

**33rd
ANNUAL REPORT
2015-16**



PUNJAB STATE FOREST DEVELOPMENT CORPORATION LTD.

(A Punjab Govt. Undertaking)

FOREST COMPLEX, SECTOR-68, SAS NAGAR, MOHALI (PUNJAB)

Phone: 0172-2298007, Fax 0172-2298037

CIN No: U02001PB1983SGC034715

PUNJAB STATE FOREST DEV.CORPORATION LIMITED

Registered Office: Forest Complex, Sector-68, Sahibjada Ajit Singh Nagar (Mohali)

Tel.0172-2298007, Fax.0172-2298037, e-mail:psfdcjsdho@gmail.com

Website: www.pbforestdevcorp.gov.in

ANNUAL REPORT 2015-16

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BOARD OF DIRECTORS (As on 16-12-2016)

Smt./S./Shri

- 1 Reena Jaitley, Chairperson, PSFDC Ltd.
- 2 Gurbachan Singh Mokha , Vice-Chairman, PSFDC Ltd.
- 3 Viswajeet Khanna, IAS Addl. Chief Secretary Department of Forests, Govt. of Punjab
- 4 Jitendra Sharma, IFS, Managing Director, PSFDC Ltd.
- 5 Kuldip Kumar, IFS, PCCF(HoFF)
- 6 Navjot Pal Singh Randhawa, IAS, Director, Tourism, Punjab
- 7 Arshdeep Singh Thind, IAS, Director of Industries & Commerce, Punjab
- 8 Balwinder Singh Sidhu, Chief Conservator of Soils & Commissioner, Agriculture, Punjab
- 9 Jasbir Singh Bains, Director, Agriculture, Punjab
- 10 Gurkanwal Singh, Director, Horticulture, Punjab
- 11 Special Secretary, Finance, Punjab
- 12 Dr. Jaswinder Singh (Non-Official Director)

REGISTERED OFFICE

Sector-68, Forest Complex,
Sahibzada Ajit Singh Nagar
Mohali, Punjab

AUDITORS

M/S K. B. Sood & Associates
Chartered Accountants,
Chandigarh

COMPANY SECRETARY

Shri R. K. Singal, FCS

GENERAL MANAGER (FINANCE)

Ms. Daljit Kaur, FCA

CIN No: U02001PB1983SGC034715

PUNJAB STATE FOREST DEV.CORPORATION LIMITED

Registered Office: Forest Complex, Sector-68, Sahibjada Ajit Singh Nagar (Mohali) Tel.0172-2298007,
 Fax.0172-2298037, e-mail: supthq@gmail.com.

Website: www.pbforestdevcorp.gov.in

No.3483-86 *

Dated: 01-09-2016

To

1. Shri Viswajeet Khanna, IAS,
 Hon'ble Chairman.PSFDC Ltd. AND
 Financial Commissioner & Principal Secretary to the Govt.,
 Department of Forests & Wildlife Preservation, Punjab,
 Mini Secretariat, Punjab, Sector-9, Chandigarh.
2. Shri Kuldip Kumar, IFS,
 Principal Chief Conservator of Forests (HoFF),Punjab
 Forest Complex, Sector-68, S.A.S.Nagar, Mohali
3. Shri Kuldip Kumar, IFS. Managing Director, PSFDC Ltd.
 Forest Complex, Sector-68, S.A.S.Nagar, Mohali
4. Special Secretary, Finance,
 Department of Finance, Punjab Civil Secretariat,
 Chandigarh.

NOTICE OF THE 33rd ANNUAL GENERAL MEETING OF PSFDC LIMITED

Notice is hereby given that the 33rd Annual General Meeting of Shareholders of Punjab State, Forest Development Corporation Limited is scheduled to be held on **Friday, 23rd September, 2016 at 11.00 A.M** in the office of the **Chairman,, PSFDC & Financial Commissioner & Principal Secretary to the Govt., Department of Forests & Wildlife Preservation, Punjab, Room no.310, Mini Secretariat, Punjab, Sector-9, Chandigarh** to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial statements i.e. Balance Sheet as at 31st March, 2016 and Profit and Loss Account for the year ended 31st March,2016 and the Reports of the Directors, Statutory Auditors and Comments of the Comptroller and Auditor General of India u/s 143(6) of the Companies Act,2013 thereon.
2. To consider applying to the Comptroller and Auditor General of India for appointment of the Statutory Auditors of PSFDC Ltd. for the financial year 2016-17 and to fix their remuneration.
3. To declare dividend out of the profits of the Corporation for the year 2015-16.

Date : 01-09-2016

By Order the Board

Sd/-
 Company Secretary

NOTE:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and proxy need not be a member of the Company. (Section 105 of the Companies Act, 2013)
2. A proxy form is enclosed. The proxy form is to be deposited at the Corporation's registered office not less than 48 hours before the time for holding the meeting.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM No.1: APPROVAL OF ACCOUNTS FOR THE YEAR 2015-16.

The Accounts of the PSFDC Ltd. for the year 2015-16 have been audited by its Statutory Auditors and same are under CAG (Comptroller and Auditor General of India) Audit. Therefore, this item is not ready for placing before the Annual General Meeting and required to be deferred until CAG Audit is completed.

None of the Directors, Managers and any other key managerial personnel or their relatives is interested in the resolution (disclosure of interest as required under section 102(1) of the Companies Act, 2013)

ITEM No.2: APPROVAL FOR APPOINTMENT OF STATUTORY AUDITORS AND FIXING THEIR REMUNERATION.

The new financial year has commenced w.e.f. from 01-04-2016. Therefore, shareholders are requested to consider applying to the Comptroller and Auditor General of India for appointment of the Statutory Auditors of PSFDC Ltd. for the financial year 2016-17 and to fix their remuneration.

