

# 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

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## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **EIGHTY SECOND 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 Wednesday the 25th September, 2019 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, 2019 the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dilip Thomas (DIN:00052185) who retires by rotation and being eligible has offered himself for re-appointment.

Chennai  
1st August, 2019

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

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### 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 19th September, 2019 to 25th September, 2019 ( 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 2010-11 and 2011-12 (Interim Dividend) to the Investor Education and Protection Fund ( the IEPF) established by the Central Government.  
Final Dividend declared for the year 2011-2012 and remaining unpaid or unclaimed is liable to be transferred to the Fund during the month of October 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 any 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 transmission of shares, deletion of name of deceased shareholder(s), and transposition of shares, in respect of shares held in physical form, along with necessary documents at the time of lodgement of request for 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.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### 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 82nd 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 22nd September, 2019, Sunday (9:00 a.m.) and ends on 24th September, 2019 Tuesday (5:00 p.m.). During this period shareholders' of the Company, holding shares in physical form, as on the cut-off date of 18th September, 2019, 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](http://www.evotingindia.com)
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a) For CDSL : 16 digits beneficiary ID
  - b) For NSDL : 8 Character DP ID followed by 8 Digits Client ID
  - c) 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](http://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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department <ul style="list-style-type: none"> <li>• 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 Sl.No. in the address label.</li> <li>• <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></li> </ul>
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

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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- (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 & Produce Company Limited
- (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 voting for the first time 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](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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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](http://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 18th September, 2019. A person who is not a Member as on the cut off date should treat this Notice for information purposes only.

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**Particulars of Directors seeking re-appointment as required to be furnished Under  
Clause 1.2.5 of the (SS-2) Secretarial Standard on General Meeting**

**For Agenda Item No.2**

Particulars	<b>Mr. Dilip Thomas</b>
Date of Birth	7th August 1958
DIN	00052185
Qualifications	B.Com
Expertise in Specific functional areas	Mr. Dilip Thomas is an industrialist and has rich knowledge, experience in Finance and Business Management and expertise in plantation industry
Date of appointment on the Board	25.04.1985
Number of Board Meetings attended during the year 2018-2019	3 (Three)
Relationship with other directors	Husband of Mrs. Priyalatha Thomas, Managing Director
Directorship held in other Companies (excluding foreign companies)	<b>Executive Vice-Chairman</b> A.V Thomas and Co.Ltd
	<b>Chairman</b> A.V Thomas International Ltd The Highland Produce Co.Ltd L.J International Ltd Dalp Trading & Manufacturing Ltd <b>Director</b> A.V Thomas Leather & Allied Products (P) Ltd. A.V Thomas Investments Co.Ltd A.V Thomas Exports Ltd AVT S2 Virtual Lifestyle Pvt.Ltd.(in Liquidation)
Membership of Committees in other Companies	-
Number of shares held in the Company	1,82,363



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# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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## DIRECTORS' REPORT

Your Directors have pleasure in presenting the **EIGHTY SECOND** Annual Report with the Audited Accounts for the year ended 31st March, 2019.

### FINANCIAL RESULTS

	2018-19 Amount Rs.	2017-18 Amount Rs.
Income from operations & other income	25,29,34,445	26,57,34,470
Profit/(Loss) before Depreciation	(5,53,43,384)	(1,94,26,303)
Depreciation	59,50,675	66,42,500
Profit/(Loss) before Taxation	(6,12,94,059)	(2,60,68,803)
Less: Provision for taxation	NIL	NIL
Profit / (Loss) after taxation	(6,12,94,059)	(2,60,68,803)
Add: Surplus/(Loss) brought forward	(2,60,68,803)	NIL
Surplus / (Deficit)	(8,73,62,862)	NIL

### DIVIDEND

The Board of Directors have not proposed any dividend for the year ended 31st March 2019 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 due to unfavourable weather conditions and the prices realised were steady when compared to previous year.

Due to unfavourable weather conditions the production in Tea was lower and the prices realised were better during the year under report.

The Production of Cardamom was lower during the year even though 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 proposed 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 the Company to surrender the land. In Chulika 200 acres

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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(80.94 Hectares) form part of forest land and is already vested with the Government. Regarding balance area of 90.62 acres (36.67 Hectares) in erstwhile Poonoor Estate, the Company has taken up with the Taluk Land Board (TLB) 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. The TLB has initiated hearing and the final order is awaited.

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 any 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.Dilip Thomas, 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.Dilip Thomas 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 2018-19 the Board of Directors met three times. The dates on which the meetings held were 11.07.2018, 07.11.2018 & 27.02.2019. The intervening gap between the meetings were within the period prescribed under the Companies Act, 2013.

The Company has complied 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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## **THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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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 is 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 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 its mitigation procedures.

Mr. Manu P Sam, Company Secretary has been assigned the task of informing the Board about the various risks 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.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### **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 Company Rajagiri Impex Limited along with its own financial statements. Further the particulars showing the salient features of the Associate Company as required under first proviso to Section 129(3) of The Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules 2014 are attached in Form AOC-1 which is attached as **Annexure II** to this report.

During the year under report Dalp Holdings Singapore PTE Limited, Subsidiary Company is in the process of liquidation.

### **TRANSACTIONS WITH RELATED PARTIES**

All transactions entered into by the Company with Related Parties were in the Ordinary course of business and at the basis of Arm's Length pricing. 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.26,73,172/-. 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**

Pursuant to the Exit Offer provided by the Promoters of the Company to its public shareholders in accordance with SEBI circular No. SEBI/HO/MRD/DSA/ CIR/P/2016/110 dated October 10, 2016, the name of the Company was removed from the Dissemination Board of The National Stock Exchange of India Ltd. with effect from 29th November, 2017. The Exit Offer option to public shareholders were provided during the period 10th April, 2017 to 23rd October, 2018 and the shareholders had tendered 56,575 Equity shares.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### 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, 2019, 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;
- 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, unclaimed and unpaid dividends and 1838 Equity shares during the Financial Year 2018-19.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Act and that an Internal Complaints Committee has been set up for redressal of complaints and that all employees (permanent, contractual, temporary, trainees) are covered under this policy.

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.  
1st August, 2019

By Order of the Board  
DILIP THOMAS  
CHAIRMAN

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**ANNEXURE - I**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31st March, 2019**

[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	29%
2	Cardamom	01283	8%
3	Rubber	01291	62%

**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 (In liquidation) 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 - 1.4.2018				No. of Shares Held at the end of the Year - 31.3.2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	0	181888	181888	37.23	0	182363	182363	37.33	0.10
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	104778	104778	21.45	0	117423	117423	24.04	2.59
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1)</b>	<b>0</b>	<b>286666</b>	<b>286666</b>	<b>58.68</b>	<b>0</b>	<b>299786</b>	<b>299786</b>	<b>61.37</b>	<b>2.69</b>
<b>(2) Foreign</b>									
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
<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of promoter (A) = (A)(1) + (A)(2)</b>	<b>0</b>	<b>286666</b>	<b>286666</b>	<b>58.68</b>	<b>0</b>	<b>299786</b>	<b>299786</b>	<b>61.37</b>	<b>2.69</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	716	716	0.15	0	1232	1232	0.25	0.10
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	49543	0	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
<b>Sub Total (B)(1)</b>	<b>0</b>	<b>50259</b>	<b>50259</b>	<b>10.29</b>	<b>49543</b>	<b>1232</b>	<b>50775</b>	<b>10.39</b>	<b>0.10</b>

## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

Category of shareholders	No. of Shares Held at the Beginning of the Year - 1.4.2018				No. of Shares Held at the end of the Year - 31.3.2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non Institutions</b>									
<b>a) Bodies Corp</b>									
i) Indian	0	7083	7083	1.45	5735	733	6468	1.32	-0.13
ii) Overseas	0	0	0	0	0	0	0	0	0
<b>b) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto Rs.1 Lakh	0	88751	88751	18.17	1922	70808	72730	14.89	-3.28
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	0	32071	32071	6.57	33549	0	33549	6.87	0.30
<b>c) Others (specify)</b>									
Hindu Undivided Family	0	0	0	0	0	0	0	0	0
Foreign Corporate bodies	0	0	0	0	0	0	0	0	0
IEPF Authority	21023	0	21023	4.30	22861	0	22861	4.68	0.38
Foreign Nationals	0	0	0	0	0	0	0	0	0
Non-Resident Individuals	0	2647	2647	0.54	0	2331	2331	0.48	-0.06
Trusts	0	0	0	0	0	0	0	0	0
<b>Sub- Total (B)(2)</b>	<b>21023</b>	<b>130552</b>	<b>151575</b>	<b>31.03</b>	<b>64067</b>	<b>73872</b>	<b>137939</b>	<b>28.24</b>	<b>-2.79</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>21023</b>	<b>180811</b>	<b>201834</b>	<b>41.32</b>	<b>113610</b>	<b>75104</b>	<b>188714</b>	<b>38.63</b>	<b>-2.69</b>
<b>TOTAL (A) + (B)</b>	<b>21023</b>	<b>467477</b>	<b>488500</b>	<b>100</b>	<b>113610</b>	<b>374890</b>	<b>488500</b>	<b>100</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs and ADRs</b>	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>21023</b>	<b>467477</b>	<b>488500</b>	<b>100</b>	<b>113610</b>	<b>374890</b>	<b>488500</b>	<b>100</b>	<b>0</b>

### (ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the Year - 1.4.2018			Shareholding at the end of the Year - 31.3.2019			% 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	181888	37.23	0	182363	37.33	0	0.10
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	555	0.11	0	13200	2.70	0	2.59



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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**(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-2018	181888	37.23	181888	37.23
	Purchases on 20.08.2018	475	0.10	182363	37.33
	At the end of the year 31-Mar-2019	182363	37.33	182363	37.33
2.	M/s Dalp Trading and Manufacturing Limited				
	At the beginning of the year 01-Apr-2018	104123	21.31	104123	21.31
	At the end of the year 31-Mar-2019	104123	21.31	104123	21.31
3.	The Highland Produce Company Limited				
	At the beginning of the year 01-Apr-2018	100	0.02	100	0.02
	At the end of the year 31-Mar-2019	100	0.02	100	0.02
4.	M/s.L.J International Limited				
	At the beginning of the year 01-Apr-2018	555	0.11	555	0.11
	Purchases on 18.04.2018	1498	0.31	2053	0.42
	Purchases on 15.05.2018	6515	1.33	8568	1.75
	Purchases on 11.06.2018	1010	0.21	9578	1.96
	Purchases on 13.07.2018	642	0.13	10220	2.09
	Purchases on 12.09.2018	245	0.05	10465	2.14
	Purchases on 25.10.2018	200	0.04	10665	2.18
	Purchases on 19.11.2018	2535	0.52	13200	2.70
At the end of the year 31-Mar-2019	13200	2.70	13200	2.70	

## 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-2018 At the end of the year 31-Mar-2019	49543 49543	10.14 10.14	49543 49543	10.14 10.14
2	Mr. P.P Zibi Jose At the beginning of the year 01-Apr-2018 At the end of the year 31-Mar-2019	18019 18019	3.69 3.69	18019 18019	3.69 3.69
3	Mr. Mahendra Girdharilal At the beginning of the year 01-Apr-2018 Equity shares transmitted on 07-03-2019 At the end of the year 31-Mar-2019	14052 1478 15530	2.88 0.30 3.18	14052 15530 15530	2.88 3.18 3.18
4	M/s Ten Rose Capital Services Limited At the beginning of the year 01-Apr-2018 At the end of the year 31-Mar-2019	4024 4024	0.82 0.82	4024 4024	0.82 0.82
5	Mrs. K.L Vishalakshi At the beginning of the year 01-Apr-2018 At the end of the year 31-Mar-2019	2400 2400	0.49 0.49	2400 2400	0.49 0.49
6	Mr. C.T Chidambaram At the beginning of the year 01-Apr-2018 At the end of the year 31-Mar-2019	1995 1995	0.41 0.41	1995 1995	0.41 0.41
7	City Software and Share Services Private Ltd At the beginning of the year 01-Apr-2018 At the end of the year 31-Mar-2019	1711 1711	0.35 0.35	1711 1711	0.35 0.35
8	Mrs. Ranjini Manian At the beginning of the year 01-Apr-2018 At the end of the year 31-Mar-2019	1600 1600	0.33 0.33	1600 1600	0.33 0.33
9	Mrs. J. Uma At the beginning of the year 01-Apr-2018 At the end of the year 31-Mar-2019	1200 1200	0.24 0.24	1200 1200	0.24 0.24
10	Mr. M.M Muthiah At the beginning of the year 01-Apr-2018 At the end of the year 31-Mar-2019	1000 1000	0.20 0.20	1000 1000	0.20 0.20

