,469
Direct tax paid (net of refunds)	(10,77,88,470)	(10,85,84,731)
Cashflow before Extra Ordinary Items	(29,79,92,220)	(23,49,262)
Extra Ordinary Items	-	(26,06,25,000)
Net cash flow from/(used in) operating activities (I)	(29,79,92,220)	(26,29,74,262)
II Cash flows from investing activities		
Purchase of fixed assets, including intangible assets, CWIP and	(4,80,72,312)	(2,78,48,590)
Development of Property	(6,85,39,021)	(8,17,39,527)
Proceeds from sale of fixed assets	-	3,09,050
Receipt of Subsidy	-	14,91,720
Dividend on Investment	9,00,000	9,00,000
Interest received on Loans & Advances	26,57,301	17,62,900
Net (Deposits)/ Withdrawals on Fixed Deposits	29,48,84,461	34,70,51,622

Investment in NABARD	(2,30,00,000)	(3,00,00,000)
Interest received on Investments	24,21,00,699	6,33,48,929
Net cash flow from/(used in) investing activities (II)	40,09,31,128	27,52,76,104
III Cash flows from financing activities		
Payment of Dividend	-	-
Dividend Distribution Tax	-	-
Net cash flow from/(used in) financing activities (III)	-	-
Net increase /(decrease) in cash and cash equivalents (I+II+III)	10,29,38,909	1,23,01,841
Cash and cash equivalents at the beginning of the year	4,45,02,012	3,22,00,171
Cash and cash equivalents at the end of the year	14,74,40,921	4,45,02,012
Notes:		
1) Cash and Cash Equivalents include		
- Balances with Scheduled banks in Current Account	2,55,59,691	2,08,55,329
- Balances with Treasury SB Account	5,230	1,46,683
- Balance with fixed deposits with a maturity of less than 3 months	12,18,76,000	2,35,00,000
Cash and bank balances at the end of the year	14,74,40,921	4,45,02,012

For and on behalf of Board of Directors

As per our report of even dated attached

Sd/-
Dr. Varughese George
Chairman
DIN - 05237018

Sd/-
A.Unnikrishnan
Managing Director
DIN - 06476646

Sd/-
Sreelakumar.S.
G.M. (F&A) i/c

Sd/-
Agate Joseph Easow
Company Secretary

Sd/-
JRS & Co.
Chartered Accountants
(FRN : 008085S)

Kottayam
10.09.2015

C.A Rajesh Ramachandran
(Partner)
Membership No. 206211

NOTES FORMING PART OF THE FINANCIAL STATEMENTS 31.03.2015

1. Significant accounting policies

A. Basis of Accounting:

These financial Statements of The Plantation Corporation of Kerala Ltd. (The Corporation) are prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under the historical cost convention on the accrual basis. IGAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted for revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

B. Use of Estimates:

The preparation of the financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liability as at the date of the financial statement, and the reported amounts of revenue and expenses during the reported year. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. Fixed Assets:

The fixed assets are accounted on historical cost basis, which includes purchase price, and all other costs attributable to bringing the assets into its working condition as reduced by accumulated depreciation up to the end of the financial year.

D. Taxes on Income:

This includes taxes under the Central Income Tax Act and the Kerala State Agricultural Income Tax Act and are accounted as per the requirement of the Accounting Standard 22-Accounting for taxes. Tax expense for the year comprises of Current Tax and Deferred Tax. Current Taxes are measured at the amounts expected to be paid using the applicable tax rates and tax laws. Deferred Tax Assets and Deferred Tax Liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. The effect of change in tax on Deferred Tax Assets and Liabilities is recognized in the Profit and Loss account in the year of change. Deferred Tax Assets and Deferred Tax Liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry forwards.

E. Earnings per Share:

The earning considered in ascertaining Corporation's EPS comprises the net profit after tax and prior period adjustments (and includes the post tax effect of any extraordinary items). The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

F. Depreciation:

- i) The Corporation has charged depreciation on the written down value method on the basis of useful life prescribed in Part "C" of Schedule II of The Companies Act 2013.
- ii) Loose Tools, Electronic Equipments, Lab Equipments, Manager's Bungalow equipments and I.B. Equipments are revalued at 10% below its book value and charged to repairs and maintenance.

G. Revenue recognition:

Sales are accounted at the time of preparation of invoices in the case of all products. Interest income is recognized on time proportion basis.

H. Inventories:

- i. Closing stock of finished goods and work-in-progress are valued at lower of costs or net realizable value using weighted average method. Net realizable value of finished goods is selling price less associated selling cost.
- ii. Agricultural produces are valued at market value.
- iii. Serviceable tools and implements and other equipments are valued at cost less depreciation.
- iv. Nurseries comprising of saplings held for planting or sale have been valued at cost.
- v. Stores and spares are valued at cost less provision, if any, for obsolescence.

I. 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 the construction.

J. Development expenditure:

Expenditure incurred for the development of plantation is capitalized and is shown in the Balance Sheet as tangible assets – Development of Property. At the time of disposal of the plantation, the proceeds are treated as profit or loss after setting off the related development expenditure less subsidy, if any, received.

K. Subsidies:

Subsidy received is shown as a separate liability and is disclosed as a separate item under Reserves & Surplus. The obligation to Rubber Board with respect to Subsidy is fulfilled only on disposal of the related property.

L. Investments:

Investments are stated at cost and provision for decline in value, if any, other than temporary, are made wherever necessary. Dividends are from Long Term Investments in shares of companies.

M. Employee Benefits:

(i) Short term Employee Benefits:

Employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

(ii) Post employment benefits (defined benefit Plans)

The employees' gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined as on 31.03.2015, the balance sheet date, based on an independent actuarial valuation by Life Insurance Corporation of India. The valuation is determined using projected unit credit method.

(iii) Post employment benefit (defined contribution plan)

Contribution to the provident fund which is a defined contribution scheme is recognized in the Statement of Profit and Loss in the period in which the contribution is made.

(iv) Long Term Employee Benefits

Long Term employee benefit comprises of compensated absences and other employee incentives. These are measured on actuarial valuation carried out by an independent actuary LIC of India, as on the balance sheet date. Actual liability is recognized in the statement of profit and loss.

(v) Awards and incentives

Awards and incentives such as production based incentive are accounted only after a decision regarding the same is taken by the Board. The Corporation does not follow a policy of providing for such expenses since these matters are purely a policy based decision from time to time.

N. Cash and Cash equivalents (for the purpose of Cash flow Statement):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

O. Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis.

P. Impairment of Assets:

The corporation assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

Q. Provisions and Contingencies:

The Corporation creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2. Share Capital**A. Authorised issued and paid up capital**

Particulars	As on 31 st March 2015		As on 31 st March 2014	
	Numbers	Amount	Numbers	Amount
Authorised				
Equity shares of Rs 1000 each	75,000	7,50,00,000.00	75,000	7,50,00,000.00
Issued, Subscribed and Paid up				
Equity Share Capital				
Equity shares of Rs 1000 each	55,688	5,56,88,000.00	55,688	5,56,88,000.00
Total	55,688	5,56,88,000.00	55,688	5,56,88,000.00

B. Reconciliation of the number of Equity shares and amount outstanding at the beginning and end of the year

Particulars	2014-15		2013-14	
	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
Number of shares outstanding as at the beginning of the year	55,688	5,56,88,000.00	55,688	5,56,88,000.00
Number of shares brought back during the year	-	-	-	-
Number of shares redeemed during the year	-	-	-	-
Number of shares reconverted into equity shares during the year	-	-	-	-
Number of shares outstanding at the end of the year	55,688	5,56,88,000.00	55,688	5,56,88,000.00

C. Of the above shares, 12,182 shares are allotted as fully paid up pursuant to a contract without payments being received in cash. Hon'ble Governor of Kerala holds 55686 shares (99.99%) of the Corporation.

D. Right, preference and restriction attached to shares

The company has only one class of equity shares having face value of Rs. 1000 each. Every share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

3. Reserves and Surplus:

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Capital Reserve		
Balance as at the beginning of the Year	11,97,89,050.90	11,97,89,050.90
Add : Additions made during the Year		
Less : Transferred during the year		
Balance as at the end of the Year	11,97,89,050.90	11,97,89,050.90
2) General Reserve		
Balance as at the beginning of the Year	16,91,54,512.23	15,11,86,654.92
Add : Additions made during the Year		
- Profit & Loss Statement	93,70,828.85	1,79,67,857.31
- Transferred from Rehabilitation Reserve	0.00	0.00
- Transferred from Replanting Reserve	0.00	0.00
Balance as at the end of the Year	17,85,25,341.08	16,91,54,512.23

3) Other Reserves		
Replanting Reserve		
Balance as at the beginning of the Year	11,50,00,000.00	11,50,00,000.00
Add : Additions made during the Year		
Less : Transferred to General Reserve		
Balance as at the end of the Year	11,50,00,000.00	11,50,00,000.00
4) Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as at the beginning of the Year	1,33,12,65,033.62	1,17,28,11,926.86
Add : Profit during the Year	9,37,08,288.48	17,96,78,573.07
Less : Written down value of fixed assets as on 1.4.14 for which useful life was complete as per Schedule II of the Act.	(1,54,09,317.02)	-
Less : Dividend Proposed to be Distributed to the Equity Share holders Rs.50 per share.(Previous year- @ Rs. 50 per share)	(27,84,400.00)	(27,84,400.00)
Less : Tax on Dividend	(4,73,209.00)	(4,73,209.00)
Transfer to General reserve	(93,70,828.85)	(1,79,67,857.31)
Balance as at the end of the Year	1,39,69,35,567.23	1,33,12,65,033.62
5) Subsidy From Government		
i) Subsidy from Rubber Board (Rubber Cultivation)		
Balance as at the beginning of the Year	1,50,48,248.50	1,50,48,248.50
Add : Additions made during the Year		
Less : Adjusted this year		
Balance as at the end of the Year	1,50,48,248.50	1,50,48,248.50
ii) Subsidy from Government of Kerala (Cashew Cultivation)		
Balance as at the beginning of the Year	3,31,73,712.00	3,16,81,992.00
Add : Additions made during the Year	1,61,000.00	14,91,720.00
Less : Transferred to prior period income & Miscellaneous income	16,52,720.00	
Balance as at the end of the Year	3,16,81,992.00	3,31,73,712.00
Balance as at the end of the Year (i)+(ii)	4,67,30,240.50	4,82,21,960.50
Total	1,85,69,80,199.71	1,78,34,30,557.25