None of the Directors, Managers and any other key managerial personnel or their relatives is interested in the resolution (disclosure of interest as required under section 102(1) of the Companies Act, 2013)

ITEM NO.3: DECLARATION OF DIVIDEND OUT OF THE PROFITS OF THE CORPORATION FOR THE YEAR 2015-16.

As explained above in explanatory note of item no.1 this item is also required to be deferred until CAG Audit is complete since declaration of dividend can be considered only on approval of Accounts.

None of the Directors, Managers and any other key managerial personnel or their relatives is interested in the resolution (disclosure of interest as required under section 102(1) of the Companies Act, 2013)

Annual Report 2015-16

NOTICE OF THE 33rd ADJOURNED ANNUAL GENERAL MEETING OF PSFDC LIMITED

Notice is hereby given that the 33rd adjourned Annual General Meeting of Shareholders of Punjab State Forest Development Corporation Limited is scheduled to be held on Friday, 16th December, 2016 at 1.00pm in the Forest Complex, Sector-68, SAS Nagar (Mohali), Punjab to transact the Following business :

(A) ORDINARY BUSINESS :-

1. To receive, consider and adopt the Audited Financial Statements comprising Balance Sheet as at 31st March, 2016 and Profit and Loss Account for the year ended 31st March, 2016 and the Reports of the Board of Directors, Statutory Auditors and Comments of the Comptroller and Auditor General of India u/s 143(6) of the Companies Act, 2013 thereon.
2. To declare dividend out of the profits of the Corporation for the year 2015-16.

Dated : 8th December, 2016

By Order of the Board

Sd/-

Company Secretary

NOTE:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and proxy need not be a member of the Company.
2. A proxy form is enclosed. The proxy form is to be deposited at the Corporation's registered office not less than 48 hours before the time for holding the meeting.

**EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT,
2013**

ITEM No.1 :

Enclosed are the Audited Financial Statements comprising Balance Sheet and Profit and Loss account, for the year ended 31.3.2016, Board of Directors' Report, Reports of the Statutory Auditors and Comptroller and Auditor General of India and Replies of the Management thereon. Accounts have been approved by the Board of Directors of PSFDC Limited at its meeting held on 18-08-2016.

ITEM No.2 :

In view of the sufficient profits during the year, Board of Directors has recommended a dividend of 100% on the share capital of the Corporation.

None of the Directors, Managers and any other key managerial personnel or their relatives is interested in the resolution (disclosure of interest as required under section 102(1) of the Companies Act, 2013)

DIRECTORS' REPORT TO THE SHAREHOLDERS

To

**The Members of
Punjab State Forest Development Corporation Ltd.**

Your Directors are pleased to present the 33rd Annual Report and the Company's audited financial statements for the financial year ended March 31st, 2016

1. FINANCIAL RESULTS AND STATE OF COMPANY'S AFFAIRS

The financial performance of the Company for the year ended March 31, 2016 is summarized below:

(Amount in)			
Sr. No.	Particulars	2015-16	2014-15
1	Profit before Tax from Continuing Operations	3,95,80,948	9,50,77,465
2	Loss on disposal of Leasehold Building to Punjab Forest Department	----	3,63,24,645
3	Tax Expenses		
	a) Less: Current Tax	1,45,24,016	3,09,94,168
	b) Less: Previous year tax	5,18,163	(-) 3,22,945
4	Profit after Tax for the year (1-2-3)	2,45,38,769	2,80,81,597
5	Accumulated Profits	50,43,81,330	48,29,96,922
	Profit & Loss Surplus		
a)	Opening Balance as on 1.4.2015	50,43,81,330	48,29,96,922
b)	Less: Additional Depreciation on Fixed Assets whose life has expired.	-	5,72,719
c)	Add: Profits during the year	2,45,38,769	2,80,81,597
d)	Less: Proposed Dividend	25,00,000	25,00,000
e)	Less: Dividend Distribution Tax	5,08,940	5,11,750
f)	Less: Transfer to General Reserve	-	31,12,720
	Balance carried to Balance sheet (a-b+c-d-e-f)	52,59,11,159	50,43,81,330
6.	Key Ratios		
	Earning per Share ()	982	1123
	Dividend per Share()	100	100

