

DIRECTORS' REPORT**TO THE MEMBERS OF PAVAN POPLAR LIMITED**

Your Directors present their Report and Accounts for the financial year ended on 31st March 2011.

Company Performance

The Company's turnover increased to ₹ 82.18 lakhs as against last year's turnover of ₹ 68.73 lakhs. Consequently, the Company has earned a net profit of ₹ 4.43 lakhs as against a net loss of ₹ 1.80 lakhs incurred in the last financial year.

Dividend

Your Directors are unable to recommend dividend.

Directors

Mr. S. Bhatia resigned as Director of the Company on 9th July 2010. Your Directors would like to place on record their appreciation for the contribution made by him during his tenure with the Company.

Mr. Dipes Chakraborti was appointed Director of the Company with effect from 25th June 2010.

Mr. S. Limaye will retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-election. Your Board has recommended his re-election.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm that -

- (i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no significant departures have been made from the same;
- (ii) appropriate accounting policies have been applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2011 and of the profits for that period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Annual Accounts have been prepared on a going concern basis.

Audit Committee

The Audit Committee comprises of M/s. S. Sipani, S. Limaye and D. Chakraborti.

Auditors

The Auditors, M/s BSR & Co., retire at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment. Your Board has recommended their re-appointment.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**A) Conservation of Energy**

The particulars in Form A regarding consumption of energy are not provided as the activity of the Company does not fall under the list of industries specified in the Schedule annexed to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

B) Technology Absorption

There is no technology absorption during the year and the Company has not incurred any expenses on research and development.

C) Foreign Exchange Earnings and Outgo

There is no foreign exchange earning and outgo during the year.

Employees

None of the employees of the Company is covered under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Acknowledgement

The Board acknowledges the understanding and support of the government, investors, banks, distributors, customers, suppliers and business associates and the dedication and hard work of its employees.

Kolkata, 3rd May 2011

For and on behalf of the Board
S. Limaye *Chairman*

AUDITORS' REPORT**TO THE MEMBERS OF PAVAN POPLAR LIMITED**

We have audited the attached balance sheet of Pavan Poplar Limited ('the Company') as at 31 March 2011 and the related profit and loss account and cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (a) we have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- (c) the balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
- (e) on the basis of written representations received from the directors of the Company as of 31 March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act; and
- (f) in our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2011;
- (ii) in the case of the profit and loss account, of the profit of the Company for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows of the Company for the year ended on that date

For BSR & Co.

Chartered Accountants

Firm's Registration No: 101248W

Bhavesh Dhupelia

Partner

Kolkata, 3rd May 2011

Membership No: 042070

ANNEXURE TO THE AUDITORS' REPORT – 31 MARCH 2011

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed upon such verification.
- (c) The Company has not disposed off any fixed assets during the year.
- (ii) (a) The inventory has been physically verified by the management during the year. In the opinion, the inventory of such verification is reasonable.
- (b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 ('the Act'). Accordingly, the provisions of paragraph 4(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods. The activities of the Company do not involve sale of services. We have not observed any major weakness in the internal control system during the course of audit.

- (v) In our opinion and according to the information and explanations given to us, there are no contracts and arrangements, the particulars of which need to be entered into the register maintained under Section 301 of the Act.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Act for any of the products manufactured/services rendered by the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Income tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Wealth tax, Sales tax, Excise duty, Cess, Employees' State Insurance and Investor Education and Protection Fund. There are no dues on account of Cess under Section 441A of the Act since the date from which the aforesaid section comes into force has not yet been notified by the Central Government. According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Provident fund and other material statutory dues were in arrears as at 31 March 2011 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income tax which have not been deposited with the appropriate authorities on account of any dispute.
- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xi) The Company did not have any outstanding dues to any financial institution, banks or debenture holders during the year.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institution.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us, and on overall examination of the balance sheet of the Company, we are of opinion that the funds raised on short term basis have not been used for long term investment.
- (xviii) As stated in paragraph (iii) above, there are no companies/firms/parties covered in the register required to be maintained under Section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by public issues.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For BSR & Co.
Chartered Accountants
Firm's Registration No: 101248W
Bhavesh Dhupelia
Partner
Membership No: 042070