## 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-2018	181888	37.23	181888	37.23
	Purchases on 20.08.2018	475	0.10	182363	37.33
	At the end of the year 31-Mar-2019	182363	37.33	182363	37.33
2	Mr. K.S Manian				
	At the beginning of the year 01-Apr-2018	9252	1.89	9252	1.89
	At the end of the year 31-Mar-2019	9252	1.89	9252	1.89
3	Mr. K. Suresh				
	At the beginning of the year 01-Apr-2018	100	0.02	100	0.02
	At the end of the year 31-Mar-2019	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
<b>Indebtedness at the beginning of the financial year</b>				
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
<b>Change in Indebtedness during the financial year</b>				
i) Addition	747.56	-	-	747.56
ii) Reduction	-	(200.00)	-	(200.00)
iii) Net change	747.56	(200.00)	-	547.56
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	956.61	170.00	-	1126.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.18	-	-	0.18
TOTAL (i+ii+iii)	956.79	170.00	-	1126.79

## 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
		Mrs. Priyalatha Thomas (Managing Director)	* Mr. K.Suresh (Joint Managing Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	54.00	22.08	76.08
	(b) value of perquisites u/s 17(2) of the Income-tax Act, 1961	6.89	8.63	15.52
	(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)	60.89	30.71	91.60
	Ceiling as per the Act (Per Annum)	90.60	36.31	126.91

\* 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.	<b>Independent Directors</b>	NA	-	-	-
	Total (1)	NA	-	-	-
2.	<b>Other Non-Executive Directors</b>				
	Mr. Dilip Thomas	0.30	-	-	0.30
	Mr. K.S Manian	0.30	-	-	0.30
	Mr. R. Venugopalan	0.30	-	-	0.30
	Total (2)	0.90	-	-	0.90
	<b>Total Managerial Remuneration</b>	<b>0.90</b>	-	-	<b>0.90</b>
	Overall Ceiling as per the Act		N.A		

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**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	24.16
	(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	24.48

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2019.

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**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)

<b>Sl.No.</b>	<b>Name of the subsidiary</b>	<b>Dalp Holdings Singapore PTE Ltd</b>
1.	Financial Year of the subsidiary ended on	31.03.2019
2.	Share Capital	In the process of liquidation
3.	Reserves and Surplus	
4.	Total Assets	
5.	Total Liabilities	
6.	Investments	
7.	Turnover	
8.	Profit/ ( Loss) before Taxation	
9.	Provision for taxation	
10.	Profit/ ( Loss) after taxation	
11.	Proposed Dividend	
12.	Percentage of shareholding	

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**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	31.3.2019
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	19.20
6	Profit/Loss for the year	
	i) Considered in Consolidation	(0.71)
	ii) Not Considered in Consolidation	Nil
7	Total Net Worth	64.01

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**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 2018 – 19.

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  
1st August, 2019



**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

**Annexure IIIA**

**AOC 2**

<b>Name of the Company</b>	<b>Nature of Relationship</b>	<b>Nature of Transaction</b>	<b>Duration of Transactions</b>	<b>Amount (Rs.)</b>	<b>Salient Terms</b>	<b>Date of Approval by the Board</b>	<b>Amount paid as Advance if any</b>
A.V Thomas and Co.Ltd	Common Control through constitution of Board / shareholding	Sale of Tea	On going transactions	82,154	Market Rate	Not Applicable	Nil
The Highland Produce Co.Ltd.,	Common Control through constitution of Board / shareholding	Sale of rubber firewood	On going transactions	5,14,666	Market Rate	Not Applicable	Nil
M/s Rajagiri Impex Ltd	Common Control through constitution of Board / shareholding	Sale of 5800 kgs of Cardamom	On going transactions	70,50,500	Market Rate	Not Applicable	Nil
		Sale of 2150 kgs of pepper	On going transactions	8,77,330	Market Rate	Not Applicable	Nil
Dalp Trading and Manufacturing Limited	Common Control through constitution of Board / shareholding	Rent received for Panampilly Nagar office	On going transactions	12,000	Market Rate	Not Applicable	Nil
M/s Rajagiri Impex Ltd	Common Control through constitution of Board / shareholding	Brokerage/ Commission paid	On going transaction	13,98,519	Market Rate	Not Applicable	Nil
		Brokerage/ other sales Expenses	On going transactions	2,44,230	Market Rate	Not Applicable	Nil
The Highland Produce Co. Ltd.,	Common Control through constitution of Board / shareholding	Purchase of 865 kgs of Staff gratis tea	On going transactions	95,150	Market Rate	Not Applicable	Nil
A.V Thomas and Co.Ltd. W/Island	Common Control through constitution of Board / shareholding	Warehousing charges/ other expenses	On going transactions	4,17,690	Market Rate	Not Applicable	Nil
A.V Thomas and Co.Ltd Chennai	Common Control through constitution of Board / shareholding	Rent paid for the Building at Chennai	On going transactions at Chennai	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 its activities and is continuing with its efforts to conserve energy.

- Conservation of energy is maximized through Biennial energy audit, periodic maintenance of capacitor banks and through periodic maintenance of machineries in Rubber and Tea estate factories.
- Harvested rain water is used in centrifuging factories in order to conserve water.
- Transparent roofing sheets are used for reducing energy costs
- Treated, recycled effluent water is used for washing at Factory thereby conserving water and 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.

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# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of The Rajagiri Rubber & Produce Company Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

#### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the management report, its annexures, Board's Report including annexures, Director's Responsibility statement, but does not include the standalone Financial Statements and our Audit Report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If we conclude that there is a material misstatement of this other information, based on the work we have performed, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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,

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### 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 an Annexure A, a Statement on matters specified in paragraph 3 and 4 of the said order, to the extent applicable

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 it 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 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer our separate report in Annexure B;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) 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 as at March 31, 2019.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

G. RENGARAJAN  
Partner  
Membership No. 219922  
UDIN: 19219922AAA AFK5757

Place : Chennai  
Date : 01.08.2019

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### 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 (Other than livestock) 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. We were informed that management is in the process of physically verifying the livestock as on date.
- (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, Customs duty, 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)

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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- 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). The term loans were used for the purpose for which those are raised.
- 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  
UDIN: 19219922AAAAFK5757

Place : Chennai  
Date : 01.08.2019

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## **THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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### **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-2019 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.



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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### **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-2019 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  
UDIN: 19219922AAAAFK5757

Place : Chennai  
Date : 01.08.2019

# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

## BALANCE SHEET AS AT 31ST MARCH 2019

Amount in ₹

	NOTES	As at 31-03-2019	As at 31-03-2018
<b>I. EQUITY AND LIABILITIES:</b>			
<b>(1) Shareholders' Funds:</b>			
(a) Share Capital	2	48,85,000	48,85,000
(b) Reserves and Surplus	3	34,12,43,606	40,20,71,157
		<u>34,61,28,606</u>	<u>40,69,56,157</u>
<b>(2) Non-Current Liabilities:</b>			
(a) Long Term borrowings	4	35,53,805	5,38,480
(b) Other Long-Term Liabilities	5	2,908	2,908
(c) Long-Term Provisions	6	9,18,839	8,05,202
		<u>44,75,552</u>	<u>13,46,590</u>
<b>(3) Current Liabilities:</b>			
(a) Short-Term borrowings	7	10,86,21,790	5,66,84,441
(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	2,79,61,862	2,34,18,501
(d) Short-Term Provisions	9	1,00,88,724	1,57,70,005
		<u>85,79,474</u>	<u>68,41,471</u>
		<u>15,52,51,850</u>	<u>10,27,14,418</u>
TOTAL		<u>50,58,56,008</u>	<u>51,10,17,165</u>
<b>II. ASSETS:</b>			
<b>(1) Non-Current assets</b>			
(a) Property, Plant and Equipment			
(i) Tangible Assets	10	13,00,97,687	13,04,00,791
(ii) Capital Work-in-progress			
a) Bearer Plants		1,13,30,866	61,04,852
b) Others		71,10,300	Nil
(b) Non-current Investments	11	17,68,98,256	17,79,75,063
(c) Other non-current assets	12	34,41,215	44,86,615
		<u>32,88,78,324</u>	<u>31,89,67,321</u>
<b>(2) Current assets:</b>			
(a) Current Investments	13	3,38,31,085	2,93,11,135
(b) Inventories	14	1,97,43,037	2,24,49,288
(c) Trade Receivables	15	72,52,520	1,20,32,787
(d) Cash and Cash equivalents	16	1,46,81,315	2,64,80,987
(e) Short-term loans and advances	17	9,64,63,028	9,88,82,390
(f) Others-Accrued Income		50,06,699	28,93,257
		<u>17,69,77,684</u>	<u>19,20,49,844</u>
TOTAL		<u>50,58,56,008</u>	<u>51,10,17,165</u>
Significant Accounting Policies	1		

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

Vide our report of date attached

For and on behalf of the Board

For SURI & CO.

*Chartered Accountants*

*Firm Regn.No.004283S*

G. RENGARAJAN

*Partner*

*Membership No. 219922*

DILIP THOMAS

*Chairman*

PRIYALATHA THOMAS

*Managing Director*

Place : Chennai

Date : 01.08.2019

## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

	Notes	For the year ended 31-03-2019	Amount in ₹ For the year ended 31-03-2018
<b>REVENUE:</b>			
<b>I. Revenue from Operations:</b>			
Sale of Products	18	22,69,47,683	23,77,20,857
<b>II. Other Income:</b>	19	2,59,86,762	2,80,13,613
<b>III. Total Revenue</b>	TOTAL	25,29,34,445	26,57,34,470
<b>EXPENSES:</b>			
Cost of Materials Consumed	20	2,96,00,188	2,63,41,764
Other Manufacturing Expenses	21	4,59,13,709	4,29,30,882
Purchase of Stock-in-Trade		79,962	1,05,213
(Increase)/Decrease in Inventory	22	37,47,000	(6,94,000)
Employee benefit expenses	23	16,64,43,812	16,12,86,837
Finance Costs	24	90,41,656	75,46,852
Livestock Expenditure	25	1,95,49,655	1,51,53,801
Depreciation and amortization expense		59,50,675	66,42,500
Other expenses	26	3,39,01,847	3,24,89,424
<b>IV. Total Expenses</b>	TOTAL	31,42,28,504	29,18,03,273
<b>V. Profit/(Loss) before exceptional and extraordinary items (III-IV)</b>		(6,12,94,059)	(2,60,68,803)
<b>VI. Exceptional/Extraordinary items</b>		Nil	Nil
<b>VII. Profit/(Loss) after Exceptional/Extraordinary items</b>		(6,12,94,059)	(2,60,68,803)
<b>VIII. Profit/(Loss) before Tax (PBT)</b>		(6,12,94,059)	(2,60,68,803)
<b>IX. Tax Expenses:</b>			
- Current Tax		-	-
<b>X. Profit/(Loss) for the period (VIII-IX)</b>		(6,12,94,059)	(2,60,68,803)
Earnings per Share (Basic & Diluted)	27 (4)	(125.47)	(53.37)