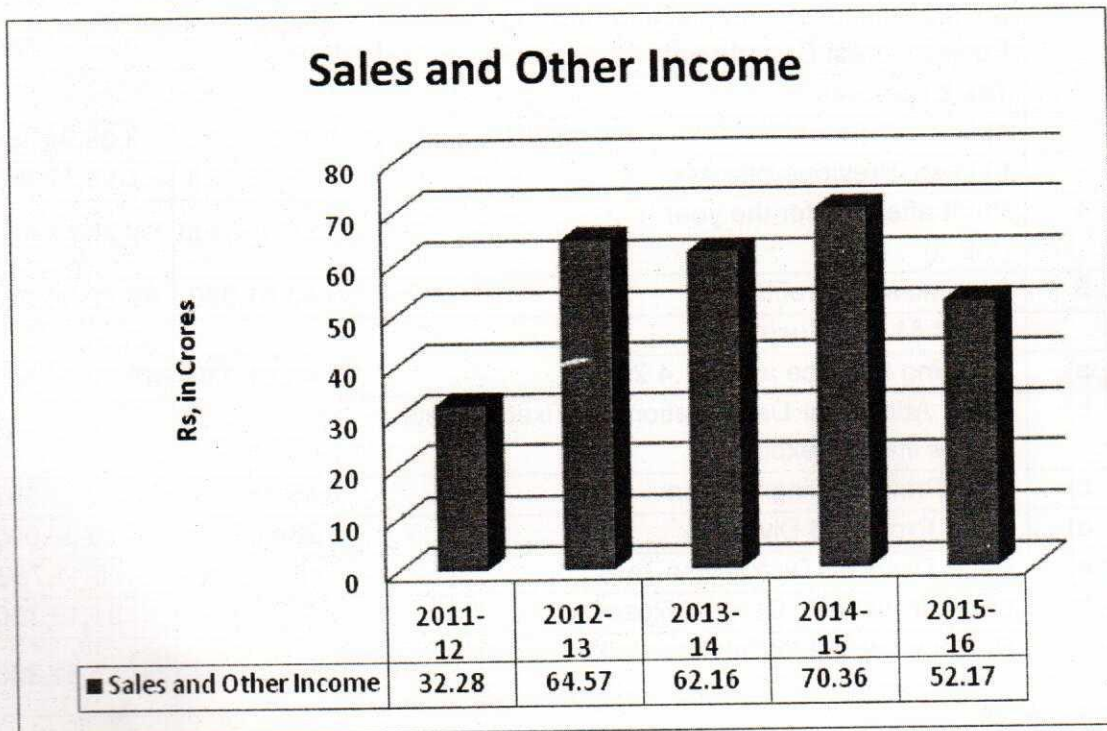
2. Operational Review

Gross revenues declined to ₹ 52.17 Crores in current year as against ₹ 70.36 Crore in the previous year. Profit before taxation earned is ₹ 3.95 Crore as against ₹ 9.51 Crore in the previous year. After providing for taxation, the net profit of the company for the year under review is placed at ₹ 2.45 Crore as against ₹ 3.63 Crore in the previous year. Lower volume of sale of standing trees handed over by Punjab Forest Department, fall in market prices of timber and high cost of standing trees fixed by the State Government are the major factors for decline in gross revenue and profits of the corporation.

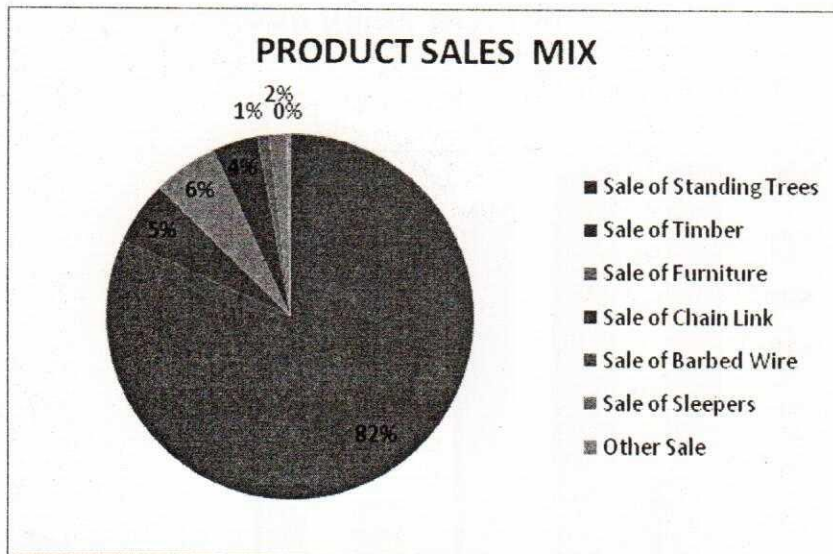
Key performance indicators are presented below:

A) PROFIT & LOSS METRICS

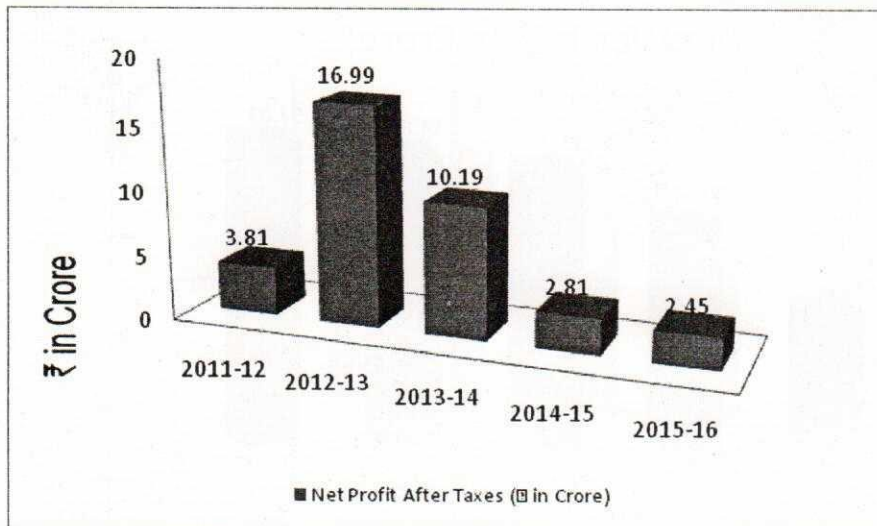
i) Sales & Other Income



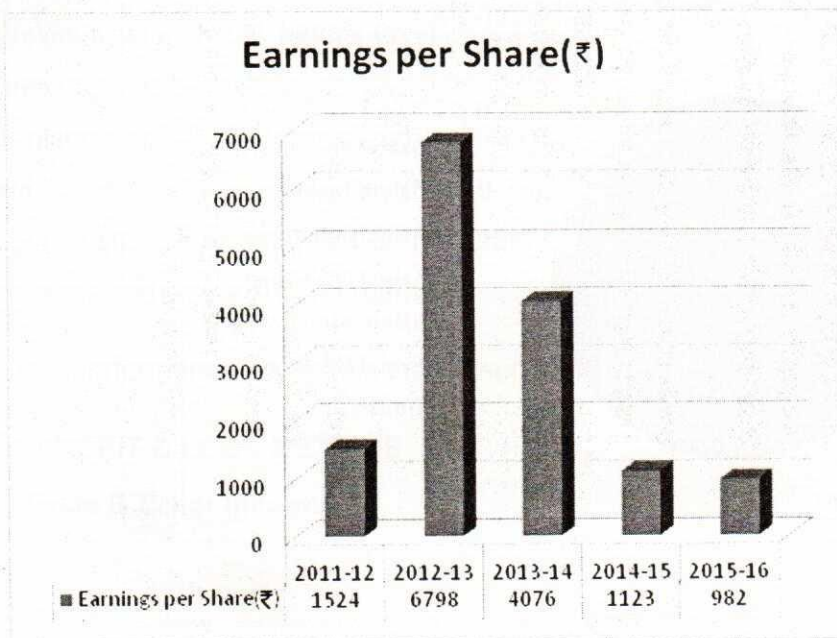
ii) Product Sales Mix



iii) Net Profit After Taxes

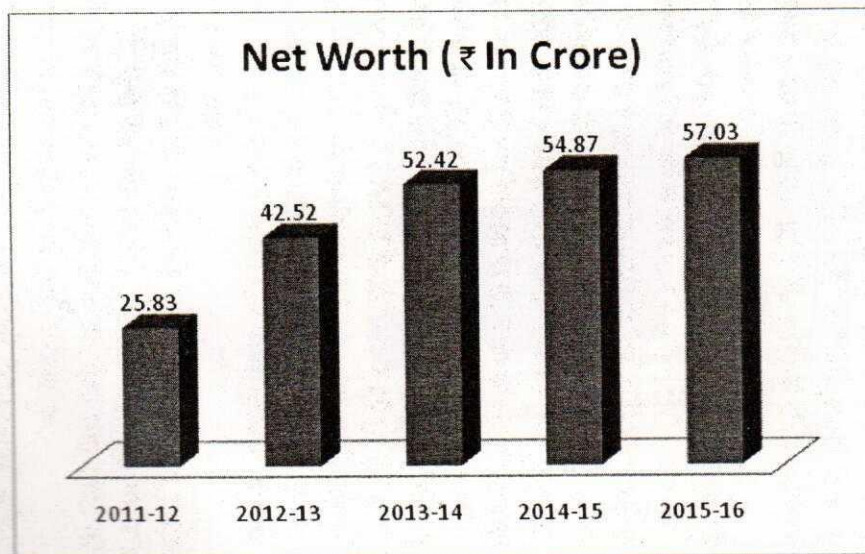


iii) Earning per Share

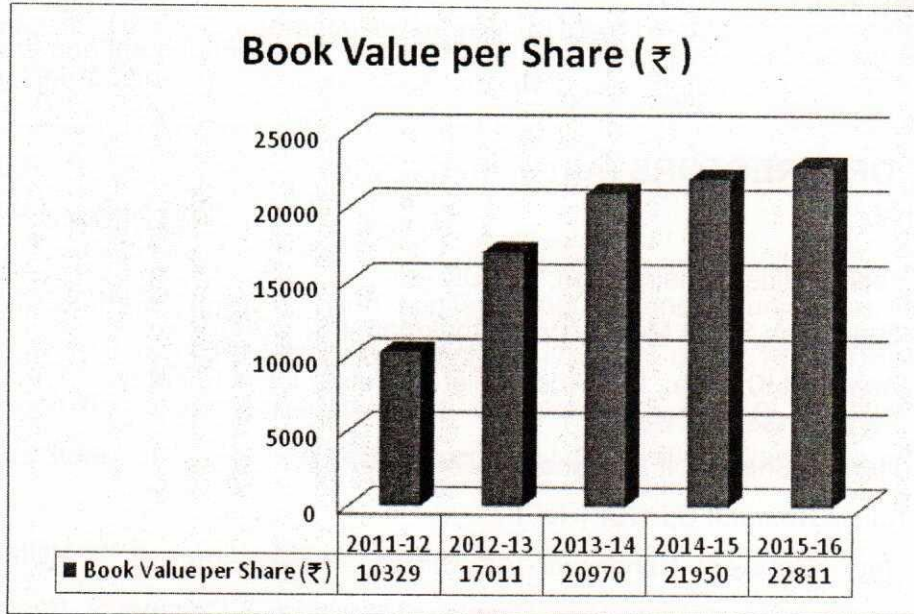


B) BALANCE SHEET METRICS

i) Net Worth

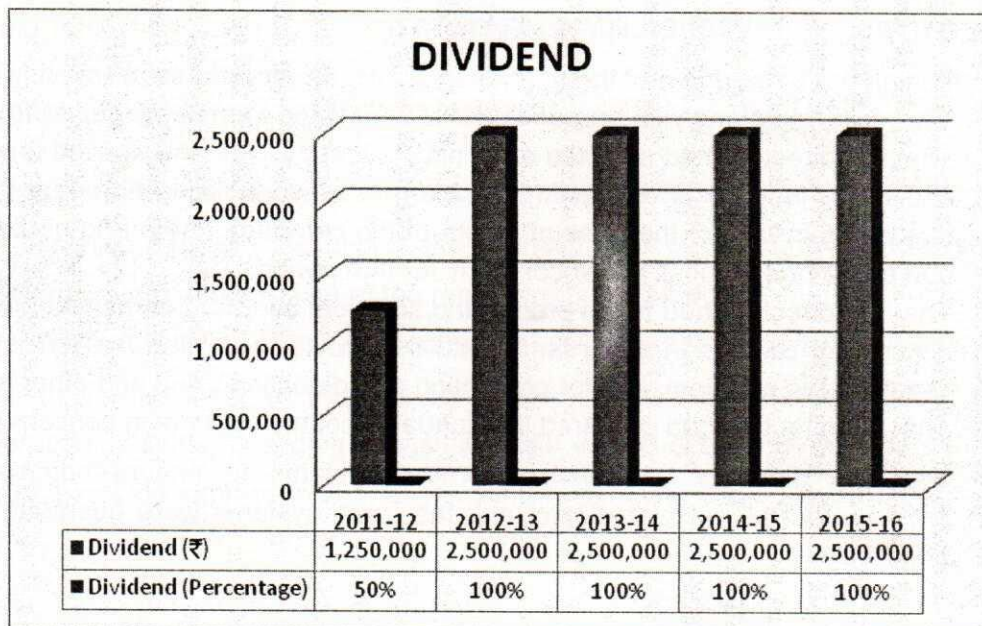


ii) Book Value Per Share



3. DIVIDEND

In view of the profits earned by the company during the year, Directors are pleased to recommend declaration of 100% dividend (i.e. ₹ 25,00,000/-) on the paid up share capital of Corporation. The Dividend declared by PSFDC in the last five years is shown in table below: -



4. AMOUNT TRANSFERRED TO RESERVES

In view of the good reserves position, no amount has been transferred to reserves.

