

**THE RAJAGIRI
RUBBER AND PRODUCE COMPANY LTD.**

81st
ANNUAL REPORT & ACCOUNTS
2017 - 2018

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED

ALAPPUZHA

BOARD OF DIRECTORS

Mr. Dilip Thomas (Chairman)

Mrs. Priyalatha Thomas (Managing Director)

Mr. K.S Manian

Mr. K.Suresh (Joint Managing Director)

Mr. R.Venugopalan

COMPANY SECRETARY

Mr. Manu P Sam

AUDITORS

Suri & Co.

Chartered Accountants

No.4, Chevaliar Shivaji Ganesan Salai

T.Nagar, Chennai-600 017

BANKERS

Bank of Baroda

The Federal Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENT

Cameo Corporate Services Limited

“Subramanian Building”

No.1, Club House Road, Chennai-600 002

REGISTERED OFFICE

W-21/674, Beach Road,

Alappuzha-688 012

Tel: 0477-2243624, 2243625

Email: avt.alapuzha@gmail.com

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THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED

Registered Office: W-21/674, BEACH ROAD, ALAPPUZHA-688012

CIN: U25191KL1937PLC000979

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **EIGHTY FIRST ANNUAL GENERAL MEETING** of the Company will be held at the Registered Office, at W-21/674, Beach Road, Alappuzha-688012, at 11.00 A.M. on Thursday the 20th September, 2018 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited financial statements (including the Consolidated financial statements) of the Company for the year ended 31st March, 2018 the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. R. Venugopalan (DIN: 00704982) who retires by rotation and being eligible has offered himself for re-appointment.

Chennai
11th July, 2018

By Order of the Board
For THE RAJAGIRI RUBBER & PRODUCE CO., LTD.
DILIP THOMAS
CHAIRMAN

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES:

- 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- 2. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten per cent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
3. Corporate members intended to send their authorized representatives to attend the meeting are requested to send to the Company a Certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 14th September, 2018 to 20th September, 2018 (both days inclusive).
5. Members are requested to notify any change in their addresses, e.mail Id and Bank account details to the Company or to the Company's Registrar and Share Transfer Agents immediately.
6. Shareholders of the Company may avail the nomination facility by executing the prescribed nomination form which can be obtained from the Registered Office of the Company or from the Company's Share Transfer Agents.
7. Pursuant to provisions of Section 124 of the Companies Act, 2013 the Company has transferred the unpaid or unclaimed dividends, from time to time on due dates upto the financial year 2009-10 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

Dividend declared for the year 2010-2011 and remaining unpaid or unclaimed is liable to be transferred to the Fund during the month of October 2018 and Interim dividend paid for the year 2011-12 remaining unpaid or unclaimed is liable to be transferred to the fund during the month of March 2019. The shareholders are, therefore, advised to claim immediately from the Company the dividends, if any, for the said year remaining unpaid or unclaimed before they are transferred to the Fund.

Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules 2017 (" Rules") notified by the Ministry of Corporate Affairs on 28th February 2017, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years to the IEPF Authority. The shareholders are requested to claim the unpaid dividend amount(s) immediately, failing which their shares shall be transferred to the demat account of the IEPF Authority as per the procedure stipulated in the Rules as amended from time to time.

8. Members are requested to submit attested copy of PAN CARD of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) in case of transfers, deletion of name of deceased shareholder(s), transmission and transposition of shares, in respect of shares held in physical form, along with necessary documents at the time of lodgement of request for transfer/transmission/transposition.
9. Documents referred to in the Notice shall be open for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday) during business hours, except holidays, upto the date of the meeting.
10. As per Secretarial Standard -2 a route map with prominent Landmark of the venue of the meeting is attached as a separate sheet.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

11. Voting facilities

- i. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members facility to exercise their right to vote at the 81st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
- ii. The facility for voting either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- iii. Members who have cast their vote by remote e-voting prior to the Meeting may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for members for voting are as under:-

- (i) The remote e-voting period begins on 17th September, 2018 Monday (9:00 a.m.) and ends on 19th September, 2018 Wednesday (5:00 p.m.). During this period shareholders' of the Company, holding shares in physical form, as on the cut-off date of 13th September 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter
- (ii) The shareholders should Log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a) For CDSL: 8 Character DP ID followed by 8 Digits Client ID
 - b) Members holding shares in Physical Form should enter Folio Number registered with the company
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given in points (vii) and (viii).
- (vii) Fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and 8 digits of the sequence number in the PAN field. Sequence number has been provided in the SI.No. in the address label.• <i>In case the sequence number is less than 8 digits, enter the applicable number of 0s before the number after first two characters of the name in CAPITAL Letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</i>
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth(in dd/mm/yyyy format) as recorded in the company records in order to login. If both the details are not recorded with the Company please enter the Folio Number in the Dividend Bank details field as mentioned in instruction (iv) in order to login

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for The Rajagiri Rubber and Produce Company Ltd.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Additional instructions for non- individual shareholders and custodians.
 - a. Non- individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates. Corporates and custodians already registered with CDSL should use their existing login details.
 - b. After registering online, scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c. The admin login details will be sent by CDSL. After receiving these details, create a compliance user. The compliance user would be able to link the account(s) for which they wish to vote on.
 - d. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e. A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the custodian/ authorized person should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions (“FAQ”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

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General Instructions

- (I) Mr. V. Suresh, Practising Company Secretary (CP No. 6032) has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- (II) The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote-evoting in the presence of atleast two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him, in writing, who shall countersign the same and declare the result of the voting forthwith. The resolutions will be deemed having been passed on the AGM date subject to requisite number of votes in favour of the resolutions.
- (III) The results declared along with the Report of the Scrutinizer shall be placed on the Company's website www.rajagirirubber.com and on the website of CDSL immediately after the result is declared by the Chairman or a person authorised by him in writing who shall countersign the same.
- (IV) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on 13th September, 2018 . A person who is not a Member as on the cut off date should treat this Notice for information purposes only.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**Particulars of the Directors seeking re-appointment
at this Annual General Meeting**

Particulars	Mr. R.Venugopalan
Date of Birth	17th May, 1962
Qualifications	B.Sc, A.C.A
Expertise in Specific functional areas	Mr. R.Venugopalan has working experience in accounts, finance and taxation both direct and indirect, more particularly in plantation Industry. He has rich experience and considerable knowledge about plantation industry.
Date of appointment	20.10.2005
Number of Board Meetings attended during the year 2017-2018	5 (Five)
Relationship with other directors	NIL
Directorship held in other Companies (excluding foreign companies)	Director A.V Thomas International Ltd.
Membership/Chairmanship of Committees of other Companies	NIL
Number of shares held in the Company	NIL

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

DIRECTORS' REPORT

Your Directors have pleasure in presenting the **EIGHTY FIRST** Annual Report with the Audited Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS

	2017-18 Amount Rs.	2016-17 Amount Rs.
Income from operations & other income	26,57,34,470	26,33,48,381
Profit/(Loss) before Depreciation	(1,94,26,303)	(1,34,10,176)
Depreciation	66,42,500	79,73,958
Profit/(Loss) before Taxation	(2,60,68,803)	(2,13,84,134)
Less: Provision for taxation	NIL	NIL
Profit / (Loss) after taxation	(2,60,68,803)	(2,13,84,134)
Add: Surplus/(Loss) brought forward	NIL	(5,35,72,899)
Surplus / (Deficit)	(2,60,68,803)	(7,49,57,033)

DIVIDEND

The Board of Directors have not proposed any dividend for the year ended 31st March 2018 in view of the loss incurred by the Company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There was no material changes and commitments, affecting the financial position of the Company between the end of the financial year and the date of the report other than those disclosed in the financial statements.

OPERATIONS

The Production of Rubber was lower during the year and the prices realised were also lower when compared to previous year.

The Production in Tea was higher and the prices realised were lower during the year under report.

The Production of Cardamom was lower during the year and the prices were better.

LAND MATTERS

The assignment of 3.52 acres of Kuthakapattam Land in Ambikonam Division of Shaliacary Estate is pending following the rejection of the company's petition, by the Government. The Company's writ petition filed before the Honourable High Court of Kerala challenging the Government's Order has been dismissed and the Government has powers to take over the land. The Company has filed an application to Tahsildar suggesting take over of alternate land since the area is under Rubber plantations and the same is pending.

The Order of the Taluk Land Board under the Kerala Land Reforms Act, 1968 to surrender 290.85 acres (117.705 Hectares) claimed as excess land in Chulika and erstwhile Poonoor Estate has been confirmed by the Honourable High Court of Kerala vide judgment dated 24th May 2011 directing to surrender the land. Out of the above, 200 acres in Chulika (80.94 Hectares) form part of forest land already vested with the Government. Regarding balance area of 90.85 acres (36.77 Hectares) in erstwhile Poonoor Estate, the Company has taken up with the Taluk Land Board (TLB)

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

identifying suitable alternate areas to settle the matter. This order was challenged before the High Court in CRP 263/2012 and the High Court by its order dated 19-11-2014 has directed the TLB to proceed as per the earlier order of the High Court in CRP 1822/1994 and take over the excess land of 200.23 acres in Chulika Estate and 90.62 acres in Poonoor Estate. This has again been challenged in High Court of Kerala in CRP436/2016 and stay obtained.

Out of the two blocks namely 108.67 acres (43.82 Hectares) and 21.45 acres (8.65 Hectares) vested by Forest department in 2001, against the Company's claim of 93.18 acres (37.72 Hectares) as enclaves in Chulika Estate, the extent of 21.45 acres (8.68 Hectares) was allowed by the High Court of Kerala. However the forest department has gone on appeal before the Supreme Court and the matter is pending.

The Dispute with regard to 250 acres (101.174 Hectares) in erstwhile Poonoor Estate is pending before the Land Tribunal Kozhikode and favourable orders are expected.

The dispute with regard to 270 Ha. of land in Chulika Estates claiming possession by virtue of purchase of Jenmi rights from Kadathanath Kovilakam is appropriately contested before Sub Court in Sultan Battery.

PARTICULARS OF EMPLOYEES

The statement containing remuneration paid to employees and other details as required under Section 197(12) of the Companies Act, 2013 (Act) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company during business hours on working days of the Company upto the date of the forthcoming Annual General Meeting. Any member interested in obtaining a copy of the same may write to the Company and the same will be provided free of cost to the member.

During the year, no employee of the Company was in receipt of remuneration in excess of the limits prescribed by Section 197 of the Companies Act 2013 read with Rule 5(2) made thereunder.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and rules made there under Mr. R.Venugopalan, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Directors recommend re-appointment of Mr. R.Venugopalan at the ensuing Annual General Meeting.

The provisions of the Companies Act, 2013, regarding the appointment of Key Managerial Personnel are not applicable to the Company.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 (the "Act") is enclosed as **Annexure-I** in the prescribed form MGT-9 and forms part of this Report.

BOARD MEETINGS

During the financial year 2017-18 the Board of Directors met five times. The dates on which the meetings held were 30.05.2017, 26.07.2017, 08.11.2017, 06.02.2018 and 26.03.2018. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The Company complies with the Secretarial Standards issued by the ICSI.

AUDIT COMMITTEE

The Company is not required to constitute an Audit Committee as per Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Section 177 of the Companies Act, 2013.

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NOMINATION AND REMUNERATION COMMITTEE

The Company is not required to constitute a Nomination and Remuneration Committee as per Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Section 178 of the Companies Act, 2013 .

SHARE TRANSFER COMMITTEE

The Share Transfer Committee consists of Directors Mr. Dilip Thomas, Mr. K.Suresh and Mr. R.Venugopalan, as Members of the Committee.

AUDITORS

Pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013, the shareholders in their 80th Annual General Meeting (AGM) held on 21st September, 2017 had re-appointed M/s. Suri & Co, Chartered Accountants (Firm Registration No.004283S), the Statutory Auditors of the Company for a period of 5 years till the conclusion of the 85th Annual General Meeting. In view of the amendments to the Companies Act, 2013 their appointment need not required to be ratified by the members in the forthcoming Annual General Meeting.

COST AUDITORS

The Provisions of Section 148 of The Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 in respect of Cost Audit is not applicable to the Company.

AUDITORS REPORT

There are no qualifications, reservations or adverse remarks mentioned in the Auditors Report.

SECRETARIAL AUDIT

Secretarial Audit is not applicable as per Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section 204 of the Companies Act, 2013

INTERNAL CONTROLS

The Company has internal control systems commensurate with the size and nature of its business and has appointed M/s. Vasanthan Naresh and Associates, Chartered Accountants, as the Internal Auditors. The Internal Audit coverage is adequate to ensure that the assets of the company are safeguarded and protected and there is regular review by Management on policies, internal controls & procedures and also on internal audit reports.

RISK MANAGEMENT PLAN

Pursuant to Section 134 (3) (n) of the Companies Act , 2013 the Company had laid down the procedures to inform Board members about the risk assessment and mitigation procedures.

Mr. Manu P Sam, Company Secretary has been assigned the task of informing the Board about the various risks involved and its mitigation by the Company from time to time.

At present, the Company has not identified any element of risk which may threaten the existence of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

SUBSIDIARY/ASSOCIATE COMPANIES

As required under Section 129 (3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement in respect of its associate / subsidiary companies Rajagiri Impex Limited and Dalp Holdings Singapore PTE Limited along with its own financial statements. Further the particulars showing the salient features of the subsidiary/ Associate Companies as required under first proviso to Section 129 (3) of The Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules 2014 are provided in Form AOC-1 which is attached as **Annexure II** to this report.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

TRANSACTIONS WITH RELATED PARTIES

All transactions entered into by the Company with Related Parties were in the Ordinary course of business and at Arm's Length pricing basis. Details of the transactions are provided in Form AOC-2 which is attached as **Annexure –III** to this Report.

INSURANCE

The Company continues to carry adequate insurance for all assets against unforeseeable perils.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The statement pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (accounts) Rules, 2014 is attached as **Annexure – IV**. The company has no activities relating to technology absorption on account of the nature of its business.

FOREIGN EXCHANGE EARNINGS/OUTGO

During the year under review, the total outgo on Foreign Exchange amounted to Rs.27,64,104/-. Details are set out in Note 27 item 3 (b) of the Notes on Accounts. The company has been continuing in exploring the possibilities of exporting its produces as well as on new foreign projects.

INDUSTRIAL RELATIONS

During the year under review, your company enjoyed cordial relationship with workers and employees at all levels.

CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall within the ambit of the provisions of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility and hence report on Corporate Social Responsibility (CSR) activities is not annexed.

DEPOSIT FROM PUBLIC

The Company has not accepted any deposits from public during the year.

EXIT OFFER TO THE PUBLIC SHAREHOLDERS

In compliance to SEBI Circular No. SEBI/HO/MRD/DSA/ CIR/P/2016/110 dated October 10, 2016, the Promoters had provided Exit offer to the Public shareholders of the Company and consequently the name of the Company was removed from the Dissemination Board of The National Stock Exchange of India Ltd. with effect from 7th March, 2018. The Promoters have extended the Exit offer period to the public share holders upto October 23, 2018

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a. in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. they have 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 Loss of the Company for the financial year;

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual financial statements on a going concern basis;
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Section 124 of the Companies Act, 2013 and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') as amended from time to time, all unpaid or unclaimed dividends, after the completion of seven years, are required to be transferred by the Company to the IEPF established by the Central Government. Further according to the Rules, the shares in respect of which dividend has not been paid or unclaimed by the shareholders for seven consecutive years or more shall also to be transferred to the demat account created by the IEPF Authority. Accordingly, the Company had transferred to the IEPF Authority the unclaimed and unpaid dividends and 21023 Equity shares during the Financial Year 2017-18.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013

During the year the Company has not received any complaint under Sexual Harassment of women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the continued support extended to the Company by its Bankers and Employees during the year.

Chennai.
11th July, 2018

By Order of the Board
DILIP THOMAS
CHAIRMAN

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

ANNEXURE - I

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018

[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	-	U25191KL1937PLC000979
ii) Registration Date	-	19.04.1937
iii) Name of the Company	-	The Rajagiri Rubber and Produce Co. Ltd
iv) Category / Sub-Category of the Company	-	Company Limited by Shares
v) Address of the Registered office and contact details	-	W-21/674, BEACH ROAD, ALLEPPEY, KERALA - 688012
vi) Whether listed company	-	NO
vii) Name, Address and Contact details of Registrar and Transfer Agent:	-	Cameo Corporate Services Limited Subramanian Building, No.1 Club House Road, Chennai – 600 002.