- a. The Reserves and Surplus consists of General Reserve, Replanting Reserve, Capital Reserve and capital subsidy from Govt. 10% of net profit after tax is transferred to General Reserve. No amount has been transferred to Replanting, Capital and Rehabilitation reserves during the year.
- b. Replanting Reserve is maintained for meeting the future expenses in connection with replanting activities. Based on estimate made for future replanting program an amount of Rs.11,50,00,000/- is required for this purpose and the same amount has been deposited in the Treasury Account.
- c. The Subsidy from Government includes Capital Subsidy received for Rubber and Cashew Cultivation from Government. The Corporation is contingently liable to the Government for the same in case the plantation is destroyed or is used for any public purpose.
- d. Government subsidy received by the company during the year is Rs. 1, 61,000.00.

4. Long Term Borrowings

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Other Loans and Advances		
(i) Unsecured		
From Govt of Kerala for Estate Development Interest accrued and Due (There is no change in the amount since 31.03.1999)	48,20,960.51	48,20,960.51
Total	48,20,960.51	48,20,960.51

The Corporation had availed a loan from Government of Kerala in 1975. The loan was fully repaid with interest. A rebate for prompt repayment was announced by the Government. The Corporation is continuously following up with the Government to consider the rebate on repayment (Ref:- letter no F&AF/2130 dated 25.07.2014). An adjustment regarding the same in the accounts would be made once we receive a confirmation from the Government.

5. Long Term Provisions

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Provision for Employee Benefit		
(i) Provision for Leave encashment	2,31,47,848.00	2,03,87,734.00
Total	2,31,47,848.00	2,03,87,734.00

6. Trade Payables

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
Trade Payables (*)	1,11,99,523.80	82,96,061.82
Total	1,11,99,523.80	82,96,061.82

*The management has initiated the process of identifying enterprises which have provided goods and services to the Corporation and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Further, in view of the management, the impact of interest, if any that may be payable in accordance with the provisions of the Act is not expected to be material.

7. Other Current Liabilities

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Other Payables		
(i) Statutory Remittances	73,05,502.96	79,14,306.28
(ii) Contractually Reimbursable expenses		
a) Retention Account	66,34,244.50	34,17,397.50
b) With held Contractors	46,38,647.44	47,83,161.44
(iii) Trade / Security Deposit received		
a) EMD	1,29,38,075.17	1,12,06,484.17
b) Security Deposit	2,87,54,117.72	2,66,71,205.72
(iv) Advance from Customers	19,28,300.00	17,22,000.00
(v) Others		
a) Other Liabilities	91,94,400.82	2,05,59,005.04
b) Lease rent Payable	18,99,05,654.82	17,29,70,983.82
c) Labour welfare fund	37,915.35	36,675.35
d) Agricultural Income Tax Due	1,53,54,356.90	1,77,37,151.90
e) Liability for Expenses	1,92,03,323.98	3,57,50,452.91
f) Advance from Contractors	25,69,458.00	13,57,489.00
g) Wages Payable Account	1,28,33,604.60	1,35,69,388.19
Total	31,12,97,602.76	31,76,95,701.17

The balance outstanding in the Labour welfare fund that mainly includes funds credited out of time – barred wages and bonus unclaimed for a period of more than three years. Balance in the same as on 31/03/2015 is Rs 37,915.35 (PY 36,675.35)

8. Short term provisions

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Provision for Employee Benefits		
a) Gratuity 1 (Refer Note No. 26)		
Balance as at the beginning of the Year	65,183.00	46,62,647.00
Current Year Provision	57,88,173.00	3,69,68,953.00
Paid this Year	3,43,49,083.00	4,15,66,417.00
Recoverable from LIC transferred to Advance recoverable other (15 1.i.c)	(2,92,95,073.00)	
Received from LIC	(50,54,010.00)	
Balance as at the end of the Year	58,53,356.00	65,183.00
b) Gratuity 2		
Balance as at the beginning of the Year	0.00	
Current Year Provision		
Paid this Year	25,25,674.00	
Less Mortality and Administrative charges deducted by LIC	51,022.00	
Balance as at the end of the Year	(24,74,652.00)	
c) Bonus	12,61,81,150.00	6,98,00,000.00
d) Leave Encashment		
Balance as at the beginning of the Year	47,15,035.00	19,45,261.00
Add : Current Year Provision	23,49,652.00	47,15,035.00
Less Adjusted this Year	47,15,035.00	19,45,261.00
Balance as at the end of the Year	23,49,652.00	47,15,035.00
e) Provision for Provident Fund (note no. 37)	1,56,10,090.00	1,56,10,090.00
f) Provision for Salary Arrears due to Pay Revision	0.00	5,82,41,000.00

2) Others		
a) Provision for Taxation		
Balance as at the beginning of the Year	71,85,11,900.07	66,48,73,355.07
Add : Current Year Provision	4,00,00,000.00	10,00,00,000.00
Less : Adjusted this Year	10,00,00,000.00	4,63,61,455.00
Balance as at the end of the Year	65,85,11,900.07	71,85,11,900.07
b) Provision for sales Tax	3,91,00,857.00	3,91,00,857.00
c) Provision for Endosulfan victims	34,15,50,000.00	34,15,50,000.00
d) Provision for Proposed Equity Dividend	55,68,800.00	27,84,400.00
e) Provision for Tax on Proposed Dividend	9,46,418.00	4,73,209.00
Total	1,19,31,97,571.07	1,25,08,51,674.07

A provision for bonus for Rs 6.98 crores was made for the year 2013-14. An amount of Rs 7.55 crores was paid to employees out of which 2.18 crores of minimum bonus was charged against provision. Balance is treated as advance to employees (ref 15.1.i.a) since order regarding the same is pending from Government. The company has made a Current year provision for bonus at Rs 7.81 crores.

9. Fixed Assets

a) Development of Property

Item	Opening Balance (Rs.)	Additions (Rs.)	Disposals (Rs.)	Closing Balance (Rs.)
Rubber	54,93,66,774.48	6,22,62,509.66	0.00	61,16,29,284.14
Cashew Plantations	9,38,41,611.33	29,44,993.00	0.00	9,67,86,604.33
Arecanut Plantations	11,98,635.03	0.00	0.00	11,98,635.03
Oil Palm Plantation	3,24,35,049.66	19,38,686.00	0.00	3,43,73,735.66
Teak Plantations	7,60,498.50	0.00	0.00	7,60,498.50
Cocoa Plantation	12,797.00	0.00	0.00	12,797.00
Coconut Plantations	2,59,971.82	-	-	2,59,971.82
Diary Farm Project	12,755.00	12,14,715.00	0.00	12,27,470.00
Eucaliptus & Accasia	6,11,243.64	-	-	6,11,243.64
Vanilla Plantations	5,22,819.00	0.00	0.00	5,22,819.00
Pathimugham Plantation	15,923.00	0.00	0.00	15,923.00
Ramboottan Plantation	0.00	1,72,847.00	0.00	1,72,847.00
Hitech Farm Vadavathoor	0.00	5,270.00	0.00	5,270.00
Total	67,90,38,078.46	6,85,39,020.66	-	74,75,77,099.12
Previous Year	59,73,04,601.04	8,17,39,527.42	6,050.00	67,90,38,078.46

b) The total area of land handed over to the Corporation by the Government of Kerala as on 31-03-2012 is 14,135.27 hectares (P.Y. 14,135.27 Ha.). Certain areas have been subjected to survey.

Details	Mature Area (Ha)	Immature Area (Ha)
Rubber Plantation	5305.94	1000.07
Cashew Plantation	5293.01	725.08
Oil Palm Plantation	704.73	0.00
Total	11,303.68	1725.15

Area under Cultivation : 13,028.83 Ha

Other Crops : 61.90 Ha

Replanting & Slaughter Tapping : 644.28 Ha

Vacant and Rocky : 400.26 Ha

Gross Total : **14,135.27 Ha**

The data mentioned above is for the year 31.03.2012.