5. RELATIONS WITH EMPLOYEES

During the year under report, the relations between the management and employees remained cordial.

6. BOARD OF DIRECTORS (As on 16-12-2016)

Smt./S./Shri

- 1 Reena Jaitley, Chairperson, PSFDC Ltd.
- 2 Gurbachan Singh Mokha , Vice-Chairman, PSFDC Ltd.
- 3 Viswajeet Khanna, IAS, Addl. Chief Secretary Department of Forests, Govt. of Punjab
- 4 Jitendra Sharma, IFS, Managing Director, PSFDC Ltd.
- 5 Kuldip Kumar, IFS, PCCF (HoFF)
- 6 Navjot Pal Singh Randhawa, IAS, Director, Tourism, Punjab
- 7 Arshdeep Singh Thind, IAS, Director of Industries & Commerce, Punjab
- 8 Balwinder Singh Sidhu, Chief Conservator of Soils & Commissioner, Agriculture, Punjab
- 9 Jasbir Singh Bains, Director, Agriculture, Punjab
- 10 Gurkanwal Singh, Director, Horticulture, Punjab
- 11 Special Secretary, Finance, Punjab
- 12 Dr. Jaswinder Singh (Non-Official Director)

7. DIRECTORS' RESPONSIBILITY STATEMENT

- (i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- (iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the directors had prepared the annual accounts on a going concern basis and
- (v) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

8. AUDIT OF ACCOUNTS

The accounts of the Corporation for the year 2015-16 have been audited by M/s K. B. Sood & Associates Chartered Accountants, Chandigarh. The replies to their certain observations are annexed as **Annexure "A"** and forms part of this report.

9. CAG COMMENTS

The office of the Comptroller and Auditor General of India Punjab has communicated vide letter no. DBC/3/337/PSFDCL/2015-16/2016-17/30203 dated 16/9/2016(**Annexue'B'**) that it has been decided not to conduct the supplementary audit of the financial statements of Punjab State Forest Development Corporation Limited for the year.

10. SUBSIDIARIES

There is no subsidiary Company of the Punjab State Forest Development Corporation Limited.

11. ANNUAL RETURN

An extract of the Annual Return made in form no. MGT-9 as required to be attached with the Board's Report under section 92(3) of the Companies Act, 2013, and under rule 12(1) of the Companies (Management and Administration) Rules 2014, is enclosed herewith as **Annexure'C'** and forms part of the Board's Report.

12. MATERIAL CHANGES AND COMMITMENTS

The material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report are briefed below:

- i) National Green Tribunal (NGT) has directed vide its order dated 19/5/2016 that no tree should be felled in the State of Punjab. This order has drastically affected the business of the corporation as sale of standing tree is the major source of revenue.
- ii) PSFDC has paid short term loan of Rs. 50 Crores to the State Government on 28/6/2016 as

asked vide letter no. 10/1/2016-4.v.b.2/933 dated 28/6/2016 which has been received back on 12/8/2016. The company has requested the State Government to allow interest for period 28/6/2016 to 12/8/2016.

13. NUMBER OF MEETINGS OF THE BOARD

Punjab State Forest Development Corporation Limited held four Board meeting during the calendar year 2015.

14. CORPORATE SOCIAL RESPONSIBILITY POLICY

A copy of the Annual Report on CSR activities is enclosed herewith as **Annexure 'D'** and forms part of the Board's Report.

15. CONSERVATION OF ENERGY

The information relating to conservation of energy is not applicable to the Corporation.

16. ACKNOWLEDGEMENT

The Board of Directors wishes to place on record the appreciation of the significant contribution made by each and every employee. The Directors also acknowledges the support and encouragement of the Govt. of Punjab, Forest Department, Punjab and thank all other shareholders, customers, bankers for their confidence in the management. Your Directors look forward to your continued support in the years to come.

For and on behalf of the Board

Sd/-
Reena Jaitly,
Chairperson

Sd/-
Jitendra Sharma, IFS
Managing Director

Dated : 8th, December 2016

ANNEXURE-A

REPORT UNDER THE COMPANIES (AUDITOR'S REPORT) ORDER, 2016

Referred to in report of even date

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:-

Sr. No.	Observations	Reply of the Management				
1	<p>a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>b) The company has a regular programme of physical verification of its fixed Assets by which all fixed assets are verified once during the year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.</p> <p>c) The title deeds of immovable properties are not held in the name of the company as per details given here under:-</p> <table border="1" data-bbox="365 1321 893 1668"> <thead> <tr> <th data-bbox="365 1321 552 1433">Particular of property</th> <th data-bbox="552 1321 893 1433">Title deed in the name of</th> </tr> </thead> <tbody> <tr> <td data-bbox="365 1433 552 1668">Land</td> <td data-bbox="552 1433 893 1668">Land is taken under 99 years lease agreement from Punjab Small Industries & Export Corporation Limited.</td> </tr> </tbody> </table>	Particular of property	Title deed in the name of	Land	Land is taken under 99 years lease agreement from Punjab Small Industries & Export Corporation Limited.	<p>No comments required</p> <p>No comments required</p> <p>An industrial Plot measuring 9626.3888 sq. yards has been leased to PSFDC by Punjab Small Industries & Export Corporation Limited for 99 years for which lease deed has been executed and it is shown under Leased Assets in financial statements.</p>
Particular of property	Title deed in the name of					
Land	Land is taken under 99 years lease agreement from Punjab Small Industries & Export Corporation Limited.					

