DIRECTORS' REPORT

TO THE MEMBERS OF PAVAN POPLAR LIMITED

Your Directors present their Report and Accounts for the financial year ended on 31st March, 2012.

Company Performance

The Company's turnover decreased to ₹ 71.47 lakhs as against previous year's turnover of ₹ 82.19 Lakhs.The Company has posted a net profit of ₹ 3.32 lakhs as against a net profit of ₹ 4.43 lakhs during the previous year.

Dividend

Your Directors are unable to recommend dividend.

Directors

Mr. Dipes Chakraborti will retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offer 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 judgements 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, 2012 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 Company's Auditors, M/s BSR & Co., retire at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

The 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.

For and on behalf of the Board

S. K. Sipani *Director*
S. Limaye *Director*

Kolkata, 15th June, 2012

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, 2012 and the related statement of profit and loss 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 purpose 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, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account;

(d) in our opinion, the balance sheet, statement of profit and loss 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 at 31 March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March, 2012 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, 2012;

  (ii) in the case of the statement of profit and loss, 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
Membership No: 042070

Mumbai, 26th April, 2012

ANNEXURE TO THE AUDITORS' REPORT – 31 MARCH, 2012

(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 during the year.

(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 our opinion, the frequency 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) According to the information and explanations given to us, we are of the opinion that there are no companies, firms or other parties covered in the register required under Section 301 of the Act. Accordingly, paragraph 4(iii) of the Order is not applicable.

(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 purchase 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 inthe internal control system during the course of the 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 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.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income tax and other material statutory dues were in arrears as at 31 March, 2012 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 debentureholders during the year.

(xii) The Company has not granted any 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) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investment.

(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 overall examination of the balance sheet of the Company, we are of opinion that 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 during the year.

(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

Mumbai, 26th April, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

	Note	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	**5,51,00,040**	5,51,00,040
Reserves and surplus	2	**1,47,92,041**	1,44,59,813
Non-current liabilities			
Long-term provisions	3	**1,05,737**	96,238
Current liabilities			
Trade payables	4	**4,53,050**	3,30,276
Other current liabilities	5	**22,55,679**	22,50,592
Short-term provisions	6	**7,97,064**	6,12,827
TOTAL		**7,35,03,611**	7,28,49,786
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	7	**2,24,54,437**	2,36,05,946
Long-term loans and advances	8	**2,50,00,000**	2,80,00,000
Current assets			
Inventories	9	**1,49,56,326**	1,02,20,619
Trade receivables	10	**83,64,301**	83,60,629
Cash and cash equivalent	11	**1,11,693**	2,53,279
Short-term loans and advances	12	**26,16,854**	23,40,511
Other current assets	13	**—**	68,802
TOTAL		**7,35,03,611**	7,28,49,786
Segment information	21		
Related party disclosure	25		
Significant accounting policies	27		

The accompanying notes from 1 to 27 form an integral part of these financial statements.
As per our report of even date.

For BSR & Co.
Chartered Accountants
Firm's Registration No: 101248W

Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai, 26th April, 2012

For and on behalf of the Board

S. K. Sipani *Director*
S. Limaye *Director*
Dr. R. C. Dhiman *Manager*

Kolkata, 26th April, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

	Note	For the Year ended March 31, 2012 (₹)	For the Year ended March 31, 2011 (₹)
INCOME			
Revenue from operations			
-Revenue from sale of goods		71,47,389	82,18,773
Other operating revenue	14	1,15,609	—
Other income - interest on fixed deposits		11,047	12,356
Total income		72,74,045	82,31,129
Expenses			
Cost of seeds	15	7,69,916	9,08,272
Changes in inventories of finished goods, work-in-progress and stock-in-trade	16	(47,35,707)	(29,55,638)
Employee benefits expense	17	26,10,147	22,41,543
Depreciation and amortisation expense	7	11,51,509	11,51,509
Other expenses	18	71,26,246	64,36,343
Total expense		69,22,111	77,82,029
Profit before tax		3,51,934	4,49,100
Tax expense			
Current tax		19,706	5,924
Profit for the Year		3,32,228	4,43,176
Earnings per equity share	20		
Basic and diluted		0.06	0.08
Face value (₹)		10.00	10.00
Segment information	21		
Related party disclosure	25		
Significant accounting policies	27		

The accompanying notes from 1 to 27 form an integral part of these financial statements.
As per our report of even date.