Total area of land

- c) Even though the terms and conditions for the transfer of 3714.62 (1503.89 Ha) acres of land in Cheemeni Estate has determined by the Government vide GO (MS) No. 227/2004/RD dated 30.06.2004, the Corporation has requested to reconsider the whole matter and to make a fair and proper arrangement with regard to the land vide letter dated 27.01.2006 with Revenue Department as this property is entrusted to PCK as excess land under the provisions of the Kerala Land Reforms Act. The actual area handed over to the Corporation as per records is only 975 hectares. The Corporation was paying Land Tax for the said property till 2003-04. The whole issue relating to the fixation of lease rent at Rs. 1300 per hectare for the land is under reconsideration of the Government. However pending settlement of the dispute, provision for lease rent of Rs. 1300 per hectare is made for 1378.3556 hectare (excluding 126.55 hectares of land handed over to Prison department) in the accounts for the year-ended 31.03.2006 for the years 2004-05 and 2005-06. Provision for lease rent of Rs. 1,300/-per hectare is made in the accounts from the year 2006-07 onwards. In the current year also we provided lease rent provision for 1378.3556 hectares @ Rs.1300 per hectare.
- d) The 975 hectares in Cheemeni Estate includes 126.55 hectares transferred to the Prison Department as per G.O (MS) No. 95/99/RD dated 18.03.1999. An area of 126.55 Ha in Thuravu II division was transferred and possession is handed over to Prison Department invoking urgency claim subject to the condition that the terms and conditions of transfer will be decided later. The Corporation has claimed an amount of Rs. 582.30 Lakhs from the Prison Department (by production loss and value of timber trees) as compensation. However, no adjustment in this regard has been made in the accounts since the matter is still pending. At the time of final decision in this matter, the amount receivable will be provided in the accounts..
- e) Government has vide order No G.O. (MS)NO.19/2009/ID dated 07-02-09, directed the corporation to hand over 2000 acres of land from Cheemeni Estate for its proposed Thermal Power Project. The Project has not taken off until date. The Corporation is still in possession of the said land and enjoying the benefits of agriculture from the land. No correspondence is received at the Corporation to alienate the land for the above mentioned purpose. No adjustment has been made in the books in this regard.

- f) Government has vide its letter No. 25376/PUI/08/AD dated. 05-01-2009 directed to hand over 100 acres of land from Cheemeni Estate for its proposed IT Park. No Govt. Order is received in this regard. Further the Project has not taken off until date. The Corporation is still in possession of the said land and enjoying the benefits of agriculture from the land. No correspondence is received at the Corporation to alienate the land for the above mentioned purpose. Hence, no adjustment has been made in the books in this regard.
- g) Lease deeds for lands handed over to the Corporation since 1970 are pending execution except for the land handed over for the development of cashew plantations (Rajapuram Estate) under World Bank Scheme. The lease deed relating to Rajapuram Estate expired on September 30, 2012. An application for renewal of the same was filed on September 25, 2012. The matter is now pending with Forest Department.
- h) Government vide its order GO (MS) No. 96/2012/RD dated 05.03.2012 has asked the Corporation to hand over 51 acres of land to Central University from Kasaragod Revenue land. As per the Board decision, Corporation has asked for a compensatory land equivalent to the value of 51 acres of land at Kasaragod. The matter is pending at the Govt. level, no adjustments has been made in the books in this regard.
- i) Government vide its order No. GO (MS)No.77/2011/RD dated 16.02.2011 asked the Corporation to hand over 310 acres of land to Central University from Kasargod revenue land. The transfer formalities were completed during the financial year 2012-13. Corporation has claimed approximately Rs 2 crores as additional compensation vide letter No. SEC/23 dated 30.03.2011. This matter is pending at Government level. Hence no adjustment has been made in the books during the current year.
- j) A machinery damaged completely in PCK Latex Factory in the year 2012-13 with a written down value of Rs. 10,16,735/- has been written off. An insurance claim of Rs 20 lakhs has been made in this regard. On the principle of conservatism, no accounting entry has been made in the books for the claim made by the Corporation.
- k) The WDV of buildings, roads, landing pads and fences is Rs 1155.19 lakhs of which assets worth Rs 1137.38 lakhs are constructed on lease hold land.
- l) In the case of assets, both tangible and intangible, for which the useful life as per Schedule II has been completed as on 1.4.2014 the written down value after retaining 5% scrap value as on the date has been charged to opening balance of Surplus/(deficit) in the statement of profit and loss. (Ref note 3.4). The tax effect on such transfer has not been recognized since the company has not recognized deferred tax assets/liabilities.
- m) As the split up value of each individual asset acquired prior to the financial year 2007-08 was not available with the Corporation, the depreciation working has been done assuming that the each block of assets as on 1.4.2007 of each estate has been considered as a single block of asset and useful life has been determined accordingly.
- n) For assets for which the written down value as on 31.3.2014 is less than 5% scrap value, no adjustment has been made, and the lesser value is retained in the fixed assets schedule.
- o) Plant and Machinery at factories has been considered as continuous process assets and depreciation has been provided on the assumption that they have been continuously put to use from the date of commissioning.

NOTE 9 - PLANT & MACHINERY,ROADS,BUILDING ETC AS ON 31-03-2015

SL.NO	NAME OF ASSET	ORIGINAL COST			DEPRECIATION			NET CARRYING AMOUNT			
		GROSS BLOCK AS ON 31.03.2014	ADDITION DURING THE YEAR	DELETION DURING THE YEAR	GROSS BLOCK AS ON 31.03.2015	UPTO 31.03.2014	FOR THE YEAR	CHARGE TO RESERVE	AS ON 31.03.2015	NET BLOCK AS ON 31.03.2015	NET BLOCK AS ON 31.03.2014
	TANGIBLE ASSETS										
1	Furniture	49,10,776.29	2,79,808.00	-	51,90,584.29	4,166,536.06	3,13,130.22	837.00	44,80,503.28	7,10,081.00	7,44,239.82
2	Office Equipments	45,90,556.65	1,25,216.00	-	47,15,772.65	40,40,575.80	2,13,065.29	81,459.00	43,35,100.09	3,80,672.55	5,49,980.73
3	Electric Appliances	12,47,829.79	29,579.00	-	12,77,408.79	8,75,520.03	1,14,661.00	1,812.00	9,91,993.03	2,85,415.75	3,72,309.76
4	Electrical Installation	1,59,17,008.69	43,058.00	-	1,59,60,066.69	99,39,970.87	17,60,700.39	17,491.00	1,17,18,162.26	42,41,904.42	59,77,037.86
5	Telephone	8,59,828.67	14,981.00	-	8,74,809.67	4,20,947.28	1,70,312.00	52,300.00	6,43,559.28	2,31,250.38	4,38,882.13
6	Survey Instruments	10,517.54	-	-	10,517.54	10,474.13	-	-	10,474.13	43.41	43.41
7	Library	84,795.36	84,795.36	-	84,795.36	79,568.86	-	1,826.00	81,394.85	3,400.50	5,226.51
8	Roads	4,30,88,404.79	40,36,012.00	-	4,71,24,416.79	2,01,16,525.80	85,62,155.69	1,11,75,868.00	3,98,54,549.49	72,69,867.29	2,29,71,878.43
9	Fence /Kayyala	3,61,53,063.21	36,22,070.75	-	3,97,75,133.96	1,52,31,976.84	1,27,30,517.87	22,38,444.00	3,02,00,938.71	95,74,195.25	2,09,21,086.30
10	Electric Fittings	3,37,479.03	7,166.00	-	3,44,645.03	2,80,184.47	16,561.00	388.00	2,97,133.47	47,511.56	57,294.53
11	Plant & Machinery	9,42,07,593.99	63,21,158.00	-	10,05,28,751.99	5,95,14,806.93	1,29,26,141.47	4,66,978.00	7,29,07,926.40	2,76,20,825.59	3,46,92,786.50
12	Buildings	13,20,24,318.39	14,59,235.00	-	13,34,83,553.39	6,04,28,530.93	56,43,202.00	5,82,471.12	6,66,54,204.05	6,68,29,349.33	7,15,95,787.61
13	Vehicles	3,16,82,264.36	-	-	3,16,82,264.36	2,39,96,367.12	27,85,569.99	2,02,556.00	2,69,84,493.11	46,97,771.25	76,85,897.23
14	Water Supply Instn.	1,10,00,878.33	5,161.00	-	1,10,06,039.33	1,01,48,545.02	1,29,858.00	-	1,02,78,403.02	7,27,636.30	8,52,333.16
15	Ammonia Cylinders	5,23,639.00	-	-	5,23,639.00	5,23,622.28	-	-	5,23,622.28	16.72	16.72
16	Wells	8,67,295.95	64,500.00	-	9,31,795.95	2,40,244.15	3,54,923.90	1,55,155.00	7,50,323.05	1,81,472.89	6,27,051.78
17	Landing Pad	1,18,844.25	-	-	1,18,844.25	89,093.35	-	23,809.00	1,12,902.35	5,941.90	29,750.92
18	Jhankar & Boat	1,17,650.00	-	-	1,17,650.00	27,640.38	9,106.00	-	36,746.38	80,903.62	90,009.62
19	Freehold Land	79,61,899.25	-	-	79,61,899.25	-	-	-	-	79,61,899.25	79,61,898.00
20	Computer	56,43,913.20	26,62,131.00	-	83,06,044.20	46,80,407.23	15,72,878.47	66,017.00	63,19,302.70	19,86,741.49	9,63,505.89
21	Development of Property (Refer Note No 9 a.)	67,90,38,078.46	6,85,39,020.66	-	74,75,77,099.12	-	-	-	-	74,75,77,099.12	67,90,38,078.46
	TOTAL	1,07,03,86,635.20	8,72,09,096.41	-	1,15,75,95,731.61	21,48,11,537.59	4,73,02,783.29	1,50,67,411.12	27,71,81,732.00	88,04,13,999.07	85,55,75,095.42
	Previous Year Total	96,29,10,753.15	10,77,29,932.05	2,54,050	1,07,03,86,635.20	19,43,61,471.39	2,04,64,023.43	-	21,48,11,538.84	85,55,75,095.44	76,85,49,281.76
	INTANGIBLE ASSET										
1	Comptner Software	4,68,881.00	-	-	4,68,881.00	1,26,975.10	-	3,41,905.90	4,68,881.00	-	3,41,905.90
	CAPITAL WORK IN PROGRESS										
1	Capital work in progress	84,17,828.95	2,97,99,841.20	3,91,605	3,78,20,065.15	-	4,73,02,783.29	1,54,09,317.02	27,76,50,613.00	91,82,34,064.22	84,17,828.95
	GRAND TOTAL	1,07,92,73,345.15	11,70,02,937.61	3,91,605	1,19,58,84,677.76	21,49,38,512.69	4,73,02,783.29	1,54,09,317.02	27,76,50,613.00	91,82,34,064.22	86,43,34,830.27

10. Non current investments

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Other Investment		
<i>Investment in equity instrument (Fully Paid up)</i>		
a) 10 Equity shares of Rs. 100/- each fully paid up in Banana & Fruit Development Corporation Ltd., Madras	1,000.00	1,000.00
b) 1000 Equity Shares of Rs. 10,000/- each fully paid up in Kerala Feeds Ltd., Kallettumkara, Trichur.	1,00,00,000.00	1,00,00,000.00
c) 5,00,000 Equity shares of Rs. 10/- each fully paid up in Cochin International Airport Ltd., Nedumbassery.	50,00,000.00	50,00,000.00
Total	1,50,01,000.00	1,50,01,000.00

The Government of Kerala vide its order No. GO (MS) 97/12/AD dated 13.4.2012 has accorded sanction to invest Rs 50 Lakhs for the proposed Kannur International Airport project in consideration of the share of the Kannur International Airport Ltd. The above amount has not been remitted till date as there is no further direction regarding the recipient of the same. As such no adjustment has been made in this regard during the current year.