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	Tea	01271	20.07%
2	Cardamom	01283	8.48%
3	Rubber	01291	57.42%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
1	Rajagiri Impex Limited D-51, APMC Market -1, Phase -II, Sector -19, Vashi Navi Mumbai, Thane - 400705	U51909MH2013PLC240837	Associate	30%	2(6)
2	Dalp Holdings Singapore PTE Limited 105, Cecil street, #15-01 , Octagon, The Singapore (069534)	201314553G	Subsidiary	100%	2(87)

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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 - 1.4.2017				No. of Shares Held at the end of the Year - 31.3.2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	138888	138888	28.43	0	181888	181888	37.23	8.80
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	104323	104323	21.36	0	104778	104778	21.45	0.09
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub Total (A) (1)	0	243211	243211	49.79	0	286666	286666	58.68	8.89
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub Total (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of promoter									
(A) = (A)(1) + (A)(2)	0	243211	243211	49.79	0	286666	286666	58.68	8.89
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	811	811	0.17	0	716	716	0.15	-0.02
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	49543	49543	10.14	0	49543	49543	10.14	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
i) Any others-Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0
Sub Total (B)(1)	0	50354	50354	10.31	0	50259	50259	10.29	-0.02

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

Category of shareholders	No. of Shares Held at the Beginning of the Year - 1.4.2017				No. of Shares Held at the end of the Year - 31.3.2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non Institutions									
a) Bodies Corp									
i) Indian	0	8023	8023	1.64	0	7083	7083	1.45	-0.19
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs.1 Lakh	0	151376	151376	30.99	0	88751	88751	18.17	-12.82
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	0	32071	32071	6.56	0	32071	32071	6.56	0
c) Others (specify)									
Hindu Undivided Family	0	0	0	0	0	0	0	0	0
IEPF Authority	0	0	0	0	21023	0	21023	4.30	4.30
Foreign Corporate bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Non-Resident Individuals	0	3465	3465	0.71	0	2647	2647	0.54	-0.17
Trusts	0	0	0	0	0	0	0	0	0
Sub- Total (B)(2)	0	194935	194935	39.90	21023	130552	151575	31.02	-8.89
Total Public Shareholding (B) = (B)(1) + (B)(2)	0	245289	245289	50.21	21023	180811	201834	41.32	-8.89
TOTAL (A) + (B)	0	488500	488500	100	21023	467477	488500	100	0
C. Shares held by Custodian for GDRs and ADRs	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A) + (B) + (C)	0	488500	488500	100	21023	467477	488500	100	0

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the Year - 1.4.2017			Shareholding at the end of the Year - 31.3.2018			% change during the year
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1.	Mr. Dilip Thomas	138888	28.43	0	181888	37.23	0	8.80
2.	Dalp Trading and Manufacturing Ltd	104123	21.31	0	104123	21.31	0	0
3.	The Highland Produce Company Limited	100	0.02	0	100	0.02	0	0
4.	M/s.L.J International Limited	100	0.02	0	555	0.11	0	0.09

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Dilip Thomas				
	At the beginning of the year 01-Apr-2017	138888	28.43	138888	28.43
	Purchases on 31.03.2018	43000	8.80	181888	37.23
	At the end of the year 31-Mar-2018	181888	37.23	181888	37.23
2.	M/s Dalp Trading and Manufacturing Limited				
	At the beginning of the year 01-Apr-2017	104123	21.31	104123	21.31
	At the end of the year 31-Mar-2018	104123	21.31	104123	21.31
3	The Highland Produce Company Limited				
	At the beginning of the year 01-Apr-2017	100	0.02	100	0.02
	At the end of the year 31-Mar-2018	100	0.02	100	0.02
4	M/s. L.J International Limited				
	At the beginning of the year 01-Apr-2017	100	0.02	100	0.02
	Purchases on 12.05.2017	15299	3.13	15399	3.15
	Purchases on 15.06.2017	7436	1.52	22835	4.67
	Purchases on 17.07.2017	501	0.10	23336	4.77
	Purchases on 21.08.2017	340	0.07	23676	4.85
	Purchases on 13.09.2017	510	0.10	24186	4.95
	Purchases on 13.10.2017	240	0.04	24426	5.00
	Purchases on 10.11.2017	100	0.02	24526	5.02
	Purchases on 30.12.2017	8257	1.69	32783	6.71
	Purchases on 15.01.2018	2418	0.49	35201	7.20
	Purchases on 19.02.2018	2249	0.46	37450	7.67
	Purchases on 16.03.2018	6105	1.25	43555	8.91
	Sales on 31.03.2018	-43000	8.80	555	0.11
	At the end of the year 31-Mar-2018	555	0.11	555	0.11

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Life Insurance Corporation of India				
	At the beginning of the year 01-Apr-2017	49543	10.14	49543	10.14
	At the end of the year 31-Mar-2018	49543	10.14	49543	10.14
2	Mr. P. P Zibi Jose				
	At the beginning of the year 01-Apr-2017	18019	3.69	18019	3.69
	At the end of the year 31-Mar-2018	18019	3.69	18019	3.69
3	Mr. Mahendra Girdharilal				
	At the beginning of the year 01-Apr-2017	14052	2.88	14052	2.88
	At the end of the year 31-Mar-2018	14052	2.88	14052	2.88
4	M/s Ten Rose Capital Services Limited				
	At the beginning of the year 01-Apr-2017	4024	0.82	4024	0.82
	At the end of the year 31-Mar-2018	4024	0.82	4024	0.82
5	Mrs. K.L Vishalakshi				
	At the beginning of the year 01-Apr-2017	2400	0.49	2400	0.49
	At the end of the year 31-Mar-2018	2400	0.49	2400	0.49
6	Mr. C.T Chidambaram				
	At the beginning of the year 01-Apr-2017	1995	0.41	1995	0.41
	At the end of the year 31-Mar-2018	1995	0.41	1995	0.41
7	Mr. C.T Muthukaruppan				
	At the beginning of the year 01-Apr-2017	1995	0.41	1995	0.41
	At the end of the year 31-Mar-2018	1995	0.41	1995	0.41
8	M/s City software and Share Services Private Limited				
	At the beginning of the year 01-Apr-2017	1711	0.35	1711	0.35
	At the end of the year 31-Mar-2018	1711	0.35	1711	0.35
9	Mrs. Ranjini Manian				
	At the beginning of the year 01-Apr-2017	1600	0.33	1600	0.33
	At the end of the year 31-Mar-2018	1600	0.33	1600	0.33
10	Mrs. J. Uma				
	At the beginning of the year 01-Apr-2017	1200	0.24	1200	0.24
	At the end of the year 31-Mar-2018	1200	0.24	1200	0.24

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Dilip Thomas				
	At the beginning of the year 01-Apr-2017	138888	28.43	138888	28.43
	Purchases on 31.03.2018	43000	8.80	181888	37.23
	At the end of the year 31-Mar-2018	181888	37.23	181888	37.23
2	Mr. K.S Manian				
	At the beginning of the year 01-Apr-2017	9252	1.89	9252	1.89
	At the end of the year 31-Mar-2018	9252	1.89	9252	1.89
3	Mr. K. Suresh				
	At the beginning of the year 01-Apr-2017	100	0.02	100	0.02
	At the end of the year 31-Mar-2018	100	0.02	100	0.02

V. INDEBTEDNESS :

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

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	511.48	-	-	511.48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL (i+ii+iii)	511.48	-	-	511.48
Change in Indebtedness during the financial year				
i) Addition	-	370.00	-	370.00
ii) Reduction	(302.25)	-	-	(302.25)
iii) Net change	(302.25)	370.00	-	67.75
Indebtedness at the end of the financial year				
i) Principal Amount	209.23	370.00	-	579.23
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL (i+ii+iii)	209.23	370.00	-	579.23

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		* Mr. K.Suresh (Joint Managing Director)	Mrs. Priyalatha Thomas (Managing Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	26.69	58.30	84.99
	(b) value of perquisites u/s 17(2) of the Income-tax Act, 1961	1.92	0.29	2.21
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others specify	-	-	-
5.	Others please specify			
	Total (A)	28.61	58.59	87.20
	Ceiling as per the Act (Per Annum)	35.52	84.29	-

* Mr.K.Suresh is also Managing Director of The Highland Produce Company Limited and drawing managerial remuneration at 60% of the ceiling limit from that Company.

B. Remuneration to other Directors :

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Fee for attending board/committee meetings	Commission	Others Please specify	Total Amount
1.	Independent Directors	NA	-	-	-
	Total (1)	NA	-	-	-
2.	Other Non-Executive Directors				
	Mr. Dilip Thomas	0.50	-	-	0.50
	Mr. K.S Manian	0.50	-	-	0.50
	Mr. R. Venugopalan	0.50	-	-	0.50
	Total (2)	1.50	-	-	1.50
	Total Managerial Remuneration	1.50	-	-	1.50
	Overall Ceiling as per the Act		N.A		

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		Mr. Manu P Sam Company Secretary
1	Gross salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	21.18
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.32
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	
	- others, specify	
5	Others, please specify	-
	Total	21.50

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2018.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

ANNEXURE - II**Form AOC-1**

Part "A" : Subsidiaries

Statement pursuant to Section 29 (3) of the Companies Act, 2013 related to Subsidiary company

(Rs. in Lakhs)

Sl.No.	Name of the subsidiary	Dalp Holdings Singapore PTE Ltd
1.	Financial Year of the subsidiary ended on	31.03.2018
2.	Share Capital	11.07
3.	Reserves and Surplus	(13.57)
4.	Total Assets	0.99
5.	Total Liabilities	3.63
6.	Investments	-
7.	Turnover	-
8.	Profit/ (Loss) before Taxation	(13.57)
9.	Provision for taxation	-
10.	Profit/ (Loss) after taxation	(13.57)
11.	Proposed Dividend	-
12.	Percentage of shareholding	100

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate/Subsidiary Companies and Joint Ventures

(Rs. in Lakhs)

Sl.No	Name of Associates	Rajagiri Impex Limited
1	Latest audited Balance Sheet Date	31.3.2018
2	Shares of Associate/Joint Ventures held by the company on the year end	
	Numbers	1,50,000
	Amount of Investment in Associates/ Joint Venture	15.00
	Extent of Holding %	30%
3	Description of how there is significant influence	More than 20% of the Total Share Capital of the Associate Concern is held by The Rajagiri Rubber and Produce Company Limited
4	Reason why the associate/ joint venture is not consolidated	The accounts of Associates have been consolidated.
5	Net worth attributable to shareholding as per latest audited Balance Sheet	19.91
6	Profit/Loss for the year	
	i) Considered in Consolidation	1.40
	ii) Not Considered in Consolidation	Nil
7	Total Net Worth	66.36

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

ANNEXURE - III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2017 – 18.

2. Details of material contracts or arrangement or transactions at arm's length basis are appended in Annexure - IIIA

For and on behalf of the Board of Directors
DILIP THOMAS
Chairman

Chennai
11th July, 2018

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

Annexure IIIA

AOC 2

Name of the Company	Nature of Relationship	Nature of Transaction	Duration of Transactions	Amount (Rs.)	Salient Terms	Date of Approval by the Board	Amount paid as Advance if any
A.V.Thomas and Co. Ltd.	Common Control through constitution of Board/Share holding	Sale of Tea	On going transactions	1,05,207	Market Rate	Not Applicable	Nil
The Highland Produce Co. Ltd.	Common Control through constitution of Board/Share holding	Sale of rubber firewood	On going transactions	4,86,185	Market Rate	Not Applicable	Nil
M/s. Rajagiri Impex Ltd.	Common Control through constitution of Board/Share holding	Sale of Cardamon Sale of Pepper	On going transactions On going transactions	2,16,24,698 7,08,000	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
Dalp Trading and Manufacturing Limited	Common Control through constitution of Board/Share holding	Rent received Brokerage/Commission paid	On going transactions On going transactions	8,000 14,03,665	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
M/s. Rajagiri Impex Ltd.	Common Control through constitution of Board/Share holding	Brokerage/Commission paid Sales Expenses paid	On going transactions On going transactions	2,24,950 4,59,220	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
The Highland Produce Co. Ltd.	Common Control through constitution of Board/Share holding	Purchase of Tea - Staff Gratis	On going transactions	91,364	Market Rate	Not Applicable	Nil
A.V Thomas and Co. Ltd. W / Island	Common Control through constitution of Board/Share holding	Warehousing charges other expenses	On going transactions	3,33,182	Market Rate	Not Applicable	Nil
A.V Thomas and Co. Ltd.	Common Control through constitution of Board/Share holding	Rent paid	On going transactions	12,000	Market Rate	Not Applicable	Nil

CONSERVATION OF ENERGY

(Pursuant to section 134(3)(m) of the Companies Act, 2013, read with rule 8(3) of the Companies (Accounts) Rules, 2014)

The steps taken or impact on conservation of Energy.

The Company is committed to conserve energy in all our activities and have been in the process of energy conservation for many years. This year also we continued with our efforts to conserve energy.

- In Shaliacary factory conservation of energy is maximized through Biennial energy audit, periodic maintenance of capacitor banks and through periodic maintenance of machineries.
- Centrifuging 2 TSR factories of Shaliacary Estate is using harvested rainwater to conserve water.
- In order to reduce artificial lighting during daytime, transparent roofing sheets are used.
- Usage of treated, recycled effluent water for washing at Factory reduced fresh water consumption and getting natural water with gravity flow reduced pumping water for factory operations, thereby conserving energy
- CFL / Fluorescent tubes were replaced with LED lighting to reduce energy consumption for lighting in office and factory.
- Old motors are replaced with energy efficient motors.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

INDEPENDENT AUDITOR'S REPORT

To the Members of
THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of The Rajagiri Rubber & Produce Company Limited ('the Company') which comprise the Balance Sheet as at 31-March-2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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.

Auditor's 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 statement, 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. 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.

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 31-March-2018, and its Loss and its cash flows for the year ended on that date.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ('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 A, a statement on the matters specified in paragraphs 3 and 4 of the said 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 purposes of our audit;
 - b. in our opinion proper books of account 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 and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account ;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors as on 31-March-2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31-March-2018 from being appointed as a director in terms of Section 164 (2) of the Act.;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate report in Annexure B; and
 - g. 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 Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 27(6) to the financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company other than a sum of Rs 3,35,290/- relating to preference capital redeemed by the company during F.Y 1993-94 which has been transferred on 22/05/2018.

For SURI & CO.
Chartered Accountants
Firm Regn.No.004283S

G. RENGARAJAN
Partner
Membership No. 219922

Place : Chennai
Date : 11th July 2018

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

ANNEXURE A TO THE REPORT OF THE AUDITORS TO THE MEMBERS OF THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) Physical verification of major items of these assets has been conducted by the Management during the financial year and based on the documentation given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the company.
- ii) The Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
- iii) The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly Para 3 (iii) (a), (b) & (c) of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 with respect to the investments made and inter corporate loan given. The company has not given any guarantees, or securities covered under the provisions of section 185 and 186 of the Companies Act, 2013.
- v) The company has not accepted any deposits from the public during the year.
- vi) The Company is not subject to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government for the maintenance of cost records under section 148 (1) (d) of the Companies Act, 2013 and hence the Para 3 (vi) of the Order is not applicable.
- vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales tax, Service Tax, Customs duty, Excise duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues applicable to it. No undisputed statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) The details of disputed statutory dues which have not been deposited are as under:

Name of the Statute	Nature of the dues	Amount (Rs.)	Forum where dispute is pending
Kerala General Sales Tax Act & Central Sales Tax Act	KGST AY 1983-84, 1990-91, 1996-97, 1998-99, 1999-00 & 2000-01	6,37,357	Kerala Income Tax and Sales Tax Appellate Tribunal
	CST AY 1990-91 to 1994-95, 1996-97, 1998-99 to 2000-01	20,76,037	Deputy Commissioner (Appeals)
	CST AY 2009-10, 2010-11 and 2011-12	53,17,535	High Court
Kerala Value Added Tax	KVAT AY 2012-13, 2013-14 and 2014-15	9,65,174	Deputy Commissioner (Appeals)

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

- viii) The company has not defaulted in repayment of dues to banks.
- ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly Para 3 (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii) The Company is not a Nidhi Company. Accordingly Para 3 (xii) of the Order is not applicable.
- xiii) According to the information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards. Section 177 of Companies Act, 2013 is not applicable to the company.
- xiv) According to the information and explanation given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For SURI & CO.
Chartered Accountants
Firm Regn.No.004283S

G. RENGARAJAN
Partner
Membership No. 219922

Place : Chennai
Date : 11th July 2018

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

ANNEXURE B TO THE REPORT OF THE AUDITORS TO THE MEMBERS OF THE RAJAGIRI RUBBER & PRODUCE COMPANY LIMITED, ALAPPUZHA

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of THE RAJAGIRI RUBBER & PRODUCE COMPANY LIMITED (‘the Company’) as of 31-March-2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-Mar-2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SURI & CO.
Chartered Accountants
Firm Regn.No.004283S

G. RENGARAJAN
Partner
Membership No. 219922

Place : Chennai
Date : 11th July 2018

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

BALANCE SHEET AS AT 31ST MARCH 2018

	NOTES	As at 31-03-2018	Amount in ₹ As at 31-03-2017
I. EQUITY AND LIABILITIES:			
(1) Shareholders' Funds:			
(a) Share Capital	2	48,85,000	48,85,000
(b) Reserves and Surplus	3	40,20,71,157	41,52,61,710
		40,69,56,157	42,01,46,710
(2) Non-Current Liabilities:			
(a) Long Term borrowings	4	5,38,480	20,94,271
(b) Other Long-Term Liabilities	5	2,908	2,908
(c) Long-Term Provisions	6	8,05,202	8,11,626
		13,46,590	29,08,805
(3) Current Liabilities:			
(a) Short-Term borrowings	7	5,66,84,441	4,67,21,911
(b) Trade Payables			
Total outstanding dues of Micro Enterprises and Small Enterprises (Note No. 27(5) and Total outstanding dues of Creditors other than micro enterprises and small enterprises		-	-
(c) Other Current Liabilities	8	2,45,70,857	2,10,12,102
(d) Short-Term Provisions	9	1,46,17,649	1,22,95,610
		68,41,471	88,93,284
		10,27,14,418	8,89,22,907
TOTAL		51,10,17,165	51,19,78,422
II. ASSETS:			
(1) Non-Current assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	10	13,04,00,791	12,61,33,369
(ii) Capital Work-in-progress			
a) Bearer Plants		61,04,852	22,44,245
(b) Non-current Investments	11	17,79,75,063	18,96,51,710
(c) Other non-current assets	12	44,86,615	56,10,215
		31,89,67,321	32,36,39,539
(2) Current assets:			
(a) Current Investments	13	2,93,11,135	3,59,83,520
(b) Inventories	14	2,24,49,288	1,90,03,689
(c) Trade Receivables	15	1,20,32,787	83,86,547
(d) Cash and Cash equivalents	16	2,64,80,987	2,41,41,851
(e) Short-term loans and advances	17	9,88,82,390	9,64,99,606
(f) Others-Accrued Income		28,93,257	43,23,670
		19,20,49,844	18,83,38,883
Significant Accounting Policies	1		
TOTAL		51,10,17,165	51,19,78,422

Notes 1 to 17, Note 27 and Cash Flow Statement form part of this Balance Sheet

Vide our report of date attached
For SURI & CO.