Kolkata, 3rd May 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	5,51,00,040	5,51,00,040
Reserves & Surplus	2	1,44,59,813	1,40,16,637
		<u>6,95,59,853</u>	<u>6,91,16,677</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	3	4,49,33,855	4,49,33,855
Less: Accumulated Depreciation / Amortisation : Provision for Impairment		1,80,68,422 32,59,487	1,69,16,913 32,59,487
Net Block		<u>2,36,05,946</u>	<u>2,47,57,455</u>
Current Assets, Loans and Advances			
Inventories	4	1,02,20,619	72,64,981
Sundry Debtors	5	83,60,629	83,02,080
Cash and Bank Balances	6	2,53,279	94,901
Loans and Advances	7	3,04,09,313	3,15,49,273
		<u>4,92,43,840</u>	<u>4,72,11,235</u>
Less : Current Liabilities & Provisions			
Current Liabilities	8	25,80,868	23,29,510
Provisions	9	7,09,065	5,22,503
		<u>32,89,933</u>	<u>28,52,013</u>
Net Current Assets		<u>4,59,53,907</u>	<u>4,43,59,222</u>
		<u>6,95,59,853</u>	<u>6,91,16,677</u>
Notes to the Accounts	13		
Related Party Disclosure	14		
Significant Accounting Policies	15		

The Schedules referred to above and the annexed notes form an integral part of this Balance Sheet.
This is the Balance Sheet referred to in our Report of even date.

For BSR & Co.
Chartered Accountants
Firm's Registration No: 101248W
Bhavesh Dhupelia
Partner
Membership No: 042070
Kolkata, 3rd May 2011

For and on behalf of the Board
S. K. Sipani Director
S. Limaye Director
Dr. R. C. Dhiman Manager
Kolkata, 3rd May 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	For the year ended 31st March, 2011 (₹)	For the year ended 31st March, 2010 (₹)
INCOME			
Sales		82,18,773	68,72,985
Other Income	10	12,356	14,228
		<u>82,31,129</u>	<u>68,87,213</u>
EXPENDITURE			
(Increase)/Decrease in Stock		(29,55,638)	(24,01,231)
Purchases		9,08,272	8,87,228
Employee Costs	11	22,41,543	17,49,906
Other Costs	12	64,36,343	56,80,661
Depreciation/Amortisation	3	11,51,509	11,51,509
		<u>77,82,029</u>	<u>70,68,073</u>
Profit / (Loss) before Taxation		4,49,100	(1,80,860)
Less: Provision for taxation Current Tax		<u>5,924</u>	<u>—</u>
Profit / (Loss) after Taxation		4,43,176	(1,80,860)
Balance in profit and loss account brought forward		1,35,16,637	1,36,97,497
Profit and loss account balance carried forward		1,39,59,813	1,35,16,637
Earnings per share (in ₹) - Basic and Diluted (Refer Note 7 of Schedule 13)		0.08	(0.03)
Notes to the Accounts	13		
Related Party disclosure	14		
Significant Accounting Policies	15		

The Schedules referred to above and the annexed notes form an integral part of this Profit and Loss Account.

This is Profit and Loss Account referred to in our report of even date.

For BSR & Co.

Chartered Accountants
Firm's Registration No: 101248W

Bhavesh Dhupelia

Partner
Membership No: 042070
Kolkata, 3rd May 2011

For and on behalf of the Board

S. K. Sipani *Director*
S. Limaye *Director*
Dr. R. C. Dhiman *Manager*
Kolkata, 3rd May 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