11. Long term loans and advances

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Capital Advances		
i) Unsecured and Considered Good		
a) Advance for Land	11,60,000.00	11,60,000.00
2) Loans and Advances to employees		
i) Secured and Considered Good		
a) Motor Car Loan	1,40,57,084.00	74,01,061.00
b) Motor Cycle Loan	1,28,26,285.10	1,30,78,134.10

3) Deposits		
i) Unsecured and Considered Good		
1. KSEB, Port Trust & other Govt. Dept.	71,08,043.00	67,70,790.00
2. Other Deposits	35,37,349.00	30,66,007.00
3. With Court	16,78,021.00	16,78,021.00
4) Other Loans and Advances		
i) Unsecured and Considered Good		
a) K.S.C.D.C.	25,00,000.00	25,00,000.00
b) K.S.H.D.C.	1,50,00,000.00	1,50,00,000.00
c) Advances recoverable in cash or kind for value to be received.	20,20,870.54	21,92,334.14
d) Rebate receivable on Govt. Loan (Inclusive of Guarantee Commn. Refund due)	2,58,205.25	2,58,205.25
Total	6,01,45,857.89	5,31,04,552.49

1. Loan to Kerala State Horticultural Products Development Corporation Ltd.

In pursuance of the Government order (Rt) No. 1546/96/AD dated 01.11.1996, the Corporation has paid Rs. 1.5 crores to Kerala State Horticultural Products Development Corporation Limited. The K.S.H.P.D.C. has not paid part of the loan or interest due to the Corporation. The Govt. of Kerala has directed to convert the loan and interest into share capital. The Corporation's Board meeting held on 30.10.1999 has accorded sanction to convert the principal amount of loan to share capital and to request the Govt. to pay the interest to the Corporation rather than converting the same into share capital. However, the Govt. of Kerala vide letter no. 3840/PU1/99/AD dated 10.01.2000 did not accept the proposal of the Corporation and has affirmed that the Govt. adheres to the earlier Govt. direction and hence interest of Rs. 27 Lakhs at the rate of 18% has not been provided. The matter was again taken up before the Board of Directors and the board decided to stick on to its earlier decision on 30/10/1999 and the same was informed to the Government and pending at high power committee. Meanwhile Agriculture (PU) Department vide letter No.6 571/PU2/13/AD dated 19-07-2013 directed to waive the interest portion of the above loan.

2. Loan to Kerala State Coconut Development Corporation Ltd.

In pursuance of the Government order (Rt.) No. 1828/97/AD dated 01.11.1997, the Corporation has paid Rs. 25 Lakhs to the Kerala State Coconut Development Corporation Limited during

1997-98. Interest for the current year at the agreed rate of 12% per annum amounts to Rs. 3 Lakhs. (Previous year Rs.3 Lakhs). The K.S.C.D.C. has closed down its operation since April 1998 and is under liquidation. It is expected to realize the amount on disposal of the immovable property of the Corporation. Hence no provision for loss or interest income is made in the accounts.

3. Advance for Land at Plantation Valley

As per the direction from the office of the Divisional Forest Officer, Chalakkudy vide CA4/1270-2000 dated 15-11-2013, we have remitted the Net Present Value of 2 Ha. forest land Rs.11,60,000 to ADHOC CAMPA in CAF Kerala on 23-12-2013. As we have remitted the value of the land, we are eligible for the ownership of 2 HA forest land and we have requested the Divisional Forest Officer, Chalakkudy to transfer the ownership of the forest land to the Corporation vide our letter No. F&A/ 2014/158 dated 03-04-2014 and forwarded a request to the Principal Secretary, Government vide F&A-F 1703 dated 27-06-2014.

4. Others

- a) Motor Vehicle loans to officers and staff are fully secured by hypothecation of vehicles in favour of the Corporation.
- b) Housing loan to staff and officers are fully secured.
- c) Motor Cycle Loan given to staff and employees are also fully secured by hypothecation in favour of the Corporation.
- d) Deposit with Govt. departments, comprises balances with:

Deposit with Govt. departments, comprises balances with:

Details	Current Year (Rs.)	Previous Year (Rs.)
BSNL	500.00	500.00
Cochin Port Trust	3,600.00	3,600.00
Water Authority	18,370.00	18,370.00
Civil Supplies Corporation	10,000.00	10,000.00
Post & Telegraph Department	41,317.00	41,317.00
KSEB and Others	70,34,256.00	66,97,003.00
Total	71,08,043.00	67,70,790.00

12. Inventories

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
i) Stock of Rubber & Rubber in Process	24,30,70,342.00	15,51,63,938.00
ii) Stock of Rubber Wood	21,06,280.00	47,50,702.00
iii) Stock of Cashew Nuts	31,42,518.00	21,47,768.00
iv) Closing Stock - Others	7,68,738.00	14,73,622.00
v) Stores and Spares at cost	4,32,95,090.20	4,79,34,106.49
vi) Loose Tools	97,28,676.81	86,11,206.96
vii) Agricultural and Other Equipments	10,63,492.67	9,20,262.67
viii) Stock of Oil Palm	2,77,644.00	
ix) Nurseries :		
Budwood - Rubber	13,91,198.94	13,34,630.94
Polybag - Rubber	95,24,945.48	1,07,10,120.34
Seedlings - Rubber	53,06,545.38	55,17,550.38
Oil Palm Nursery	30,22,660.00	0.00
Cashew Nursery	12,09,058.21	13,83,025.76
Other Nurseries	2,27,172.00	1,29,198.00
Total	32,41,34,361.69	24,00,76,131.54

13. Trade receivables

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Secured considered good	Nil	Nil
2) Unsecured considered good:		
Exceeding six months	5,96,217.70	5,96,217.70
Others	63,49,775.41	96,23,262.41
	69,45,993.11	1,02,19,480.11
Less : Provision for doubtful Debts	13,87,786.91	13,87,786.91
Total	55,58,206.20	88,31,693.20

Sundry Debtors include Rs 69,45,993.11 (Previous year Rs. 1,02,19,480.11) from companies owned by the Government of Kerala and Government of India details of which are as under:

Oil Palm India Ltd, Kottayam	:	Rs. 63,43,382.41
State Farming Corporation of Kerala Ltd, Punalur	:	Rs. 5,22,127.70
SIDCO	:	Rs. 6,393.00
Handicraft Development Corporation	:	Rs. 74,090.00
Total	:	<u>Rs. 69,45,993.11</u>

14. Cash and cash equivalents

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Cash in hand	0.00	0.00
2) Bank Balances:		
i) With Scheduled Banks		
a) In Current Accounts	2,54,90,730.01	2,07,86,368.43
b) In Fixed Deposits less than 12 months	12,06,76,051.00	3,85,00,000.00
c) In Fixed Deposits more than 12 months	79,22,42,672.00	96,10,42,723.00
ii) With Treasury		
a) SB A/c	5,230.00	1,46,683.00
b) In Fixed Deposits less than 12 months	6,09,44,952.00	14,58,29,413.00
c) In Investment Deposit Scheme	9,00,00,000.00	11,50,00,000.00
iii) With NABARD	5,30,00,000.00	3,00,00,000.00
iv) With Other Banks		
a) Deposit with Banks Estates	68,961.00	68,961.00
Total	1,14,24,28,596.01	1,31,13,74,148.43

Of the above bank deposit, an FD for Rs. 1,38,403 with Canara Bank is kept as bank guarantee towards security deposit to KSEB.