For BSR & Co.
Chartered Accountants
Firm's Registration No: 101248W
Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai, 26th April, 2012

For and on behalf of the Board
S. K. Sipani *Director*
S. Limaye *Director*
Dr. R. C. Dhiman *Manager*
Kolkata, 26th April, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	Year Ended March 31, 2012 (₹)	Year Ended March 31, 2011 (₹)
A. Cash flow from operating activities		
Profit before taxation	3,51,934	4,49,100
Adjustments for:		
Depreciation	11,51,509	11,51,509
Interest income	(11,047)	(12,356)
Operating profit before working capital changes	14,92,396	15,88,253
Adjustment for		
Trade, other payables & liabilities	3,13,768	4,37,920
Inventories	(47,35,707)	(29,55,638)
Trade and other receivable	11,474	(1,16,806)
Loans and advances	26,828	(8,246)
Cash used in operations	(28,91,241)	(10,54,517)
Taxes paid (net of refunds)	(6,905)	(2,471)
Net cash used in operating activities	(28,98,146)	(10,56,988)
B. Cash flow from investing activities		
Interest received	11,047	12,356
Net cash generated from investing activities	11,047	12,356
C. Cash flow from financing activities		
Loan repayment from holding Company	27,45,513	12,03,010
Net cash generated from financing activities	27,45,513	12,03,010
D. Net increase/(decrease) in cash and cash equivalents	(1,41,586)	1,58,378
E. Reconciliation		
Cash and cash equivalents at the beginning of the year	2,53,279	94,901
Cash and cash equivalents at the end of the year	1,11,693	2,53,279
	(1,41,586)	1,58,378

Notes:
1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement prescribed in Companies (Accounting Standard) Rules, 2006.
2. Cash and cash equivalents represent cash and bank balances only.

For BSR & Co.
Chartered Accountants
Firm's Registration No: 101248W
Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai, 26th April, 2012

For and on behalf of the Board
S. K. Sipani *Director*
S. Limaye *Director*
Dr. R. C. Dhiman *Manager*
Kolkata, 26th April, 2012

NOTES TO THE ACCOUNTS

	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
1. Share capital		
Authorised		
10,000,000 (2010-11: 10,000,000) equity shares of ₹ 10 each (See notes (a), (b) and (c) below)	10,00,00,000	10,00,00,000
	10,00,00,000	10,00,00,000
Issued		
5,510,004 (2010-11: 5,510,004) equity shares of ₹ 10 each (See notes (a), (b) and (c) below)	5,51,00,040	5,51,00,040
	5,51,00,040	5,51,00,040
Subscribed and paid up		
5,510,004 (2010-11: 5,510,004) equity shares of ₹ 10 each fully paid-up (See notes (a), (b) and (c) below)	5,51,00,040	5,51,00,040
Total	5,51,00,040	5,51,00,040
a) Shares held by holding Company		
Equity Shares		
5,510,004 (2010-11: 5,510,004) Equity shares of ₹ 10 each, fully paid up are held by the holding company Wimco Limited and its nominees.	5,51,00,040	5,51,00,040
b) Name of share holders holding more than 5% of the shares of the Company		
Equity Shares		
Wimco Limited , the holding Company	55,10,004	55,10,004
	100%	100%