	<table border="1"> <tr> <td>Building</td> <td>Building containing 13,827.60 Super Area in Sq.Ft was purchased for Rs.620.02 Lacs under agreement with Punjab Forest Development.</td> </tr> </table>	Building	Building containing 13,827.60 Super Area in Sq.Ft was purchased for Rs.620.02 Lacs under agreement with Punjab Forest Development.	<p>PSFDC has been allotted an area measuring 13,827.60 sq.ft. at a cost of 620.02 Lakhs in Forest Complex for accommodating its offices in forest complex, Sahibzada Ajit Singh Nagar. The Corporation is the deemed owner as this area has been handed over to the PSFDC for accommodating its offices forever without any time limit through execution of an agreement between PSFDC and Punjab Forest Department although the title deed of land is in the name of the Forest Department.</p> <p>This matter has been properly disclosed in note no. 9.1 to financial statements.</p>
Building	Building containing 13,827.60 Super Area in Sq.Ft was purchased for Rs.620.02 Lacs under agreement with Punjab Forest Development.			
2	As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with in the books of accounts.	No comments required		
3	As explained to us, the company had not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.	No comments required		
4	The company has not given any loans, Investments guarantees and security within the meaning of section 185 and 186 of the companies Act, 2013.	No comments required		
5	In our opinion and according to the information and explanations given to us, the company has not accepted any deposits in contravention of Directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable. No order has been passed by	No comments required		

	loans which were applied for the purposes for which those were raised.	
10	Based upon the audit procedures performed and 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 course of our audit, that causes the financial statements to be materially misstated.	No comments required
11	The provisions of section 197 regarding Managerial remuneration does not apply to company.	No comments required
12	The company is not a Nidhi Company hence this clause is not applicable.	No comments required
13	Based upon the audit procedures performed and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.	No comments required
14	The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.	No comments required
15	The company has not entered into any non-cash transactions with directors or persons connected with him.	No comments required
16	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.	No comments required

**For K. B. Sood & Associates
Chartered Accountants**

Sd/-
K. B. Sood, FCA
Partner -

For and on behalf of the Board

Sd/
Viswajeet Khanna, IAS
Chairman

Sd/-
Jitendra Sharma, IFS
Managing Director

Sd/-
Daljit Kaur, FCA

Sd/-
R.K. Singal, FCS

Date: 18-08-2016

ANNEXURE-B

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF PUNJAB STATE FOREST DEVELOPMENT
CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2016**

The preparation of financial statements of Punjab State Forest Development Corporation Limited for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 18 August 2016.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Punjab State Forest Development Corporation Limited for the year ended 31 March 2016 under Section 143 (6)(a) of the Act.

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

Sd/-
(Jagbans Singh)

Principal Accountant General (Audit) Punjab,
Chandigarh.

Place : Chandigarh

Dated : 16-09-2016

ANNEXURE-C

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

- | | | |
|----|--|---|
| 1. | CIN | U02001PB1983SGC034715 |
| 2. | Registration Date | 23.05.1983 |
| 3. | Name of the Company | PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED |
| 4. | Category/Sub-category of the Company | GOVERNMENT |
| 5. | Address of the Registered office & contact details | FOREST COMPLEX, SECTOR -68, SAS NAGAR (MOHALI) PUNJAB |
| 6. | Whether listed company | NO |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | NIL |

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Sale of Standing Trees	02001	78.33%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

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	NIL	NIL	NIL
2	NIL	NIL	NIL

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	25000	25000	100%	-	25000	25000	100%	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	25000	25000	100%	-	25000	25000	100%	-
B. Public Shareholding	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
1. Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
g) FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	

i) Others (specify)	NIL	NIL							
Sub-total (B)(1):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non-Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Individual shareholders holding nominal share capital upto 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Individual shareholders holding nominal share capital in excess of 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non Resident Indians	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Overseas Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Bodies - D R	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Grand Total (A+B+C)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	PUNJAB GOVT.	25000	100%	-	25000	100%	-	-

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

S N	Particulars	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
	At the beginning of the year	25000	100%	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change	No Change	NIL	NIL
	At the end of the year	25000	100%	NIL	NIL

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	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
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	13,21,24,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	12,62,418.00
Total (i+ii+iii)	-	-	-	13,33,86,418.00
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	11,78,36,000.00
ii) Interest due but not paid	NIL	NIL	NIL	-
iii) Interest accrued but not due	NIL	NIL	NIL	10,69,547.00
Total (i+ii+iii)	NIL	NIL	NIL	11,89,05,547.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD				Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Shri Kuldip Kumar, IFS	-	-	-	2,59,469
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	NIL
2	Stock Option	-	-	-	-	NIL
3	Sweat Equity	-	-	-	-	NIL

4	Commission - as % of profit - others, specify...	-	-	-	-	NIL
5	Others, please specify	-	-	-	-	NIL
	Total (A)	-	-	-	-	2,59,469
	Ceiling as per the Act (5% of the Net Profit during the year)	-	-	-	-	Not applicable to Govt. Companies

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Smt. Reena Jaitley, Director & Vice Chairman	Dr. Jaswinder Singh	----	---	
1	Independent Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify (Honorarium)	2,40,000.00	-	-	-	2,40,000.00
	Total (2)	2,40,000.00	-	-	-	2,40,000.00
	Total (B)=(1+2)	2,40,000.00	-	-	-	2,40,000.00
	Total Managerial Remuneration	-	-	-	-	2,40,000.00
	Overall Ceiling as per the Act(1% of the Net Profit during the year)		-	-	-	Not applicable to Govt. Companies