15. Short Term Loans and Advances

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Advances recoverable in cash or kind		
i) Unsecured and considered good		
a) Employees	7,69,48,389.60	1,75,96,004.35
b) Advance to Contractors	1,60,01,743.75	1,70,69,039.75
c) Others	3,74,95,392.86	97,22,548.86
2) Balance with Government Authorities		
i) Unsecured and considered good		
a) Advance payment of taxes:		
1. Sales tax	1,38,04,873.18	1,38,04,873.18
2. Agricultural Income tax	40,16,64,587.00	37,70,37,888.00
3. Central Income tax	30,59,59,333.93	32,70,89,229.93
b) Tax refund due :		
1. Income tax	6,64,27,708.00	1,09,77,333.00
2. Agricultural Income tax	50,82,748.18	50,82,748.18
3. Plantation tax	3,58,200.79	3,99,715.79
3) Others		
i) Unsecured and considered good		
a) Deposit with supplier	55,387.25	55,387.25
Total	92,37,98,364.54	77,88,34,768.44

16. Other current assets

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
Interest Receivable on Fixed Deposit	6,70,31,255.30	16,96,13,564.43
Total	6,70,31,255.30	16,96,13,564.43

17. Revenue from operations.

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Sale of Product	71,94,87,070.45	91,66,96,510.85
2) Sale of Services	87,84,551.00	60,92,659.00
3) Other Operating Revenue	18,34,612.50	11,08,828.60
Total	73,01,06,233.95	92,38,97,998.45
i) Sale of Product comprises		
a) Rubber	63,76,71,799.95	78,52,93,372.85
b) Cashew	3,24,43,410.00	5,00,94,141.00
c) Oil Palm	2,78,46,530.00	3,60,12,615.00
d) Agriculture Produce	74,76,934.50	42,12,452.00
e) Trees and Firewood	55,82,939.00	3,59,96,238.00
f) Processed Rubber wood	45,14,410.00	21,35,108.00
g) Income from Restaurant	39,51,047.00	29,52,584.00
Total	71,94,87,070.45	91,66,96,510.85
ii) Sale of Services comprises		
a) Toll Charges	40,48,551.00	22,98,609.00
b) Rental Income - Plantation Valley	47,36,000.00	37,94,050.00
Total	87,84,551.00	60,92,659.00
iii) Other Non-operating Income		
a) Slaughter Tapping	0.00	25,600.00
b) Tender Forms	7,29,462.50	7,13,300.60
c) Empties and Unserviceable	11,05,150.00	36,9,928.00
Total	1,83,46,12.50	11,08,828.60
Total	73,01,06,233.95	92,38,97,998.45

18. Other income

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
1) Interest Income		
i) From Banks & Treasury	13,95,18,389.52	10,83,13,235.62
ii) From the employees	23,09,338.00	9,69,853.00
iii) Contractors and Customers	3,47,963.35	7,93,046.71
iv) Interest on Income tax refund	0.00	21,54,276.00
2) Other Income		
i) Rent of Building	1,47,252.00	1,47,745.00
ii) Profit on sale of Assets	0.00	55,000.00
iii) Dividend from Long Term Investments	9,00,000.00	9,00,000.00
iv) Miscellaneous Income	26,41,843.34	17,06,391.01
v) Weather Based Crop Insurance	0.00	78,46,484.00
Total	14,58,64,786.21	12,28,86,031.34

19. Prior period income

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
Interest for the year 2012-13	0.00	1,37,05,480.00
Subsidy Cashew Plantation	14,91,720.00	0.00
Total	14,91,720.00	1,37,05,480.00

20. Cost of materials consumed and Direct expenses

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
Purchase Latex	88,372.00	2,33,256.00
Manufacturing Expenses	5,27,80,666.75	4,63,69,573.90
Tapping & Collection - Rubber	20,12,23,633.25	18,37,87,372.28
Collection Charges - Cashew	20,36,141.00	20,66,079.00
Harvesting Expenses - Oil Palm	64,92,782.00	44,42,555.00
Cultivation & Upkeep - Rubber	5,71,22,121.94	5,01,59,323.10

Cultivation & Upkeep - Cashew	3,38,38,805.86	2,75,53,497.59
Cultivation & Upkeep - Oil Palm	1,19,27,215.00	1,05,27,682.00
Cultivation & Upkeep - Other Crops	89,06,619.39	24,96,233.05
Electricity Charges	77,82,012.00	71,63,078.00
Restaurant Expenses Plantation Valley	16,54,356.00	15,34,163.00
Total	38,38,52,725.19	33,63,32,812.92

21. Changes in Inventory

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
Opening Stock - Rubber and Agrl. Products	16,35,36,030.00	8,21,08,646.00
Less : Closing Stock		
Rubber	24,30,70,342.00	15,51,63,938.00
Cashew	31,42,518.00	21,47,768.00
Oil Palm	2,77,644.00	-
Other Agricultural Produces	7,68,738.00	14,73,622.00
Treated Rubber Wood	21,06,280.00	47,50,702.00
Total	(8,58,29,492.00)	(8,14,27,384.00)

22. Employee benefit expense

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
Salaries & Allowances	9,94,79,620.90	13,03,13,446.55
Salaries & Allowances to MD	9,08,446.00	8,50,637.00
Honorarium to Chairman	2,69,664.00	2,25,861.00
TA & Sitting Fee to Directors	8,21,470.00	4,74,861.00
Leave Encashment	1,18,05,029.00	69,02,702.00
Employer's Contribution - PF	4,70,16,227.00	4,71,32,924.00
TA to Staff & Officers	28,22,492.00	22,24,608.35
L I C - Group Gratuity Premium	11,49,120.00	12,31,692.00
Bonus & Production Incentive	7,82,02,000.00	7,25,24,318.00
Welfare Expenses	6,83,33,791.44	5,74,74,586.92
Provision for Gratuity	57,90,075.00	3,69,37,716.00
Total	31,65,97,935.34	35,62,93,352.82

23. Administrative and other expense

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
Rep. & Maintenance of Assets	5,21,34,591.33	5,43,45,660.77
Insurance Charges	10,32,586.00	13,31,769.00
Weather Based Crop Insurance	13,36,610.00	51,60,360.00
Selling Expenses	1,22,915.00	1,81,861.00
Rent	12,31,557.30	10,91,904.00
Advertisement Charges	77,13,902.00	98,69,185.00
CSR Expenditure	8,75,589.00	-
Rates & Taxes	26,92,988.00	20,99,751.00
Commission and Rebate	31,38,673.70	30,71,725.00
Legal Expenses	6,52,472.00	6,19,071.00
Security Expenses	1,07,56,970.00	1,09,90,250.00
Professional Fees	6,15,249.00	7,51,239.00
Miscellaneous Expenses	1,10,64,710.47	99,77,518.60
Electricity Charges	2,24,18,866.00	2,35,11,409.00
Lease Rent	1,69,34,671.00	1,72,33,453.00
Bank Charges	1,52,400.06	1,55,237.06
Interest paid to Income tax	38,020.00	64,31,066.00
Total	13,29,12,770.86	14,68,21,459.43

CSR Expenditure

(a) Gross amount required to be spent by the company during the year:- Rs 38.30 Lakhs

(b) Amount spent during the year on:

		In cash (Rs.)	Yet to be paid in cash	Total (Rs.)
i	Construction/acquisition of any asset	-	-	-
ii	On purposes other than (i) above	8,75,589	-	8,75,589

24. Prior period expense

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
Interim relief arrear of employees	0.00	68,355.00
Sale of Trees in Replanting area	0.00	4,70,469.00
Advertisement charges	0.00	16,717.00
Golden Jubilee Celebration Expenses	34,922.00	10,41,747.00
Labour Welfare Expenses	0.00	6,96,452.00
Total	34,922.00	22,93,740.00

25. Disclosure as per AS 29

Disclosure for each class of provision

Particulars	Gratuity (Rs.)	Bonus (Rs.)	Leave Encashment (Rs.)
Opening Balance	65,183.00	6,98,00,000.00	2,51,02,769.00
Additions during the year	57,88,173.00	7,81,60,000.00	1,17,64,517.00
Utilization during the period	3,43,49,083.00	2,17,78,850.00	1,13,69,786.00
Received from LIC	50,54,010.00		
Recoverable from LIC	(2,92,95,073.00)		
Closing balance	58,53,356.00	12,61,81,150.00	2,54,97,500.00

A new fund called New Group Gratuity Cash Accumulation Plan with Life Insurance Corporation of India, Pension & Group Scheme Department has been established by the Corporation for the purpose of providing gratuity benefits to the employees appointed after 01-04-2014 in the Corporation, contributing an initial amount of Rs. 25,25,674.00 in the year 2014-15 and out of which admin charges & mortality charges along with service tax and their cess reduced by the LIC for a total amount of Rs. 51,021.43 and the fund balance as on 31.03.2015 is Rs.24,74,652.57.

26. Disclosure as per AS 15

A fund called Employees Group Gratuity cum Life Assurance Scheme with Life Insurance Corporation of India, Pension & Group Scheme Department has been established by the Corporation for the purpose of providing gratuity benefits to the employees of the Corporation. All the transactions related to the Gratuity Fund invested in LIC's Group Gratuity Scheme are managed by a trust which is also responsible for maintaining separate books of accounts in respect of the above. The accounts for the same are audited by independent auditors. The Group Gratuity liability has been provided as per the actuarial valuation given by LIC, Pension & Group Scheme. The valuation method used is 'Project Unit Credit Method'. The assumptions and details of gratuity and leave encashment are as follows:

Defined Benefit Plan

Gratuity Report Under AS - 15 (Revised 2005) for the year ended 31.03.2015.