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*  
Membership No. 219922

For and on behalf of the Board

DILIP THOMAS  
*Chairman*

PRIYALATHA THOMAS  
*Managing Director*

Place : Chennai  
Date : 01.08.2019

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019

	(in ₹)	(in ₹)	Previous Year (in ₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>			
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		(6,12,94,059)	(2,60,68,803)
ADJUSTMENTS FOR :			
Depreciation	59,50,675		66,42,500
Rubber Rehabilitation Allowance	21,80,028		8,87,768
Profit on Sale of Investments/Assets	(39,35,500)		(38,20,611)
Provision for Gratuity/Leave Encashment	32,64,145		(20,58,237)
Compensation from Power grid Corporation	(4,26,525)		(20,48,960)
Livestock written off, Profit/Loss on sale of livestock	(65,000)		(3,75,000)
Assets discarded written off	45,592		16,016
Interest/Dividend Received	(53,77,292)		(53,18,668)
Interest Paid	90,41,656		75,46,852
Loss on closure of Associate Subsidiary Company	16,59,644		16,94,467
Withdrawal of provision for Diminution in value	Nil		(17,00,000)
	<hr/>	1,23,37,423	<hr/>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(4,89,56,636)	(2,46,02,676)
ADJUSTMENTS FOR :			
Trade and other Receivables	47,80,268		(36,46,240)
Inventories	27,06,251		(34,45,599)
Trade Payables	(11,53,022)		58,80,794
Other Current Assets	1,67,57,088		(38,28,702)
	<hr/>	2,30,90,585	<hr/>
CASH GENERATED FROM OPERATIONS		(2,58,66,051)	(2,96,42,423)
Taxes Paid		(11,04,688)	(4,78,777)
CASH FLOW BEFORE EXTRAORDINARY ITEMS		(2,69,70,739)	(3,01,21,200)
Extraordinary Items		Nil	Nil
NET CASH FROM OPERATING ACTIVITIES		<hr/>	<hr/>
		(2,69,70,739)	(3,01,21,200)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets		(2,40,42,307)	(1,23,28,163)
Purchase of Investments		(3,14,57,920)	(1,40,71,912)
Sale of Fixed Assets		87,27,828	8,59,643
Sale of Investments		2,76,40,633	3,33,04,063
Sale of Trees		44,09,960	1,75,00,125
Expenditure on Replanting		(65,49,227)	(73,20,309)
Interest Received		21,16,448	62,31,074
Dividend Received		11,47,403	5,18,007
Compensation received on rubber trees		8,52,272	38,59,626
NET CASH FROM INVESTING ACTIVITIES		<hr/>	<hr/>
		(1,71,54,910)	2,85,52,154

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019 (Contd.)**

	(in ₹)	Previous Year (in ₹)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Public Deposits/Loan from Directors	(2,00,00,000)	3,70,00,000
Term Loan	30,15,325	(15,55,791)
Cash Credit	7,19,37,349	(2,70,37,470)
Interest Paid	(90,26,554)	(75,46,852)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>4,59,26,120</u>	<u>8,59,887</u>
	<u>18,00,471</u>	<u>(7,09,159)</u>
<b>NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS</b>		
<b>CASH AND CASH EQUIVALENTS AS AT 01.4.2018</b>		
(Beginning of the year)	11,49,038	
<b>CASH AND CASH EQUIVALENTS AS AT 31.3.2019</b>		
(Closing of the year)	29,49,509	
	<u>18,00,471</u>	<u>(7,09,159)</u>

Vide our report of date attached  
For SURI & CO.

*Chartered Accountants*  
*Firm Regn.No.004283S*

G. RENGARAJAN  
*Partner*

*Membership No. 219922*

Place : Chennai  
Date : 01.08.2019

For and on behalf of the Board

DILIP THOMAS  
*Chairman*

PRIYALATHA THOMAS  
*Managing Director*

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# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 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 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.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 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 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 Goods and Services tax (GST) 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.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 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.



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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 2</b>		
<b>SHARE CAPITAL:</b>		
<b>AUTHORISED :</b>		
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
<b>ISSUED:</b>		
5,06,000-Equity Shares of Rs.10/- each,	50,60,000	50,60,000
<b>SUBSCRIBED AND PAID-UP:</b>		
4,88,500 Equity Shares of Rs.10/- each	48,85,000	48,85,000
<b>RECONCILIATION OF SHARES:</b>		
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:**

	31.3.2019		31.3.2018	
	No.of shares held	% of holding	No.of shares	% of holding
1. Equity:				
Mr. Dilip Thomas	1,82,363	37.33	1,81,888	37.23
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**

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**NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 3</b>		
<b>RESERVES AND SURPLUS:</b>		
<b>CAPITAL REDEMPTION RESERVE:</b>		
As per last Balance Sheet	22,60,000	22,60,000
<b>SHARE PREMIUM ACCOUNT:</b>		
As per last Balance Sheet	7,83,672	7,83,672
<b>GENERAL RESERVE:</b>		
As per last Balance Sheet	42,50,96,288	
Add: Sale proceeds of Rubber Trees	44,09,960	
Rubber Rehabilitation Allowance	21,80,028	
Balance Compensation Received from M/s Power Grid Corporation	4,25,747	
Transfer from Profit and Loss Account	-	
	43,21,12,023	
Expenditure on Replanting Rubber	65,49,227	
	42,55,62,796	
	42,55,62,796	42,50,96,288
<b>SURPLUS/(DEFICIT)</b>		
Profit/(Loss) for the period	(6,12,94,059)	(2,60,68,803)
Add : Surplus/(Loss) brought forward	(2,60,68,803)	-
	(8,73,62,862)	(2,60,68,803)
Surplus/(Deficit)	(8,73,62,862)	(2,60,68,803)
<b>Total</b>	<b>34,12,43,606</b>	<b>40,20,71,157</b>

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 4</b>		
<b>LONG TERM BORROWINGS:</b>		
<b>TERM LOANS FROM BANKS:</b>		
(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	Nil
(b) Secured against hypothecation of Vehicles Repayable in 60 monthly instalments starting from July 2014 (last instalment June 2019) - Rate of Interest 10.74% per annum	Nil	34,686
Repayable in 84 monthly instalments starting from October 2017 (last instalment September 2024) - Rate of interest 9.90% per annum	4,31,988	5,03,794
Repayable in 84 monthly instalments starting from April 2019 (last instalment March 2026) - Rate of interest 8.85% per annum	31,21,817	Nil
	35,53,805	5,38,480
No loans have been guaranteed by Directors or others Period and amount of continuous default as on 31.03.2019	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	9,18,839	8,05,202
	9,18,839	8,05,202

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 7</b>		
<b>SHORT TERM BORROWINGS:</b>		
<b>From Banks - Secured:</b>		
<b>Cash Credit</b>		
Secured against hypothecation of Stock-in-Trade, Standing Crops, Plant and Machinery and also Equitable Mortgage of the Estates together with Buildings thereon	9,16,21,790	1,96,84,441
No loans have been guaranteed by Directors or others Period and amount of default as on 31.03.2019	Nil	
<b>Advance from related parties - Unsecured:</b>		
Loans from Directors (Rate of Interest 10% pa, (Previous year 10% PA)	1,70,00,000	3,70,00,000
	10,86,21,790	5,66,84,441
<b>NOTE: 8</b>		
<b>OTHER CURRENT LIABILITES:</b>		
Unpaid/unclaimed dividends	13,61,225	24,77,720
Unpaid Preference Capital Refund	Nil	3,35,290
Interest accrued but not due on borrowings	18,190	3,088
Security Deposits	44,53,753	46,52,356
Term Loan - Current maturities of long term debts (Refer Note 4)	4,85,382	7,00,480
Other payables - Statutory Liabilities	37,70,174	76,01,071
	1,00,88,724	1,57,70,005
<b>NOTE: 9</b>		
<b>SHORT TERM PROVISIONS:</b>		
Provision for Employee Benefits:		
- Leave Encashment	15,28,714	12,35,438
- Gratuity	36,70,631	8,13,399
Provision for Income tax	33,80,129	47,92,634
	85,79,474	68,41,471

**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

**NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2019**

Description	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	Upto 31.03.2018	For the Year	Withdrawn Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
LAND AND DEVELOPMENT									
- FREEHOLD (**)	2,06,10,419	Nil	82,84,309	1,23,26,110	Nil	Nil	Nil	1,23,26,110	2,06,10,419
BUILDINGS (**)	4,11,64,822	Nil	94,279	4,10,70,543	3,11,95,086	10,08,779	90,494	3,21,13,371	89,57,172
PLANT AND MACHINERY	7,07,29,491	7,74,026	17,50,116	6,97,53,401	6,45,03,049	11,76,806	17,17,914	6,39,61,941	57,91,460
FURNITURE AND FITTINGS	35,78,202	54,075	6,20,659	30,11,618	34,84,170	30,248	6,11,056	29,03,362	1,08,256
VEHICLES	2,11,74,458	36,27,892	39,72,784	2,08,29,566	1,78,95,380	10,84,844	36,94,263	1,52,85,961	55,43,605
LIVESTOCK	9,02,21,084	72,50,000	1,00,000	9,73,71,084	Nil	Nil	Nil	Nil	9,73,71,084
	24,74,78,476	1,17,05,993	1,48,22,147	24,43,62,322	11,70,77,685	33,00,677	61,13,727	11,42,64,635	13,00,97,687
<i>Previous Year</i>	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

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 as opening balance in joint ownership with other Companies, the book value of which amounted to Rs.1,38,012/- and Rs. 62,250/- respectively as on 31.03.2019.

# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

## NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2019

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

Description	As at 01-04-2018		Additions		Deductions		As at 31-03-2019	
	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)
<b>I. SHARES IN COMPANIES:</b>								
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 #	42370	1,00,00,000					42370	1,00,00,000
		<u>2,20,00,000</u>		<u>0</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.	588	84,416					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
Dalp Holdings Singapore Pte Ltd. * (Face value USD 1/- per share)	17000	11,07,872			17000	11,07,872		
The Highland Produce Company Ltd. *	286	55,200	11922	26,81,065			12208	27,36,265
A V T International Limited *	100	20,000					100	20,000
AVR Edge Networks Private Limited #	119340	2,50,00,000					119340	2,50,00,000
		<u>2,80,33,988</u>		<u>26,81,065</u>		<u>11,07,872</u>		<u>2,96,07,181</u>
		<u>2,80,33,988</u>		<u>26,81,065</u>		<u>11,07,872</u>		<u>2,96,07,181</u>

\* Associate Company # Pvt Limited Company

**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

**NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2019**

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

Description	As at 01-04-2018		Additions		Deductions		As at 31-03-2019	
	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)
<b>II. SHARES OF CO-OPERATIVE SOCIETIES :</b>								
The Shaliacary Estate Employees Co-operative Society Ltd. (Unquoted)	1	10					1	10
<b>III. INVESTMENT PROPERTIES:</b>								
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		1,68,50,861						1,95,00,861
		12,79,37,245						12,52,87,245
<b>Total</b>		<b>17,79,75,063</b>		<b>26,81,065</b>		<b>11,07,872</b>		<b>17,68,98,256</b>
			<b>31.03.2019</b>	<b>31.03.2018</b>				
Aggregate amount of Quoted Investments (Market Value Rs.7,93,729/- and previous year Rs.8,76,297/-)			3,820	3,820				
Aggregate amount of Unquoted Investments			5,16,07,191	5,00,33,998				
Aggregate amount of Immovable properties			14,47,88,106	14,47,88,106				
			19,63,99,117	19,48,25,924				
Less: Aggregate Depreciation on Immovable property			1,95,00,861	1,68,50,861				
			<b>17,68,98,256</b>	<b>17,79,75,063</b>				

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

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 12</b>		
<b>OTHER NON CURRENT ASSETS</b>		
Deposits	11,94,015	11,15,815
Prepaid Expenses	22,47,200	33,70,800
	<u>34,41,215</u>	<u>44,86,615</u>



## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

### NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2019

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

Description	As at 01-04-2018		Additions		Deductions		As at 31-03-2019	
	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹
<b>INVESTMENTS IN MUTUAL FUNDS</b>								
DWS Fixed maturity plan series 54 - Regular Growth Plan	1000000	1,00,00,000			1000000	1,00,00,000		Nil
KMBL Wealth Management (Power of Attorney) account		39						39
Ask Real Estate Special opportunities fund II	100	1,00,00,000	40	40,00,000			140	1,40,00,000
SBI Premier Liquid Fund - Regular Plan - D D	9281	93,11,096	452	4,53,668			9733	97,64,764
IDFC Cash Fund Plan B - Daily Dividend			10055	1,00,66,282			10055	1,00,66,282
DHFL Pramerica Insta Cash fund - DD Reinvestment			142137	1,42,56,905			142137	1,42,56,905
		2,93,11,135		2,87,76,855		2,42,56,905		3,38,31,085