c) Rights, preferences and restrictions attached to shares

The Ordinary Shares of the Company, having par value of ₹ 10/- per share, rank pari passu in all respects including entitlement to dividend. Repayment of capital in the event of winding up of the Company will inter alia be subject to the provisions of the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
2. Reserves and surplus		
General reserve	5,00,000	5,00,000
Surplus in the statement of profit and loss		
Balance at the beginning of the year	1,39,59,813	1,35,16,637
Add : Profit for the year	3,32,228	4,43,176
	1,42,92,041	1,39,59,813
Total	1,47,92,041	1,44,59,813
3. Long-term provisions		
Provisions for employee benefits		
Provision for leave encashment	1,05,737	96,238
Total	1,05,737	96,238
4. Trade payables		
Total outstanding dues of micro enterprises and small enterprises (see note 24)	—	—
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,53,050	3,30,276
Total	4,53,050	3,30,276
5. Other current liabilities		
Advances from customers	3,12,279	3,56,753
Employee benefits payable	2,32,180	1,97,121
Statutory dues payable*	17,11,220	16,96,718
Total	22,55,679	22,50,592
*Statutory dues payable include		
Tax deducted at source -'TDS'	33,853	22,885
Provident fund	28,367	24,833
Stamp duty	16,49,000	16,49,000
	17,11,220	16,96,718
6. Short-term provisions		
Provisions for employee benefits :		
Provision for gratuity	7,77,486	6,11,359
Provision for leave encashment	11,749	1,468
Provision for income tax (net of advance taxes ₹ 72,772)	7,829	—
Total	7,97,064	6,12,827

7. Fixed Assets

Amount In (₹)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION/IMPAIRMENT					NET BLOCK	
					As at April 1, 2011			As at March 31, 2012			
	As at April 1, 2011	Additions during the year	Deduction during the, year	As at March 31, 2012	Depreciation	Impairment	Charge for the year	Depreciation	Impairment	As at March 31, 2012	As at March 31, 2011
Tangible asset											
Leasehold land	4,49,33,855	—	—	4,49,33,855	1,80,68,422	32,59,487	11,51,509	1,92,19,931	32,59,487	2,24,54,437	2,36,05,946
Total	4,49,33,855	—	—	4,49,33,855	1,80,68,422	32,59,487	11,51,509	1,92,19,931	32,59,487	2,24,54,437	2,36,05,946
2010-11	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	

	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
8. Long Term Loans and Advances		
Unsecured, considered good		
With holding company*	2,50,00,000	2,80,00,000
Total	2,50,00,000	2,80,00,000

*The loan is interest free, receivable by March 31, 2014

	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
9. Inventories		
Work-in-progress - Agri produces	30,07,884	26,36,806
Work-in-progress - Poplar trees	1,18,90,551	75,66,664
Finished goods	57,891	17,149
Total	1,49,56,326	1,02,20,619

	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
10. Trade receivables		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good *	82,87,088	83,60,629
Others		
Unsecured, considered good	77,213	—
Total	83,64,301	83,60,629

*Includes amount due from Wimco Limited, holding company ₹ 82,87,088 (2010 - 11 : ₹ 82,87,088)

	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
11. Cash and cash equivalents		
Cash and cash equivalents		
Balances with bank :		
- In current accounts	1,05,365	2,40,697
Cash on hand	6,328	12,582
Total	1,11,693	2,53,279

NOTES TO THE ACCOUNTS

	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
12. Short-term loans and advances		
Unsecured, considered good		
Receivable from holding company	25,84,034	23,29,547
Sundry advances to supplier, employees etc.	6,367	1,548
Prepaid expenses	26,453	4,444
Advance tax and tax deducted at source (net of provision ₹ nil (2010-11 : ₹ 65,591)	—	4,972
Total	26,16,854	23,40,511
13. Other current assets		
Security deposits	—	68,802
Total	—	68,802
14. Other operating revenue		
Insurance Claims	1,15,609	—
Total	1,15,609	—

	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
15. Cost of seeds		
Poplar ETP's	2,05,344	5,34,934
Seeds	5,64,572	3,73,338
Total	7,69,916	9,08,272
16. Changes in inventory, work-in-progress and stock in trade		
(Increase)/decrease in stocks		
Stock at the end of the year		
Finished goods	57,891	17,149
Work-in-progress - Agri produces	30,07,884	26,36,806
Work-in-progress - Poplar trees	1,18,90,551	75,66,664
Total A	1,49,56,326	1,02,20,619
Less: Stock at the beginning of the year		
Finished goods	17,149	79,575
Work-in-progress - Agri produces	26,36,806	29,59,441
Work-in-progress - Poplar trees	75,66,664	42,25,965
Total B	1,02,20,619	72,64,981
(Increase) / decrease in stocks (B-A)	(47,35,707)	(29,55,638)