1	Assumption	As on 31.03.2015	As on 31.03.2014
	Discount rate	8.00%	8.00%
	Salary Escalation	18.00%	15.00%
2	Table Showing changes in present value of obligation as on 31.03.2015		
	Present value of obligations as at beginning of year	54,54,47,269	50,29,47,816
	Interest cost	4,36,35,782	4,02,35,825
	Current Service Cost	3,22,03,716	3,33,69,185
	Benefits Paid	(68,21,396)	(15,63,671)
	Actuarial (gain) / loss on obligations	(2,06,65,371)	(2,95,41,886)
	Present value of obligations as at end of year	59,38,00,000	54,54,47,269
3	Table Showing changes in the fair value of plan assets as on 31.03.2015		
	Fair value of plan asset at beginning of year	54,53,82,086	49,82,85,169
	Expected return on plan asset	4,93,84,052	43,99,85,88
	Contributions	1,902	46,62,000
	Benefits Paid	(68,21,396)	(15,63,671)
	Actuarial (gain) / loss on plan assets	Nil	Nil
	Fair value of plan asset at the end of the year	58,79,46,644	54,53,82,086
4	Table Showing fair value of plan assets		
	Fair value of plan asset at beginning of year	54,53,82,086	49,82,85,169
	Actual return on plan assets	4,93,84,052	4,39,98,588
	Contributions	1,902	46,62,000
	Benefits Paid	(68,21,396)	(15,63,671)
	Fair value of plan assets at the end of the year	58,79,46,644	54,53,82,086
	Funded status	58,53,356	(65,183)
	Excess of actual over estimated return on plan assets	Nil	Nil
	(Actual rate of return = Estimated rate of return as ARD falls on 31 st March)		

5	Actuarial gain/ loss recognized as on 31/03/2015		
	Actuarial(gain)/ loss on obligations	2,06,65,371	2,95,41,886
	Actuarial gain/ loss for the year - plan assets	Nil	Nil
	Total (gain)/ loss for the year	(2,06,65,371)	(2,95,41,886)
	Actuarial (gain) /loss recognised in the year	(2,06,65,371)	(2,95,41,886)
6	The amount to be recognized in the balance sheet and statement of profit and loss		
	Present value of obligations as at the end of year	59,38,00,000	54,54,47,269
	Fair value of plan assets at the end of the year	58,79,46,644	54,53,82,086
	Funded status	(58,53,356)	(65,183)
	Net asset/ (liability) recognised in the balance sheet	(58,53,356)	(65,183)
7	Expense recognised in statement of Profit and Loss		
	Current Service Cost	3,22,03,716	3,33,69,185
	Interest cost	4,36,35,782	4,02,35,825
	Expected return on plan asset	(4,93,84,052)	(4,39,98,588)
	Net Actuarial (gain) /loss recognised in the year	(2,06,65,371)	(29,541,886)
	Expense/(Income) recognised in statement of Profit and Loss	57,90,075	64,536

Group Leave Encashment Scheme of Employees

		Current year	Previous year
1	Proposal No/Quot.No :	2871/1	2655/1
	Date of Commencement :	01/04/2015	01/04/2014
2	Membership Data		
	No. of Members :	365	342
	Average age :	45	46
	Average Monthly Salary :	24,065	24,927
3	VALUATION METHOD :	Projected unit credit method	
4	ACTUARIALASSUMPTIONS		
	Mortality Rate :	LIC(1994-96) ultimate	
	Withdrawal Rate :	1% to 3% depending on age	

	Discount rate	:	8% p.a	
	Salary Escalation	:	7%	
5	RESULTS OF VALUATION			
	a. PV PSG	:	17960127	21587768
	b. Short term Liability (With in 1 Year)	:	2349652	
	c. Current Service Cost		5159770	3187846
	d. LCSA	:	3650000	59850000
	e. LC Premium	:	24518	291167
	f. Service Tax @12.36%	:	3433	35988
6	RECOMMENDED CONTRIBUTION RATE			
	a. Initial Contribution	:	2,03,09,779	2,15,87,768
	b. Additional Contribution for existing fund	:	0	0
	c. Current Service Cost	:	51,59,770	31,87,846
7	Total Amount Payable (Rs) (6.a +6.c + 5.d + 5.e)		2,54,97,500	2,51,02,769

27. Segment reporting as per AS 17

The primary business activity of the Corporation is to produce, sell and deal in products of rubber and other agricultural crops of every description. The Corporation has two other business interests, which are not directly related to the production and sale of agricultural crops viz. Plantation Valley (a resort) and Rubber Wood Factory (processing of rubber wood). The agriculture segment deals in production and sale of agricultural crops. Plantation Valley is a resort which provides accommodation and restaurant facilities to customers. Rubber Wood Factory deals with processing and sale of rubber woods. Each segment maintains separate books of accounts. Accounting policies of each segment are in line with the accounting policies of the Corporation. Financial information about business segments is presented in the table below.

(Rs. in Lakhs)

Particulars	Agriculture Business		Plantation Valley		Rubber Wood Factory		Total	
	Curr.Yr.	Prev.Yr.	Curr.Yr.	Prev.Yr.	Curr.Yr.	Prev.Yr.	Curr.Yr.	Prev.Yr.
Segment Revenue	7162.78	9244.78	86.89	67.47	51.40	24.29	7301.06	9336.54
Segment Results	660.28	3035.38	6.42	0.34	15.12	-16.13	681.82	3019.58
Depreciation	462.30	197.14	9.45	7.14	1.28	0.69	473.03	204.97
Unallocated H.O Expenses / Income								
Dividend & Interest Income							1458.65	1131.30
Prior Period Income							14.92	137.05
Prior Period Expenses							0.35	22.94
Unallocated H.O Expenses							1329.13	1468.21
Current Tax							-111.17	1000.00
Net Profit / (Loss)	915.54	1812.58	6.42	0.34	15.12	-16.13	937.08	1796.79
Other Informations								
Tangible Assets	8691.12	8437.35	108.73	113.25	4.29	5.15	8804.14	8555.75
Other Assets	25625.85	25836.48	125.20	13.79	8.12	5.68	25759.18	25855.96
Liabilities	15431.71	16016.07	1.47	0.75	3.45	3.70	15436.64	16020.52

28. Deferred tax assets and liabilities

Even though the company has achieved a profit of Rs.9.37 crores (P.Y 17.97 Crores) during the current year, the Corporation has not recognized the corresponding deferred tax liability/deferred tax assets, because the DTA relating to the accumulated loss of the previous years was not recognized during the earlier period as the assessment for AIT from 1976-77 are not yet completed. Depreciation as per IT Act has been taken only for Rubber Estates and Factories as only the Cenex Profit comes under the purview of Income Tax.

29. Claim for endosulphan victims

The Government of Kerala vide order no. GO (MS) 147/12/H&FW dated 26.05.2012 has directed the Corporation to pay compensation to endosulphan victims as recommended by the National Human Rights Commission. The total amount computed as per a further letter no 50073/GI/2010/H&FW dated 31.05.2012 is Rs 87.26 crores. As first installment, an amount of Rs 27.04 crores was remitted to the Government on 04.06.2012. As such the liability for an amount of Rs 27.04 crores is recognized as on 31.03.2012. Balance Rs 60.22 crores has been made as provision for Endosulfan victims during the year 2012-13. Out of this an amount of Rs. 26.06 crores was remitted to the Government on 20.02.2014

30. Disclosure as per AS-20- Earnings per Share-(EPS)

Particulars	2014-15	2013-14
(a) Net Profit after tax (Rs. in Lakhs)	937.08	1,796.79
(b) Profit attributable to equity shareholders (Rs. in Lakhs)	937.08	1,796.79
(c) Weighted average number of Equity shares	55,688.00	55,688.00
(d) Basic/ Diluted EPS (a)/(d)	1,682.74	3,226.52
(e) Basic/ Diluted EPS (c)/(d)	1,682.74	3,226.52
(f) Face Value of Equity share	1,000.00	1,000.00

31. Disclosure of Prior period items (AS-5).

	Expense	Income
Subsidy Cashew Plantation	0.00	14,91,720.00
Golden Jubilee Celebration Expenses	34,922.00	0.00
Total	34,922.00	14,91,720.00

32. Related party disclosure (AS-18)

Remuneration to Key Managerial Personnel

Related Party :- Managing Director

Particulars	2014-15	2013-14
Name of Related Party	Sri. A Unnikrishnan	Sri. A Unnikrishnan
Period of service	1/4/14 - 31/3/15	1/4/13 - 31/3/14
Rendering of services	9,08,446.00	8,50,637.00

The Managing Director is also provided with a rent free furnished residential accommodation by taking a flat on rent by the Corporation. The perquisite enjoyed in this regard during the year is Rs 1,56,000/- to Sri. A Unnikrishnan (P.Y Rs 1,34,000/-).

33. Managerial remuneration

Particulars	Current Year (Rs)	Previous Year (Rs)
TA & Sitting fee to Directors	8,21,470.00	4,74,861.00
Honorarium to Chairman	2,69,664.00	2,25,861.00

34. Auditor's remuneration

Particulars	Current Year Rs	Previous Year Rs
Statutory Auditor's fee	2,20,590.00	2,17,417.00
Expenses to Statutory Auditors	30,000.00	28,090.00
Internal Auditor's Fee	3,76,200.00	3,70,788.00
Tax Audit fee	45,600.00	44,944.00
Cost Auditor's fee	-	85,000.00
Expenses to Cost Auditors	-	5,000.00
VAT Audit	27,360	-
Total	6,99,750.00	7,51,239.00

35. Additional information as per Schedule VI of the Companies Act

a) Value of goods consumed during the year

Particulars	Current Year		Previous Year	
	Value (Rs. lakhs)	Consumption	Value (Rs. lakhs)	Consumption
a) CIF Value of Imports - Capital Goods	Nil		Nil	
b) Value of raw materials, stores, spares and components during the year.				
i). Imported value	Nil	Nil	Nil	Nil
ii). Indigenous (Stores & spares)	831.38	100%	810.86	100%

- b) Total wages paid during the year to tappers, field worker and factory workers are Rs 2691.91 lakhs (PY: Rs 2,197.09 lakhs)
- c) Total Sales commission paid during the year to selling agents is Rs. 31.39 lakhs (PY: Rs 30.72 lakhs)
- d) Manufacturing expense include cost of packing drums worth Rs. 215.59 lakhs (PY: Rs. 116.18 lakhs).

e) Sales

Item	Current Year		Previous Year	
	Quantity (M.Ts.)	Value (Rs. Lakhs)	Quantity (M.Ts.)	Value (Rs. Lakhs)
Sale of goods (As classified in the sales register)				
Rubber	4174.262	6376.72	4164.077	7852.93
Cashew	NA	334.35	NA	500.94
Oil palm	4319.905	278.47	5147.390	360.13
Treated Rubber Wood	6417.10 cft	45.14	2972.133 cft	21.35

Quantitative particulars of cashew are not available as most of the sales were affected through tender - cum - auction.

f) There is no earning and expenditure in foreign currency during the year as well previous year.