For and on behalf of the Board

Chartered Accountants
Firm Regn.No.004283S
G. RENGARAJAN

DILIP THOMAS
Chairman

PRIYALATHA THOMAS
Managing Director

Place : Chennai

Partner

Date : 11th July 2018 Membership No. 219922

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

	Notes	For the year ended 31-03-2018	Amount in ₹ For the year ended 31-03-2017
REVENUE:			
I. Revenue from Operations:			
Sale of Products	18	23,77,20,857	23,90,02,759
II. Other Income:	19	2,80,13,613	2,43,45,622
III. Total Revenue	TOTAL	<u>26,57,34,470</u>	<u>26,33,48,381</u>
EXPENSES:			
Cost of Materials Consumed	20	2,63,41,764	2,72,22,472
Other Manufacturing Expenses	21	4,29,30,882	3,82,55,038
Purchase of Stock-in-Trade		1,05,213	1,20,878
(Increase)/Decrease in Inventory	22	(6,94,000)	56,47,000
Employee benefit expenses	23	16,12,86,837	15,23,35,132
Finance Costs	24	75,46,852	68,39,617
Livestock Expenditure	25	1,51,53,801	1,18,18,194
Depreciation and amortization expense		66,42,500	79,73,958
Other expenses	26	3,24,89,424	3,45,20,226
IV. Total Expenses	TOTAL	<u>29,18,03,273</u>	<u>28,47,32,515</u>
V. Profit/(Loss) before exceptional and extraordinary items (III-IV)		(2,60,68,803)	(2,13,84,134)
VI. Exceptional/Extraordinary items		Nil	Nil
VII. Profit/(Loss) after Exceptional/Extraordinary items		<u>(2,60,68,803)</u>	<u>(2,13,84,134)</u>
VIII. Profit/(Loss) before Tax (PBT)		(2,60,68,803)	(2,13,84,134)
IX. Tax Expenses:			
- Current Tax		-	-
- Deferred Tax		-	-
X. Profit/(Loss) for the period (VIII-IX)		<u>(2,60,68,803)</u>	<u>(2,13,84,134)</u>
Earnings per Share (Basic & Diluted)	27 (4)	(53.37)	(43.78)

Notes 18 to 27 and Cash Flow Statement form part of this Statement of Profit and Loss.

Vide our report of date attached
For SURI & CO.

Chartered Accountants
Firm Regn.No.004283S

G. RENGARAJAN

Partner

Place : Chennai

Date : 11th July 2018

Membership No. 219922

For and on behalf of the Board

DILIP THOMAS
Chairman

PRIYALATHA THOMAS
Managing Director

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018

	(in ₹)	(in ₹)	Previous Year (in ₹)
A. CASH FLOW FROM OPERATING ACTIVITIES :			
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		(2,60,68,803)	(2,13,84,134)
ADJUSTMENTS FOR :			
Depreciation	66,42,500		79,73,958
Rubber Rehabilitation Allowance	8,87,768		8,94,527
Profit on Sale of Investments/Assets	(38,20,611)		(46,73,678)
Provision for Gratuity/Leave Encashment	(20,58,237)		30,14,742
Compensation from Power grid Corporation	(20,48,960)		Nil
Livestock written off, Profit/Loss on sale of livestock	(3,75,000)		(17,45,000)
Assets discarded written off	16,016		Nil
Interest/Dividend Received	(53,18,668)		(61,82,332)
Interest Paid	75,46,852		68,39,617
Loss on closure of Associate Company	16,94,467		Nil
Withdrawal of provision for Diminution in value	(17,00,000)		Nil
		<u>14,66,127</u>	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(2,46,02,676)	(1,52,62,300)
ADJUSTMENTS FOR :			
Trade and other Receivables	(36,46,240)		(15,12,443)
Inventories	(34,45,599)		72,49,124
Trade Payables	58,80,794		(44,25,413)
Other Current Assets	(38,28,702)		(1,25,88,310)
		<u>(50,39,747)</u>	
CASH GENERATED FROM OPERATIONS		(2,96,42,423)	(2,65,39,342)
Taxes Paid		(4,78,777)	13,42,768
CASH FLOW BEFORE EXTRAORDINARY ITEMS		(3,01,21,200)	(2,51,96,574)
Extraordinary Items		Nil	Nil
NET CASH FROM OPERATING ACTIVITIES		<u>(3,01,21,200)</u>	<u>(2,51,96,574)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(1,23,28,163)	(57,62,870)
Purchase of Investments		(1,40,71,912)	(8,10,68,790)
Sale of Fixed Assets		8,59,643	17,45,000
Sale of Investments		3,33,04,063	13,21,91,050
Sale of Trees		1,75,00,125	97,25,000
Expenditure on Replanting		(73,20,309)	(62,39,824)
Interest Received		62,31,074	48,52,642
Dividend Received		5,18,007	17,43,120
Compensation received on rubber trees		38,59,626	Nil
NET CASH FROM INVESTING ACTIVITIES		<u>2,85,52,154</u>	<u>5,71,85,328</u>

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018 (Contd.)

	(in ₹)	Previous Year (in ₹)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Public Deposits/Loan from Directors	3,70,00,000	(40,00,000)
Term Loan	(15,55,791)	(23,32,245)
Cash Credit	(2,70,37,470)	(1,89,57,356)
Interest Paid	(75,46,852)	(68,39,617)
Dividend paid including tax on dividend	Nil	Nil
NET CASH USED IN FINANCING ACTIVITIES	<u>8,59,887</u>	<u>(3,21,29,218)</u>
	<u>(7,09,159)</u>	<u>(1,40,464)</u>
NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS AS AT 01.4.2017		
(Beginning of the year)	18,58,197	
CASH AND CASH EQUIVALENTS AS AT 31.3.2018		
(Closing of the year)	11,49,038	
	<u>(7,09,159)</u>	<u>(1,40,464)</u>

Vide our report of date attached
For SURI & CO.
Chartered Accountants
Firm Regn.No.004283S
G. RENGARAJAN
Partner

Place : Chennai
Date : 11th July 2018

Membership No. 219922

For and on behalf of the Board

DILIP THOMAS
Chairman

PRIYALATHA THOMAS
Managing Director

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE : 1

A. SIGNIFICANT ACCOUNTING POLICIES

BACKGROUND:

The Company is a Public Limited Company incorporated and domiciled in India during the year 1937, having its Registered office at W-21/674, Beach Road, Alappuzha, Kerala India. The Company is engaged in Plantation activity and the crop dealt with by the Company is Tea, Cardamom and Rubber. The main business being Cultivation, Manufacturing and sales of Tea, Cardamom and Rubber.

1 ACCOUNTING CONVENTION :

The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles, accounting standards notified under section 133 of the Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

2 CURRENT AND NON CURRENT CLASSIFICATION:

All Assets and Liabilities have been classified as Current and Non Current as per the Company's normal operating cycle (12 months) and other criteria set out in Schedule III to the Act.

3 PROPERTY PLANT AND EQUIPMENT:

- a) Property, Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss based on cost model.

The cost of an item of property, plant and equipment is recognised as an asset when:

- i. it is probable that future economic benefits associated with the item will flow to the enterprise; and
- ii. The cost of the item can be measured reliably

Cost includes, taxes and duties (but does not include taxes and duties for which CENVAT/VAT/GST credit is available), freight and other direct or allocated expenses during construction period, net of any income earned. Assets acquired on Hire Purchase are capitalised at principal value.

- b) Direct expenditure on replanting of Tea/Rubber attributable to bringing the bearer plant to the condition necessary for it to be capable of operating in the manner intended by management less subsidy on replanting of tea are capitalised as bearer plants.
- c) Depreciation on property, plant and equipment has been charged as per the useful life specified in Schedule II of the companies act 2013, except assets costing individually less than Rs.5000/- which are depreciated at 100%. The residual value is considered at 5% of the Original cost of property, plant and equipment. Depreciation for assets purchased/sold during the period is proportionately charged.
- d) Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the company for its use. Depreciation and Amortization methods, useful lives and residual value are reviewed periodically, including at each financial year end.

4 IMPAIRMENT OF ASSETS

The Company reviews the carrying amounts of its assets for any possible impairment at each balance sheet date. An impairment Loss is recognized when the carrying amount of an asset exceeds its recoverable amount and the impairment loss, if any, is recognised in the Statement of Profit & Loss.

5 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition/construction of the qualifying asset are capitalised as a part of the cost of such asset, upto the date of acquisition/completion of construction.

Other borrowing costs are recognised as expense as and when incurred.

6 INVESTMENTS :

Long term Investments are stated at cost. Decline in value of long term investments, other than temporary, is provided for. Current Investments are stated at lower of cost and fair value. Investment in Immovable properties is stated at cost less depreciation.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

7 INVENTORIES :

Inventories are valued at lower of cost on weighted average and net realisable value, after providing for obsolescence wherever considered necessary. Cost includes taxes and duties (other than duties and taxes for which CENVAT/VAT/GST credit is available), freight and other direct expenses.

8 REVENUE RECOGNITION :

Revenue is recognised on their accrual and when no significant uncertainty on measurability or collectability exists. Expenditure is accounted for on their accrual.

Sale of Goods:

Revenue is recognised when all the significant risks and rewards of ownership of the goods have been passed on to the buyer, usually on delivery of goods. The Company collects sales tax and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividends:

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

9 EMPLOYEE BENEFITS :

Gratuity liability, which is a defined benefit scheme and provision for leave encashment is accrued and provided for on the basis of independent actuarial valuation based on projected unit credit method made at the end of each financial year. Actuarial gains and losses are recognised in the Statement of Profit and Loss and are not deferred. Retirement benefits in the form of Provident Fund, Family Pension Fund and Superannuation Schemes, which are defined contribution schemes, are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds accrue.

10 FOREIGN CURRENCY TRANSACTIONS :

Foreign currency transactions are recorded at the rates of exchange in force at the time the transactions are effected. Monetary items denominated in foreign currency and outstanding at the Balance sheet date are converted at the year end exchange rate and the resultant gain or loss is dealt with in the Statement of Profit & Loss. In the case of forward contracts, the difference between the forward rate and exchange rate on the date of transaction is dealt with in the Statement of Profit & Loss on completion of the transaction.

11 GOVERNMENT GRANTS

Subsidies from government in respect of fixed assets are deducted from the cost of respective assets as and when they accrue.

Subsidies related to revenue are recognised in the Statement of Profit and loss to match them with the related costs which they are intended to compensate.

12 TAXES ON INCOME:

Provision for Income-Tax is made for both current and deferred tax. Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred tax is accounted for by computing the tax effect of the timing difference which arise during the year and reverse out in the subsequent periods. Deferred tax is calculated at the tax rates substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a virtual certainty that they will be realised.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

13 EXPENDITURE ON NEW PLANTING AND REPLANTING :

Direct expenditure on New Planting of different crops (other than minor produce) including upkeep and maintenance expenditure on immature plants are capitalised under "Development".

Direct Expenditure on Replanting of Tea and Cardamom including upkeep and maintenance expenditure on immature plants is charged to Statement of Profit and Loss account with credit to Subsidy on replanting of Tea and Cardamom as Revenue. In case of Rubber the said expenditure is debited to Reserve Account with sale proceeds of old and uneconomical rubber trees uprooted for replanting and Subsidy on replanting credited to Reserve Account.

Provision for Rehabilitation of Rubber Trees, based on annual production of Rubber, after taking into consideration the credits as to sale proceeds of trees and Subsidy on replanting, is charged to Statement of Profit and Loss by crediting to Reserve Account.

14 EARNINGS PER SHARE

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting Preference Dividend and attributable taxes by weighted average number of equity share holders outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (Consolidation of Shares) that have changed the number of Equity Shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

15 PROVISIONS AND CONTINGENT LIABILITY

Provision is recognised when the Company has a present obligation as a result of past event, is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A Contingent Liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise contingent a Liability but discloses its existence in the financial statements.

Contingent Assets are neither recognised nor disclosed.

16 DIVIDEND:

Final Dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors

17 CASH FLOW STATEMENT:

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- (i) Transactions of a non-cash nature
- (ii) Any deferrals of accruals of past or future operating cash receipts or payments and
- (iii) Items of Income or expense associated with investing or financing cashflows.

Cash and Cash equivalents (including bank balances) are reflected as such in Cash Flow Statement.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 2		
SHARE CAPITAL:		
AUTHORISED :		
10,00,000-Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000
2,50,000-6 % Cumulative Preference Shares of Rs.10/- each	25,00,000	25,00,000
	1,25,00,000	1,25,00,000
ISSUED:		
5,06,000-Equity Shares of Rs.10/- each,	50,60,000	50,60,000
SUBSCRIBED AND PAID-UP:		
4,88,500 Equity Shares of Rs.10/- each	48,85,000	48,85,000
RECONCILIATION OF SHARES:		
Number of Equity Shares at the beginning of the year	4,88,500	4,88,500
Add/(Less) Shares issued/buyback etc.	Nil	Nil
Number of Equity Shares at the end of the reporting period	4,88,500	4,88,500

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF SHARES:

	31.3.2018		31.3.2017	
	No.of shares held	% of holding	No.of shares	% of holding
1. Equity:				
Mr. Dilip Thomas	1,81,888	37.23	1,38,888	28.43
Dalp Trading and Manufacturing Limited	1,04,123	21.31	1,04,123	21.31
LIC of India	49,543	10.14	49,543	10.14

No bonus shares/buyback of shares in last 5 years.

The company has only one class of shares which is Equity shares. Each holder of Equity shares is entitled for one vote in proportion to the number of shares held.

Shares reserved under option and contract/ commitments for sale of shares/ disinvestment	NIL	NIL
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The aggregate value of calls unpaid (including directors and Officers of the Company)	NIL	NIL
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THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 3		
RESERVES AND SURPLUS:		
CAPITAL REDEMPTION RESERVE:		
As per last Balance Sheet	22,60,000	22,60,000
SHARE PREMIUM ACCOUNT:		
As per last Balance Sheet	7,83,672	7,83,672
GENERAL RESERVE:		
As per last Balance Sheet	41,22,18,038	
Add: Sale proceeds of Rubber Trees	1,75,00,125	
Rubber Rehabilitation Allowance	8,87,768	
Balance Compensation Received from M/s Power Grid Corporation	18,10,666	
Transfer from Profit and Loss Account	-	
	43,24,16,597	
Expenditure on Replanting Rubber	73,20,309	
	42,50,96,288	
	42,50,96,288	41,22,18,038
SURPLUS		
Profit/(Loss) for the period	(2,60,68,803)	(2,13,84,134)
Add : Surplus/(Loss) brought forward	-	(5,35,72,899)
	(2,60,68,803)	(7,49,57,033)
APPROPRIATIONS :		
Less:		
Transfer to General Reserve	-	7,49,57,033
Surplus/(Deficit)	(2,60,68,803)	Nil
Total	40,20,71,157	41,52,61,710

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 4		
LONG TERM BORROWINGS:		
TERM LOANS FROM BANKS:		
(a) Secured against hypothecation of Stock-in-Trade, Standing crops, Plant and Machinery and also Equitable Mortgage of the Estates together with Buildings thereon Repayable in 28 quarterly instalments starting from June 2012 and last instalment falling due on June 2019 (Rate of Interest 11% per annum, previous year 11% PA)	Nil	14,24,580
(b) Secured against hypothecation of Vehicles Repayable in 60 monthly instalments starting from July 2014 (last instalment June 2020) - Rate of Interest 10.74% per annum	34,686	1,75,663
Repayable in 36 monthly instalments starting from January 2016 (last instalment December 2018) - Rate of Interest 9.51% per annum	Nil	69,251
Repayable in 36 monthly instalments starting from November 2015 (last instalment October 2018) - Rate of interest 9.51% per annum	Nil	4,24,777
Repayable in 84 monthly instalments starting from October 2017 (last instalment September 2024) - Rate of interest 9.90% per annum	5,03,794	Nil
	5,38,480	20,94,271
No loans have been guaranteed by Directors or others Period and amount of continuous default as on 31.03.2018	Nil	
NOTE: 5		
OTHER LONG-TERM LIABILITIES		
Trade payable	Nil	Nil
Others	2,908	2,908
	2,908	2,908
NOTE:6		
LONG TERM PROVISIONS		
Provision for Employees Benefits - Leave Encashment	8,05,202	8,11,626
	8,05,202	8,11,626

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 7		
SHORT TERM BORROWINGS:		
From Banks - Secured:		
Cash Credit		
Secured against hypothecation of Stock-in-Trade, Standing Crops, Plant and Machinery and also Equitable Mortgage of the Estates together with Buildings thereon	1,96,84,441	4,67,21,911
No loans have been guaranteed by Directors or others Period and amount of default as on 31.03.2018	Nil	
Advance from related parties - Unsecured:		
Loans from Directors	3,70,00,000	Nil
	5,66,84,441	4,67,21,911
NOTE: 8		
OTHER CURRENT LIABILITIES:		
Unpaid/unclaimed dividends	24,77,720	28,07,015
Unpaid Preference Capital Refund	3,35,290	3,35,290
Interest accrued but not due on borrowings	3,088	Nil
Security Deposits	35,00,000	35,00,000
Term Loan - Current maturities of long term debts (Refer Note 4)	7,00,480	23,32,245
Other payables	76,01,071	33,21,060
	1,46,17,649	1,22,95,610
NOTE: 9		
SHORT TERM PROVISIONS:		
Provision for Employee Benefits:		
- Leave Encashment	12,35,438	9,16,465
- Gratuity	8,13,399	31,84,185
Provision for Income tax	47,92,634	47,92,634
	68,41,471	88,93,284

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2018

Description	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 01.04.2017	Additions	Deductions	As at 31.03.2018	Upto 31.03.2017	For the Year	Withdrawn	Upto 31.03.2018	As at 31.03.2017	As at 31.03.2018
LAND AND DEVELOPMENT										
- FREEHOLD (**)	2,06,10,419	Nil	Nil	2,06,10,419	Nil	Nil	Nil	Nil		2,06,10,419
BUILDINGS (**)	4,11,64,822	Nil	Nil	4,11,64,822	3,00,64,723	11,30,363	Nil	3,11,95,086	99,69,736	1,11,00,099
PLANT AND MACHINERY	7,08,07,080	3,58,251	4,35,840	7,07,29,491	6,36,03,196	13,08,751	4,08,898	6,45,03,049	62,26,442	72,03,884
FURNITURE AND FITTINGS	35,45,705	32,497	Nil	35,78,202	34,66,282	17,888	Nil	34,84,170	94,032	79,423
VEHICLES	2,28,44,115	6,23,058	22,92,715	2,11,74,458	1,84,71,905	13,96,025	19,72,550	1,78,95,380	32,79,078	43,72,210
LIVESTOCK	8,27,67,334	74,53,750	Nil	9,02,21,084	Nil	Nil	Nil	Nil	9,02,21,084	8,27,67,334
	24,17,39,475	84,67,556	27,28,555	24,74,78,476	11,56,06,106	38,53,027	23,81,448	11,70,77,685	13,04,00,791	12,61,33,369
Previous Year	23,82,20,850	35,18,625	-	24,17,39,475	11,05,68,436	50,37,670	-	11,56,06,106	12,61,33,369	12,76,52,414

NOTE : 10

TANGIBLE ASSETS : *

Amount in ₹

NOTES: * The Company does not have any leased assets.