		For the year ended 31st March, 2011 (₹)	For the year ended 31st March, 2010 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES :			
(Loss)/Profit before Taxation		4,49,100	(1,80,860)
Adjustments for :			
Interest Income		(12,356)	—
Amortisation		11,51,509	11,51,509
Operating Profit Before Working Capital Changes		<u>15,88,253</u>	<u>9,70,649</u>
Adjustments for :			
Debtors	(58,549)		(4)
Inventory	(29,55,638)		(24,01,231)
Loans and Advances	(60,511)		(2,685)
Current Liabilities and Provisions	<u>4,37,920</u>		<u>1,37,132</u>
		<u>(26,36,778)</u>	<u>(22,66,788)</u>
Direct Taxes Paid		(2,471)	(6,454)
NET CASH FLOW FROM OPERATING ACTIVITIES		<u>(10,50,996)</u>	<u>(13,02,593)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Interest Received		12,356	(64,717)
Loan to Holding Company		11,97,018	
NET CASH FLOW USE IN INVESTING ACTIVITIES		<u>12,09,374</u>	<u>(64,717)</u>
C. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS : (A+B+C)			
		<u>1,58,378</u>	<u>(13,67,310)</u>
D. RECONCILIATION			
CASH AND CASH EQUIVALENTS - AT BEGINNING OF THE YEAR			
Cash and Bank Balances		94,901	14,62,211
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR			
Cash and Bank Balances		<u>2,53,279</u>	<u>94,901</u>
		<u>1,58,378</u>	<u>(13,67,310)</u>

Notes :

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement.
- Cash and cash equivalents represent cash and bank balances only.
- Previous year's figures have been regrouped wherever necessary.

This is the Cash Flow Statement referred to in our Report of even date.

For BSR & Co.

Chartered Accountants
Firm's Registration No: 101248W

Bhavesh Dhupelia

Partner
Membership No: 042070
Kolkata, 3rd May 2011

For and on behalf of the Board

S. K. Sipani *Director*
S. Limaye *Director*
Dr. R. C. Dhiman *Manager*
Kolkata, 3rd May 2011

SCHEDULES TO THE ACCOUNTS

	As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
SCHEDULE 1 - SHARE CAPITAL		
Authorised :		
1,00,00,000 (2009 -10: 1,00,00,000) equity shares of ₹ 10 each	<u>10,00,00,000</u>	<u>10,00,00,000</u>
Issued, subscribed and paid up capital :		
55,10,004 (2009 -10: 55,10,004) equity shares of ₹ 10 each fully paid up.	<u>5,51,00,040</u>	<u>5,51,00,040</u>
Of the above, 38,00,000 (2009 -10: 38,00,000) equity shares of ₹ 10 each were issued for consideration other than cash. 55,10,004 (2009-10: 55,10,004) equity shares are held by Wimco Limited, the holding company and its nominees.		
SCHEDULE 2 - RESERVES AND SURPLUS		
General Reserve	<u>5,00,000</u>	<u>5,00,000</u>
Profit & Loss Account	<u>1,39,59,813</u>	<u>1,35,16,637</u>
	<u>1,44,59,813</u>	<u>1,40,16,637</u>

SCHEDULE 3 - FIXED ASSETS

Description	GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTISATION/IMPAIRMENT				NET BLOCK		
	As at 1st April, 2010	Additions during the year	As at 31st March, 2011	Accumulated as at April, 2010		Charge for the period	Accumulated as at 31st March, 2011		As at 31st March, 2011	As at 31st March, 2010
				Depreciation	Impairment		Depreciation	Impairment		
Intangible Asset										
Leasehold Land	4,49,33,855	—	4,49,33,855	1,69,16,913	32,59,487	11,51,509	1,80,68,422	32,59,487	2,36,05,946	2,47,57,455
Total	4,49,33,855	—	4,49,33,855	1,69,16,913	32,59,487	11,51,509	1,80,68,422	32,59,487	2,36,05,946	2,47,57,455
2009-10	4,49,33,855	—	4,49,33,855	1,57,65,404	32,59,487	11,51,509	1,69,16,913	32,59,487	2,47,57,455	

	As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)		As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
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SCHEDULE 4 - INVENTORIES

Semi Finished Produce	1,02,03,470	71,85,406
Finished Goods/Produce	17,149	79,575
	<u>1,02,20,619</u>	<u>72,64,981</u>

SCHEDULE 5 - SUNDRY DEBTORS

Unsecured, considered good [Refer Note (1) (ii) of Schedule 13]		
Debts outstanding for a period exceeding six months.	83,60,629	82,88,092
Other debts	—	13,988
	<u>83,60,629</u>	<u>83,02,080</u>

(Debtors include ₹ 82,87,088 (2009-10: ₹ 82,87,088) due from Wimco Limited, the holding company)