	Year Ended March 31, 2012 (₹)	Year Ended March 31, 2011 (₹)
17. Employee benefits expense		
Salaries, wages and bonus	21,42,793	17,95,746
Contribution to provident and other funds	3,55,634	3,42,855
Workmen and staff welfare expenses	1,11,720	1,02,942
	26,10,147	22,41,543

(₹)

	Defined Benefit Plans			
	Gratuity (Unfunded)		Leave Encashment	
	2011-12	2010-11	2011-12	2010-11
Change in obligation during the year				
1. Obligation at the beginning of the year	6,11,359	4,42,430	97,706	80,073
2. Service cost	36,013	36,910	25,809	25,493
3. Interest cost	40,757	35,394	6,514	6,406
4. Actuarial (Gains) /Losses	1,05,972	1,19,443	(12,543)	(8,526)
5. Benefits' payments	(16,615)	(22,818)	—	(5,740)
6. Obligations at the end of the year	7,77,486	6,11,359	1,17,486	97,706
Change in plan assets				
1. Plan assets at the beginning of the year	—	—	—	—
2. Expected return on plan assets	—	—	—	—
3. Contribution by employers	16,615	22,818	—	5,740
4. Actual benefits paid	(16,615)	(22,818)	—	(5,740)
5. Actuarial Gains/(Losses)	—	—	—	—
6. Plan assets at the end of the year	—	—	—	—
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 benifit obligation at the end of the period	7,77,486	6,11,359	1,17,486	97,706
3. Asset/(Liability) recognised in the balance sheet	(7,77,486)	(6,11,359)	(1,17,486)	(97,706)
Cost for the period				
1. Service cost	36,013	36,910	25,809	25,493
2. Interest cost	40,757	35,394	6,514	6,406
3. Return on plan asset	—	—	—	—
4. Actuarial (gains)/losses	1,05,972	1,19,443	(12,543)	(8,526)
5. Past service cost	—	—	—	—
Net cost	1,82,742	1,91,747	19,780	23,373
Actuarial assumptions :				
1. Discount rate	8.25%	8.00%	8.25%	8.00%
2. Salary escalation	4.00%	4.00%	4.00%	4.00%
3. Expected return on plan assets	N/A	N/A	N/A	N/A

Net asset/(liability) recognised in Balance Sheet (including experience adjustment impact)	For the year ended March 31, 2012(₹)		For the year ended March 31, 2011(₹)		For the year ended March 31, 2010(₹)		For the year ended March 31, 2009(₹)	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1. Present value of defined benefit obligation	7,77,486	1,17,486	6,11,359	97,706	4,42,430	80,073	4,17,806	99,795
2. Status [surplus/(deficit)]	(7,77,486)	(1,17,486)	(6,11,359)	(97,706)	(4,42,430)	(80,073)	(4,17,806)	(99,795)
There are no experience adjustments of plan assets / obligations as at March 31, 2012 (March 31, 2011: nil)								

A. Amounts recognised as an expense and included in note 17 - "employee benefits expense" ₹ 19,780 [2010-11: ₹ (23,373)] for leave encashment.

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.

NOTES TO THE ACCOUNTS

	Year Ended March 31, 2012 (₹)	Year Ended March 31, 2011 (₹)
18. Other expenses		
Power and fuel	10,50,177	12,09,066
Consumption of stores and spare parts	4,877	3,305
Rent	7,760	7,760
Rates and taxes	40,621	33,963
Insurance	50,242	25,644
Repairs		
- Buildings	40,573	35,142
- Others	3,11,975	2,38,141
Outward freight and handling charges	89,951	97,778
Plantation and cultivation	47,58,077	41,24,413
Bank and credit card charges	2,001	2,278
Travelling and conveyance	1,85,440	79,997
Legal and professional fees	3,93,194	3,96,459
Postage and telephone charges	5,343	5,680
Printing and stationery	8,957	8,188
Auditors' remuneration	1,03,650	1,05,185
Miscellaneous expenses	73,408	63,344
Total	71,26,246	64,36,343