(**) Includes Rs.84,22,321/- and Rs.12,45,007/- respectively representing cost of land and building in joint ownership with other Companies, the book value of which amounted to Rs. 84,22,321/- and Rs. 62,250/- respectively.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2018

NOTE : 11 NON-CURRENT INVESTMENTS : (AT COST)

Description	As at 01-04-2017		Additions		Deductions		As at 31-03-2018	
	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)
I. SHARES IN COMPANIES:								
a) PREFERENCE SHARES (Unquoted)								
7% Cumulative preference Shares of The Highland Produce Co. Ltd. * (Redemption within 20 years)	1200000	1,20,00,000					1200000	1,20,00,000
AVR EDGE Networks Private Limited ##	4237	1,00,00,000					42370	1,00,00,000
		<u>2,20,00,000</u>		<u>0</u>				<u>2,20,00,000</u>
b) EQUITY SHARES								
(i) QUOTED:								
(i)								
Bayer Crop Science Limited	100	1,470					100	1,470
Periakaramalai Tea & Produce Company Ltd	63	1,600					63	1,600
Tata Global Beverages Ltd., (Face value Rs. 1/- per share)	1680	750					1680	750
		<u>3,820</u>						<u>3,820</u>
(ii) UNQUOTED:								
L J International Ltd.	320	800	268	83616			588	84,416
A V Thomas & Company Ltd.	2000	1,500					2000	1,500
A.V.Thomas Investments Co. Ltd.	21000	2,10,000					21000	2,10,000
Tea Serve (Face Value ₹ 5000 per share)	1	5,000					1	5,000
Dalp Trading and Manufacturing Limited	5000	50,000					5000	50,000
Rajagiri Impex Limited *	150000	15,00,000					150000	15,00,000
AVTS2 Virtual Lifestyle Pvt Limited * #	249999	24,99,990			249999	24,99,990	Nil	Nil
Dalp Holdings Singapore Pte Ltd. * (Face value USD 1/- per share)	17000	11,07,872					17000	11,07,872
The Highland Produce Company Ltd. *	100	18,000	186	37,200			286	55,200
A V Thomas International Limited *	100	20,000					100	20,000
AVR EDGE Networks Private Limited ##	11934	2,50,00,000					119340	2,50,00,000
		<u>3,04,13,162</u>		<u>1,20,816</u>				<u>2,80,33,988</u>
Diminution in value		<u>17,00,000</u>		<u>17,00,000</u>				<u>Nil</u>
		<u>2,87,13,162</u>		<u>1,20,816</u>				<u>2,80,33,988</u>

* Associate Company # Pvt Limited Company ## Face value changed to Rs.10/- per share during current year

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2018

**NOTE : 11
NON-CURRENT INVESTMENTS : (AT COST)**

Description	As at 01-04-2017			Additions			Deductions			As at 31-03-2018		
	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)		
II. SHARES OF CO-OPERATIVE SOCIETIES :												
The Shaliacary Estate Employees Co-operative Society Ltd. (Unquoted)	1	10					1	10				
III. INVESTMENT PROPERTIES:												
Purchase of Land for constructing Flat		4,30,10,131									4,30,10,131	
Cost of constructing Flat (including fittings and fixtures)		2,43,62,920									2,43,62,920	
Purchase of Land		3,19,27,120									3,19,27,120	
Value of Land and Building (including fittings and fixtures)		4,54,87,935									4,54,87,935	
Less: Depreciation		1,40,61,388									1,68,50,861	
		13,07,26,718		0							12,79,37,245	
IV. BONDS:												
I R F C Bonds	3263	32,63,000			3263	32,63,000					Nil	
N H A I Bond	4945	49,45,000			4945	49,45,000					Nil	
		82,08,000				82,08,000					Nil	
Total		18,96,51,710		1,20,816		90,07,990					17,79,75,063	
			31.03.2018	31.03.2017								
Aggregate amount of Quoted Investments (Market Value Rs.8,76,297/- and previous year Rs.6,42,624/-)			3,820	3,820								
Aggregate amount of Unquoted Investments			5,00,33,998	6,06,21,172								
Aggregate amount of Immovable properties			14,47,88,106	14,47,88,106								
			19,48,25,924	20,54,13,098								
Less: Aggregate Depreciation on Immovable property			1,68,50,861	1,40,61,388								
Aggregate provision for Diminution in value of investments			0	17,00,000								
			17,79,75,063	18,96,51,710								

(i) Face value of Equity Shares is Rs.10/- each fully paid up, except for those shares where face value has been separately mentioned

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 12		
OTHER NON CURRENT ASSETS		
Deposits	11,15,815	11,15,815
Prepaid Expenses	33,70,800	44,94,400
	<u>44,86,615</u>	<u>56,10,215</u>

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2018

**NOTE : 13
CURRENT INVESTMENTS (LOWER OF COST AND FAIR VALUE)**

Description	As at 01-04-2017		Additions		Deductions		As at 31-03-2018	
	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹
INVESTMENTS IN PREFERENCE SHARES								
16.06% Infra Structure Leasing & Financial Services Ltd 2021	800	1,00,00,000			800	1,00,00,000	Nil	Nil
INVESTMENTS IN MUTUAL FUNDS								
Kotak Mahendra Real Estate Fund	1483	14,83,481			1483	14,83,481	Nil	Nil
DWS Fixed maturity plan series 54 - Regular Growth Plan	1000000	1,00,00,000					1000000	1,00,00,000
KMBL Wealth Management (Power of Attorney) account	39							39
SBI Debt Fund Series A 34 - 367 Regular Growth	500000	50,00,000			500000	50,00,000	Nil	Nil
Ask Real Estate Special opportunities fund II	65	65,00,000	35	35,00,000			100	1,00,00,000
Reliance Capital Builder Fund II Series B Growth Plan	300000	30,00,000	10417	1,04,51,096	1136	11,40,000	9281	93,11,096
SBI Premier Liquid Fund - Regular Plan - D D								
		<u>2,59,83,520</u>		<u>1,39,51,096</u>		<u>1,06,23,481</u>		<u>2,93,11,135</u>
Total		3,59,83,520		1,39,51,096		2,06,23,481		2,93,11,135
		31.03.2018		31.03.2017				
Aggregate amount of Quoted Investments (NAV of Mutual Funds Rs.3,32,03,289/-, Previous year Rs.3,03,76,541/-)		<u>2,93,11,135</u>		<u>3,59,83,520</u>				
		<u>2,93,11,135</u>		<u>3,59,83,520</u>				

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 14		
INVENTORIES:		
(Valued at lower of cost and net realisable value)		
Finished goods	1,31,92,000	1,24,98,000
Stores and Spares	80,48,028	47,94,760
Nurseries	12,09,260	17,10,929
Total	2,24,49,288	1,90,03,689
 NOTE: 15		
TRADE RECEIVABLES:		
Outstanding for more than six months from the date they become due for payment		
Considered good	Nil	Nil
Doubtful	12,95,951	12,95,951
Less: Allowance for bad and doubtful advances	12,95,951	12,95,951
Total	Nil	Nil
Others		
Unsecured, Considered good	1,20,32,787	83,86,547
Total	1,20,32,787	83,86,547
 NOTE: 16		
CASH AND CASH EQUIVALENTS:		
Cash and Stamps on hand	1,19,215	1,08,612
 Balances with Scheduled Banks		
in Current account	10,29,823	17,49,585
in Deposit account	Nil	Nil
	11,49,038	18,58,197
in Unpaid Dividend Bank Account	24,77,720	28,07,015
in Unpaid Preference Capital Refund Bank Account	3,35,290	3,35,290
in Margin Money deposits accounts	2,25,18,939	1,91,41,349
	2,53,31,949	2,22,83,654
Total	2,64,80,987	2,41,41,851
Bank deposits with more than 12 months	Nil	1,24,01,000

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 17		
SHORT TERM LOANS AND ADVANCES:		
Unsecured, Considered good		
Loans and advances due by Officers of the Company:	Nil	6,000
Others - Intercorporate Deposit	1,95,00,000	1,95,00,000
Advances recoverable in cash or in kind or for value to be received.	1,16,33,879	1,00,47,722
Advances on account of Capital Works	3,23,850	Nil
Deposits with NABARD	6,30,60,284	6,30,60,284
Tax payments pending adjustments	41,64,377	36,85,600
MAT Credit entitlement	2,00,000	2,00,000
	<u>9,88,82,390</u>	<u>9,64,99,606</u>

Note :

Includes debts due by Private Limited Company in which there are common Directors

DALP Holdings Singapore Pte Limited	<u>2,61,266</u>	<u>2,61,266</u>
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THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH 2018**

	For the year ended 31-03-2018	(Amount in ₹) For the year ended 31-03-2017
NOTE: 18		
SALE OF PRODUCTS:		
Rubber	15,25,84,203	16,13,60,166
Tea	5,33,32,911	5,26,86,820
Cardamom	2,25,26,453	1,95,96,728
Minor Produce	24,35,290	27,17,595
Tea waste sale	3,44,000	2,77,500
Other Operating Income	64,98,000	23,63,950
	<u>23,77,20,857</u>	<u>23,90,02,759</u>
NOTE: 19		
OTHER INCOME:		
Income from non-current Investments	3,05,711	1,55,527
Income from Current Investments	2,12,296	15,87,593
Interest Received		
From Banks	14,41,958	4,97,657
Others	33,58,703	39,41,555
Livestock Receipts - Stake money and others	57,84,774	60,54,097
Profit on Sale of Current Investments	36,67,059	46,73,678
Profit on Sale of Assets	1,53,552	Nil
Rent Received	71,15,000	64,78,291
Miscellaneous Receipts	15,89,458	9,57,224
Sundry Credit balances no longer payable written back	6,36,142	Nil
Provision for diminution in value of investments written back	17,00,000	Nil
Compensation against Rubber trees	20,48,960	Nil
	<u>2,80,13,613</u>	<u>2,43,45,622</u>
NOTE: 20		
COST OF MATERIAL CONSUMED:		
Raw Material Consumed		
Latex Procured	1,21,72,117	1,29,17,872
Bought Leaf	1,41,69,647	1,43,04,600
	<u>2,63,41,764</u>	<u>2,72,22,472</u>
NOTE: 21		
OTHER MANUFACTURING EXPENSES:		
Power and fuel consumed	1,48,21,214	1,28,87,062
Stores, spares, chemicals and packing materials consumed	2,00,64,615	1,79,21,558
Transport and Warehousing	35,35,405	27,13,774
Repairs - Plant and Machinery	17,91,261	23,27,094
Repairs - Buildings	27,18,387	24,05,550
	<u>4,29,30,882</u>	<u>3,82,55,038</u>

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH 2018**

	For the year ended 31-03-2018	(Amount in ₹) For the year ended 31-03-2017
NOTE: 22		
CHANGE IN INVENTORIES/STOCK-IN-TRADE:		
OPENING STOCK :		
Rubber	39,32,000	66,68,000
Tea	22,59,000	42,33,000
Cardamom	63,07,000	72,44,000
	<u>1,24,98,000</u>	<u>1,81,45,000</u>
CLOSING STOCK :		
Rubber	46,59,000	39,32,000
Tea	46,20,000	22,59,000
Cardamom	39,13,000	63,07,000
	<u>1,31,92,000</u>	<u>1,24,98,000</u>
	<u>(-) 6,94,000</u>	<u>(+) 56,47,000</u>
NOTE: 23		
EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	13,93,12,593	12,90,51,172
Contribution to Provident and other Funds	1,48,24,154	1,36,73,546
Provision for Gratuity (Refer Note No.27 (7))	8,13,399	31,84,185
Provision for Leave Encashment (Refer Note No.27 (7))	3,12,549	3,79,146
Welfare Expenses	60,24,142	60,47,083
	<u>16,12,86,837</u>	<u>15,23,35,132</u>
NOTE: 24		
FINANCE COSTS:		
Interest	<u>75,46,852</u>	<u>68,39,617</u>

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH 2018**

	For the year ended 31-03-2018	(Amount in ₹) For the year ended 31-03-2017
NOTE: 25		
LIVE STOCK EXPENDITURE:		
Live Stock - Broodmares/Race Horses		
Maintenance and other expenses	1,54,99,459	1,26,61,504
Service tax on stake money received	29,342	9,01,690
Less: Sale of horses	(3,75,000)	(17,45,000)
	1,51,53,801	1,18,18,194
 NOTE: 26		
OTHER EXPENSES:		
Rent and Amenities	2,04,450	2,05,790
Rates and Taxes	21,38,473	23,61,478
Sales Tax	2,11,937	8,23,847
Brokerage and Commission	23,01,247	29,61,777
Repairs and Maintenance :-		
Buildings	8,24,910	16,85,634
Plant and Machinery	2,31,292	2,90,274
Vehicles	32,19,371	32,75,440
Others	6,19,553	9,98,062
Printing and Stationery	5,98,644	8,10,087
Postage and Telephones	9,37,154	12,15,463
Legal Expenses	5,30,476	6,69,550
Directors' Sitting Fees	1,50,000	1,10,000
Auditor's Remuneration:-		
For Audit	8,00,000	7,00,000
For Certification / Tax Audit	3,26,676	2,23,650
For Tax Representation	2,35,000	2,05,000
For Travelling and other Expenses	1,45,000	1,80,000
For Service Tax	Nil	1,87,500
Insurance	10,63,060	10,41,906
Advertisement	58,990	67,266
Bank Charges	1,46,718	12,39,831
Travelling Expenses	97,85,460	68,28,105
Sundry debit balances not receivable written off	5,99,946	Nil
Assets discarded written off	16,016	Nil
Rubber Rehabilitation Allowance	8,87,768	8,94,527
Professional Fees	4,73,776	3,19,077
Loss on closure of Associate Company	16,94,467	Nil
Miscellaneous Expenses	42,89,040	72,25,962
	3,24,89,424	3,45,20,226

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

For the year ended
31-03-2018

Previous Year

NOTE: 27

OTHER NOTES:

1. PARTICULARS OF CONSUMPTION:

	Value in ₹	%	Value in ₹	%
(a) Raw Materials:				
(i) Latex - Indigenous	1,21,72,117	100	1,29,17,872	100
(ii) Bought Leaf - Indigenous	1,41,69,647	100	1,43,04,600	100
	2,63,41,764		2,72,22,472	
(b) Stores and Spares				
Indigenous	2,00,64,615	100	1,79,21,558	100
Imported	Nil		Nil	
	2,00,64,615	100	1,79,21,558	100

For the year ended
31-03-2018
(In ₹)

Previous
Year
(In ₹)

2. C.I.F. VALUE OF IMPORTS:

Nil

3. EARNINGS / EXPENDITURE IN FOREIGN CURRENCY:

a) Earnings:

Nil

b) Expenditure

 Foreign Travel

27,64,104

26,53,754

4. EARNINGS PER SHARE:

Profit after Taxation

(2,60,68,803)

(2,13,84,134)

Number of Equity Shares outstanding at the end of the year

4,88,500

4,88,500

Earnings per Share (Basic and Diluted)

(53.37)

(43.78)

5. Total outstanding to Micro and Small Enterprises (SMEs)

The information regarding dues to Micro, Small and Medium Enterprises as required under Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 as on 31st March 2018 is furnished below:

(a) The Principal amount and the interest due there on remaining unpaid to any supplier as at the end of the accounting year

 (i) Principal due to Micro and Small Enterprise

Nil

Nil

 (ii) Principal due to Medium Enterprise

Nil

Nil

 (iii) Interest

Nil

Nil

(b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

Nil

Nil

(c) The amount of interest due and payable for the period (Where the principal has been paid but interest under the MSMED Act, 2006 not paid)

Nil

Nil

(d) The amount of interest accrued and remaining unpaid at the end of the accounting year

Nil

Nil

(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.

Nil

Nil

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE : 27 (Contd..)

OTHER NOTES (Contd..)

	Year Ended 31st March 2018 Rs.	Previous Year Rs.
6 CONTINGENT LIABILITIES:		
a) Sales-tax demands disputed in appeals, against which ₹ 30,80,569/- is paid and included under Other Current Assets	1,15,00,000	69,00,000
b) Claims against the Company not acknowledged as debts	11,50,000	16,85,000
c) Estimated amount of Contracts remaining to be executed on Capital Account	4,26,000	Nil
d) The retrospective effect from 01.04.2014 of the operations and implementations of the Payment of Bonus (Amendment) Act, 2015 has been stayed by Hon. High Court of Kerala. Considering the same, the Company has not provided for the additional liability.		
e) The future cash outflow on the above items are determinable only on receipt of decision/judgement that is pending at various forms/authorities. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.		

7 Employee Benefits:

- i) Defined Benefit Plans:
- a) Description of the Company's defined benefit plan:

i) Gratuity Scheme:

This is a funded defined benefit plan for qualifying employees for which, the Company makes contribution to the Gratuity Fund managed by the Life Insurance Corporation of India. The scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

ii) Leave Encashment:

The company also operates a non funded leave encashment scheme for its employees.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE: 27 (Contd.)

OTHER NOTES (Contd..)

7. Employee Benefits (Contd..)

b) Reconciliation of changes in the Present Value of Obligation: (In ₹)

	As at 31.03.2018		As at 31.03.2017	
	Gratuity	Leave	Gratuity	Leave
	(Funded Plan)	Encashment (Non Funded Plan)	(Funded Plan)	Encashment (Non Funded Plan)
Present Value of the Obligation as on 1.04.2017	6,38,02,188	17,28,091	6,24,50,447	13,48,945
Current Service Cost	42,66,558	3,13,856	38,09,149	2,93,760
Interest Cost	42,16,295	1,18,201	47,19,717	1,04,320
Benefits Paid	(43,20,901)	Nil	(69,07,965)	(89,899)
Actuarial loss / (gain)	(27,82,258)	(1,19,508)	(2,69,160)	70,965
Present Value of the Obligation as on 31.03.2018	6,51,81,882	20,40,640	6,38,02,188	17,28,091

c) Reconciliation of changes in the fair value of Plan Assets:

Fair Value of Plan Assets as on 1.04.2017	6,06,18,003	Nil	6,19,01,858	Nil
Adjustment to Opening Fair Value of Plan Assets	4,060	Nil	(18,546)	Nil
Expected return on plan assets	41,17,200	Nil	52,84,000	Nil
Contribution by the Company	34,63,367	Nil	5,63,660	89,899
Benefits Paid	(43,20,901)	Nil	(69,07,965)	(89,899)
Actuarial gain / (loss)	4,86,754	Nil	(2,05,004)	Nil
Fair Value of Plan Assets as on 31.03.2018	6,43,68,483	Nil	6,06,18,003	Nil

d) The total expense recognised in the profit and loss account is as follows:

Current Service Cost	42,66,558	3,13,856	38,09,149	2,93,760
Interest Cost	42,16,295	1,18,201	47,19,717	1,04,320
Expected return on plan assets	(41,17,200)	NA	(52,84,000)	NA
Net Actuarial (gain) / loss recognised in the year	(32,69,012)	(1,19,508)	(64,156)	70,965
	10,96,641	3,12,549	31,80,710	4,69,045

e) Reconciliation of Net Liability recognised in the balance sheet

Net Liability as at the beginning of the year	31,84,185	17,28,091	5,48,589	13,48,945
Adjustment to Opening Fair Value of Plan Assets	(4,060)	Nil	18,546	Nil
Add: Expense as (d) above	10,96,641	3,12,549	31,80,710	4,69,045
Less: Employers Contribution / Payment	34,63,367	Nil	5,63,660	89,899
Net Liability as at the end of the year	8,13,399	20,40,640	31,84,185	17,28,091

f) Constitution of Plan Assets:

Investments in LIC Group Gratuity Scheme	6,43,68,483	Not Applicable	6,06,18,003	Not Applicable
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THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE: 27 (Contd.)