SCHEDULE 6 - CASH AND BANK BALANCES

Cash in Hand	12,582	6,292
Balance with Scheduled Banks – in Current Accounts	2,40,697	88,609
	<u>2,53,279</u>	<u>94,901</u>

SCHEDULE 7 - LOANS AND ADVANCES

Unsecured and considered good		
Loans and advances to Wimco Limited, the Holding company [Refer Note (1) (i) of Schedule 13]	3,03,29,547	3,15,26,565
Maximum amount outstanding at any time during the year ₹ 3,25,26,184 (2009-10: ₹ 3,23,72,244)		
Advances recoverable in cash or in kind or for value to be received	5,992	14,283
Security Deposit	68,802	—
Income tax	4,972	8,425
[Net of Provision for tax ₹ 65,591 (2009-10 ₹ 59,667)]	<u>3,04,09,313</u>	<u>3,15,49,273</u>

SCHEDULE 8 - CURRENT LIABILITIES

Sundry Creditors	8,84,150	6,42,785
Other current liabilities	16,96,718	16,86,725
	<u>25,80,868</u>	<u>23,29,510</u>

SCHEDULE 9 - PROVISIONS

Leave encashment	97,706	80,073
Gratuity	6,11,359	4,42,430
	<u>7,09,065</u>	<u>5,22,503</u>

SCHEDULE 10 - OTHER INCOME

Provision no longer required written back	—	14,228
Interest on fixed deposit with bank (tax deducted at source ₹ 2,471)	12,356	—
	<u>12,356</u>	<u>14,228</u>

SCHEDULE 11 - EMPLOYEE COSTS

Salary, wages and bonus	18,20,403	14,82,309
Staff welfare expenses	44,472	46,860
Contribution to provident & other funds	1,61,548	1,42,401
Leave encashment	23,373	—
Gratuity	1,91,747	78,336
	<u>22,41,543</u>	<u>17,49,906</u>

SCHEDULE 12 - OTHER COSTS

Plantation & cultivation	41,24,413	36,85,120
Travelling & conveyance	79,997	97,278
Power & fuel	12,09,066	11,24,056
Rent	7,760	7,760
Rates and taxes	33,963	28,845
Freight outward	97,778	66,679
Legal and professional fees (Includes prior year expenses: ₹ 2,07,526)	3,96,459	2,21,241
Insurance	25,644	11,182
Auditors remuneration		
– Statutory audit fees	1,00,000	1,00,000
– Out of pocket expenses	5,185	5,400
Repair & maintenance	2,73,283	2,55,460
Communication	5,680	3,792
Printing & stationary	8,188	14,680
Bank charges	2,278	2,412
Tools consumed	3,305	5,120
Donation	501	1,002
Bed Debts written off	1,004	—
Others expenses	61,839	50,634
	<u>64,36,343</u>	<u>56,80,661</u>

SCHEDULES TO THE ACCOUNTS (Contd.)

SCHEDULE 13 - NOTES TO THE ACCOUNTS

(₹)

1. Pursuant to the amalgamation of the holding company, Wimco Seedlings Limited (WSL) with Wimco Limited, all amounts recoverable / payable by WSL to the Company stand transferred to Wimco Limited with effect from 1 April, 2007. Consequent to the merger, the Company has become a wholly owned subsidiary of Wimco Limited. The following amounts are due from Wimco Limited, the holding company:
- i) The Company had in earlier years granted loans to erstwhile Wimco Greens (AOP) of which the Company was a member. The balance outstanding from Wimco Greens as on March 31, 2002 amounted to ₹ 5,40,38,549. On merger of Wimco Greens with erstwhile Wimco Seedlings Limited, the loan was taken over by WSL. The balance recoverable amount as on March 31, 2011, is ₹ 3,03,29,547 (2009-10: ₹ 3,15,26,565).
- ii) Debtors include amount due ₹ 82,87,088 (2009-10: ₹ 82,87,088).
2. Claims against the Company not acknowledged as debts ₹ 7,33,326 (2009-10: ₹ 6,64,524). These comprise:
- Local authority Taxes / Cess / Royalty on property, utilities etc. claims disputed by the Company relating to issues of applicability and determination aggregating ₹ 6,64,524 (2009-10: ₹ 6,64,524). Also refer note 3 below.
 - Other matters ₹ 68,802 (2009-10: ₹ Nil).
3. Certain legal formalities in respect of the land leased to Wimco Seedlings Limited (now amalgamated with Wimco Limited) are pending for which the Company has agreed to bear the costs. Accordingly, a liability of ₹ 16,49,000 was created in the books of account in an earlier year. The Company received Show-cause notice from the local authority to pay ₹ 23,13,524 against this liability which has been disputed by the Company.
4. The Company is yet to obtain possession of certain portion of leasehold land since the demarcation in the land revenue records is yet to be completed and, additionally, is in dispute for which Court proceedings are in progress.
5. The order passed by the District Magistrate authorizing the State revenue authorities to take possession of the land leased to the Company has been stayed by the order of the High Court.
6. **Employee Defined Benefits**
The following table sets out the status as required under AS 15 (Revised).