**31.03.2019**      **31.03.2018**

3,38,31,085      2,93,11,135

3,38,31,085      2,93,11,135

Aggregate amount of Quoted Investments

(NAV of Mutual Funds Rs.3,38,34,904/-, Previous year Rs.3,32,03,289/-)

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 14</b>		
<b>INVENTORIES:</b>		
(Valued at lower of cost and net realisable value)		
Finished goods	94,45,000	1,31,92,000
Stores and Spares	91,82,472	80,48,028
Nurseries	11,15,565	12,09,260
Total	1,97,43,037	2,24,49,288
<b>NOTE: 15</b>		
<b>TRADE RECEIVABLES:</b>		
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	72,52,520	1,20,32,787
Total	72,52,520	1,20,32,787
<b>NOTE: 16</b>		
<b>CASH AND CASH EQUIVALENTS:</b>		
Cash and Stamps on hand	93,832	1,19,215
<b>Balances with Scheduled Banks</b>		
in Current account	28,55,677	10,29,823
in Deposit account	Nil	Nil
	29,49,509	11,49,038
in Unpaid Dividend Bank Account	13,61,225	24,77,720
in Unpaid Preference Capital Refund Bank Account	Nil	3,35,290
in Margin Money deposits accounts	1,03,70,581	2,25,18,939
	1,17,31,806	2,53,31,949
Total	1,46,81,315	2,64,80,987
Bank deposits with more than 12 months	Nil	Nil

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 17</b>		
<b>SHORT TERM LOANS AND ADVANCES:</b>		
<b>Unsecured, Considered good</b>		
Loans and advances due by Officers of the Company:	Nil	Nil
Others - Intercorporate Deposit	1,95,00,000	1,95,00,000
Advances recoverable in cash or in kind or for value to be received.	1,19,58,549	1,12,86,763
Input tax credits receivable	21,73,805	3,47,116
Advances on account of Capital Works	12,17,780	3,23,850
Deposits with NABARD	5,75,56,334	6,30,60,284
Tax payments pending adjustments	38,56,560	41,64,377
MAT Credit entitlement	2,00,000	2,00,000
	<u>9,64,63,028</u>	<u>9,88,82,390</u>

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31ST MARCH 2019**

(Amount in ₹)

	For the year ended 31-03-2019	For the year ended 31-03-2018
<b>NOTE: 18</b>		
<b>SALE OF PRODUCTS:</b>		
Rubber	13,28,62,052	15,25,84,203
Tea	6,54,93,527	5,33,32,911
Cardamom	1,78,71,700	2,25,26,453
Minor Produce	21,61,897	24,35,290
Tea waste sale	2,55,000	3,44,000
Processing Income	83,03,507	64,98,000
	<u>22,69,47,683</u>	<u>23,77,20,857</u>
<b>NOTE: 19</b>		
<b>OTHER INCOME:</b>		
Income from non-current Investments	3,06,048	3,05,711
Income from Current Investments	8,41,355	2,12,296
Interest Received		
From Banks	35,82,291	14,41,958
Others	6,47,599	33,58,703
Livestock Receipts - Stake money and others	66,98,384	57,84,774
Profit on Sale of Current Investments	39,35,500	36,67,059
Profit on Sale of Assets	Nil	1,53,552
Insurance claim received	7,21,720	Nil
Rent Received	68,14,630	71,15,000
Miscellaneous Receipts	14,71,170	15,89,458
Sundry balances no longer payable written back	59,740	6,36,142
Provision for diminution in value of investments written back	Nil	17,00,000
Provision no longer required written back	4,81,800	Nil
Compensation against Rubber trees	4,26,525	20,48,960
	<u>2,59,86,762</u>	<u>2,80,13,613</u>
<b>NOTE: 20</b>		
<b>COST OF MATERIAL CONSUMED:</b>		
Raw Material Consumed		
Latex Procured	93,93,724	1,21,72,117
Bought Leaf	2,02,06,464	1,41,69,647
	<u>2,96,00,188</u>	<u>2,63,41,764</u>
<b>NOTE: 21</b>		
<b>OTHER MANUFACTURING EXPENSES:</b>		
Power and fuel consumed	1,47,70,690	1,48,21,214
Stores, spares, chemicals and packing materials consumed	2,11,67,798	2,00,64,615
Transport and Warehousing	28,48,253	35,35,405
Repairs - Plant and Machinery	21,08,090	17,91,261
Repairs - Buildings	50,18,878	27,18,387
	<u>4,59,13,709</u>	<u>4,29,30,882</u>

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31ST MARCH 2019**

	For the year ended 31-03-2019	(Amount in ₹) For the year ended 31-03-2018
<b>NOTE: 22</b>		
<b>CHANGE IN INVENTORIES/STOCK-IN-TRADE:</b>		
<b>OPENING STOCK :</b>		
Rubber	46,59,000	39,32,000
Tea	46,20,000	22,59,000
Cardamom	39,13,000	63,07,000
	1,31,92,000	1,24,98,000
<b>CLOSING STOCK :</b>		
Rubber	42,18,000	46,59,000
Tea	52,27,000	46,20,000
Cardamom	Nil	39,13,000
	94,45,000	1,31,92,000
	37,47,000	6,94,000
<b>NOTE: 23</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages	14,05,37,746	13,93,12,593
Contribution to Provident and other Funds	1,41,39,260	1,48,24,154
Provision for Gratuity (Refer Note No.27 (7))	36,70,631	8,13,399
Provision for Leave Encashment (Refer Note No.27 (7))	4,06,913	3,12,549
Welfare Expenses	76,89,262	60,24,142
	16,64,43,812	16,12,86,837
<b>NOTE: 24</b>		
<b>FINANCE COSTS:</b>		
Interest	90,41,656	75,46,852

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31ST MARCH 2019**

	For the year ended 31-03-2019	(Amount in ₹) For the year ended 31-03-2018
<b>NOTE: 25</b>		
<b>LIVE STOCK EXPENDITURE:</b>		
Live Stock - Broodmares/Race Horses		
Maintenance and other expenses	1,96,14,655	1,54,99,459
Service tax on stake money received	Nil	29,342
Less: Sale of horses	(65,000)	(3,75,000)
	1,95,49,655	1,51,53,801
<b>NOTE: 26</b>		
<b>OTHER EXPENSES:</b>		
Rent and Amenities	3,27,300	2,04,450
Rates and Taxes	22,80,133	21,38,473
Sales Tax	6,12,144	2,11,937
Brokerage and Commission	24,68,883	23,01,247
Repairs and Maintenance :-		
Buildings	11,63,400	8,24,910
Plant and Machinery	4,38,170	2,31,292
Vehicles	40,70,172	32,19,371
Others	2,60,323	6,19,553
Printing and Stationery	4,99,502	5,98,644
Postage and Telephones	8,25,250	9,37,154
Legal Expenses	2,41,840	5,30,476
Directors' Sitting Fees	90,000	1,50,000
Auditor's Remuneration:-		
For Audit	8,00,000	8,00,000
For Certification / Tax Audit	5,35,000	3,26,676
For Tax Representation	2,20,000	2,35,000
For Travelling and other Expenses	1,60,000	1,45,000
Insurance	15,87,866	10,63,060
Advertisement	54,100	58,990
Bank Charges	1,27,723	1,46,718
Travelling Expenses	66,14,339	97,85,460
Sundry debit balances not receivable written off	4,02,957	5,99,946
Assets discarded written off	45,592	16,016
Loss on sale of assets	5,83,729	Nil
Rubber Rehabilitation Allowance	21,80,028	8,87,768
Professional Fees	4,22,349	4,73,776
Loss on closure of Subsidiary/Associate Company	16,59,644	16,94,467
Miscellaneous Expenses	42,31,403	42,89,040
Provision for Bad & doubtful advances	10,00,000	Nil
	3,39,01,847	3,24,89,424

# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

For the year ended  
31-03-2019

Previous Year

**NOTE: 27**

**OTHER NOTES:**

**1. PARTICULARS OF CONSUMPTION:**

	Value in ₹	%	Value in ₹	%
(a) Raw Materials:				
(i) Latex - Indigenous	93,93,724	100	1,21,72,117	100
(ii) Bought Leaf - Indigenous	2,02,06,464	100	1,41,69,647	100
	2,96,00,188		2,63,41,764	
(b) Stores and Spares				
Indigenous	2,11,67,798	100	2,00,64,615	100
Imported	Nil		Nil	
	2,11,67,798	100	2,00,64,615	100

For the year ended 31-03-2019 (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

26,73,172	27,64,104
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**4. EARNINGS PER SHARE:**

Profit after Taxation

(6,12,94,059)	(2,60,68,803)
---------------	---------------

Number of Equity Shares outstanding at the end of the year

4,88,500	4,88,500
----------	----------

Earnings per Share (Basic and Diluted)

(125.47)	(53.37)
----------	---------

**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 2019 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
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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

NOTE : 27 (Contd..)

OTHER NOTES (Contd..)

	For the Year Ended 31st March 2019 Rs.	Previous Year Rs.
<b>6 CONTINGENT LIABILITIES:</b>		
a) Sales-tax demands disputed in appeals, against which ₹ 30,80,569/- is paid and included under Other Current Assets	1,15,00,000	1,15,00,000
b) Claims against the Company not acknowledged as debts	11,50,000	11,50,000
c) Estimated amount of Contracts remaining to be executed on Capital Account	18,90,000	4,26,000
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.



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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019**

**NOTE: 27 (Contd.)**

**OTHER NOTES (Contd..)**

**7. Employee Benefits (Contd..)**

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

	As at 31.03.2019		As at 31.03.2018	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
Present Value of the Obligation as on 1.04.2018	6,51,81,882	20,40,640	6,38,02,188	17,28,091
Current Service Cost	41,89,715	3,25,214	42,66,558	3,13,856
Interest Cost	45,88,220	1,48,967	42,16,295	1,18,201
Benefits Paid	(46,59,107)	Nil	(43,20,901)	Nil
Actuarial loss / (gain)	3,12,941	(67,268)	(27,82,258)	(1,19,508)
Present Value of the Obligation as on 31.03.2019	6,96,13,651	24,47,553	6,51,81,882	20,40,640
<b>c) Reconciliation of changes in the fair value of Plan Assets:</b>				
Fair Value of Plan Assets as on 1.04.2018	6,43,68,483	Nil	6,06,18,003	Nil
Adjustment to Opening Fair Value of Plan Assets			4,060	
Expected return on plan assets	47,96,700	Nil	41,17,200	Nil
Contribution by the Company	13,27,282	Nil	34,63,367	Nil
Benefits Paid	(46,59,107)	Nil	(43,20,901)	Nil
Actuarial gain / (loss)	1,09,662	Nil	4,86,754	Nil
Fair Value of Plan Assets as on 31.03.2019	6,59,43,020	Nil	6,43,68,483	Nil
<b>d) The total expense recognised in the profit and loss account is as follows:</b>				
Current Service Cost	41,89,715	3,25,214	42,66,558	3,13,856
Interest Cost	45,88,220	1,48,967	42,16,295	1,18,201
Expected return on plan assets	(47,96,700)	NA	(41,17,200)	NA
Net Actuarial (gain) / loss recognised in the year	2,03,279	(67,268)	(32,69,012)	(1,19,508)
	41,84,514	4,06,913	10,96,641	3,12,549
<b>e) Reconciliation of Net Liability recognised in the balance sheet</b>				
Net Liability as at the beginning of the year	8,13,399	20,40,640	31,84,185	17,28,091
Adjustment to Opening Fair Value of Plan Assets	-		(4,060)	
Add : Expense as (d) above	41,84,514	4,06,913	10,96,641	3,12,549
Less: Employers Contribution / Payment	13,27,282		34,63,367	
Net Liability as at the end of the year	36,70,631	24,47,553	8,13,399	20,40,640
<b>f) Constitution of Plan Assets:</b>				
Investments in LIC Group Gratuity Scheme	6,59,43,020	Not Applicable	6,43,68,483	Not Applicable

# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

**NOTE: 27 (Contd.)**

**OTHER NOTES (Contd..)**

(In ₹)

**7 Employee Benefits: (Contd.)**

	As at 31.03.2019		As at 31.03.2018	
	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	7.47%	7.47%	7.30%	7.30%
Salary Escalation Rate	6.00%	6.00%	6.50%	6.50%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	7.47%	NA	7.65%	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>31.03.2019</u>	<u>31.03.2018</u>	<u>31.03.2017</u>	<u>31.03.2016</u>	<u>31.03.2015</u>
Gratuity funded plan					
Defined Benefit Obligation	6,96,13,651	6,51,81,882	6,38,02,188	6,24,50,447	6,19,55,683
Plan Assets	6,59,43,020	6,43,68,483	6,06,18,003	6,19,01,858	5,42,94,247
Surplus/(Deficit)	(36,70,631)	(8,13,399)	(31,84,185)	(5,48,589)	(76,61,436)
Experience adjustment - Plan Liability	3,12,941	(27,82,258)	(2,69,160)	(25,37,767)	40,95,699
Experience adjustment - Plan Assets	1,09,662	4,86,754	(2,05,004)	(3,30,220)	(5,550)

The Company expects to fund ₹ 40.00 lakhs towards its Gratuity Plan during the year 2019-2020.