OTHER NOTES (Contd..)

(In ₹)

7 Employee Benefits: (Contd.)

	As at 31.03.2018		As at 31.03.2017	
	Gratuity	Leave	Gratuity	Leave
	(Funded Plan)	Encashment (Non Funded Plan)	(Funded Plan)	Encashment (Non Funded Plan)
g) Principal actuarial assumptions used as at the Balance Sheet date:				
Discount Rate	7.30%	7.30%	6.84%	6.84%
Salary Escalation Rate	6.50%	6.50%	7.00%	8.00%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	7.65%	NA	6.84%	NA

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

h) The amount pertaining to defined benefit plan are as follows:

	<u>31.03.2018</u>	<u>31.03.2017</u>	<u>31.03.2016</u>	<u>31.03.2015</u>	<u>31.03.2014</u>
Gratuity funded plan					
Defined Benefit Obligation	6,51,81,882	6,38,02,188	6,24,50,447	6,19,55,683	5,54,56,506
Plan Assets	6,43,68,483	6,06,18,003	6,19,01,858	5,42,94,247	5,24,74,988
Surplus/(Deficit)	(8,13,399)	(31,84,185)	(5,48,589)	(76,61,436)	(29,81,518)
Experience adjustment - Plan Liability	(27,82,258)	(2,69,160)	(25,37,767)	40,95,699	3,93,428
Experience adjustment - Plan Assets	4,86,754	(2,05,004)	(3,30,220)	(5,550)	18,772

The Company expects to fund ₹ 28.00 lakhs towards its Gratuity Plan during the year 2018-2019.

ii) Defined Contribution Plans:

The Company makes contribution towards employees' provident fund, family pension fund, super annuation fund and employees' state insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognised Rs.1,38,33,132/- as expense towards contributions to these plans.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE: 27 OTHER NOTES (Contd..)

8 LAND:

- a) The petition filed by the Company with the Government for assignment of Kuthakapattam land of 3.52 acres in Shaliacary Estate of the Company planted in 1968, has been rejected by the Government vide order dated 21-12-2006. The Company has challenged this order by filing a writ petition before the Honourable High Court of Kerala and the writ petition has been dismissed and the Government has the powers to take over this land. The Company has filed an application to the Tahsildar (Land Acquisition) on 16-01-2016 suggesting a take over of alternate land, since the same is under Rubber Plantations. This application is pending before the authorities.
- b) The order of the Taluk Land Board under the Kerala Land Reforms Act, 1963 requiring the Company to surrender the alleged excess land of 290.85 acres (117.705 Hectares) in Chulika and erstwhile Poonoor Estate has been confirmed by the High Court of Kerala in CRP 1822/1994 dated 24th May 2011 directing surrender of the entire 290.85 acres. Out of the above 290.85 acres, 200.23 acres forms part of forest land in Chulika Estate which was already vested with the Government under a different Act. The issue was concerning 90.62 acres (falling under Survey No. 2/1 B of Raroth Village, Calicut District in erstwhile Poonoor Estate. Since this part of the land is no more in our possession, the Taluk Land Board, Vythiri, Wayanad District, directed us to surrender an equivalent extent of land in Chulika Estate vide order dated 22-05-2012. This order was challenged before the Hon'ble High Court of Kerala in CRP 263/2012 and the Hon'ble High Court of Kerala by its order dated 19-11-2014 has directed the Taluk Land Board to proceed as per the earlier order of the Hon'ble High Court of Kerala in CRP 1822/1994 and take over the excess land of 200.23 acres in Chulika Estate and 90.62 acres in Poonoor Estate. The Management again has challenged this in the Hon'ble High Court in CRP No. 436/2016 and a stay has been obtained. The stay is in vogue.
- c) During 1974-75 the Forest Department had vested 93.18 Acres (37.10 Hectares) falling as enclaves in blocks within the planted area. The Company's application before the Forest Tribunal in OA No.94/1975 was dismissed on 10-02-2009. The Management challenged this order before the Hon'ble High Court of Kerala in Case No. MFA 284/2009 and the matter is pending. In the year 2001, the Forest Department vested two blocks namely 108.67 Acres (43.8200 Hectares) and 21.45 Acres (8.650 Hectares). The Company's application before the Forest Tribunal, Kozhikode in OA 47 of 2001 was dismissed on 29-02-2005. The Management challenged this before the Hon'ble High Court of Kerala. The Court decided that 21.45 Acres cannot be vested as forest. The Forest Department filed a Review Petition (P No. 599 of 2010) and the same was dismissed by the Kerala High Court on 18-10-2010. The Management has written to the Forest Department to restore this area. We were informed that the Forest Department has gone on appeal before the Hon'ble Supreme Court.
- d) The dispute to title raised by Kerala Varma Raja as having Jenmam right on 250 acres (101.174 Hectares in erstwhile Poonoor Estate, in a suit OS No.338/1993 in Sub Court, Kozhikode. The Company claims fixity of tenure under the Kerala Land Reforms Act which can only be decided by the Land Tribunal, Kozhikode, and they seized of the matter in Case No.RC 3/2002. A Revenue Inspector was appointed to visit the estate and file his report. The Revenue Inspector inspected the property on 29.6.2003 and has given a favourable report to the Land Tribunal, Kozhikode. The Land Tribunal has heard the submissions and final order is awaited. Meanwhile, the petitioner approached the Court to appoint a Commission to inspect the property. The Commission will visit the Estate during 1st week of July 2018.
- e) The Company had acquired the Lease hold rights of approximately 327 Hectares of the Chulika Estate which belonged to Edavalath Kovilakam in 1937 who is one of the matriarchal lineage of Mariveetil Family (Tharavad). Later this lease hold rights were converted into proprietary rights in 1963 through a public Court auction. Mr. Vijaya Kumar Varma Raja belonging to Kadathanath Kovilakam the other matriarchal lineage of Mariveethil Family had purchased the property through a public Court auction in 1964 and by virtue of this purchase the jenmi right (lease hold rights) which belonged to Kadathanath Kovilakam was assigned to him. Later in 2006 Mr Vijaya Kumar Varma Raja had sold his property to Mr Anil Kumar a partner in a partnership firm called "Madthilkandy Plantations" who has now instituted the suit for recovery possession of 270 Hectares in Chulika. The Management challenged this before the Sub Court, Sultan Battery Wayanad since Mr. Anil Kumar who claims to have purchased the jenmi rights of this property in 1964 through public auction from Kadathanath Kovilakam much after the Company has purchased the property. A commission was appointed by the Court to survey the area under dispute and the Commission Report to the Court is awaited. The matter is still pending in Court.
- f) The future financial impact/liability, if any, in respect of the above cases which are pending adjudication in various Courts are determined only on receipt of the decision/judgement. Hence the Company has not considered making of any provision on account of the above.

9. SEGMENT REPORTING:

The operations of the Company relate to Plantation crops, which is the significant business segment and therefore no separate reporting is made.

10. ACCOUNTING FOR TAXES ON INCOME:

The impact of deferred tax on income for the year is considered not material and hence not recognised.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE : 27 (Contd.)

OTHER NOTES (Contd..)

11. RELATED PARTY TRANSACTIONS

Following Associate Companies are related to the Company on account of common control through Constitution of Board / Shareholding:

- | | |
|--|---|
| - A V Thomas & Company Limited | - A V Thomas Exports Limited |
| - A V Thomas International Limited | - Doors and More Wood Products Limited |
| - L.J.International Limited | - DALP Benevolent Trust |
| - A V Thomas Investments Company Limited | - J Thomas Educational and Benevolent Trust |
| - The Highland Produce Company Limited | - Rajagiri Impex Limited |
| - DALP Trading and Manufacturing Limited | - DALP Holdings Singapore PTE Limited |
| - A V Thomas Leather and Allied Products Private Limited | - AVR Edge Networks Private Limited |

Key Management Personnel - Mr. Dilip Thomas, Chairman, Mrs. Priyalatha Thomas, Managing Director
Mr. K Suresh, Joint Managing Director.

Details of Transactions:	Year ended 31.03.2018		Year ended 31.03.2017	
	Associates	Key Management Personnel	Associates	Key Management Personnel
	(In ₹)	(Including Relatives) (In ₹)	(In ₹)	(Including Relatives) (In ₹)
INCOME				
Sales	2,29,24,090	Nil	1,97,08,709	Nil
Dividend Received	3,00,000	Nil	1,50,000	Nil
Rent Received	8,000	Nil	Nil	Nil
EXPENDITURE:				
Purchases	91,364	Nil	77,660	Nil
C & F Charges paid	3,33,182	Nil	2,21,610	Nil
Rent Paid	12,000	Nil	13,790	Nil
Interest paid	Nil	12,39,043	Nil	2,01,783
Sitting fees paid	Nil	50,000	Nil	40,000
Dividend paid	Nil	Nil	Nil	Nil
Remuneration paid	Nil	1,03,19,294	Nil	75,25,960
Commission paid	16,28,615	Nil	23,80,333	Nil
Other selling expenses	4,59,220	Nil	5,32,953	Nil
OTHERS:				
Loans taken	Nil	5,10,00,000	Nil	Nil
Loans repaid	Nil	1,40,00,000	Nil	40,00,000
Purchase of Investments	1,20,816	Nil	7,13,622	Nil
BALANCE AS ON 31st MARCH 2018				
Debit Balance	3,71,733	Nil	3,91,332	Nil
Credit Balances	32,96,315	3,70,00,000	49,637	Nil

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE: 27 (Contd.)

OTHER NOTES (Contd..)

12 Exit Offer from Dissemination Board of NSE

The Board of Directors of the Company along with its Promoters, decided in its meeting held on 24th February 2017 to provide Exit Offer to the existing shareholders. This is as per SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110, dated 10th October 2016. In this regard, two of the Promoters of the Company namely The Highland Produce Company Limited and L J International Limited have given Bank Guarantees of Rs.6,88,90,423/- and Rs.8,00,00,000/- respectively to National Stock Exchange of India Limited as per the terms of Exit offer. The Board of Directors of the Company have decided to extend the Exit Offer period to the Shareholders till 23rd October 2018, which was approved by circular resolution on 27th June 2018.

The Board of the Company in its meeting held on 24-02-2017 has decided to participate as promoter in the Exit Offer as per SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10th October 2016 of certain Group Companies namely The Highland Produce Company Limited, L J International Limited and A V Thomas International Limited. The cost incurred till 31st March 2018 towards the same will be capitalised along with the purchase of shares. The cost till 31st March 2018 amounts to Rs.6,77,812/- which has been shown under the head Short Term Loans and Advances. Further, the Company is maintaining a margin money deposit of Rs 1,24,01,000/- for this said purpose. In addition to that the Company has given a Bank Guarantee for Rs.12,39,86,452/- to National Stock Exchange of India Limited.

13 Previous year's figures have been re-grouped wherever necessary.

Vide our report of date attached

For SURI & CO.

Chartered Accountants

Firm Regn.No.004283S

G. RENGARAJAN

Partner

Membership No. 219922

For and on behalf of the Board

DILIP THOMAS

Chairman

PRIYALATHA THOMAS

Managing Director

Place : Chennai

Date : 11th July 2018

Consolidated Financial Statements

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of
The Rajagiri Rubber & Produce Company Limited, Alappuzha

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The Rajagiri Rubber & Produce Company Limited ('the Holding Company') its subsidiary and its associates (collectively referred to as 'the Group'), comprising of the Consolidated Balance Sheet as at 31-March-2018 the consolidated statement of profit and loss, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company and of its associates included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred in sub paragraph of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Consolidated State of Affairs of the Group as at 31-March-2018, and its Consolidated Loss and their cash flows for the year ended on that date.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

Other Matters

We did not audit the financial statements of the subsidiary and one associate, whose financial statements reflect total assets of Rs. 99,00,632 as at 31-March-2018, total revenues of Rs. 9,07,20,279 and net cash outflow amounting to Rs. 19,77,848 for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statements also include the Group's share of Net Profit of Rs. 1,40,400 for the year ended 31-March-2018, as considered in the consolidated financial statements, in respect of one associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 purposes of our audit of the aforesaid consolidated financial statements.
 - b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c. the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d. in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors of the Holding Company as on 31-March-2018, and taken on record by the Board of Directors of the Holding Company and its associate companies incorporated in India none of the directors of the Group and its associate companies is disqualified as on 31-March-2018 from being appointed as a director in terms of Section 164 (2) of the Act.;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer our separate report in Annexure A and
 - g. 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 consolidated financial statements disclose the impact of pending litigations on its financial position in its consolidated financial statements - Refer Note 27(6) to the consolidated financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company other than a sum of Rs 3,35,290/- relating to preference capital redeemed by the holding company during F.Y 1993-94 which has been transferred on 22/05/2018.

For SURI & CO.
Chartered Accountants
Firm Regn.No.004283S

G. RENGARAJAN
Partner
Membership No. 219922

Place : Chennai
Date : 11th July 2018

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

ANNEXURE A TO THE REPORT OF THE AUDITORS TO THE MEMBERS OF THE RAJAGIRI RUBBER & PRODUCE COMPANY LIMITED, ALAPPUZHA

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31-March-2018 we have audited the internal financial controls over financial reporting of THE RAJAGIRI RUBBER & PRODUCE COMPANY LIMITED (hereinafter referred to as ‘The Holding Company’) and its associate companies which are incorporated in India as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the holding company and its associates which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its associate companies, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-Mar-2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SURI & CO.
Chartered Accountants
Firm Regn.No.004283S

G. RENGARAJAN
Partner
Membership No. 219922

Place : Chennai
Date : 11th July 2018

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

	NOTES	As at 31-03-2018	Amount in ₹ As at 31-03-2017
I. EQUITY AND LIABILITIES:			
(1) Shareholders' Funds:			
(a) Share Capital	2	48,85,000	48,85,000
(b) Reserves and Surplus	3	40,12,99,030	41,45,88,275
		<u>40,61,84,030</u>	<u>41,94,73,275</u>
(2) Non-Current Liabilities:			
(a) Long Term borrowings	4	5,38,480	20,94,271
(b) Other Long-Term Liabilities	5	2,908	2,908
(c) Long-Term Provisions	6	8,05,202	8,11,626
		<u>13,46,590</u>	<u>29,08,805</u>
(3) Current Liabilities:			
(a) Short-Term borrowings	7	5,66,84,441	4,67,21,911
(b) Trade Payables			
Total outstanding dues of Micro Enterprises and Small Enterprises (Note No. 27(5) and Total outstanding dues of Creditors other than micro enterprises and small enterprises		-	-
(c) Other Current Liabilities	8	2,44,67,402	2,10,12,102
(d) Short-Term Provisions	9	1,47,21,104	1,23,66,495
		<u>68,41,471</u>	<u>88,93,284</u>
		<u>10,27,14,418</u>	<u>8,89,93,792</u>
TOTAL		<u>51,02,45,038</u>	<u>51,13,75,872</u>
II. ASSETS:			
(1) Non-Current assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	10	13,04,00,791	12,61,33,369
(ii) Capital Work-in-progress			
a) Bearer Plants		61,04,852	22,44,245
(b) Non-current Investments	11	17,73,64,256	18,89,00,503
(c) Other non-current assets	12	44,86,615	56,10,215
		<u>31,83,56,514</u>	<u>32,28,88,332</u>
(2) Current assets:			
(a) Current Investments	13	2,93,11,135	3,59,83,520
(b) Inventories	14	2,24,49,288	1,90,03,689
(c) Trade Receivables	15	1,20,32,787	83,86,547
(d) Cash and Cash equivalents	16	2,65,80,933	2,45,51,774
(e) Short-term loans and advances	17	9,86,21,124	9,62,38,340
(f) Others-Accrued Income		28,93,257	43,23,670
		<u>19,18,88,524</u>	<u>18,84,87,540</u>
Significant Accounting Policies	1		
TOTAL		<u>51,02,45,038</u>	<u>51,13,75,872</u>

Notes 1 to 17, Note 27 and Cash Flow Statement form part of this Balance Sheet

Vide our report of date attached
For SURI & CO.

For and on behalf of the Board

Chartered Accountants
Firm Regn.No.004283S

G. RENGARAJAN

Partner

DILIP THOMAS
Chairman

PRIYALATHA THOMAS
Managing Director

Place : Chennai

Date : 11th July 2018 Membership No. 219922

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

	Notes	For the year ended 31-03-2018	Amount in ₹ For the year ended 31-03-2017
REVENUE:			
I. Revenue from Operations:			
Sale of Products	18	23,77,20,857	23,90,02,759
II. Other Income:	19	2,80,13,613	2,43,73,248
III. Total Revenue	TOTAL	<u>26,57,34,470</u>	<u>26,33,76,007</u>
EXPENSES:			
Cost of Materials Consumed	20	2,63,41,764	2,72,22,472
Other Manufacturing Expenses	21	4,29,30,882	3,82,55,038
Purchase of Stock-in-Trade		1,05,213	1,20,878
(Increase)/Decrease in Inventory	22	(6,94,000)	56,47,000
Employee benefit expenses	23	16,12,86,837	15,23,35,132
Finance Costs	24	75,46,852	68,39,617
Livestock Expenditure	25	1,51,53,801	1,18,18,194
Depreciation and amortization expense		66,42,500	79,73,958
Other expenses	26	3,28,27,356	3,47,84,005
IV. Total Expenses	TOTAL	<u>29,21,41,205</u>	<u>28,49,96,294</u>
V. Profit/(Loss) before exceptional and extraordinary items (III-IV)		(2,64,06,735)	(2,16,20,287)
VI. Exceptional/Extraordinary items		Nil	Nil
VII. Profit/(Loss) after Exceptional/Extraordinary items		(2,64,06,735)	(2,16,20,287)
VIII. Profit/(Loss) before Tax (PBT)		(2,64,06,735)	(2,16,20,287)
IX. Tax Expenses:			
- Current Tax		-	-
- Deferred Tax		-	-
X. Profit/(Loss) after tax (VIII-IX)		(2,64,06,735)	(2,16,20,287)
Add : Share of Profit/(Loss) of Associates		1,40,400	1,71,329
XI. Profit/(Loss) for the period		<u>(2,62,66,335)</u>	<u>(2,14,48,958)</u>
Earnings per Share (Basic & Diluted)	27 (4)	(54.06)	(43.91)

Notes 18 to 27 and Cash Flow Statement form part of this Statement of Profit and Loss.