	Defined Benefit Plans			
	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2010-11	2009-10	2010-11	2009-10
Change in obligation during the year ended March 31, 2011				
1. Obligation at period beginning	4,42,430	4,17,806	80,073	99,795
2. Service Cost	36,910	28,882	25,493	21,327
3. Interest cost	35,394	31,335	6,406	7,485
4. Actuarial (Gains) / Losses	1,19,443	18,119	(8,526)	(43,040)
5. Benefits payments	(22,818)	53,712	(5,740)	5,494
6. Obligations at period end	6,11,359	4,42,430	97,706	80,073

	Defined Benefit Plans			
	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2010-11	2009-10	2010-11	2009-10
Change in plan Assets				
1. Plan assets at the beginning of the year	—	—	—	—
2. Expected return on plan assets	—	—	—	—
3. Contribution by employers	22,818	53,712	5,740	5,494
4. Actual benefits paid	(22,818)	(53,712)	(5,740)	(5,494)
5. Actuarial (Gains)/Losses	—	—	—	—
6. Plan assets at the end of the year	Nil	Nil	Nil	Nil
Reconciliation of present value of the obligation and the fair value of the plan assets				
1. Fair value of plan assets at the end of the year	—	—	—	—
2. Present value of the defined benefit obligations at the end of the period	6,11,359	4,42,430	97,706	80,073
3. Asset recognised in the balance sheet	(6,11,359)	(4,42,430)	(97,706)	(80,073)
Cost for the period				
1. Service cost	36,910	28,882	25,493	21,327
2. Interest Cost	35,394	31,335	6,406	7,485
3. Expected Return on Plan Asset	—	—	—	—
4. Actuarial (Gains)/Losses	1,19,443	18,119	(8,526)	(43,040)
Net cost	1,91,747	78,336	23,373	(14,228)
Actual return on plan assets	—	—	—	—
Actuarial Assumptions :				
1. Discount Rate	8.00%	7.00%	8.00%	7.00%
2. Salary Escalation	4.00%	3.50%	4.00%	3.50%
3. Expected return on plan assets	N/A	N/A	N/A	N/A

Schedules to the financial statements as at and for the year ended March 31, 2011

Net Asset / (Liability) recognized in Balance Sheet (including experience adjustment impact)	For the year ended 31st March, 2011(₹)		For the year ended 31st March, 2010(₹)		For the year ended 31st March, 2009(₹)		For the year ended 31st March, 2008(₹)	
	Gratuity	Leave Encashment						
1. Present Value of Defined Benefit Obligation	6,11,359	97,706	4,42,430	80,073	4,17,806	99,795	3,95,023	66,823
2. Fair Value on Plan Assets	—	—	—	—	—	—	—	—
3. Status [Surplus / (Deficit)]	(6,11,359)	(97,706)	(4,42,430)	(80,073)	(4,17,806)	(99,795)	(3,95,023)	(66,823)
4. Experience Adjustment of Plan Assets [Gain / (Loss)]	—	—	—	—	—	—	—	—
5. Experience Adjustment of Obligation [(Gain) / (Loss)]	—	—	—	—	—	—	—	—