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel				Total (₹)
		CEO (₹)	Company Secretary R.K. Singal (₹)	General Manager (Finance) Smt. Daljit Kaur (₹)	Sunil Kumar (CGM) (₹)	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A	8,75,077	16,01,136	16,95,446	41,71,659
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	
	(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	-	8,75,077	16,01,136	16,95,446	41,71,659

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
B. DIRECTORS					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
C. OTHER OFFICERS IN DEFAULT					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None

ANNEXURE-D

**ANNUAL REPORT ON
CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

- (1) **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs. :-**

As per recommendations dated 14.10.2015 of the CSR Committee of the Board of Directors, The Company has adopted activity No (ii) of schedule VII "**Promotion of Education**" and activity No (vi) of schedule VII "**Ensuring Environment Sustainability**" under CSR Policy. But in the BOD meeting held on 22-04-2016, BOD has decided that emphasis should be given to primary schools providing them basic infrastructure such as furniture, uniform, books, electric fans, tube lights and stationery to the needy students. The activity No (vi) of Schedule VII with 'Ensuring Environmental Sustainability' has been dropped by the Board as Environmental Sustainability schemes are already being implemented by the Punjab Forest Department. In the 3rd meeting of the Corporate Social Responsibility (CSR) Committee held on 16-02-2016 it was observed by the committee that there is erratic supply of electricity especially during summer, due to which fans and other electricity equipments become inoperative in Government schools especially in Kandi Areas. Therefore it was decided to install solar power systems which will provide electricity to the needy Government schools. For this, the Punjab Energy Development Agency(PEDA) has been asked to install Solar Generation Kit to needy Government schools.

Minimum amount to be spent during the financial year 2014-15 as required under section 135 of the Companies Act,2013 read with Companies (CSR Policy) Rules, 2014 is 30,45,596/- being 2% of the average profits for the preceding 3 years (i.e.15,22,79,801) and Minimum amount to be spent during the financial year 2015-16 as required under section 135 of the Companies Act, 2013 read with Companies (CSR Policy) Rules, 2014 is 33,22,440/- being 2% of the average profits for the preceding 3 years (i.e. 16,61,22,012).

So far, PSFDC has spent 30,45,596/- for the year 2014-15 and Rs. 14,84,550/- for the year 2015-16 for supply of school furniture and installation of solar power systems.

(2) ***Composition of the CSR Committee:-**

- a) Shri Kuldip Kumar, IFS, PCCF (HoFF), Punjab
- b) Shri Dharendra Singh, IFS,
Additional Principal Chief Conservator of Forests (WildLife)
- c) Shri Balwinder Singh Sidhu,
Chief Conservator of Soils, Punjab
- d) Shri Balwinder Singh Matharoo,
Deputy Director (Finance), Department of Finance

(3) **Average net profit of the company for last three financial years:- ₹16,61,22,012/-**

(4) **Prescribed CSR Expenditure (two percent of the amount as in item 3 above) :- ₹33,22,440/-**

(5) **Details of CSR spent during the financial year 2015-16:-**

(a) **Total amount to be spent for the financial year 2015-16: - ₹33,22,440/-**

(b) **Amount unspent, if any;**
₹18,37,890 for the year 2015-16

(c) **Manner in which the amount spent during the financial year is detailed below.**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.N	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) projects or programs wise	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs. (2) Overhead ()	Cumulative expenditure upto to the reporting period. ()	Amount Spent: Direct or through implementing agency*()
1.	Supply of Furniture to needy school in Punjab	Promotion of Education	Government Schools falling in Kandi Area Punjab	30,45,596	2015-16-15,15,783 2016-17-15,29,813	30,45,596	30,45,596*
2	Installation of Solar Power systems in the needy schools in Kandi Area	Promotion of Education	Government Schools falling in Kandi Area Punjab	33,22,440	2016-17-14,84,550	14,84,550	14,84,550*

*24,93,200/- has been spent through Punjab Energy Development Agency (PEDA).

BALANCE SHEET AS AT MARCH 31, 2016
(All amounts in ₹ unless stated other wise)

	Note No.	Page No.	As At	
			31.03.2016	31.03.2015
I. EQUITY AND LIABILITIES				
(1) SHAREHOLDERS' FUNDS				
a) Share Capital	2	6	25,00,000	25,00,000
b) Reserve & Surplus	3	7	<u>56,77,73,639</u>	<u>54,62,43,810</u>
			57,02,73,639	54,87,43,810
(2) NON-CURRENT LIABILITIES				
a) Long-Term Borrowings from HUDCO	4	8	10,35,48,000	11,78,36,000
b) Deferred Tax Liabilities	5	8	<u>40,36,752</u>	<u>35,59,000</u>
			10,75,84,752	12,13,95,000
(3) CURRENT LIABILITIES				
a) Trade Payables	6	9	23,50,72,648	28,17,72,793
b) Other Current Liabilities	7	10	53,98,63,640	54,16,43,346
c) Short-term Provisions	8	12	<u>2,24,12,685</u>	<u>4,73,44,337</u>
			79,73,48,973	87,07,60,476
TOTAL EQUITY AND LIABILITIES(1+2+3)			<u>1,47,52,07,364</u>	<u>1,54,08,99,286</u>
II. ASSETS				
(1) NON-CURRENT ASSETS				
(a) FIXED ASSETS				
i) Tangible Assets	9	14	5,76,80,316	5,97,05,159
b) Long Term Loans and Advances	10	15	<u>75,87,880</u>	<u>91,93,326</u>
			6,52,68,196	6,88,98,485
(2) CURRENT ASSETS				
a) Inventories	11	16	6,07,81,936	2,51,74,301
b) Trade Receivables	12	17	1,71,65,997	1,59,54,978
c) Cash and cash Equivalents	13	18	1,14,40,21,620	1,18,72,60,005
d) Short-Term loans & Advances	14	19	<u>18,79,69,615</u>	<u>24,36,11,517</u>
			1,40,99,39,168	1,47,20,00,801
TOTAL ASSETS(1+2)			<u>1,47,52,07,364</u>	<u>1,54,08,99,286</u>
Significant Accounting Policies & Notes to Accounts	1	4		