Vide our report of date attached
For SURI & CO.

For and on behalf of the Board

Chartered Accountants
Firm Regn.No.004283S
G. RENGARAJAN

DILIP THOMAS
Chairman

PRIYALATHA THOMAS
Managing Director

Place : Chennai

Date : 11th July 2018 *Membership No. 219922*

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2018

	(in ₹)	(in ₹)	Previous Year (in ₹)
A. CASH FLOW FROM OPERATING ACTIVITIES :			
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		(2,64,06,735)	(2,16,20,287)
ADJUSTMENTS FOR :			
Depreciation	66,42,500		79,73,958
Rubber Rehabilitation Allowance	8,87,768		8,94,527
Profit on Sale of Investments/Assets	(38,20,611)		(46,73,678)
Provision for Gratuity/Leave Encashment	(20,58,237)		30,14,742
Compensation from Power grid Corporation	(20,48,960)		Nil
Livestock written off, Profit/Loss on sale of livestock	(3,75,000)		(17,45,000)
Assets discarded written off	16,016		Nil
Foreign currency translation reserve	98,840		(13,847)
Interest/Dividend Received	(53,18,668)		(61,82,332)
Interest Paid	75,46,852		68,39,617
Loss on closure of Associate Company	16,94,467		Nil
Withdrawal of provision for Diminution in value	(17,00,000)		Nil
		15,64,967	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(2,48,41,768)	(1,55,12,300)
ADJUSTMENTS FOR :			
Trade and other Receivables	(36,46,240)		(15,12,443)
Inventories	(34,45,599)		72,49,124
Trade Payables	58,09,909		(44,56,236)
Other Current Assets	(38,28,702)		(1,25,88,310)
		(51,10,632)	
CASH GENERATED FROM OPERATIONS		(2,99,52,400)	(2,68,20,165)
Taxes Paid		(4,78,777)	13,42,768
CASH FLOW BEFORE EXTRAORDINARY ITEMS		(3,04,31,177)	(2,54,77,397)
Extraordinary Items		Nil	Nil
NET CASH FROM OPERATING ACTIVITIES		(3,04,31,177)	(2,54,77,397)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(1,23,28,163)	(57,62,870)
Purchase of Investments		(1,40,71,912)	(8,03,93,168)
Sale of Fixed Assets		8,59,643	17,45,000
Sale of Investments		3,33,04,063	13,21,91,050
Sale of Trees		1,75,00,125	97,25,000
Expenditure on Replanting		(73,20,309)	(62,39,824)
Interest Received		62,31,074	48,52,642
Dividend Received		5,18,007	17,43,120
Compensation received on rubber trees		38,59,626	Nil
NET CASH FROM INVESTING ACTIVITIES		2,85,52,154	5,78,60,950

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2018 (Contd.)

	(in ₹)	Previous Year (in ₹)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Public Deposits/Loan from Directors	3,70,00,000	(40,00,000)
Term Loan	(15,55,791)	(23,32,245)
Cash Credit	(2,70,37,470)	(1,89,57,356)
Interest Paid	(75,46,852)	(68,39,617)
Dividend paid including tax on dividend	Nil	Nil
NET CASH USED IN FINANCING ACTIVITIES	<u>8,59,887</u>	<u>(3,21,29,218)</u>
	<u>(10,19,136)</u>	<u>2,54,335</u>
NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS AS AT 01.4.2017		
(Beginning of the year)	22,68,120	
CASH AND CASH EQUIVALENTS AS AT 31.3.2018		
(Closing of the year)	12,48,984	
	<u>(10,19,136)</u>	<u>2,54,335</u>

Vide our report of date attached
For SURI & CO.
Chartered Accountants
Firm Regn.No.004283S
G. RENGARAJAN
Partner

Place : Chennai
Date : 11th July 2018

Membership No. 219922

For and on behalf of the Board

DILIP THOMAS
Chairman

PRIYALATHA THOMAS
Managing Director

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE : 1

A. SIGNIFICANT ACCOUNTING POLICIES

BACKGROUND:

The Company is a Public Limited Company incorporated and domiciled in India during the year 1937, having its Registered office at W-21/674, Beach Road, Alappuzha, Kerala India. The Company is engaged in Plantation activity and the crop dealt with by the Company is Tea, Cardamom and Rubber. The main business being Cultivation, Manufacturing and sales of Tea, Cardamom and Rubber.

1 ACCOUNTING CONVENTION :

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India, other pronouncements of the Institute of Chartered Accountants of India, provisions of the Companies Act, 2013

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Companies (Accounts) Rules, 2014.

The financial statements of The Rajagiri Rubber & Produce Company Limited – its subsidiary Dalp Holdings Singapore Pte Ltd has been combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-Group balances and transactions and resulting unrealised gain/loss. Further the financial statements of The Rajagiri Rubber & Produce Company Limited is consolidated with its associate Rajagiri Impex Ltd. (30% shareholding) under Equity Method. AVT S2 Virtual Life Style Pvt. Ltd. (25.25% shareholding) an associate concern was liquidated during the year and hence the same is not considered for the Consolidated Financial Statements.

The Audited financial statements of foreign subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principles of its country of incorporation or International Financial Reporting Standards. The differences in accounting policies of the company and its subsidiaries are not material. The excess / deficit of cost to the parent company of its investment in the subsidiaries over its portion of equity at the respective dates on which investment in such entities were made are recognized in the financial statements as goodwill / capital reserve. The Group tests for impairment of goodwill at each balance sheet date. When the company identifies that the goodwill has been impaired, the goodwill to the extent impaired is recognized in the Consolidated Profit and Loss Account.

In translating the financial statements of a non-integral foreign operation for incorporation in consolidated financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; income and expense items of the non-integral foreign operation are translated using average exchange rates prevailing during the reporting period. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

Associates are entities over which the group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting as laid under Accounting Standard (AS) 23, "Accounting for Investment in Associate in Consolidated Financial Statements". The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the acquisition date. The group's investment in Associates includes goodwill identified on acquisition.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

2 CURRENT AND NON CURRENT CLASSIFICATION:

All Assets and Liabilities have been classified as Current and Non Current as per the Company's normal operating cycle (12 months) and other criteria set out in Schedule III to the Act.

3 PROPERTY PLANT AND EQUIPMENT:

- a) Property, Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss based on cost model.

The cost of an item of property, plant and equipment is recognised as an asset when:

- i. it is probable that future economic benefits associated with the item will flow to the enterprise; and
- ii. The cost of the item can be measured reliably

Cost includes, taxes and duties (but does not include taxes and duties for which CENVAT/VAT/GST credit is available), freight and other direct or allocated expenses during construction period, net of any income earned. Assets acquired on Hire Purchase are capitalised at principal value.

- b) Direct expenditure on replanting of Tea/Rubber attributable to bringing the bearer plant to the condition necessary for it to be capable of operating in the manner intended by management less subsidy on replanting of tea are capitalised as bearer plants.
- c) Depreciation on property, plant and equipment has been charged as per the useful life specified in Schedule II of the companies act 2013, except assets costing individually less than Rs.5000/- which are depreciated at 100%. The residual value is considered at 5% of the Original cost of property, plant and equipment. Depreciation for assets purchased/sold during the period is proportionately charged.
- d) Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the company for its use. Depreciation and Amortization methods, useful lives and residual value are reviewed periodically, including at each financial year end.

4 IMPAIRMENT OF ASSETS

The Company reviews the carrying amounts of its assets for any possible impairment at each balance sheet date. An impairment Loss is recognized when the carrying amount of an asset exceeds its recoverable amount and the impairment loss, if any, is recognised in the Statement of Profit & Loss.

5 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition/construction of the qualifying asset are capitalised as a part of the cost of such asset, upto the date of acquisition/completion of construction.

Other borrowing costs are recognised as expense as and when incurred.

6 INVESTMENTS :

Long term Investments are stated at cost. Decline in value of long term investments, other than temporary, is provided for. Current Investments are stated at lower of cost and fair value. Investment in Immovable properties is stated at cost less depreciation.

7 INVENTORIES :

Inventories are valued at lower of cost on weighted average and net realisable value, after providing for obsolescence wherever considered necessary. Cost includes taxes and duties (other than duties and taxes for which CENVAT/VAT/GST credit is available), freight and other direct expenses.

8 REVENUE RECOGNITION :

Revenue is recognised on their accrual and when no significant uncertainty on measurability or collectability exists. Expenditure is accounted for on their accrual.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

Sale of Goods:

Revenue is recognised when all the significant risks and rewards of ownership of the goods have been passed on to the buyer, usually on delivery of goods. The Company collects sales tax and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividends:

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

9 EMPLOYEE BENEFITS :

Gratuity liability, which is a defined benefit scheme and provision for leave encashment is accrued and provided for on the basis of independent actuarial valuation based on projected unit credit method made at the end of each financial year. Actuarial gains and losses are recognised in the Statement of Profit and Loss and are not deferred. Retirement benefits in the form of Provident Fund, Family Pension Fund and Superannuation Schemes, which are defined contribution schemes, are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds accrue.

10 FOREIGN CURRENCY TRANSACTIONS :

Foreign currency transactions are recorded at the rates of exchange in force at the time the transactions are effected. Monetary items denominated in foreign currency and outstanding at the Balance sheet date are converted at the year end exchange rate and the resultant gain or loss is dealt with in the Statement of Profit & Loss. In the case of forward contracts, the difference between the forward rate and exchange rate on the date of transaction is dealt with in the Statement of Profit & Loss on completion of the transaction.

11 GOVERNMENT GRANTS

Subsidies from government in respect of fixed assets are deducted from the cost of respective assets as and when they accrue.

Subsidies related to revenue are recognised in the Statement of Profit and loss to match them with the related costs which they are intended to compensate.

12 TAXES ON INCOME:

Provision for Income-Tax is made for both current and deferred tax. Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred tax is accounted for by computing the tax effect of the timing difference which arise during the year and reverse out in the subsequent periods. Deferred tax is calculated at the tax rates substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a virtual certainty that they will be realised.

13 EXPENDITURE ON NEW PLANTING AND REPLANTING :

Direct expenditure on New Planting of different crops (other than minor produce) including upkeep and maintenance expenditure on immature plants are capitalised under "Development".

Direct Expenditure on Replanting of Tea and Cardamom including upkeep and maintenance expenditure on immature plants is charged to Statement of Profit and Loss account with credit to Subsidy on replanting of Tea and Cardamom as Revenue. In case of Rubber the said expenditure is debited to Reserve Account with sale proceeds of old and uneconomical rubber trees uprooted for replanting and Subsidy on replanting credited to Reserve Account.

Provision for Rehabilitation of Rubber Trees, based on annual production of Rubber, after taking into consideration the credits as to sale proceeds of trees and Subsidy on replanting, is charged to Statement of Profit and Loss by crediting to Reserve Account.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

14 EARNINGS PER SHARE

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting Preference Dividend and attributable taxes by weighted average number of equity share holders outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (Consolidation of Shares) that have changed the number of Equity Shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

15 PROVISIONS AND CONTINGENT LIABILITY

Provision is recognised when the Company has a present obligation as a result of past event, is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A Contingent Liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise contingent a Liability but discloses its existence in the financial statements.

Contingent Assets are neither recognised nor disclosed.

16 DIVIDEND:

Final Dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors

17 CASH FLOW STATEMENT:

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- (i) Transactions of a non-cash nature
- (ii) Any deferrals of accruals of past or future operating cash receipts or payments and
- (iii) Items of Income or expense associated with investing or financing cashflows.

Cash and Cash equivalents (including bank balances) are reflected as such in Cash Flow Statement.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2018**

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 2		
SHARE CAPITAL:		
AUTHORISED :		
10,00,000-Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000
2,50,000-6 % Cumulative Preference Shares of Rs.10/- each	25,00,000	25,00,000
	1,25,00,000	1,25,00,000
ISSUED:		
5,06,000-Equity Shares of Rs.10/- each,	50,60,000	50,60,000
SUBSCRIBED AND PAID-UP:		
4,88,500 Equity Shares of Rs.10/- each	48,85,000	48,85,000
RECONCILIATION OF SHARES:		
Number of Equity Shares at the beginning of the year	4,88,500	4,88,500
Add/(Less) Shares issued/buyback etc.	Nil	Nil
Number of Equity Shares at the end of the reporting period	4,88,500	4,88,500

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF SHARES:

	31.3.2018		31.3.2017	
	No. of shares held	% of holding	No. of shares	% of holding
1. Equity:				
Mr. Dilip Thomas	1,81,888	37.23	1,38,888	28.43
Dalp Trading and Manufacturing Limited	1,04,123	21.31	1,04,123	21.31
LIC of India	49,543	10.14	49,543	10.14

No bonus shares/buyback of shares in last 5 years.

The company has only one class of shares which is Equity shares. Each holder of Equity shares is entitled for one vote in proportion to the number of shares held.

Shares reserved under option and contract/ commitments for sale of shares/ disinvestment	NIL	NIL
--	-----	-----

The aggregate value of calls unpaid (including directors and Officers of the Company)	NIL	NIL
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THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2018**

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 3		
RESERVES AND SURPLUS:		
CAPITAL REDEMPTION RESERVE:		
As per last Balance Sheet	22,60,000	22,60,000
SHARE PREMIUM ACCOUNT:		
As per last Balance Sheet	7,83,672	7,83,672
Foreign currency Translation Reserve	61,946	(36,894)
GENERAL RESERVE:		
As per last Balance Sheet	41,15,81,497	
Add: Sale proceeds of Rubber Trees	1,75,00,125	
Rubber Rehabilitation Allowance	8,87,768	
Balance Compensation Received from M/s Power Grid Corporation	18,10,666	
Transfer from Profit and Loss Account	-	
	43,17,80,056	
Less : Expenditure on Replanting Rubber	73,20,309	
	42,44,59,747	
	42,44,59,747	41,15,81,497
SURPLUS		
Profit/(Loss) for the period	(2,62,66,335)	(2,14,48,958)
Add : Surplus/(Loss) brought forward	-	(5,40,38,293)
	(2,62,66,335)	(7,54,87,251)
APPROPRIATIONS :		
Less:		
Transfer to General Reserve	-	7,54,87,251
Surplus/(Deficit)	(2,62,66,335)	Nil
Total	40,12,99,030	41,45,88,275

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2018**

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 4		
LONG TERM BORROWINGS:		
TERM LOANS FROM BANKS:		
(a) Secured against hypothecation of Stock-in-Trade, Standing crops, Plant and Machinery and also Equitable Mortgage of the Estates together with Buildings thereon Repayable in 28 quarterly instalments starting from June 2012 and last instalment falling due on June 2019 (Rate of Interest 11% per annum, previous year 11% PA)	Nil	14,24,580
(b) Secured against hypothecation of Vehicles Repayable in 60 monthly instalments starting from July 2014 (last instalment June 2020) - Rate of Interest 10.74% per annum	34,686	1,75,663
Repayable in 36 monthly instalments starting from January 2016 (last instalment December 2018) - Rate of Interest 9.51% per annum	Nil	69,251
Repayable in 36 monthly instalments starting from November 2015 (last instalment October 2018) - Rate of interest 9.51% per annum	Nil	4,24,777
Repayable in 84 monthly instalments starting from October 2017 (last instalment September 2024) - Rate of interest 9.90% per annum	5,03,794	Nil
	5,38,480	20,94,271
No loans have been guaranteed by Directors or others Period and amount of continuous default as on 31.03.2018	Nil	
NOTE: 5		
OTHER LONG-TERM LIABILITIES		
Trade payable	Nil	Nil
Others	2,908	2,908
	2,908	2,908
NOTE: 6		
LONG TERM PROVISIONS		
Provision for Employees Benefits - Leave Encashment	8,05,202	8,11,626
	8,05,202	8,11,626

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2018**

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 7		
SHORT TERM BORROWINGS:		
From Banks - Secured:		
Cash Credit		
Secured against hypothecation of Stock-in-Trade, Standing Crops, Plant and Machinery and also Equitable Mortgage of the Estates together with Buildings thereon	1,96,84,441	4,67,21,911
No loans have been guaranteed by Directors or others Period and amount of default as on 31.03.2018	Nil	
Advance from related parties - Unsecured:		
Loans from Directors	3,70,00,000	Nil
	5,66,84,441	4,67,21,911
NOTE: 8		
OTHER CURRENT LIABILITIES:		
Unpaid/unclaimed dividends	24,77,720	28,07,015
Unpaid Preference Capital Refund	3,35,290	3,35,290
Interest accrued but not due on borrowings	3,088	Nil
Security Deposits	35,00,000	35,00,000
Term Loan - Current maturities of long term debts (Refer Note 4)	7,00,480	23,32,245
Other payables	77,04,526	33,91,945
	1,47,21,104	1,23,66,495
NOTE: 9		
SHORT TERM PROVISIONS:		
Provision for Employee Benefits:		
- Leave Encashment	12,35,438	9,16,465
- Gratuity	8,13,399	31,84,185
Provision for Income tax	47,92,634	47,92,634
	68,41,471	88,93,284

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

Description	GROSS BLOCK		DEPRECIATION			NET BLOCK				
	As at 01.04.2017	As at Additions	Deductions	As at 31.03.2018	Upto 31.03.2017	For the Year	Withdrawn	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
LAND AND DEVELOPMENT										
- FREEHOLD (**)	2,06,10,419	Nil	Nil	2,06,10,419	Nil	Nil	Nil	Nil	2,06,10,419	2,06,10,419
BUILDINGS (**)	4,11,64,822	Nil	Nil	4,11,64,822	3,00,64,723	11,30,363	Nil	3,11,95,086	99,69,736	1,11,00,099
PLANT AND MACHINERY	7,08,07,080	3,58,251	4,35,840	7,07,29,491	6,36,03,196	13,08,751	4,08,898	6,45,03,049	62,26,442	72,03,884
FURNITURE AND FITTINGS	35,45,705	32,497	Nil	35,78,202	34,66,282	17,888	Nil	34,84,170	94,032	79,423
VEHICLES	2,28,44,115	6,23,058	22,92,715	2,11,74,458	1,84,71,905	13,96,025	19,72,550	1,78,95,380	32,79,078	43,72,210
LIVESTOCK	8,27,67,334	74,53,750	Nil	9,02,21,084	Nil	Nil	Nil	Nil	9,02,21,084	8,27,67,334
	24,17,39,475	84,67,556	27,28,555	24,74,78,476	11,56,06,106	38,53,027	23,81,448	11,70,77,685	13,04,00,791	12,61,33,369
Previous Year	23,82,20,850	35,18,625	Nil	24,17,39,475	11,05,68,436	50,37,670	Nil	11,56,06,106	12,61,33,369	12,76,52,414

NOTE : 10

TANGIBLE ASSETS : *

Amount in ₹

NOTES: * The Company does not have any leased assets.