- A. Amounts recognised as an expense and included in Schedule 11 - "Salaries, Wages and Bonus" ₹ 23,273 [2009-10: ₹ (14,228)] for leave encashment and in "Contribution to Provident and Other Funds" ₹ 1,91,747 (2009-10: ₹ 78,336) for gratuity.
- B. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

7. Earnings per share :

		2010-11	2009-10
Profit / (Loss) for the year after taxation (₹)	(A)	4,43,176	(1,80,860)
Weighted Average number of Equity Shares outstanding during the year	(B)	55,10,004	55,10,004
Earnings per Share - Basic and Diluted (₹)	(A/B)	0.08	(0.03)
Nominal Value of an Equity Share (₹)		10	10

8. Segment information

The Company's activities involve predominantly business of growing and selling agricultural produce in India, which is considered to be a single business segment since these are subject to similar risks and returns. Further, the business is carried out in India and product sold primarily in India and hence there are no reportable geographical segments. Hence, the financial statements are reflective of the information required by Accounting Standard 17 on Segment Reporting.

9. No remuneration is payable to the Manager during the year (2009-10 : ₹ Nil).

SCHEDULES TO THE ACCOUNTS (Contd.)

10. Quantitative details :

Particulars	Unit	2010-11		2009-10	
		Quantity	₹	Quantity	₹
(a) OPENING STOCK					
Semi Finished					
- Agriculture produce *			71,85,406		48,63,750
Finished stock					
- Agriculture produce *			79,575		—
(b) PURCHASE					
- Poplar ETPs	Nos	23,258	5,34,934	23,272	5,11,984
- Seeds *			3,73,338		3,75,244
			9,08,272		8,87,228
(c) SALES					
- Sugarcane	Qtls	8,570	18,23,726	7,172	15,17,572
- Paddy	Qtls	214	2,08,440	—	—
- Wheat	Qtls	5,679	52,57,004	3,982	44,69,696
- Others *			9,29,603		8,85,717
(d) CLOSING STOCK					
Semi Finished					
- Agriculture produce *			1,02,03,470		71,85,406
Finished stock					
- Agriculture produce *			17,149		79,575

* Due to typical nature of the product, it is not possible to state quantities.

- Information with regard to other matters specified in paragraphs 4-A, 4-C and 4-D of Part II of Schedule VI to the Companies Act, 1956 are either nil or not applicable to the Company for the current as well as previous financial year.
- The Company has not appointed a whole-time Company Secretary as required by Section 383 A of The Companies Act, 1956 and accordingly, the accounts have not been authenticated by a whole-time Company Secretary.
- There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and as at 31st March 2011 and 31st March 2010. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- Prior year's figures have been regrouped/rearranged wherever necessary to conform to current year's presentation.

SCHEDULE 14 – RELATED PARTY DISCLOSURES

a) Parties exercising control over the Company:

ITC Limited #	- Ultimate holding Company of WIMCO Limited
Russell Credit Limited #	- Holding Company of WIMCO Limited
WIMCO Limited	- Holding Company

No transaction during the financial years 2010-11 and 2009-10

b) Other related parties with whom the Company had transactions

Prag Agro Farm Limited (PAFL) - Fellow Subsidiary Company

c) Transaction between related parties

(₹)

PARTICULARS	HOLDING COMPANY		FELLOW SUBSIDIARY COMPANY		TOTAL	
	Wimco Limited		PAFL			
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Purchase of raw materials and components	5,34,934	5,11,984	82,250	16,450	6,17,184	5,28,434
Sales	—	—	4,01,403	1,33,300	4,01,403	1,33,300
Expenses Reimbursed	84,974	1,742,04	20,266	4,277	1,05,240	1,78,481
Expenses Recovered	3,96,196	4,00,803	26,78,922	30,19,498	30,75,118	34,20,301
Loans given	1,32,653	15,50,102	—	—	1,32,653	15,50,102
Receipts towards Loan Repayments	13,29,671	12,00,000	—	—	13,29,671	12,00,000
Loans Taken	—	—	—	—	—	—
Loan repayment	—	—	—	—	—	—
Outstanding Loans and Advances	3,03,29,547	3,15,26,565	—	—	3,03,29,547	3,15,26,565
Outstanding Debtors	82,87,088	82,87,088	—	—	82,87,088	82,87,088

Certain assets of holding company are being used free of cost for administrative convenience.