36. Taxation Matters

A) Central Income Tax

The assessment order of CIT has been received up to the financial year 2011-12 (AY 2012-13). However for the financial year 2004-05(AY2005-06) and 2006-07(AY 2007-08) notice u/s 154 for rectification have been received from the Dy Commissioner and for the financial year 2008-09(AY 2009-10) notice has been received for re opening the assessment. For the current year Rs. 4 Crores has been provided for Central Income Tax. The following is the list of Central Income Tax cases pending at various forums. No additional provision has been made for these cases as all are pending litigation and the Corporation is pursuing cases for favorable orders but for the financial year2009-10(AY2010-11) we have remitted Rs 87.27 lakhs.

Nature of Statute	Amt (in lakhs)	financial year	Forum where dispute is pending
Central Income tax	4.01	1987-88(AY 1988-89)	Hon'ble High Court order pending for modification
Central Income tax	1.19	1989-90(AY 1990-91)	CIT (A) order pending for modification
Central Income tax	16.87	2003-04(AY 2004-05)	CIT Appeal
Central Income tax	12.25	2004-05(AY 2005-06)	CIT Appeal
Central Income tax	76.57	2006-07(AY 2007-08)	CIT Appeal
Central Income tax	35.30	2008-09(AY 2009-10)	DCIT
Central Income tax	87.84	2009-10(AY 2010-11)	CIT Appeal
Central Income tax	479.26	2010-11(AY 2011-12)	CIT Appeal

B) Agricultural Income Tax

The assessment order of Agricultural Income Tax was received up to Financial Year 2011-12 (AY 2012-13). Assessment was completed by raising a demand of 1.32 crores. We have filed an appeal before the DC (Appeals). We have paid amount of Rs 46.27 lakhs (35% of the demand) to obtain a stay on the above demand of 1.32 crores. The case is pending with DC (Appeal).

We have remitted Rs.2606.25 lakhs for Endosulphan Victims and claimed the same as expenditure and including the carried forward losses from the previous year, the Agriculture Income computed is a loss as such no provision has been made for the current year under Agricultural Income Tax.

The following is the list of Agricultural Income Tax cases pending at various forums. No additional provision has been made for these cases as all are pending litigations and the Corporation is pursuing cases for favorable orders.

Nature of Statute	Amt (in lakhs)	financial year	Forum where dispute is pending
Agricultural Income Tax	39.93	1976-1977	Tribunal orders pending for modification for all the years except for the year 1983-84. Modified order for the year 1983-84 was received on 07.11.2012.
Agricultural Income Tax	8.96	1977-1978	
Agricultural Income Tax	81.64	1978-1979	
Agricultural Income Tax	84.85	1979-1980	
Agricultural Income Tax	137.54	1980-1981	
Agricultural Income Tax	131.29	1981-1982	
Agricultural Income Tax	55.63	1982-1983	
Agricultural Income Tax	158.41	1984-1985	
Agricultural Income Tax	187.50	1985-1986	
Agricultural Income Tax	38.09	1986-1987	
Agricultural Income Tax	131.35	1987-1988	
Agricultural Income Tax	62.86	1989-1990	
Agricultural Income Tax	144.21	1990-1991	
Agricultural Income Tax	124.10	1994-1995	
Agricultural Income Tax	200.99	1995-1996	
Agricultural Income Tax	65.40	2004-2005	D.C (Appeals)
Agricultural Income Tax	92.65	2005-2006	D.C (Appeals)
Agricultural Income Tax	57.27	2007-2008	D.C (Appeals)
Agricultural Income Tax	88.11	2008-2009	D.C (Appeals)
Agricultural Income Tax	184.55	2009-2010	D.C (Appeals)
Agricultural Income Tax	730.81	2010-2011	D.C (Appeals)
Agricultural Income Tax	132.19	2011-2012	D.C (Appeals)

C) Sales Tax (KGST/KVAT/CST)

KGST assessments and CST assessments were completed only up-to 2009-10 except for the year 2008-09. No provision has been made on the additional demand since the assessment orders are under appeal. A demand of Rs. 2,97,94,209/- has been raised against the Corporation in respect of KGST assessment and Rs. 68,69,645 has been raised in respect of CST assessment for 1998-99 to 2004-05. In the Financial Year 2009-10 Rs 4 Crores has been provided for the same. A further demand for Rs 14.96 lakhs was raised for the year 2005-06 and the matter is under appeal. Since there is, enough provision in the accounts no further provision is created for these demands. Follow up action is being taken in all cases. The details are furnished below.

Name of the statute	Name of the dues	Amount (Rs. in Lakhs)	Period to which the amount relates	The forum where dispute is pending
Kerala General Sales Tax Act, 1963	Tax demanded in appeal	74.71	2001-02	Tribunal order pending for modification
Kerala General Sales Tax Act, 1963	Tax demanded in appeal	158.89	2002-03	Remanded to DC (A)
Kerala General Sales Tax Act, 1963	Tax demanded in appeal	8.79	2003-04	Tribunal order pending for modification
Kerala General Sales Tax Act, 1963	Tax demanded in appeal	55.55	2004-05	Tribunal order pending for modification
CST Act , 1956	Tax demanded in appeal	27.15	2002-03	Tribunal order pending for modification
CST Act , 1956	Tax demanded in appeal	35.06	2003-04	Tribunal order pending for modification
CST Act , 1956	Tax demanded in appeal	6.49	2004-05	Tribunal order pending for modification
KVAT	Tax demanded in appeal	14.96	2005-06	Remanded by DC(Appeals)
CST Act , 1956	Tax demanded in appeal	3.85	2006-07	Remanded by DC (Appeals)
KVAT & CST Act 1956	NIL	NIL	2007-08	Completed
KVAT & CST Act 1956	NIL	NIL	2008-09	Completed
KVAT & CST Act 1956	Tax demanded in appeal	12.18(KVAT)	2009-10	CST not completed. KVAT remanded by DC (Appeals)
KVAT & CST Act 1956	Tax demanded in appeal	185.09(KVAT)	2010-11	CST not completed. KVAT remanded by DC (Appeals)
KVAT & CST Act 1956	Tax demanded in appeal	41.41(KVAT)	2011-12	CST not completed. KVAT remanded by DC (Appeals)
KVAT & CST Act 1956			2012-13	Not completed
KVAT & CST Act 1956			2013-14	Not completed

Based on the information of the Act and various pronouncement in relation to similar matters, the company is of the view that these demands are likely to be deleted or it may be substantially reduced.

D) Plantation Tax

The Plantation Tax Assessments up to 2007-08 has been completed. On the basis of the latest Assessment Order No.B5-5072/81 dated 21-02-2012, necessary adjustments and payments have been made during the current year. The Net refundable Plantation Tax after the above adjustments amounts to Rs. 3, 58,200.79/-. (Previous year tax refundable was Rs. 3, 99,715.79/-.)

E) Based on the interpretation of the Act and various pronouncements in relation to the similar matters company is of the view that these demands are likely to be deleted or it may be substantially reduced.

37. PF and Other charges

Corporation has a disputed liability on account of Provident Fund due to non-payment of wages/salary to workers and employees. A provision amounting to Rs 1,56,10,090.00 was created by the Corporation against the said liability. Since the dispute is pending with appropriate forum, no further provision was created with regard to this. Payment has not been made due to non receipt of appropriate modified order/ demand.

38. Contingent liability

- a) Estimated amount of contractors for which the Corporation is contingently liable on Capital Account is Rs.1.5 crores (P.Y Rs1.5 crores)
- b) 273 cases (Previous year 215 cases) are pending against the Corporation for which amounts are not ascertainable, as claims of the parties have not been finalized. As such they are not acknowledged as creditors and have not been provided for.

39. Lease Rent

The rate of lease rent as per G.O. (MS) No. 11/89 dated 20/01/1989 is Rs. 1,300/- per Ha. payable to Forest Department with effect from 18-12-1987. In view of the repeated representations made by the Corporation, the Government has ordered (vide letter L32/62939/95 dated 22-02-1997) to accept remittance from the Corporation at Rs. 475/- per hectare per annum w.e.f. 01.01.1981 on a purely provisional basis. Corporation is providing in its books of accounts lease rent at Rs. 1,300/- per Ha. And payment was made at Rs. 475/- per Ha. till 1998-99. Payment of Rs. 475/- per Ha from 1999-2000 onwards has not been made due to paucity of funds. The Forest Department has claimed penal interest of Rs. 848.19 Lakhs for not remitting lease rent at the increased rate. The lease rent claimed by the Government is against the relevant provisions of the lease deed. Since the rate of lease rent remaining to be settled is appealable, the question of penal interest does not arise at present. As such this has not been provided since the final decision has not been taken by the Government. The Government also vide G.O.(MS) No. 21/2003/AD dated 27-01-2003 has deferred the payment of lease rent by the Corporation till completion of repayment of the entire loan and interest availed by the Corporation from Canara Bank. There has been a decision to fix the lease rent payable by the Corporation up to the end of 1991 at Rs. 475/- per Ha. No adjustment has

been made in the accounts in respect of excess provision, if any, up to the end of 1991 as the final decision is pending with the Government. As per G.O. (MS) No. 128/U8/AD dated 07/08/2008 the Government has directed to remit Rs 7 Crores as lease rent and the Corporation has remitted Rs 5 Crores in the Financial Year 2009-10 and the balance Rs. 2 Crores during the year 2010-11. The issue was again discussed at a high level meeting of Minister concerned on 19.03.2012. Another meeting in the presence of Hon'ble Chief Minister was convened on 28.05.2013 and the matter is pending at Govt. level.