(**) Includes Rs.84,22,321/- and Rs.12,45,007/- respectively representing cost of land and building in joint ownership with other Companies, the book value of which amounted to Rs. 84,22,321/- and Rs. 62,250/- respectively.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

NOTE : 11 NON-CURRENT INVESTMENTS : (AT COST)

Description	As at 01-04-2017		Additions		Deductions		As at 31-03-2018	
	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)
I. SHARES IN COMPANIES:								
a) PREFERENCE SHARES (Unquoted)								
7% Cumulative preference Shares of The Highland Produce Co. Ltd. * (Redemption within 20 years)	1200000	1,20,00,000					1200000	1,20,00,000
AVR EdGE Networks Private Limited ##	4237	1,00,00,000					42370	1,00,00,000
		<u>2,20,00,000</u>		<u>0</u>				<u>2,20,00,000</u>
b) EQUITY SHARES								
(i) QUOTED:								
(i)								
Bayer Crop Science Limited	100	1,470					100	1,470
Periakaramalai Tea & Produce Company Ltd	63	1,600					63	1,600
Tata Global Beverages Ltd., (Face value Rs. 1/- per share)	1680	750					1680	750
		<u>3,820</u>						<u>3,820</u>
(ii) UNQUOTED:								
(ii)								
L J International Ltd	320	800	268	83616			588	84,416
A V Thomas & Company Ltd	2000	1,500					2000	1,500
A.V.Thomas Investments Co. Ltd.	21000	2,10,000					21000	2,10,000
Tea Serve (Face Value ₹ 5000 per share)	1	5,000					1	5,000
Dalp Trading and Manufacturing Limited	5000	50,000					5000	50,000
Rajagiri Impex Limited *	150000	16,85,336					150000	18,56,665
Add: Share of Profit for the year		<u>1,71,329</u>						<u>1,40,400</u>
		18,56,665						19,97,065
AVTS2 Virtual Lifestyle Pvt Limited * #	249999	24,99,990			249999	24,99,990	0	0
The Highland Produce Company *	100	18,000	186	37,200			286	55,200
A V Thomas International Limited *	100	20,000					100	20,000
AVR EdGE Networks Private Limited ##	11934	2,50,00,000					119340	2,50,00,000
		<u>2,96,61,955</u>		<u>1,20,816</u>				<u>2,74,23,181</u>
Diminution in value		<u>17,00,000</u>		<u>17,00,000</u>				<u>0</u>
		<u>2,79,61,955</u>		<u>1,20,816</u>				<u>2,74,23,181</u>

* Associate Company # Pvt Limited Company ## Face value changed to Rs.10/- per share during current year

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

NOTE : 11 NON-CURRENT INVESTMENTS : (AT COST)

Description	As at 01-04-2017		Additions		Deductions		As at 31-03-2018	
	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)
II. SHARES OF CO-OPERATIVE SOCIETIES :								
The Shaliacary Estate Employees Co-operative Society Ltd. (Unquoted)	1	10					1	10
III. INVESTMENT PROPERTIES:								
Purchase of Land for constructing Flat		4,30,10,131						4,30,10,131
Cost of constructing Flat (including fittings and fixtures)		2,43,62,920						2,43,62,920
Purchase of Land		3,19,27,120						3,19,27,120
Value of Land and Building (including fittings and fixtures)		4,54,87,935						4,54,87,935
Less: Depreciation		1,40,61,388						1,68,50,861
		<u>13,07,26,718</u>		0				<u>12,79,37,245</u>
IV. BONDS:								
I R F C Bonds	3263	32,63,000			3263	32,63,000		Nil
N H A I Bond	4945	49,45,000			4945	49,45,000		Nil
		<u>82,08,000</u>				<u>82,08,000</u>		Nil
Total		<u>18,89,00,503</u>		<u>1,20,816</u>		<u>90,07,990</u>		<u>17,73,64,256</u>
			31.03.2018	31.03.2017				
Aggregate amount of Quoted Investments (Market Value Rs.8,76,297/- and previous year Rs.6,42,624/-)			3,820	3,820				
Aggregate amount of Unquoted Investments			4,94,23,191	5,98,69,965				
Aggregate amount of Immovable properties			14,47,88,106	14,47,88,106				
			19,42,15,117	20,46,61,891				
Less: Aggregate Depreciation on Immovable property			1,68,50,861	1,40,61,388				
Aggregate provision for Diminution in value of investments			0	17,00,000				
			<u>17,73,64,256</u>	<u>18,89,00,503</u>				

(i) Face value of Equity Shares is Rs.10/- each fully paid up, except for those shares where face value has been separately mentioned

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2018**

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 12		
OTHER NON CURRENT ASSETS		
Deposits	11,15,815	11,15,815
Prepaid Expenses	33,70,800	44,94,400
	<u>44,86,615</u>	<u>56,10,215</u>

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

**NOTE : 13
CURRENT INVESTMENTS (LOWER OF COST AND FAIR VALUE)**

Description	As at 01-04-2017		Additions		Deductions		As at 31-03-2018	
	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹
INVESTMENTS IN PREFERENCE SHARES								
16.06% Infra Structure Leasing & Financial Services Ltd 2021	800	1,00,00,000			800	1,00,00,000	0	0
INVESTMENTS IN MUTUAL FUNDS								
Kotak Mahendra Real Estate Fund	1483	14,83,481			1483	14,83,481	Nil	Nil
DWS Fixed maturity plan series 54 - Regular Growth Plan	1000000	1,00,00,000					1000000	1,00,00,000
KIMBL Wealth Management (Power of Attorney) account	39						39	
SBI Debt Fund Series A 34 - 367 Regular Growth	500000	50,00,000			500000	50,00,000	Nil	Nil
Ask Real Estate Special opportunities fund II	65	65,00,000	35	35,00,000			100	1,00,00,000
Reliance Capital Builder Fund II Series B Growth Plan	300000	30,00,000			300000	30,00,000	Nil	Nil
SBI Premier Liquid Fund - Regular Plan - D D			10417	1,04,51,096	1136	11,40,000	9281	93,11,096
		<u>2,59,83,520</u>		<u>1,39,51,096</u>		<u>1,06,23,481</u>		<u>2,93,11,135</u>
		3,59,83,520		1,39,51,096		2,06,23,481		2,93,11,135
		31.03.2018		31.03.2017				
		2,93,11,135		3,59,83,520				
		<u>2,93,11,135</u>		<u>3,59,83,520</u>				

Aggregate amount of Quoted Investments
(NAV of Mutual Funds Rs.3,32,03,289/-, Previous year Rs.3,03,76,541/-)

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2018

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 14		
INVENTORIES:		
(Valued at lower of cost and net realisable value)		
Finished goods	1,31,92,000	1,24,98,000
Stores and Spares	80,48,028	47,94,760
Nurseries	12,09,260	17,10,929
Total	2,24,49,288	1,90,03,689
NOTE: 15		
TRADE RECEIVABLES:		
Outstanding for more than six months from the date they become due for payment		
Considered good	Nil	Nil
Doubtful	12,95,951	12,95,951
Less: Allowance for bad and doubtful advances	12,95,951	12,95,951
Total	Nil	Nil
Others		
Unsecured, Considered good	1,20,32,787	83,86,547
Total	1,20,32,787	83,86,547
NOTE: 16		
CASH AND CASH EQUIVALENTS:		
Cash and Stamps on hand	1,19,215	1,08,612
Balances with Scheduled Banks		
in Current account	11,29,769	21,59,508
in Deposit account	Nil	Nil
	12,48,984	22,68,120
in Unpaid Dividend Bank Account	24,77,720	28,07,015
in Unpaid Preference Capital Refund Bank Account	3,35,290	3,35,290
in Margin Money deposits accounts	2,25,18,939	1,91,41,349
	2,53,31,949	2,22,83,654
Total	2,65,80,933	2,45,51,774
Bank deposits with more than 12 months	Nil	1,24,01,000

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2018**

	As at 31-03-2018	Amount in ₹ As at 31-03-2017
NOTE: 17		
SHORT TERM LOANS AND ADVANCES:		
Unsecured, Considered good		
Loans and advances due by Officers of the Company:	Nil	6,000
Others - Intercorporate Deposit	1,95,00,000	1,95,00,000
Advances recoverable in cash or in kind or for value to be received.	1,13,72,613	97,86,456
Advances on account of Capital Works	3,23,850	Nil
Deposits with NABARD	6,30,60,284	6,30,60,284
Tax payments pending adjustments	41,64,377	36,85,600
MAT Credit entitlement	2,00,000	2,00,000
	<u>9,86,21,124</u>	<u>9,62,38,340</u>

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH 2018**

	For the year ended 31-03-2018	(Amount in ₹) For the year ended 31-03-2017
NOTE: 18		
SALE OF PRODUCTS:		
Rubber	15,25,84,203	16,13,60,166
Tea	5,33,32,911	5,26,86,820
Cardamom	2,25,26,453	1,95,96,728
Minor Produce	24,35,290	27,17,595
Tea waste sale	3,44,000	2,77,500
Other Operating Income	64,98,000	23,63,950
	<u>23,77,20,857</u>	<u>23,90,02,759</u>
NOTE: 19		
OTHER INCOME:		
Income from non-current Investments	3,05,711	1,55,527
Income from Current Investments	2,12,296	15,87,593
Interest Received		
From Banks	14,41,958	4,97,657
Others	33,58,703	39,41,555
Livestock Receipts - Stake money and others	57,84,774	60,54,097
Profit on Sale of Current Investments	36,67,059	46,73,678
Profit on Sale of Assets	1,53,552	Nil
Rent Received	71,15,000	64,78,291
Miscellaneous Receipts	15,89,458	9,84,850
Sundry Credit balances no longer payable written back	6,36,142	Nil
Provision for diminution in value of investments written back	17,00,000	Nil
Compensation against Rubber trees	20,48,960	Nil
	<u>2,80,13,613</u>	<u>2,43,73,248</u>
NOTE: 20		
COST OF MATERIAL CONSUMED:		
Raw Material Consumed		
Latex Procured	1,21,72,117	1,29,17,872
Bought Leaf	1,41,69,647	1,43,04,600
	<u>2,63,41,764</u>	<u>2,72,22,472</u>
NOTE: 21		
OTHER MANUFACTURING EXPENSES:		
Power and fuel consumed	1,48,21,214	1,28,87,062
Stores, spares, chemicals and packing materials consumed	2,00,64,615	1,79,21,558
Transport and Warehousing	35,35,405	27,13,774
Repairs - Plant and Machinery	17,91,261	23,27,094
Repairs - Buildings	27,18,387	24,05,550
	<u>4,29,30,882</u>	<u>3,82,55,038</u>

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH 2018**

	For the year ended 31-03-2018	(Amount in ₹) For the year ended 31-03-2017
NOTE: 22		
CHANGE IN INVENTORIES/STOCK-IN-TRADE:		
OPENING STOCK :		
Rubber	39,32,000	66,68,000
Tea	22,59,000	42,33,000
Cardamom	63,07,000	72,44,000
	<u>1,24,98,000</u>	<u>1,81,45,000</u>
CLOSING STOCK :		
Rubber	46,59,000	39,32,000
Tea	46,20,000	22,59,000
Cardamom	39,13,000	63,07,000
	<u>1,31,92,000</u>	<u>1,24,98,000</u>
	<u>(-) 6,94,000</u>	<u>(+) 56,47,000</u>
NOTE: 23		
EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	13,93,12,593	12,90,51,172
Contribution to Provident and other Funds	1,48,24,154	1,36,73,546
Provision for Gratuity (Refer Note No.27 (7))	8,13,399	31,84,185
Provision for Leave Encashment (Refer Note No.27 (7))	3,12,549	3,79,146
Welfare Expenses	60,24,142	60,47,083
	<u>16,12,86,837</u>	<u>15,23,35,132</u>
NOTE: 24		
FINANCE COSTS:		
Interest	<u>75,46,852</u>	<u>68,39,617</u>

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH 2018**

	For the year ended 31-03-2018	(Amount in ₹) For the year ended 31-03-2017
NOTE: 25		
LIVE STOCK EXPENDITURE:		
Live Stock - Broodmares/Race Horses		
Maintenance and other expenses	1,54,99,459	1,26,61,504
Service tax on stake money received	29,342	9,01,690
Less: Sale of horses	(3,75,000)	(17,45,000)
	<u>1,51,53,801</u>	<u>1,18,18,194</u>
 NOTE: 26		
OTHER EXPENSES:		
Rent and Amenities	2,04,450	2,05,790
Rates and Taxes	21,38,473	23,61,478
Sales Tax	2,11,937	8,23,847
Brokerage and Commission	23,01,247	29,61,777
Repairs and Maintenance :-		
Buildings	8,24,910	16,85,634
Plant and Machinery	2,31,292	2,90,274
Vehicles	32,19,371	32,75,440
Others	6,19,553	9,98,062
Printing and Stationery	5,98,644	8,10,087
Postage and Telephones	9,37,154	12,15,463
Legal Expenses	5,30,476	6,69,550
Directors' Sitting Fees	1,50,000	1,10,000
Auditor's Remuneration:-		
For Audit	9,12,300	8,07,982
For Certification / Tax Audit	3,26,676	2,23,650
For Tax Representation	2,35,000	2,05,000
For Travelling and other Expenses	1,45,000	1,80,000
For Service Tax	Nil	1,87,500
Insurance	10,63,060	10,41,906
Advertisement	58,990	67,266
Bank Charges	1,67,992	12,57,097
Travelling Expenses	97,85,460	68,28,105
Sundry debit balances not receivable written off	5,99,946	Nil
Assets discarded written off	16,016	Nil
Rubber Rehabilitation Allowance	8,87,768	8,94,527
Professional Fees	6,62,533	4,57,608
Loss on closure of Associate Company	16,94,467	Nil
Miscellaneous Expenses	43,04,641	72,25,962
	<u>3,28,27,356</u>	<u>3,47,84,005</u>

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

For the year ended
31-03-2018

Previous Year

NOTE: 27

OTHER NOTES:

1. PARTICULARS OF CONSUMPTION:

	Value in ₹	%	Value in ₹	%
(a) Raw Materials:				
(i) Latex - Indigenous	1,21,72,117	100	1,29,17,872	100
(ii) Bought Leaf - Indigenous	1,41,69,647	100	1,43,04,600	100
	2,63,41,764		2,72,22,472	
(b) Stores and Spares				
Indigenous	2,00,64,615	100	1,79,21,558	100
Imported	Nil		Nil	
	2,00,64,615	100	1,79,21,558	100

For the year ended
31-03-2018
(In ₹)

Previous
Year
(In ₹)

2. C.I.F. VALUE OF IMPORTS:

Nil

Nil

3. EARNINGS / EXPENDITURE IN FOREIGN CURRENCY:

a) Earnings:

Nil

Nil

b) Expenditure

 Foreign Travel

27,64,104

26,53,754

4. EARNINGS PER SHARE:

Profit after Taxation

(2,64,06,735)

(2,14,48,958)

Number of Equity Shares outstanding at the end of the year

4,88,500

4,88,500

Earnings per Share (Basic and Diluted)

(54.06)

(43.91)

5. Total outstanding to Micro and Small Enterprises (SMEs)

The information regarding dues to Micro, Small and Medium Enterprises as required under Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 as on 31st March 2018 is furnished below:

(a) The Principal amount and the interest due there on remaining unpaid to any supplier as at the end of the accounting year

 (i) Principal due to Micro and Small Enterprise

Nil

Nil

 (ii) Principal due to Medium Enterprise

Nil

Nil

 (iii) Interest

Nil

Nil

(b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

Nil

Nil

(c) The amount of interest due and payable for the period (Where the principal has been paid but interest under the MSMED Act, 2006 not paid)

Nil

Nil

(d) The amount of interest accrued and remaining unpaid at the end of the accounting year

Nil

Nil

(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.

Nil

Nil

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE : 27 (Contd..)

OTHER NOTES (Contd..)

	Year Ended 31st March 2018 Rs.	Previous Year Rs.
6 CONTINGENT LIABILITIES:		
a) Sales-tax demands disputed in appeals, against which ₹ 30,80,569/- is paid and included under Other Current Assets	1,15,00,000	69,00,000
b) Claims against the Company not acknowledged as debts	11,50,000	16,85,000
c) Estimated amount of Contracts remaining to be executed on Capital Account	4,26,000	Nil
d) The retrospective effect from 01.04.2014 of the operations and implementations of the Payment of Bonus (Amendment) Act, 2015 has been stayed by Hon. High Court of Kerala. Considering the same, the Company has not provided for the additional liability.		
e) The future cash outflow on the above items are determinable only on receipt of decision/judgement that is pending at various forms/authorities. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.		

7 Employee Benefits:

- i) Defined Benefit Plans:
- a) Description of the Company's defined benefit plan:

i) Gratuity Scheme:

This is a funded defined benefit plan for qualifying employees for which, the Company makes contribution to the Gratuity Fund managed by the Life Insurance Corporation of India. The scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

ii) Leave Encashment:

The company also operates a non funded leave encashment scheme for its employees.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE: 27 (Contd.)