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.1,27,80,808/- as expense towards contributions to these plans.

**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.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

#### NOTE: 27 OTHER NOTES (Contd..)

##### 8 LAND (Contd..)

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) (i) 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.
- (ii) 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 (RP 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 vide letter dated 12-12-2012 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 by its order dated 14-03-2019 decided that the Company is a cultivating tenant and therefore enjoys fixity of tenure as per the Kerala Land Reforms Act. The matter has been referred for mediation and the date is not intimated yet.
- 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 OS 16/2015 for recovery possession of 270 Hectares in Chulika. The Management is a respondent in this suit before the Sub Court, Sultan Battery, Wayanad. Mr. Anil Kumar 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 dated 30-10-2017 was filed in the Sub Court. Management filed objection to the Commission Report and this was set aside by the Lower Court. Management now filed OP No. 1826/2019 before the High Court requesting the High Court to direct the Lower Court to accept our objections
- 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, 2019

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:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>- A V Thomas &amp; Company Limited</li> <li>- A V Thomas International Limited</li> <li>- L.J.International Limited</li> <li>- A V Thomas Investments Company Limited</li> <li>- The Highland Produce Company Limited</li> <li>- DALP Trading and Manufacturing Limited</li> <li>- A V Thomas Leather and Allied Products Private Limited</li> <li>- A V Thomas Exports Limited</li> </ul> | <ul style="list-style-type: none"> <li>- Doors and More Wood Products Limited</li> <li>- DALP Benevolent Trust</li> <li>- J Thomas Educational and Benevolent Trust</li> <li>- Rajagiri Impex Limited</li> <li>- DALP Holdings Singapore PTE Limited<br/>(in the process of liquidation)</li> <li>- AVR Edge Networks Private Limited</li> </ul> |
|---|--|

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

Details of Transactions:	Year ended 31.03.2019		Year ended 31.03.2018	
	Associates	Key Management Personnel	Associates	Key Management Personnel
	(In ₹)	(Including Relatives) (In ₹)	(In ₹)	(Including Relatives) (In ₹)
<b>INCOME</b>				
Sales	85,24,650	Nil	2,29,24,090	Nil
Dividend Received	3,00,000	Nil	3,00,000	Nil
Rent Received	12,000	Nil	8,000	Nil
<b>EXPENDITURE:</b>				
Purchases	95,150	Nil	91,364	Nil
C & F/Warehousing Charges paid	4,17,690	Nil	3,33,182	Nil
Rent Paid	12,000	Nil	12,000	Nil
Interest paid	Nil	26,28,493	Nil	12,39,043
Sitting fees paid	Nil	30,000	Nil	50,000
Dividend paid	Nil	Nil	Nil	Nil
Remuneration paid	Nil	1,04,79,160	Nil	1,03,19,294
Commission/Other expenses paid	16,42,749	Nil	20,87,835	Nil
<b>OTHERS:</b>				
Loans taken	Nil	3,10,00,000	Nil	5,10,00,000
Loans repaid	Nil	5,10,00,000	Nil	1,40,00,000
Purchase of Investments	26,81,065	Nil	1,20,816	Nil
<b>BALANCE AS ON 31st MARCH 2019</b>				
Debit Balance	3,45,725	Nil	3,71,733	Nil
Credit Balances	1,05,324	1,70,00,000	32,96,315	3,70,00,000

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

**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 Public Shareholders. The Exit Offer period concluded on 23rd October 2018. In this regard the promoters of the Company has acquired 56575 number of public shares from the Shareholders which constitutes to 11.58 % of the total Share Capital.

The Board of the Company in its meeting held on 24-02-2017 has decided to participate as promoter in the Exit Offer of certain Group Companies namely The Highland Produce Company Limited, L J International Limited and A V Thomas International Limited. The exit offer of the group company concluded on 23rd October 2018.

The Company had given a Bank Guarantee to the National Stock Exchange Limited, which was released subsequent to the closure of Exit Offer.

**13 Previous year's figures have been re-grouped wherever considered 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 : 01.08.2019



# Consolidated Financial Statements

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# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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## INDEPENDENT AUDITOR'S REPORT

To

The Members of

**The Rajagiri Rubber & Produce Company Limited, Alappuzha**

**Report on the Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying consolidated financial statements of **The Rajagiri Rubber & Produce Company Limited** ("the Holding Company") and its associates (collectively referred to as 'the Group'), which comprise the consolidated balance sheet as at March 31st, 2019, the Consolidated statement of profit and loss, consolidated statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (herein referred to as "the consolidated financial statements").

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 Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read along with the Companies Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2019, the consolidated profit, consolidated total comprehensive income profit and its consolidated cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Information Other than the consolidated Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the management report, its annexures, Board's Report including annexures, Director's Responsibility Statement, but does not include the consolidated Financial Statements and our Audit Report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If we conclude that there is a material misstatement of this other information, based on the work we have performed, we are required to report that fact. We have nothing to report in this regard.



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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### **Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies 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; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, The Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of Companies included in Group are also responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company and its associate has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Other Matters**

We were informed that the management is taking steps to strike off the subsidiary Dalp Holdings Singapore PTE Ltd and hence the same has not been considered for Consolidated Financial Statements as on 31.03.2019.

The consolidated financial statements also include the Group's share of Net Loss of Rs.70,629 for the year ended 31-March-2019, 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, in so far 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**

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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (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 Company as on 31st March 2019 taken on record by the Board of Directors of the company and its associate companies incorporated in India and the reports of the statutory auditors of its associate company incorporated in India none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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(f) With respect to adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer our separate report in Annexure A;, which is based on the auditor's reports of the Company and its associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements Rule 11 of the Companies (Audit and Auditors) Rules 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 does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2019
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate companies incorporated in India.

Place : Chennai  
Date : 01-Aug-2019

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

**G. RENGARAJAN**  
**Partner**  
**Memb No : 219922**  
UDIN: 19219922AAAAFL5467

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# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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## 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-2019 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

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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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.

### **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-2019 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.

Place : Chennai  
Date : 01-Aug-2019

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

**G. RENGARAJAN**  
**Partner**  
**Memb No : 219922**  
UDIN: 19219922AAAAFL5467

# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

Amount in ₹

	NOTES	As at 31-03-2019	As at 31-03-2018
<b>I. EQUITY AND LIABILITIES:</b>			
<b>(1) Shareholders' Funds:</b>			
(a) Share Capital	2	48,85,000	48,85,000
(b) Reserves and Surplus	3	34,16,70,042	40,12,99,030
		<u>34,65,55,042</u>	<u>40,61,84,030</u>
<b>(2) Non-Current Liabilities:</b>			
(a) Long Term borrowings	4	35,53,805	5,38,480
(b) Other Long-Term Liabilities	5	2,908	2,908
(c) Long-Term Provisions	6	9,18,839	8,05,202
		<u>44,75,552</u>	<u>13,46,590</u>
<b>(3) Current Liabilities:</b>			
(a) Short-Term borrowings	7	10,86,21,790	5,66,84,441
(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	2,79,61,862	2,33,15,046
(d) Short-Term Provisions	9	1,00,88,724	1,58,73,460
		<u>85,79,474</u>	<u>68,41,471</u>
		<u>15,52,51,850</u>	<u>10,27,14,418</u>
TOTAL		<u>50,62,82,444</u>	<u>51,02,45,038</u>
<b>II. ASSETS:</b>			
<b>(1) Non-Current assets</b>			
(a) Property, Plant and Equipment			
(i) Tangible Assets	10	13,00,97,687	13,04,00,791
(ii) Capital Work-in-progress			
a) Bearer Plants		1,13,30,866	61,04,852
b) Others		71,10,300	Nil
(b) Non-current Investments	11	17,73,24,692	17,73,64,256
(c) Other non-current assets	12	34,41,215	44,86,615
		<u>32,93,04,760</u>	<u>31,83,56,514</u>
<b>(2) Current assets:</b>			
(a) Current Investments	13	3,38,31,085	2,93,11,135
(b) Inventories	14	1,97,43,037	2,24,49,288
(c) Trade Receivables	15	72,52,520	1,20,32,787
(d) Cash and Cash equivalents	16	1,46,81,315	2,65,80,933
(e) Short-term loans and advances	17	9,64,63,028	9,86,21,124
(f) Others-Accrued Income		50,06,699	28,93,257
		<u>17,69,77,684</u>	<u>19,18,88,524</u>
Significant Accounting Policies	1		
TOTAL		<u>50,62,82,444</u>	<u>51,02,45,038</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

DILIP THOMAS  
Chairman

PRIYALATHA THOMAS  
Managing Director

Place : Chennai  
Date : 01.08.2019

Partner  
Membership No. 219922

# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

	Notes	For the year ended 31-03-2019	Amount in ₹ For the year ended 31-03-2018
<b>REVENUE:</b>			
<b>I. Revenue from Operations:</b>			
Sale of Products	18	22,69,47,683	23,77,20,857
<b>II. Other Income:</b>	19	2,59,86,762	2,80,13,613
<b>III. Total Revenue</b>	TOTAL	<u>25,29,34,445</u>	<u>26,57,34,470</u>
<b>EXPENSES:</b>			
Cost of Materials Consumed	20	2,96,00,188	2,63,41,764
Other Manufacturing Expenses	21	4,59,13,709	4,29,30,882
Purchase of Stock-in-Trade		79,962	1,05,213
(Increase)/Decrease in Inventory	22	37,47,000	(6,94,000)
Employee benefit expenses	23	16,64,43,812	16,12,86,837
Finance Costs	24	90,41,656	75,46,852
Livestock Expenditure	25	1,95,49,655	1,51,53,801
Depreciation and amortization expense		59,50,675	66,42,500
Other expenses	26	3,26,32,655	3,28,27,356
<b>IV. Total Expenses</b>	TOTAL	<u>31,29,59,312</u>	<u>29,21,41,205</u>
<b>V. Profit/(Loss) before exceptional and extraordinary items (III-IV)</b>		(6,00,24,867)	(2,64,06,735)
<b>VI. Exceptional/Extraordinary items</b>		Nil	Nil
<b>VII. Profit/(Loss) after Exceptional/Extraordinary items</b>		<u>(6,00,24,867)</u>	<u>(2,64,06,735)</u>
<b>VIII. Profit/(Loss) before Tax (PBT)</b>		(6,00,24,867)	(2,64,06,735)
<b>IX. Tax Expenses:</b>			
- Current Tax		-	-
<b>X. Profit/(Loss) after Tax (PAT)</b>		(6,00,24,867)	(2,64,06,735)
Add : Share of Profit/(Loss) of Associates		(70,629)	1,40,400
<b>X. Profit/(Loss) for the period (VIII-IX)</b>		<u>(6,00,95,496)</u>	<u>(2,62,66,335)</u>
Earnings per Share (Basic & Diluted)	27 (4)	(123.02)	(53.77)