It was decided in the High Level meeting held on 06.12.2006 to pay lease rent for cashew plantations @ 150/- per h.a. from 1999 onwards. It was also decided in the meeting convened by Hon'ble Chief Minister on 28.05.2013 to pay lease rent for rubber plantations @ 1300/- per h.a. from 2009 onwards. But no Government Orders are received. Meanwhile, the Corporation has already paid the lease rent at the above rates for the FY 2014-15.

40. Oil Palm India Ltd.

The Government of Kerala sanctioned the following amounts to the Corporation for investment in the shares of Oil Palm India Ltd. (Formerly subsidiary of Corporation) as detailed below:

G.O. (MS) No. 361/99 dt 28.12.1977	56,00,000/-
G.O. (MS) No. 75/78 dt 13.03.1978	46,00,000/-
G.O. (MS) No. 407/80 dt 11.02.1980	10,00,000/-
Total	1,12,00,000/-

Out of this Rs. 112 Lakhs, the Corporation has repaid to Govt. of Kerala Rs. 17,33,338/- As per Govt. order G.O. (MS) No. 238/93 AD dated 04.08.1983 and G.O. (MS) No. 41/84 AD dated 02.02.1984, the subsidiary status of Oil Palm India Ltd. was terminated and the three loans amounting to Rs. 112 Lakhs were cancelled.

With the loan amount, the Corporation has invested in shares worth Rs. 121.20 Lakhs in Oil Palm India Ltd. For the termination of subsidiary status of Oil Palm Ltd., as per Government orders referred above, the Govt. has fixed the intrinsic value of each share worth Rs. 1,000/- at Rs. 512/- per share [GO (MS) No. 294/85/AD dated 04.11.1985]. The Government has also ordered to adjust against the loan. As such an amount of Rs. 62,05,440/- has been adjusted against the loan. The balance amount of Rs. 32,16,222/- outstanding in the books of the Corporation towards the loan was transferred to Capital Reserve Account during financial year 1996-97.

During 1999-2000, the Corporation was directed to repay an amount of Rs. 62,75,140/- [Principal: Rs. 32,61,222/-, interest: Rs. 28,67,382/- and penal interest: Rs. 1,46,536/-] vide GO (MS) No. 238/99/AD dated 19.08.1999 and letter No. L II (I) 5099/84 dated 24.11.1999 from the Director of Agriculture. The Govt. of Kerala vide GO (MS) No.34/2002/AD dated 15.03.2002 has ordered that the amount of Rs. 62,75,140/- be converted in to Share capital and has directed the Managing Director to issue Share Certificate for the said amount to the Government. However, no provision is made in the accounts for the same as the matter is still under correspondence with Government.

41. Change in accounting estimates

Consequent to section 123 and Schedule II of the Companies Act 2013 becoming applicable with effect from 1.04.2014 depreciation for the year ended 31.03.2015 has been provided on the basis of the useful lives as prescribe in Schedule II of the Act.

As a result of such changes the current year profits has decreased by Rs 2,79,85,218/- Details given below

Sl.No.	Name of the Asset	Depreciation as per Schedule XIV		Current year profit increased/ (decreased) by
		Rate	Revised rate	
1	Furniture	2,12,541	3,13,130	-100,589
2	Office Equipments	1,16,998	2,13,065	-96,067
3	Electric Appliances	88,283	1,14,661	-26,378
4	Electrical Installation	8,40,736	17,60,700	-919,964
5	Telephone	66,983	1,70,312	-103,329
6	Survey Instruments	7	-	7
7	Library	523	-	523
8	Roads	12,69,726	85,62,156	-72,92,430
9	Fence / Kayyala	22,30,445	1,27,30,518	-1,05,00,073
10	Electric Fittings	18,625	16,561	2,064
11	Plant & Machinery	71,41,152	1,29,26,141	-57,84,990
12	Buildings	39,82,946	56,43,202	-16,60,256
13	Vehicles	19,89,879	27,85,570	-7,95,691
14	Water Supply Instrn.	2,56,737	1,29,858	1,26,879
15	Ammonia Cylinders	7	-	7
16	Wells	31,361	3,54,924	-3,23,562
17	Landing Pad	1,488	-	1,488
18	Jhankar & Boat	9,001	9,106	-105
19	Computer	10,60,129	15,72,878	-5,12,750
	TOTAL	1,93,17,566	4,73,02,783	-2,79,85,218

42. As on the balance sheet date company has reviewed carrying amount of assets except development of property and found that there is no indication that those assets has suffered any impairment loss.

43. Dividend

Rs. 27,84,400/- is provided for proposed dividend for the financial year 2014-15 and dividend distribution tax @ 16.995% is also provided (Rs.4,73,209).

.44. Regrouping

Previous year's figures have been re-grouped/recast, reworked, rearranged and reclassified wherever necessary to make them comparable with current year figures.

For and on behalf of Board of Directors

As per our report of even date attached

Sd/-
Dr. Varughese George
Chairman
DIN - 05237018

Sd/-
A.Unnikrishnan
Managing Director
DIN - 06476646

Sd/-
Sreelakumar.S.
G.M. (F&A) i/c

Sd/-
Agate Joseph Easow
Company Secretary

Sd/-
JRS & Co.
Chartered Accountants
(FRN : 008085S)
C.A Rajesh Ramachandran
Partner
Membership No. 206211

Kottayam
10.09.2015



प्रधान महालेखाकार (आर्थिक एवं राजस्व क्षेत्र लेखापरीक्षा) का कार्यालय, केरल
तिरुवनन्तपुरम

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (ECONOMIC AND
REVENUE SECTOR AUDIT) KERALA, THIRUVANANTHAPURAM

31 मार्च 2015 को समाप्त वर्ष के लिए दि प्लान्टेशन कॉरपोरेशन ऑफ केरला लिमिटेड, कोट्टयम के
वित्तीय विवरणों पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अधीन
भारत के नियंत्रक महालेखापरीक्षक की टिप्पणियाँ

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER
SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF THE PLANTATION CORPORATION OF KERALA LIMITED,
KOTTAYAM FOR THE YEAR ENDED 31 MARCH 2015.**

The preparation of financial statements of **The Plantation Corporation of Kerala Limited, Kottayam** for the year ended **31 March 2015** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **10 September 2015**.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of **The Plantation Corporation of Kerala Limited, Kottayam** for the year ended **31 March 2015**. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on behalf of the
Comptroller and Auditor General of India

एन. नागराजन

N. NAGARAJAN

प्रधान महालेखाकार (आ. एवं रा. क्षे. ले.प.) केरल

PRINCIPAL ACCOUNTANT GENERAL (E & RSA), KERALA

तिरुवनन्तपुरम

Thiruvananthapuram

Dated: 23.10.2015.



GOVERNMENT OF KERALA

No:138/PU.B1/2015/Fin.

Finance (PU.B) Department

**COMMENTS OF ADDITIONAL CHIEF SECRETARY (FINANCE) ON THE
AUDITED ANNUAL ACCOUNTS OF 'PLANTATION CORPORATION
KERALA LIMITED' FOR THE YEAR 2014-15.**

1. During the period under review the profit of the Corporation decreased from ₹17.97 crore to ₹9.37 crore.
2. Provision should be made against the outstanding loans which are pending for a long period.
3. Valuation of nurseries amounting to ₹206.81 lakh should be reconciled and confirmed.
4. Sundry debtors, Sundry Creditors, Loans and advances should be got reconciled and confirmed.
5. Company should review the declining trend of revenue from operations and steps should be taken to increase the same by diversification.
6. Company has to create deferred tax asset/ liability to cater to the future tax liability on income.
7. Amortisation of development of property for various cultivations on a systematic basis over the useful life of property should be done.

K.M. Abraham
Additional Chief Secretary (Finance)

Thiruvananthapuram
02.11.2015.

**REPLY TO THE COMMENTS OF ADDITIONAL CHIEF SECRETARY (FINANCE)
ON THE AUDITED ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR 2014-15.**

1. As compared to the previous financial year the company has reported decrease in profits (PY - Profit after Tax is Rs. 17,96,78,573.07/- & CY - Profit after Tax is Rs. 9,37,08,288.48). The main reason for the reduction in profit was due to the fall in price of the Rubber (87.34 % of the total revenue from operations of our company was from the sale of our major crop, ie. Rubber). As compared to the previous year, there is a reduction of Rs.14,76,21,592.90/- from the Income from sale of Rubber even though the quantity sold was more than previous year (CY - 4174.262 MT & PY - 4164.077 MT).
2. The loan amounting to Rs.150 lakhs and Rs. 25 lakhs were given to Kerala State Horticultural Products Development Corporation Ltd and Kerala State Coconut Development Corporation Ltd respectively as per Government orders GO(Rt) No.1546/96/AD dated 01/11/1996 and GO(Rt) No.1828/97/AD dated 01/11/1997 and both the organizations are Government undertakings. We are hopeful of realizing the loan amount in full. Hence no provision for loss is provided in the Accounts.
3. Majority of the estates have furnished their physical numbers and value of nurseries in a detailed format which matches with the corresponding figures in their accounts . But per unit plant cost does not provide a comparative picture for some units. However we are in the process of reconciling the same.
4. For most of the loans and advances, individual breakups are available in the register maintained at various units.
5. We have started diversified activities like Hi-tech Vegetable Farming, Diary Farm, Pisciculture, Hydroponics Farm, etc.
6. The Corporation has not recognized the corresponding deferred tax liability/deferred tax assets, because the Deferred Tax Assets relating to the accumulated loss of the previous years was not recognized during the earlier period as the assessment of AIT from 1976-77 are not yet completed, though we are current in filing of return and remittance of tax.
7. The treatment of development expenditure for Plantation followed by the Corporation is shown in clause j of Note No. 1 significant accounting policies followed by the Corporation as on 31.03.15. This practice has been constantly followed.