OTHER NOTES (Contd..)

7 Employee Benefits (Contd..)

b) Reconciliation of changes in the Present Value of Obligation: (In ₹)

	As at 31.03.2018		As at 31.03.2017	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
Present Value of the Obligation as on 1.04.2017	6,38,02,188	17,28,091	6,24,50,447	13,48,945
Current Service Cost	42,66,558	3,13,856	38,09,149	2,93,760
Interest Cost	42,16,295	1,18,201	47,19,717	1,04,320
Benefits Paid	(43,20,901)	Nil	(69,07,965)	(89,899)
Actuarial loss / (gain)	(27,82,258)	(1,19,508)	(2,69,160)	70,965
Present Value of the Obligation as on 31.03.2018	6,51,81,882	20,40,640	6,38,02,188	17,28,091

c) Reconciliation of changes in the fair value of Plan Assets:

Fair Value of Plan Assets as on 1.04.2017	6,06,18,003	Nil	6,19,01,858	Nil
Adjustment to Opening Fair Value of Plan Assets	4,060	Nil	(18,546)	Nil
Expected return on plan assets	41,17,200	Nil	52,84,000	Nil
Contribution by the Company	34,63,367	Nil	5,63,660	89,899
Benefits Paid	(43,20,901)	Nil	(69,07,965)	(89,899)
Actuarial gain / (loss)	4,86,754	Nil	(2,05,004)	Nil
Fair Value of Plan Assets as on 31.03.2018	6,43,68,483	Nil	6,06,18,003	Nil

d) The total expense recognised in the profit and loss account is as follows:

Current Service Cost	42,66,558	3,13,856	38,09,149	2,93,760
Interest Cost	42,16,295	1,18,201	47,19,717	1,04,320
Expected return on plan assets	(41,17,200)	NA	(52,84,000)	NA
Net Actuarial (gain) / loss recognised in the year	(32,69,012)	(1,19,508)	(64,156)	70,965
	10,96,641	3,12,549	31,80,710	4,69,045

e) Reconciliation of Net Liability recognised in the balance sheet

Net Liability as at the beginning of the year	31,84,185	17,28,091	5,48,589	13,48,945
Adjustment to Opening Fair Value of Plan Assets	(4,060)	Nil	18,546	Nil
Add : Expense as (d) above	10,96,641	3,12,549	31,80,710	4,69,045
Less: Employers Contribution / Payment	34,63,367	Nil	5,63,660	89,899
Net Liability as at the end of the year	8,13,399	20,40,640	31,84,185	17,28,091

f) Constitution of Plan Assets:

Investments in LIC Group Gratuity Scheme	6,43,68,483	Not Applicable	6,06,18,003	Not Applicable
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THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE: 27 (Contd.)

OTHER NOTES (Contd.)

(In ₹)

7 Employee Benefits (Contd..)

	As at 31.03.2018		As at 31.03.2017	
	Gratuity	Leave	Gratuity	Leave
	(Funded Plan)	Encashment (Non Funded Plan)	(Funded Plan)	Encashment (Non Funded Plan)
g) Principal actuarial assumptions used as at the Balance Sheet date:				
Discount Rate	7.30%	7.30%	6.84%	6.84%
Salary Escalation Rate	6.50%	6.50%	7.00%	8.00%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	7.65%	NA	6.84%	NA

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

h) The amount pertaining to defined benefit plan are as follows:

	<u>31.03.2018</u>	<u>31.03.2017</u>	<u>31.03.2016</u>	<u>31.03.2015</u>	<u>31.03.2014</u>
Gratuity funded plan					
Defined Benefit Obligation	6,51,81,882	6,38,02,188	6,24,50,447	6,19,55,683	5,54,56,506
Plan Assets	6,43,68,483	6,06,18,003	6,19,01,858	5,42,94,247	5,24,74,988
Surplus/(Deficit)	(8,13,399)	(31,84,185)	(5,48,589)	(76,61,436)	(29,81,518)
Experience adjustment - Plan Liability	(27,82,258)	(2,69,160)	(25,37,767)	40,95,699	3,93,428
Experience adjustment - Plan Assets	4,86,754	(2,05,004)	(3,30,220)	(5,550)	18,772

The Company expects to fund ₹ 28.00 lakhs towards its Gratuity Plan during the year 2018-2019.

ii) Defined Contribution Plans:

The Company makes contribution towards employees' provident fund, family pension fund, super annuation fund and employees' state insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognised Rs.1,38,33,132/- as expense towards contributions to these plans.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE: 27 OTHER NOTES (Contd..)

8 LAND:

- a) The petition filed by the Company with the Government for assignment of Kuthakapattam land of 3.52 acres in Shaliacary Estate of the Company planted in 1968, has been rejected by the Government vide order dated 21-12-2006. The Company has challenged this order by filing a writ petition before the Honourable High Court of Kerala and the writ petition has been dismissed and the Government has the powers to take over this land. The Company has filed an application to the Tahsildar (Land Acquisition) on 16-01-2016 suggesting a take over of alternate land, since the same is under Rubber Plantations. This application is pending before the authorities.
- b) The order of the Taluk Land Board under the Kerala Land Reforms Act, 1963 requiring the Company to surrender the alleged excess land of 290.85 acres (117.705 Hectares) in Chulika and erstwhile Poonoor Estate has been confirmed by the High Court of Kerala in CRP 1822/1994 dated 24th May 2011 directing surrender of the entire 290.85 acres. Out of the above 290.85 acres, 200.23 acres forms part of forest land in Chulika Estate which was already vested with the Government under a different Act. The issue was concerning 90.62 acres (falling under Survey No. 2/1 B of Raroth Village, Calicut District in erstwhile Poonoor Estate. Since this part of the land is no more in our possession, the Taluk Land Board, Vythiri, Wayanad District, directed us to surrender an equivalent extent of land in Chulika Estate vide order dated 22-05-2012. This order was challenged before the Hon'ble High Court of Kerala in CRP 263/2012 and the Hon'ble High Court of Kerala by its order dated 19-11-2014 has directed the Taluk Land Board to proceed as per the earlier order of the Hon'ble High Court of Kerala in CRP 1822/1994 and take over the excess land of 200.23 acres in Chulika Estate and 90.62 acres in Poonoor Estate. The Management again has challenged this in the Hon'ble High Court in CRP No. 436/2016 and a stay has been obtained. The stay is in vogue.
- c) During 1974-75 the Forest Department had vested 93.18 Acres (37.10 Hectares) falling as enclaves in blocks within the planted area. The Company's application before the Forest Tribunal in OA No.94/1975 was dismissed on 10-02-2009. The Management challenged this order before the Hon'ble High Court of Kerala in Case No. MFA 284/2009 and the matter is pending. In the year 2001, the Forest Department vested two blocks namely 108.67 Acres (43.8200 Hectares) and 21.45 Acres (8.650 Hectares). The Company's application before the Forest Tribunal, Kozhikode in OA 47 of 2001 was dismissed on 29-02-2005. The Management challenged this before the Hon'ble High Court of Kerala. The Court decided that 21.45 Acres cannot be vested as forest. The Forest Department filed a Review Petition (P No. 599 of 2010) and the same was dismissed by the Kerala High Court on 18-10-2010. The Management has written to the Forest Department to restore this area. We were informed that the Forest Department has gone on appeal before the Hon'ble Supreme Court.
- d) The dispute to title raised by Kerala Varma Raja as having Jenmam right on 250 acres (101.174 Hectares in erstwhile Poonoor Estate, in a suit OS No.338/1993 in Sub Court, Kozhikode. The Company claims fixity of tenure under the Kerala Land Reforms Act which can only be decided by the Land Tribunal, Kozhikode, and they seized of the matter in Case No.RC 3/2002. A Revenue Inspector was appointed to visit the estate and file his report. The Revenue Inspector inspected the property on 29.6.2003 and has given a favourable report to the Land Tribunal, Kozhikode. The Land Tribunal has heard the submissions and final order is awaited. Meanwhile, the petitioner approached the Court to appoint a Commission to inspect the property. The Commission will visit the Estate during 1st week of July 2018.
- e) The Company had acquired the Lease hold rights of approximately 327 Hectares of the Chulika Estate which belonged to Edavalath Kovilakam in 1937 who is one of the matriarchal lineage of Mariveetil Family (Tharavad). Later this lease hold rights were converted into proprietary rights in 1963 through a public Court auction. Mr. Vijaya Kumar Varma Raja belonging to Kadathanath Kovilakam the other matriarchal lineage of Mariveethil Family had purchased the property through a public Court auction in 1964 and by virtue of this purchase the jenmi right (lease hold rights) which belonged to Kadathanath Kovilakam was assigned to him. Later in 2006 Mr Vijaya Kumar Varma Raja had sold his property to Mr Anil Kumar a partner in a partnership firm called "Madthilkandy Plantations" who has now instituted the suit for recovery possession of 270 Hectares in Chulika. The Management challenged this before the Sub Court, Sultan Battery Wayanad since Mr. Anil Kumar who claims to have purchased the jenmi rights of this property in 1964 through public auction from Kadathanath Kovilakam much after the Company has purchased the property. A commission was appointed by the Court to survey the area under dispute and the Commission Report to the Court is awaited. The matter is still pending in Court.
- f) The future financial impact/liability, if any, in respect of the above cases which are pending adjudication in various Courts are determined only on receipt of the decision/judgement. Hence the Company has not considered making of any provision on account of the above.

9. SEGMENT REPORTING:

The operations of the Company relate to Plantation crops, which is the significant business segment and therefore no separate reporting is made.

10. ACCOUNTING FOR TAXES ON INCOME:

The impact of deferred tax on income for the year is considered not material and hence not recognised.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE : 27 (Contd.)

OTHER NOTES (Contd..)

11. RELATED PARTY TRANSACTIONS

Following Associate Companies are related to the Company on account of common control through Constitution of Board / Shareholding:

- | | |
|--|---|
| - A V Thomas & Company Limited | - A V Thomas Exports Limited |
| - A V Thomas International Limited | - Doors and More Wood Products Limited |
| - L.J.International Limited | - DALP Benevolent Trust |
| - A V Thomas Investments Company Limited | - J Thomas Educational and Benevolent Trust |
| - The Highland Produce Company Limited | - Rajagiri Impex Limited |
| - DALP Trading and Manufacturing Limited | - DALP Holdings Singapore PTE Limited |
| - A V Thomas Leather and Allied Products Private Limited | - AVR Edge Networks Private Limited |

Key Management Personnel - Mr. Dilip Thomas, Chairman, Mrs. Priyalatha Thomas, Managing Director
Mr. K Suresh, Joint Managing Director.

Details of Transactions:	Year ended 31.03.2018		Year ended 31.03.2017	
	Associates (In ₹)	Key Management Personnel (Including Relatives) (In ₹)	Associates (In ₹)	Key Management Personnel (Including Relatives) (In ₹)
INCOME				
Sales	2,29,24,090	Nil	1,97,08,709	Nil
Dividend Received	3,00,000	Nil	1,50,000	Nil
Rent Received	8,000	Nil	Nil	Nil
EXPENDITURE:				
Purchases	91,364	Nil	77,660	Nil
C & F Charges paid	3,33,182	Nil	2,21,610	Nil
Rent Paid	12,000	Nil	13,790	Nil
Interest paid	Nil	12,39,043	Nil	2,01,783
Sitting fees paid	Nil	50,000	Nil	40,000
Dividend paid	Nil	Nil	Nil	Nil
Remuneration paid	Nil	1,03,19,294	Nil	75,25,960
Commission paid	16,28,615	Nil	23,80,333	Nil
Other selling expenses	4,59,220	Nil	5,32,953	Nil
OTHERS:				
Loans taken	Nil	5,10,00,000	Nil	Nil
Loans repaid	Nil	1,40,00,000	Nil	40,00,000
Purchase of Investments	1,20,816	Nil	38,000	Nil
BALANCE AS ON 31st MARCH 2018				
Debit Balance	3,71,733	Nil	3,91,332	Nil
Credit Balances	32,96,315	3,70,00,000	49,637	Nil

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE: 27 (Contd.)

OTHER NOTES (Contd..)

12 Exit Offer from Dissemination Board of NSE

The Board of Directors of the Company along with its Promoters, decided in its meeting held on 24th February 2017 to provide Exit Offer to the existing shareholders. This is as per SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110, dated 10th October 2016. In this regard, two of the Promoters of the Company namely The Highland Produce Company Limited and L J International Limited have given Bank Guarantees of Rs.6,88,90,423/- and Rs.8,00,00,000/- respectively to National Stock Exchange of India Limited as per the terms of Exit offer. The Board of Directors of the Company have decided to extend the Exit Offer period to the Shareholders till 23rd October 2018, which was approved by circular resolution on 27th June 2018.

The Board of the Company in its meeting held on 24-02-2017 has decided to participate as promoter in the Exit Offer as per SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10th October 2016 of certain Group Companies namely The Highland Produce Company Limited, L J International Limited and A V Thomas International Limited. The cost incurred till 31st March 2018 towards the same will be capitalised along with the purchase of shares. The cost till 31st March 2018 amounts to Rs.6,77,812/- which has been shown under the head Short Term Loans and Advances. Further, the Company is maintaining a margin money deposit of Rs 1,24,01,000/- for this said purpose. In addition to that the Company has given a Bank Guarantee for Rs.12,39,86,452/- to National Stock Exchange of India Limited.

13 Previous year's figures have been re-grouped wherever necessary.

Vide our report of date attached
For SURI & CO.

Chartered Accountants
Firm Regn.No.004283S

G. RENGARAJAN

Partner

Membership No. 219922

For and on behalf of the Board

DILIP THOMAS

Chairman

PRIYALATHA THOMAS

Managing Director

Place : Chennai

Date : 11th July 2018

THE RAJAGIRI RUBBER & PRODUCE COMPANY LIMITED, ALAPPUZHA

Particulars of Profits, Provisions, Dividends paid, Etc. (For the last 10 Years)

Season	Net Profit before taxation ₹	Depreciation Written off ₹	Provision for taxation ₹	Allocation to reserve funds ₹	Reserve funds todate ₹	DIVIDENDS PAID ON		%
						Amount ₹	Equity Shares	
2008/2009	64,32,757	50,90,562	28,00,000	10,00,000	6,95,06,953	24,42,500		50
2009/2010	3,19,08,228	47,40,059	80,00,000	1,25,00,000	8,86,19,019	48,85,000		100
2010/2011	7,70,00,457	71,76,251	1,98,00,000	4,00,00,000	13,45,13,392	97,70,000		200
2011/2012	7,89,62,814	1,02,15,877	1,75,00,000	4,00,00,000	49,79,95,241	1,95,40,000		400
2012/2013	(68,74,539)	1,08,38,865	6,00,000	7,50,000	48,59,08,442	24,42,500		50
2013/2014	1,65,26,987	1,05,69,577	31,00,000	17,00,000	49,36,62,225	48,85,000		100
2014/2015	(2,75,41,248)	1,14,56,057	8,00,000	-	46,66,79,557	-		-
2015/2016	(3,44,57,207)	89,67,621	-	-	43,22,66,141	-		-
2016/2017	(2,13,84,134)	79,73,958	-	-	41,52,61,710	-		-
2017/2018	(2,60,68,803)	66,42,500	-	-	40,20,71,157	-		-

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

**Area As On 01-04-2018
(In Hectares)**

	Rajagiri Estate	Shaliacary Estate	Total
	Rubber		
Mature	197.00	442.72	639.72
Immature	95.44	117.74	213.18
Centrifuging Plant		3.52	3.52
Nurseries, Fuel Clearing, Minor Produce, Roads, Buildings etc	22.83	52.29	75.12
TOTAL	315.27	616.27	931.54

Area as on 01.04.2018

	CHULIKA ESTATE (In Hectares)
TEA :	140.39
CARDAMOM :	214.00
Nurseries, Fuel & Timber Clearings, Minor Produce, Roads, Buildings, etc.	60.60
Total	414.99

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED

Registered Office: W-21/674, BEACH ROAD, ALAPPUZHA-688012

CIN: U25191KL1937PLC000979

Email id: avt.alapuzha@gmail.com Website: www.rajagirirubber.com

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Corporate Identity Number (CIN) : U25191KL1937PLC000979
Name of the Company : THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED
Registered Office : W-21/674, Beach Road, Alappuzha-688 012

Name of the member (s) :

Registered address :

E-mail Id :

Folio No :

Name of the member(s) :

Registered address :

E-mail Id :

Folio No/Client Id :

DP ID :

I/We, being the member (s) holding shares of the above named company, hereby appoint

1. Name :
Address :
E-mail Id :
Signature : or failing him

2. Name :
Address :
E-mail Id :
Signature : or failing him

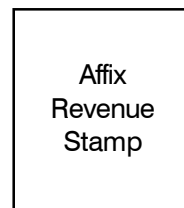
3. Name :
Address :
E-mail Id :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 81st Annual General Meeting of the Company, to be held on Thursday the 20th day of September 2018 at 11.00 A.M at the Registered Office at W-21/674, Beach Road, Alappuzha-688 012 and at any adjournment thereof in respect of such resolutions as are indicated overleaf.

Signed this..... day of 2018

Signature of shareholder

Signature of Proxy holder(s)



Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

Resolution Number	Resolution
Ordinary Business	
1.	Adoption of financial Statements (including the Consolidated Financial Statements) for the year ended March 31, 2018, the reports of the Board of Directors and Auditors thereon
2.	Appointment of Director in the place of Mr. R.Venugopalan who retires by rotation and is eligible for re-appointment

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED

Registered Office: W-21/674, BEACH ROAD, ALAPPUZHA-688012

CIN: U25191KL1937PLC000979

Email id: avt.alapuzha@gmail.com Website: www.rajagirirubber.com

ATTENDANCE SLIP

I hereby record my presence at the 81st Annual General Meeting of the Company at 11.00 A.M on Thursday the 20th day of September 2018 at the Registered Office of the Company at W-21/674, Beach Road, Alleppey-688012

Folio No

--	--	--	--	--	--	--	--	--

Full Name of the *Shareholder/ proxy (in Block letters)

Signature of *Shareholder/ Proxy

* Strike out whichever is not applicable

Email ID:.....

NOTE: Shareholders attending the meeting in Person/ Proxy are requested to complete the Attendance Slip and hand over at the entrance of the Meeting Hall.