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

Membership No. 219922

For and on behalf of the Board

DILIP THOMAS

Chairman

PRIYALATHA THOMAS

Managing Director

Place : Chennai

Date : 01.08.2019

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019**

	(in ₹)	(in ₹)	Previous Year (in ₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>			
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		(6,00,24,867)	(2,64,06,735)
ADJUSTMENTS FOR :			
Depreciation	59,50,675		66,42,500
Rubber Rehabilitation Allowance	21,80,028		8,87,768
Profit on Sale of Investments/Assets	(39,35,500)		(38,20,611)
Provision for Gratuity/Leave Encashment	32,64,145		(20,58,237)
Compensation from Power grid Corporation	(4,26,525)		(20,48,960)
Livestock written off, Profit/Loss on sale of livestock	(65,000)		(3,75,000)
Assets discarded written off	45,592		16,016
Foreign currency translation reserve	Nil		98,840
Interest/Dividend Received	(53,77,292)		(53,18,668)
Interest Paid	90,41,656		75,46,852
Loss on closure of Associate Company	2,90,506		16,94,467
Withdrawal of provision for Diminution in value	Nil		(17,00,000)
	<hr/>	1,09,68,285	<hr/>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(4,90,56,582)	(2,48,41,768)
ADJUSTMENTS FOR :			
Trade and other Receivables	47,80,268		(36,46,240)
Inventories	27,06,251		(34,45,599)
Trade Payables	(11,53,022)		58,09,909
Other Current Assets	1,64,95,822		(38,28,702)
	<hr/>	2,28,29,319	<hr/>
CASH GENERATED FROM OPERATIONS		(2,62,27,263)	(2,99,52,400)
Taxes Paid		(11,04,688)	(4,78,777)
CASH FLOW BEFORE EXTRAORDINARY ITEMS		(2,73,31,951)	(3,04,31,177)
Extraordinary Items		Nil	Nil
NET CASH FROM OPERATING ACTIVITIES		<hr/>	<hr/>
		(2,73,31,951)	(3,04,31,177)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets		(2,40,42,307)	(1,23,28,163)
Purchase of Investments		(3,14,57,920)	(1,40,71,912)
Sale of Fixed Assets		87,27,828	8,59,643
Sale of Investments		2,79,01,899	3,33,04,063
Sale of Trees		44,09,960	1,75,00,125
Expenditure on Replanting		(65,49,227)	(73,20,309)
Interest Received		21,16,448	62,31,074
Dividend Received		11,47,403	5,18,007
Compensation received on rubber trees		8,52,272	38,59,626
NET CASH FROM INVESTING ACTIVITIES		<hr/>	<hr/>
		(1,68,93,644)	2,85,52,154



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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019 (Contd.)**

	(in ₹)	Previous Year (in ₹)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Public Deposits/Loan from Directors	(2,00,00,000)	3,70,00,000
Term Loan	30,15,325	(15,55,791)
Cash Credit	7,19,37,349	(2,70,37,470)
Interest Paid	(90,26,554)	(75,46,852)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>4,59,26,120</u>	<u>8,59,887</u>
	<u>17,00,525</u>	<u>(10,19,136)</u>
<b>NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS</b>		
<b>CASH AND CASH EQUIVALENTS AS AT 01.4.2018</b>		
(Beginning of the year)	12,48,984	
<b>CASH AND CASH EQUIVALENTS AS AT 31.3.2019</b>		
(Closing of the year)	29,49,509	
	<u>17,00,525</u>	<u>(10,19,136)</u>

Vide our report of date attached  
For SURI & CO.

*Chartered Accountants*  
Firm Regn.No.004283S

G. RENGARAJAN  
*Partner*

Membership No. 219922

Place : Chennai  
Date : 01.08.2019

For and on behalf of the Board

DILIP THOMAS  
*Chairman*

PRIYALATHA THOMAS  
*Managing Director*

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# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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## NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 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 is consolidated with its associate Rajagiri Impex Ltd. (30% shareholding) under Equity Method. The subsidiary - Dalp Holdings Singapore Pte Ltd has applied for strike off/liquidation and hence the same is not considered for 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.

#### 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.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### 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 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 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.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### **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 Goods and Service taxes (GST) 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".

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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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.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 2</b>		
<b>SHARE CAPITAL:</b>		
<b>AUTHORISED :</b>		
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
<b>ISSUED:</b>		
5,06,000-Equity Shares of Rs.10/- each,	50,60,000	50,60,000
<b>SUBSCRIBED AND PAID-UP:</b>		
4,88,500 Equity Shares of Rs.10/- each	48,85,000	48,85,000
<b>RECONCILIATION OF SHARES:</b>		
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:

	31.3.2019		31.3.2018	
	No.of shares held	% of holding	No.of shares	% of holding
1. Equity:				
Mr. Dilip Thomas	1,82,363	37.33	1,81,888	37.23
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**

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**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 3</b>		
<b>RESERVES AND SURPLUS:</b>		
<b>CAPITAL REDEMPTION RESERVE:</b>		
As per last Balance Sheet	22,60,000	22,60,000
<b>SHARE PREMIUM ACCOUNT:</b>		
As per last Balance Sheet	7,83,672	7,83,672
Foreign currency Translation Reserve	Nil	61,946
<b>GENERAL RESERVE:</b>		
As per last Balance Sheet	42,44,59,747	
Add: Foreign currency Translation Reserve	61,946	
Sale proceeds of Rubber Trees	44,09,960	
Rubber Rehabilitation Allowance	21,80,028	
Balance Compensation Received from M/s Power Grid Corporation	4,25,747	
	43,15,37,428	
Expenditure on Replanting Rubber	65,49,227	
	42,49,88,201	
	42,49,88,201	42,44,59,747
<b>SURPLUS/(DEFICIT)</b>		
Profit/(Loss) for the period	(6,00,95,496)	(2,62,66,335)
Add : Surplus/(Loss) brought forward	(2,62,66,335)	-
	(8,63,61,831)	(2,62,66,335)
Surplus/(Deficit)	(8,63,61,831)	(2,62,66,335)
<b>Total</b>	<b>34,16,70,042</b>	<b>40,12,99,030</b>

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 4</b>		
<b>LONG TERM BORROWINGS:</b>		
<b>TERM LOANS FROM BANKS:</b>		
(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	Nil
(b) Secured against hypothecation of Vehicles Repayable in 60 monthly instalments starting from July 2014 (last instalment June 2019) - Rate of Interest 10.74% per annum	Nil	34,686
Repayable in 84 monthly instalments starting from October 2017 (last instalment September 2024) - Rate of interest 9.90% per annum	4,31,988	5,03,794
Repayable in 84 monthly instalments starting from April 2019 (last instalment March 2026) - Rate of interest 8.85% per annum	31,21,817	Nil
	35,53,805	5,38,480
No loans have been guaranteed by Directors or others Period and amount of continuous default as on 31.03.2019	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	9,18,839	8,05,202
	9,18,839	8,05,202



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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 7</b>		
<b>SHORT TERM BORROWINGS:</b>		
<b>From Banks - Secured:</b>		
<b>Cash Credit</b>		
Secured against hypothecation of Stock-in-Trade, Standing Crops, Plant and Machinery and also Equitable Mortgage of the Estates together with Buildings thereon	9,16,21,790	1,96,84,441
No loans have been guaranteed by Directors or others Period and amount of default as on 31.03.2019	Nil	
<b>Advance from related parties - Unsecured:</b>		
Loans from Directors (Rate of Interest 10% pa, (Previous year 10% PA)	1,70,00,000	3,70,00,000
	10,86,21,790	5,66,84,441
<b>NOTE: 8</b>		
<b>OTHER CURRENT LIABILITIES:</b>		
Unpaid/unclaimed dividends	13,61,225	24,77,720
Unpaid Preference Capital Refund	Nil	3,35,290
Interest accrued but not due on borrowings	18,190	3,088
Security Deposits	44,53,753	46,52,356
Term Loan - Current maturities of long term debts (Refer Note 4)	4,85,382	7,00,480
Other payables - Statutory Liabilities	37,70,174	77,04,526
	1,00,88,724	1,58,73,460
<b>NOTE: 9</b>		
<b>SHORT TERM PROVISIONS:</b>		
Provision for Employee Benefits:		
- Leave Encashment	15,28,714	12,35,438
- Gratuity	36,70,631	8,13,399
Provision for Income tax	33,80,129	47,92,634
	85,79,474	68,41,471

**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019**

**NOTE : 10**  
**TANGIBLE ASSETS : \*** Amount in ₹

Description	GROSS BLOCK		DEPRECIATION			NET BLOCK	
	As at 01.04.2018	Additions Deductions As at 31.03.2019	Upto 31.03.2018	For the Year	Withdrawn Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
LAND AND DEVELOPMENT							
- FREEHOLD (**)	2,06,10,419	Nil 82,84,309	Nil	Nil	Nil	1,23,26,110	2,06,10,419
BUILDINGS (**)	4,11,64,822	Nil 94,279	3,11,95,086	10,08,779	90,494	89,57,172	99,69,736
PLANT AND MACHINERY	7,07,29,491	7,74,026 17,50,116	6,45,03,049	11,76,806	17,17,914	57,91,460	62,26,442
FURNITURE AND FITTINGS	35,78,202	54,075 6,20,659	34,84,170	30,248	6,11,056	1,08,256	94,032
VEHICLES	2,11,74,458	36,27,892 39,72,784	1,78,95,380	10,84,844	36,94,263	55,43,605	32,79,078
LIVESTOCK	9,02,21,084	72,50,000 1,00,000	Nil	Nil	Nil	9,73,71,084	9,02,21,084
	24,74,78,476	1,17,05,993 1,48,22,147	11,70,77,685	33,00,677	61,13,727	13,00,97,687	13,04,00,791
<i>Previous Year</i>	24,17,39,475	84,67,556 27,28,555	11,56,06,106	38,53,027	23,81,448	13,04,00,791	12,61,33,369

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 as opening balance in joint ownership with other Companies, the book value of which amounted to Rs.1,38,012/- and Rs. 62,250/- respectively as on 31.03.2019.

# THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

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

Description	As at 01-04-2018		Additions		Deductions		As at 31-03-2019	
	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)
<b>I. SHARES IN COMPANIES:</b>								
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 #	42370	1,00,00,000					42370	1,00,00,000
		<u>2,20,00,000</u>		<u>0</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
Perakaramalai 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.	588	84,416					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	18,56,665					150000	19,97,065
Add/Less: Share of Profit/(Loss) for the year		<u>1,40,400</u>						<u>-70,629</u>
		19,97,065						19,26,436
The Highland Produce Company Ltd. *	286	55,200	11922	26,81,065			12208	27,36,265
A V Thomas International Limited *	100	20,000					100	20,000
AVR EDGE Networks Private Limited #	119340	2,50,00,000					119340	2,50,00,000
		<u>2,74,23,181</u>		<u>26,81,065</u>				<u>3,00,33,617</u>

\* Associate Company # Pvt Limited Company

**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019**

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

Description	As at 01-04-2018		Additions		Deductions		As at 31-03-2019	
	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)	No. of Shares/Bonds	Amount (In ₹)
<b>II. SHARES OF CO-OPERATIVE SOCIETIES :</b>								
The Shaliacary Estate Employees Co-operative Society Ltd. (Unquoted)	1	10			1		10	
<b>III. INVESTMENT PROPERTIES:</b>								
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		1,68,50,861						1,95,00,861
		<u>12,79,37,245</u>						<u>12,52,87,245</u>
Total		17,73,64,256		26,81,065				17,73,24,692
			<b>31.03.2019</b>	<b>31.03.2018</b>				
Aggregate amount of Quoted Investments (Market Value Rs.7,93,729/- and previous year Rs.8,76,297/-)			3,820	3,820				
Aggregate amount of Unquoted Investments		5,20,33,627		4,94,23,191				
Aggregate amount of Immovable properties		14,47,88,106		14,47,88,106				
		<u>19,68,25,553</u>		<u>19,42,15,117</u>				
Less: Aggregate Depreciation on Immovable property		1,95,00,861		1,68,50,861				
		<u>17,73,24,692</u>		<u>17,73,64,256</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

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 12</b>		
<b>OTHER NON CURRENT ASSETS</b>		
Deposits	11,94,015	11,15,815
Prepaid Expenses	22,47,200	33,70,800
	<u>34,41,215</u>	<u>44,86,615</u>

## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

### NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

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

Description	As at 01-04-2018		Additions		Deductions		As at 31-03-2019	
	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹
<b>INVESTMENTS IN MUTUAL FUNDS</b>								
DWS Fixed maturity plan series 54 - Regular Growth Plan	1000000	1,00,00,000			1000000	1,00,00,000		Nil
KIMBL Wealth Management (Power of Attorney) account	39							39
Ask Real Estate Special opportunities fund II	100	1,00,00,000	40	40,00,000			140	1,40,00,000
SBI Premier Liquid Fund - Regular Plan - D D	9281	93,11,096	452	4,53,668			9733	97,64,764
IDFC Cash Fund Plan B - Daily Dividend			10055	1,00,66,282			10055	1,00,66,282
DHFL Pramerica Insta Cash fund - DD Reinvestment			142137	1,42,56,905	142137	1,42,56,905		Nil
		<u>2,93,11,135</u>		<u>2,87,76,855</u>		<u>2,42,56,905</u>		<u>3,38,31,085</u>

<b>31.03.2019</b>	<b>31.03.2018</b>
<u>3,38,31,085</u>	<u>2,93,11,135</u>
<u>3,38,31,085</u>	<u>2,93,11,135</u>

Aggregate amount of Quoted Investments  
(NAV of Mutual Funds Rs.3,38,34,904/-, Previous year Rs.3,32,03,289/-)

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 14</b>		
<b>INVENTORIES:</b>		
(Valued at lower of cost and net realisable value)		
Finished goods	94,45,000	1,31,92,000
Stores and Spares	91,82,472	80,48,028
Nurseries	11,15,565	12,09,260
Total	1,97,43,037	2,24,49,288
<b>NOTE: 15</b>		
<b>TRADE RECEIVABLES:</b>		
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	72,52,520	1,20,32,787
Total	72,52,520	1,20,32,787
<b>NOTE: 16</b>		
<b>CASH AND CASH EQUIVALENTS:</b>		
Cash and Stamps on hand	93,832	1,19,215
<b>Balances with Scheduled Banks</b>		
in Current account	28,55,677	11,29,769
in Deposit account	Nil	Nil
	29,49,509	12,48,984
in Unpaid Dividend Bank Account	13,61,225	24,77,720
in Unpaid Preference Capital Refund Bank Account	Nil	3,35,290
in Margin Money deposits accounts	1,03,70,581	2,25,18,939
	1,17,31,806	2,53,31,949
Total	1,46,81,315	2,65,80,933
Bank deposits with more than 12 months	Nil	Nil

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019**

	As at 31-03-2019	Amount in ₹ As at 31-03-2018
<b>NOTE: 17</b>		
<b>SHORT TERM LOANS AND ADVANCES:</b>		
<b>Unsecured, Considered good</b>		
Loans and advances due by Officers of the Company:	Nil	Nil
Others - Intercorporate Deposit	1,95,00,000	1,95,00,000
Advances recoverable in cash or in kind or for value to be received.	1,19,58,549	1,10,25,497
Input tax credits receivable	21,73,805	3,47,116
Advances on account of Capital Works	12,17,780	3,23,850
Deposits with NABARD	5,75,56,334	6,30,60,284
Tax payments pending adjustments	38,56,560	41,64,377
MAT Credit entitlement	2,00,000	2,00,000
	<u>9,64,63,028</u>	<u>9,86,21,124</u>



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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31ST MARCH 2019**

(Amount in ₹)

	For the year ended 31-03-2019	For the year ended 31-03-2018
<b>NOTE: 18</b>		
<b>SALE OF PRODUCTS:</b>		
Rubber	13,28,62,052	15,25,84,203
Tea	6,54,93,527	5,33,32,911
Cardamom	1,78,71,700	2,25,26,453
Minor Produce	21,61,897	24,35,290
Tea waste sale	2,55,000	3,44,000
Processing Income	83,03,507	64,98,000
	<u>22,69,47,683</u>	<u>23,77,20,857</u>
<b>NOTE: 19</b>		
<b>OTHER INCOME:</b>		
Income from non-current Investments	3,06,048	3,05,711
Income from Current Investments	8,41,355	2,12,296
Interest Received		
From Banks	35,82,291	14,41,958
Others	6,47,599	33,58,703
Livestock Receipts - Stake money and others	66,98,384	57,84,774
Profit on Sale of Current Investments	39,35,500	36,67,059
Profit on Sale of Assets	Nil	1,53,552
Insurance claim received	7,21,720	Nil
Rent Received	68,14,630	71,15,000
Miscellaneous Receipts	14,71,170	15,89,458
Sundry balances no longer payable written back	59,740	6,36,142
Provision for diminution in value of investments written back	Nil	17,00,000
Provision no longer required written back	4,81,800	Nil
Compensation against Rubber trees	4,26,525	20,48,960
	<u>2,59,86,762</u>	<u>2,80,13,613</u>
<b>NOTE: 20</b>		
<b>COST OF MATERIAL CONSUMED:</b>		
Raw Material Consumed		
Latex Procured	93,93,724	1,21,72,117
Bought Leaf	2,02,06,464	1,41,69,647
	<u>2,96,00,188</u>	<u>2,63,41,764</u>
<b>NOTE: 21</b>		
<b>OTHER MANUFACTURING EXPENSES:</b>		
Power and fuel consumed	1,47,70,690	1,48,21,214
Stores, spares, chemicals and packing materials consumed	2,11,67,798	2,00,64,615
Transport and Warehousing	28,48,253	35,35,405
Repairs - Plant and Machinery	21,08,090	17,91,261
Repairs - Buildings	50,18,878	27,18,387
	<u>4,59,13,709</u>	<u>4,29,30,882</u>

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31ST MARCH 2019**

	For the year ended 31-03-2019	(Amount in ₹) For the year ended 31-03-2018
<b>NOTE: 22</b>		
<b>CHANGE IN INVENTORIES/STOCK-IN-TRADE:</b>		
<b>OPENING STOCK :</b>		
Rubber	46,59,000	39,32,000
Tea	46,20,000	22,59,000
Cardamom	39,13,000	63,07,000
	1,31,92,000	1,24,98,000
<b>CLOSING STOCK :</b>		
Rubber	42,18,000	46,59,000
Tea	52,27,000	46,20,000
Cardamom	Nil	39,13,000
	94,45,000	1,31,92,000
	37,47,000	6,94,000
<b>NOTE: 23</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages	14,05,37,746	13,93,12,593
Contribution to Provident and other Funds	1,41,39,260	1,48,24,154
Provision for Gratuity (Refer Note No.27 (7))	36,70,631	8,13,399
Provision for Leave Encashment (Refer Note No.27 (7))	4,06,913	3,12,549
Welfare Expenses	76,89,262	60,24,142
	16,64,43,812	16,12,86,837
<b>NOTE: 24</b>		
<b>FINANCE COSTS:</b>		
Interest	90,41,656	75,46,852

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31ST MARCH 2019**

	(Amount in ₹)	
	For the year ended 31-03-2019	For the year ended 31-03-2018
<b>NOTE: 25</b>		
<b>LIVE STOCK EXPENDITURE:</b>		
Live Stock - Broodmares/Race Horses		
Maintenance and other expenses	1,96,14,655	1,54,99,459
Service tax on stake money received	Nil	29,342
Less: Sale of horses	(65,000)	(3,75,000)
	1,95,49,655	1,51,53,801
 <b>NOTE: 26</b>		
<b>OTHER EXPENSES:</b>		
Rent and Amenities	3,27,300	2,04,450
Rates and Taxes	22,80,133	21,38,473
Sales Tax	6,12,144	2,11,937
Brokerage and Commission	24,68,883	23,01,247
Repairs and Maintenance :-		
Buildings	11,63,400	8,24,910
Plant and Machinery	4,38,170	2,31,292
Vehicles	40,70,172	32,19,371
Others	2,60,323	6,19,553
Printing and Stationery	4,99,502	5,98,644
Postage and Telephones	8,25,250	9,37,154
Legal Expenses	2,41,840	5,30,476
Directors' Sitting Fees	90,000	1,50,000
Auditor's Remuneration:-		
For Audit	8,00,000	9,12,300
For Certification / Tax Audit	5,35,000	3,26,676
For Tax Representation	2,20,000	2,35,000
For Travelling and other Expenses	1,60,000	1,45,000
Insurance	15,87,866	10,63,060
Advertisement	54,100	58,990
Bank Charges	1,27,723	1,67,992
Travelling Expenses	66,14,339	97,85,460
Sundry debit balances not receivable written off	4,02,957	5,99,946
Assets discarded written off	45,592	16,016
Loss on sale of assets	5,83,729	Nil
Rubber Rehabilitation Allowance	21,80,028	8,87,768
Professional Fees	5,22,295	6,62,533
Loss on closure of Subsidiary/Associate Company	2,90,506	16,94,467
Miscellaneous Expenses	42,31,403	43,04,641
Provision for Bad & doubtful advances	10,00,000	Nil
	3,26,32,655	3,28,27,356

## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

For the year ended  
31-03-2019

Previous Year

**NOTE: 27**

**OTHER NOTES:**

**1. PARTICULARS OF CONSUMPTION:**

	Value in ₹	%	Value in ₹	%
(a) Raw Materials:				
(i) Latex - Indigenous	93,93,724	100	1,21,72,117	100
(ii) Bought Leaf - Indigenous	2,02,06,464	100	1,41,69,647	100
	2,96,00,188		2,63,41,764	
(b) Stores and Spares				
Indigenous	2,11,67,798	100	2,00,64,615	100
Imported	Nil		Nil	
	2,11,67,798	100	2,00,64,615	100

For the year ended  
31-03-2019  
(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

26,73,172

27,64,104

**4. EARNINGS PER SHARE:**

Profit after Taxation

(6,00,95,496)

(2,62,66,335)

Number of Equity Shares outstanding at the end of the year

4,88,500

4,88,500

Earnings per Share (Basic and Diluted)

(123.02)

(53.77)

**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 2019 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

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

NOTE : 27 (Contd..)

OTHER NOTES (Contd..)

	Year Ended 31st March 2019 Rs.	Previous Year Rs.
<b>6 CONTINGENT LIABILITIES:</b>		
a) Sales-tax demands disputed in appeals, against which ₹ 30,80,569/- is paid and included under Other Current Assets	1,15,00,000	1,15,00,000
b) Claims against the Company not acknowledged as debts	11,50,000	11,50,000
c) Estimated amount of Contracts remaining to be executed on Capital Account	18,90,000	4,26,000
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.