	As At March 31, 2012 (₹)	As At March 31, 2011 (₹)
19. Contingent liabilities and commitments (to the extent not provided for)		
Contingent liabilities		
Claims against the Company not acknowledged as debts		
Local authority taxes -dispute relating to applicability and determination	6,64,524	6,64,524
Other matters for which the Company is contingently liable	68,802	68,802
Total	7,33,326	7,33,326

	As At March 31, 2012	As At March 31, 2011
20. Earnings per share		
The computation of earnings per share is set out below:		
Net Profit attributable to equity shareholders (A) (₹)	3,32,228	4,43,176
Weighted average number of equity shares outstanding during the year (B) (₹)	55,10,004	55,10,004
Earnings per share of face value ₹10 each basic and diluted (A/B)	0.06	0.08

21. 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.

22. No remuneration is payable to the Manager during the year. (2010-11: ₹ Nil)

23. The Company has not appointed a whole-time Company Secretary as required by Section 383 A of the Companies Act, 1956 and accordingly, the financial statements have not been authenticated by a whole-time Company Secretary.

24. There are no Micro and Small Enterprises, to whom the Company owes any amounts, which are outstanding for more than 45 days as at March 31, 2012 (March 31, 2011 ₹ nil). 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.

25. Related Party Disclosures

1. Parties exercising control over the Company

ITC Limited - Ultimate holding Company#

Russell Credit Limited - Fellow Subsidiary of Holding Company# (was holding company of WIMCO Limited till September 28, 2011)

WIMCO Limited - Holding Company

No transaction during the years 2011-12 and 2010-11

2. Other related parties with whom the Company had transactions

Prag Agro Farm Limited (PAFL) - Fellow Subsidiary Company

3) **Transaction with related parties**

Amount In (₹)

Particulars	Holding Company		Fellow Subsidiary Company		Total	
	Wimco Limited		PAFL			
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Purchases	2,05,344	5,34,934	1,83,750	82,250	3,89,094	6,17,184
Sales	—	—	66,495	4,01,403	66,495	4,01,403
Expenses reimbursed	53,119	84,974	23,606	20,266	76,725	1,05,240
Expenses recovered	2,61,250	3,96,196	30,69,441	26,78,922	33,30,691	30,75,118
Loans given	2,45,232	1,32,653	—	—	2,45,232	1,32,653
Receipt towards loan repayment	29,90,745	13,29,671	—	—	29,90,745	13,29,671
Outstanding loans and advances	2,75,84,034	3,03,29,547	—	—	2,75,84,034	3,03,29,547
Outstanding debtors	82,87,088	82,87,088	—	—	82,87,088	82,87,088

26. Prior period comparatives

The previous year's figures have been re-grouped / re-arranged as necessary to conform to the present year's classification consequent to notification of Revised Schedule VI under the Companies Act, 1956.

27. 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 ('the Act') 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.

During the year ended March 31, 2012 (effective April 1, 2011), the revised Schedule VI notified under the Act has become applicable to Pavan Poplar Limited ('the Company') for preparation and presentation of its financial statements. The adoption of revised Schedule-VI does not impact recognition and measurement principles followed for preparation of financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI.

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 and 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 realisation / insurance claim for such trees is reduced from the total cost. Every year, plantation cost already incurred is compared with the net realisable 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 realisable 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 realisable value.

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 recognised 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 recognises 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 statement of profit and loss.

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 and 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 therefrom.

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 period 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 period by the weighted average number of equity and equivalent dilutive equity shares outstanding during the period, except where the results would be anti-dilutive.

For BSR & Co.
Chartered Accountants
Firm's Registration No: 101248W
Bhavesh Dhupelia
Partner
Membership Number: 042070
Mumbai, 26th April, 2012

For and on behalf of the Board

S. K. Sipani	*Director*
S. Limaye	*Director*
Dr. R. C. Dhiman	*Manager*

Kolkata, 26th April, 2012