SCHEDULE 15 - SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 and the accounting principles generally accepted in India and comply with the accounting standards ('AS') prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

2. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

3. Fixed Assets / Amortisation / Impairment / Depreciation

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment loss. Cost includes all expenses attributable to the acquisition and development of the assets.

Leasehold Land is carried at cost less accumulated amortisation and impairment loss, if any. The lease agreement is effective up to 2031. Accordingly, expenditure incurred on leasehold land is amortised on a straight-line basis over the remaining period of the lease.

In accordance with AS-28 Impairment of Assets, where there is an indication of impairment of the Company's assets, the carrying amounts

of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the asset (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment loss is recognized in the profit and loss account or against revaluation surplus, where applicable.

4. Inventories

- In valuing poplar trees included under semi finished products, no adjustment is made to the total cost of the trees on account of undeveloped/diseased trees, being normal loss during the period of maturity of plantation (based on a technical estimate) except that realization/insurance claim for such trees is reduced from the total cost. Every year, plantation cost already incurred is compared with the net realizable value which is determined on the basis of estimated selling price less estimated cost likely to be incurred in future for bringing the plantation to maturity and the cost necessarily to be incurred in order to make the sale.
- Cost includes all direct and indirect expenses in respect of the poplar plantation.
- Further, 75% of net standard realizable value of intercropping, waste, etc. is reduced from the above cost because the entire farm cost is first added to the cost of plantation.
- Agricultural produce/standing crops and plants are valued at 75% of their net realizable value.

SCHEDULES TO THE ACCOUNTS (Contd.)

5. Retirement benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period.

Contributions to the provident fund, which is a defined contribution scheme, are charged to the Profit and Loss Account in the period in which the liability is incurred.

Post-employment benefits

The Company's gratuity benefit scheme is a defined benefit plan which is not funded. The Company's obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognized immediately in the profit and loss account.

Other long-term employment benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date.

6. Revenue recognition

Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer.

7. Contingencies and Provisions

A provision is created where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A contingent liability is disclosed when there is a possible or a present obligation that may, but probably will not, require an outflow of resources and a reliable estimate can be made of the amount involved. Where there is a possible or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

8. Taxation

Income-tax expense comprises current tax, deferred tax charge or credit. Current tax is determined in accordance with the Income tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised. As the Company is engaged in growing and selling agricultural produce, such income is exempt from income tax. Accordingly, there are no deferred tax assets/liabilities arising there from.

9. Earnings per share ('EPS')

The basic earnings per share ('EPS') is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and equivalent dilutive equity shares outstanding during the year, except where the results would be anti-dilutive.

For BSR & Co.

Chartered Accountants

Firm's Registration No: 101248W

Bhavesh Dhupelia

Partner

Membership Number: 042070

Kolkata, 3rd May 2011

For and on behalf of the Board

S. K. Sipani

Director

S. Limaye

Director

Dr. R. C. Dhiman

Manager

Kolkata, 3rd May 2011

ANNEXURE

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
Additional Information pursuant to part IV of Schedule VI to the Act

I. Registration Details :

Registration No. State Code Balance Sheet Date
Date Month Year

II. Capital raised during the year: (Amount in ₹ Thousands)

Public Issue Rights Issue Bonus Issue Private Placement

III. Position of mobilisation and deployment of Funds: (Amount in ₹ Thousands)

Total Liabilities Total Assets

Sources of Funds

Paid up Capital Reserves and Surplus Secured Loans Unsecured Loans

Application of Funds

Net Fixed Assets Investments Net Current Assets Misc. Expenditure Accumulated Losses

IV. Performance of the Company : (Amount in ₹ Thousands)

Turnover (Including other Income) Total Expenditure + - Profit/Loss before Tax + - Profit/Loss after Tax

(Please tick appropriate box + for profit, - for loss)

+ - Earnings per Share in ₹ Dividend Rate (%) age

(Please tick appropriate box + for Earnings, - for loss)

V. Generic Names of three Principal Products / Services of the Company
(As per monetary terms)Item Code No. (ITC Code) Product Description