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019**

**NOTE: 27 (Contd.)**

**OTHER NOTES (Contd..)**

**7. Employee Benefits (Contd..)**

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

	As at 31.03.2019		As at 31.03.2018	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
Present Value of the Obligation as on 1.04.2018	6,51,81,882	20,40,640	6,38,02,188	17,28,091
Current Service Cost	41,89,715	3,25,214	42,66,558	3,13,856
Interest Cost	45,88,220	1,48,967	42,16,295	1,18,201
Benefits Paid	(46,59,107)	Nil	(43,20,901)	Nil
Actuarial loss / (gain)	3,12,941	(67,268)	(27,82,258)	(1,19,508)
Present Value of the Obligation as on 31.03.2019	6,96,13,651	24,47,553	6,51,81,882	20,40,640
<b>c) Reconciliation of changes in the fair value of Plan Assets:</b>				
Fair Value of Plan Assets as on 1.04.2018	6,43,68,483	Nil	6,06,18,003	Nil
Adjustment to Opening Fair Value of Plan Assets	-		4,060	Nil
Expected return on plan assets	47,96,700	Nil	41,17,200	Nil
Contribution by the Company	13,27,282	Nil	34,63,367	Nil
Benefits Paid	(46,59,107)	Nil	(43,20,901)	Nil
Actuarial gain / (loss)	1,09,662	Nil	4,86,754	Nil
Fair Value of Plan Assets as on 31.03.2019	6,59,43,020	Nil	6,43,68,483	Nil
<b>d) The total expense recognised in the profit and loss account is as follows:</b>				
Current Service Cost	41,89,715	3,25,214	42,66,558	3,13,856
Interest Cost	45,88,220	1,48,967	42,16,295	1,18,201
Expected return on plan assets	(47,96,700)	NA	(41,17,200)	NA
Net Actuarial (gain) / loss recognised in the year	2,03,279	(67,268)	(32,69,012)	(1,19,508)
	41,84,514	4,06,913	10,96,641	3,12,549
<b>e) Reconciliation of Net Liability recognised in the balance sheet</b>				
Net Liability as at the beginning of the year	8,13,399	20,40,640	31,84,185	17,28,091
Adjustment to Opening Fair Value of Plan Assets	-		(4,060)	
Add : Expense as (d) above	41,84,514	4,06,913	10,96,641	3,12,549
Less: Employers Contribution / Payment	13,27,282		34,63,367	
Net Liability as at the end of the year	36,70,631	24,47,553	8,13,399	20,40,640
<b>f) Constitution of Plan Assets:</b>				
Investments in LIC Group Gratuity Scheme	6,59,43,020	Not Applicable	6,43,68,483	Not Applicable

## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

**NOTE: 27 (Contd.)**

**OTHER NOTES (Contd..)**

(In ₹)

**7 Employee Benefits: (Contd.)**

	As at 31.03.2019		As at 31.03.2018	
	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	7.47%	7.47%	7.30%	7.30%
Salary Escalation Rate	6.00%	6.00%	6.50%	6.50%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	7.47%	NA	7.65%	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:

	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
Gratuity funded plan					
Defined Benefit Obligation	6,96,13,651	6,51,81,882	6,38,02,188	6,24,50,447	6,19,55,683
Plan Assets	6,59,43,020	6,43,68,483	6,06,18,003	6,19,01,858	5,42,94,247
Surplus/(Deficit)	(36,70,631)	(8,13,399)	(31,84,185)	(5,48,589)	(76,61,436)
Experience adjustment - Plan Liability	3,12,941	(27,82,258)	(2,69,160)	(25,37,767)	40,95,699
Experience adjustment - Plan Assets	1,09,662	4,86,754	(2,05,004)	(3,30,220)	(5,550)

The Company expects to fund ₹ 40.00 lakhs towards its Gratuity Plan during the year 2019-2020.

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.1,27,80,808/- as expense towards contributions to these plans.

**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.

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

#### NOTE: 27 OTHER NOTES (Contd..)

#### 8 LAND (Contd..)

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) (i) 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.
- (ii) 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 (RP 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 vide letter dated 12-12-2012 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 by its order dated 14-03-2019 decided that the Company is a cultivating tenant and therefore enjoys fixity of tenure as per the Kerala Land Reforms Act. The matter has been referred for mediation and the date is not intimated yet.
- 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 OS 16/2015 for recovery possession of 270 Hectares in Chulika. The Management is a respondent in this suit before the Sub Court, Sultan Battery, Wayanad. Mr. Anil Kumar 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 dated 30-10-2017 was filed in the Sub Court. Management filed objection to the Commission Report and this was set aside by the Lower Court. Management now filed OP No. 1826/2019 before the High Court requesting the High Court to direct the Lower Court to accept our objections.
- 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 2019

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:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>- A V Thomas &amp; Company Limited</li> <li>- A V Thomas International Limited</li> <li>- L.J.International Limited</li> <li>- A V Thomas Investments Company Limited</li> <li>- The Highland Produce Company Limited</li> <li>- DALP Trading and Manufacturing Limited</li> <li>- A V Thomas Leather and Allied Products Private Limited</li> <li>- A V Thomas Exports Limited</li> </ul> | <ul style="list-style-type: none"> <li>- Doors and More Wood Products Limited</li> <li>- DALP Benevolent Trust</li> <li>- J Thomas Educational and Benevolent Trust</li> <li>- Rajagiri Impex Limited</li> <li>- DALP Holdings Singapore PTE Limited<br/>(in the process of liquidation)</li> <li>- AVR Edge Networks Private Limited</li> </ul> |
|---|--|

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

Details of Transactions:	Year ended 31.03.2019		Year ended 31.03.2018	
	Associates (In ₹)	Key Management Personnel (Including Relatives) (In ₹)	Associates (In ₹)	Key Management Personnel (Including Relatives) (In ₹)
<b>INCOME</b>				
Sales	85,24,650	Nil	2,29,24,090	Nil
Dividend Received	3,00,000	Nil	3,00,000	Nil
Rent Received	12,000	Nil	8,000	Nil
<b>EXPENDITURE:</b>				
Purchases	95,150	Nil	91,364	Nil
C & F/Warehousing Charges paid	4,17,690	Nil	3,33,182	Nil
Rent Paid	12,000	Nil	12,000	Nil
Interest paid	Nil	26,28,493	Nil	12,39,043
Sitting fees paid	Nil	30,000	Nil	50,000
Dividend paid	Nil	Nil	Nil	Nil
Remuneration paid	Nil	1,04,79,160	Nil	1,03,19,294
Commission/Other expenses paid	16,42,749	Nil	20,87,835	Nil
<b>OTHERS:</b>				
Loans taken	Nil	3,10,00,000	Nil	5,10,00,000
Loans repaid	Nil	5,10,00,000	Nil	1,40,00,000
Purchase of Investments	26,81,065	Nil	1,20,816	Nil
<b>BALANCE AS ON 31st MARCH 2019</b>				
Debit Balance	3,45,725	Nil	3,71,733	Nil
Credit Balances	1,05,324	1,70,00,000	32,96,315	3,70,00,000

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## THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA

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### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

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 Public Shareholders. The Exit Offer period concluded on 23rd October 2018. In this regard the promoters of the Company has acquired 56575 number of public shares from the Shareholders which constitutes to 11.58 % of the total Share Capital.

The Board of the Company in its meeting held on 24-02-2017 has decided to participate as promoter in the Exit Offer of certain Group Companies namely The Highland Produce Company Limited, L J International Limited and A V Thomas International Limited. The exit offer of the group company concluded on 23rd October 2018. The Company had given a Bank Guarantee to the National Stock Exchange Limited, which was released subsequent to the closure of Exit Offer.

13 Previous year's figures have been re-grouped wherever considered 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 : 01.08.2019

## THE RAJAGIRI RUBBER & PRODUCE COMPANY LIMITED, ALAPPUZHA

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

Season	DIVIDENDS PAID ON							%
	Net Profit before taxation ₹	Depreciation Written off ₹	Provision for taxation ₹	Allocation to reserve funds ₹	Reserve funds to date ₹	Equity Shares Amount ₹	%	
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	-	-	
2018/2019	(6,12,94,059)	59,50,675	-	-	34,12,43,606	-	-	

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**THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED, ALAPPUZHA**

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**Area As On 01-04-2019  
(In Hectares)**

	Rajagiri Estate	Shaliacary Estate	Total
	Rubber		
Mature	199.55	420.81	620.36
Immature	91.62	139.65	231.27
Centrifuging Plant		3.52	3.52
Nurseries, Fuel Clearing, Minor Produce, Roads, Buildings etc	24.10	52.29	76.39
<b>TOTAL</b>	<b>315.27</b>	<b>616.27</b>	<b>931.54</b>

**Area as on 01.04.2019**

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

# 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/Client ID/DPID :

Name of the member(s) :

Registered address :

E-mail Id :

Folio No/Client ID/DPID :

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 82nd Annual General Meeting of the Company, to be held on Wednesday the 25th day of September, 2019 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 ..... 2019

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

**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**

<b>Resolution Number</b>	<b>Resolution</b>
<b>Ordinary Business</b>	
1.	Adoption of financial statements (including the Consolidated Financial Statements) for the year ended March 31, 2019, the reports of the Board of Directors and Auditors thereon.
2.	Appointment of Director in the place of Mr. Dilip Thomas, 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 82nd Annual General Meeting of the Company at 11.00 A.M on Wednesday, the 25th day of September 2019 at the Registered Office of the Company at W-21/674, Beach Road, Alleppey-688012

Folio No/DPID

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

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Signature of \*Shareholder/ Proxy

\* Strike out whichever is not applicable

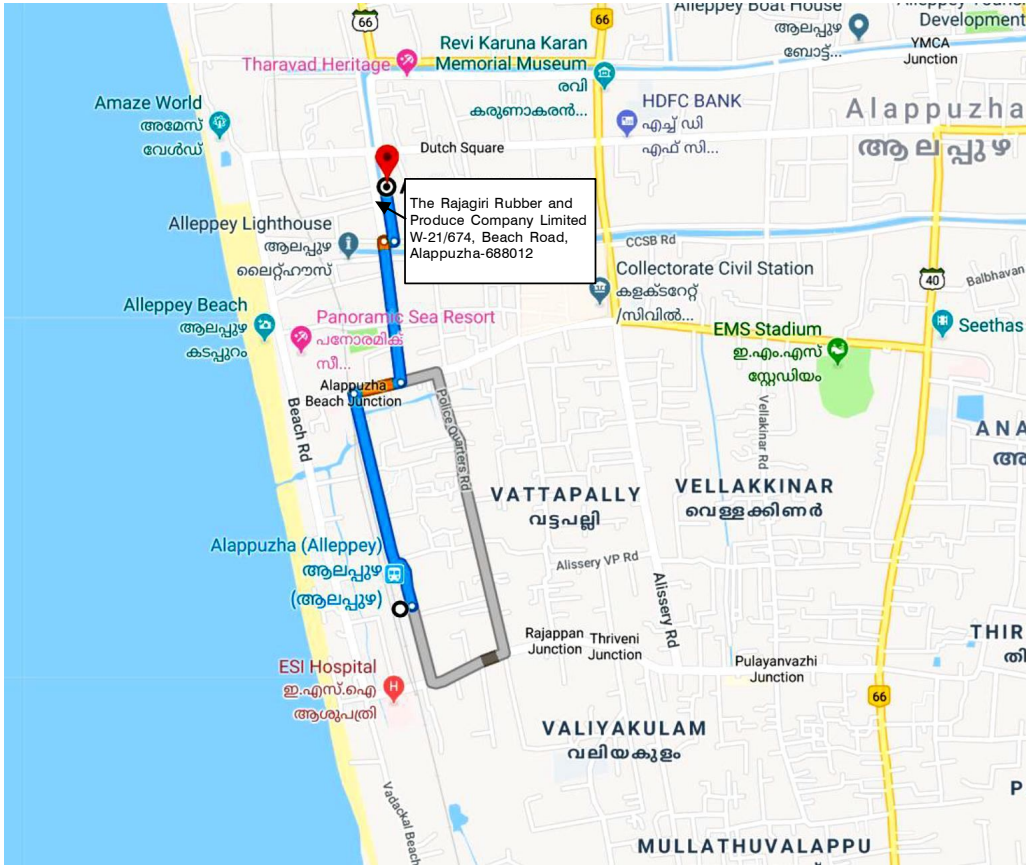
Email ID:.....

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.

THE RAJAGIRI RUBBER AND PRODUCE COMPANY LIMITED  
 Registered Office: W-21/674, Beach Road, Alappuzha-688012  
 CIN: U25191KL1937PLC000979

**ROUTE MAP**

Alappuzha Railway Station to The Rajagiri Rubber and Produce Company Limited



Alappuzha KSRTC bus stand to The Rajagiri Rubber and Produce Company Limited