AUDITORS' REPORT

As per our report of even date attached

For K.B.Sood & Associates

Chartered Accountants

Firm Registration No.004998N

Sd/-

K.B.Sood, FCA

Partner

Membership No.081629

For and on behalf of the Board

Sd/-

Viswajeet Khanna, IAS

Chairman

Sd/-

Kuldip Kumar, IFS

Managing Director

Sd/-

Daljit Kaur, FCA

General Manager, Finance

Sd/-

R.K. Singal, FCS

Company Secretary

Sahibzada Ajit Singh Nagar, 18th August, 2016

Sahibzada Ajit Singh Nagar, 18th August, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

(All amounts in ₹ unless stated otherwise)

	Note No.	Page No.	For the Year	
			Ending 31.03.16	Ending 31.03.15
INCOME				
I				
Revenue from operations	15	20	44,26,60,739	61,96,34,243
II				
Other Income	16	21	7,90,05,490	8,39,24,647
III			52,16,66,229	70,35,58,890
IV EXPENSES				
i)				
Cost of Standing Trees	17	22	24,00,64,638	34,93,68,828
ii)				
Cost of Timber				
Cost of Standing Trees	17	22	3,37,72,959	1,051,761
Felling Expenses	17	22	2,31,27,719	13,97,599
iii)				
Furniture	17	22	2,16,57,122	5,39,49,225
iv)				
Chainlink Manufacturing Expenses	17	22	92,57,184	2,79,51,746
v)				
Barbed Wire Manufacturing Expenses	17	23	41,04,776	27,82,359
vi)				
Charcoal Manufacturing Expenses	17	23	2,34,154	-
vii)				
Wooden Crates Manufacturing Expenses	17	23	50,17,980	-
viii)				
Bir Sanour Project Expenses	17	23	1,50,08,552	-
x)				
Timber Sleepers	17	23	64,67,868	14,59,750
xi)				
Other Purchases	17	23	16,06,576	4,79,300
V				
Changes in Stock-in-trade	18	24	-3,51,91,207	-1,22,20,519
VI				
Employee's Benefit Cost	19	25	12,82,39,688	14,03,08,329
VII				
Finance Cost	20	26	-	1,06,93,908
VIII				
Auditor's Remuneration	21	26	97,750	91,200
IX				
Selling & Distribution Expenses	22	26	24,82,209	41,14,875
X				
Other Expenses	23	27	1,64,50,640	1,40,90,862
XI				
Depreciation	9	14	51,72,088	71,82,718
XII			47,75,70,696	60,27,01,941
XIII				
Prior Period Items	24	28	11,92,145	27,33,888
XIV				
Corporate Social Responsibility			33,22,440	30,45,596
XV				
Profit before Tax from continuing operations (III-XII-XIII-XIV)			3,95,80,948	9,50,77,465
XVI				
Loss on disposal of Leasehold Building			-	3,63,24,645

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016
(All amounts in ₹ unless stated otherwise)

	Note No.	Page No.	For the Year Ending 31.03.16		For the Year Ending 31.03.15
XVII Tax Expense	25	29			
Current Year					
Income Tax			1,40,46,264	3,06,56,233	
Deferred Taxes			4,77,752	3,37,935	3,09,94,168
Previous Years					
Income Tax			5,18,163	-1,69,561	
Deferred Taxes			-	-1,53,384	-3,22,945
XVIII Profit After Tax for the year continuing operations (XV-XVI- XVII)			2,45,38,769		2,80,81,597
XIX Basic Earnings per Equity Share of Rs. 100/- each (XVIII/No.of Shares)	26	29	982		1123
XX Face Value of Each Equity Share			100		100

Significant Accounting Policies &
Notes to Accounts

1 4

AUDITORS' REPORT

For and on behalf of the Board

As per our report of even date attached

For K.B.Sood & Associates

Sd/-

Sd/-

Chartered Accountants

Viswajeet Khanna, IAS

Kuldip Kumar, IFS

Firm Registration No.004998N

Chairman

Managing Director

Sd/-

Sd/-

Sd/-

K.B.Sood, FCA

Daljit Kaur, FCA

R.K. Singal, FCS

Partner

General Manager, Finance

Company Secretary

Membership No.081629

Sahibzada Ajit Singh Nagar, 18th August, 2016

Sahibzada Ajit Singh Nagar, 18th August, 2016

1. Significant Accounting Policies

1.1 Fixed Assets

Fixed assets are stated at historical cost less depreciation. Costs include all expenses incurred to bring the assets to its present location and condition.

Depreciation

Depreciation has been provided on written down value method, based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

1.2 Revenue Recognition

Sales include sale of standing trees, timber, furniture, wooden crates/articles, timber sleepers, chain link, barbed wire etc. The company recognizes revenue as and when goods are delivered.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

1.3 Employees' Benefits

a) Defined Contribution Plans

Employees Provident and Pension Fund:

The eligible employees of the company are entitled to receive benefits under the provident fund a defined contribution plan, in which both employees and the company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employee's salary). The contributions as specified under the law are paid to respective Provident Fund Commissioners. Contributions to defined contributions schemes such as Provident Fund and Family Pension Fund are charged to profit & loss account as incurred.

b) Defined Benefit Plan

i) Gratuity

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees under the Payment of Gratuity Act, 1972. The plan provides for a lump sum payment to vested employees at retirement, death or on termination of employment, an amount equivalent to 15 days emoluments payable for each completed year of service. Vesting occurs upon completion of five years of service. The company makes annual contributions to the Employees Group Gratuity Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees.

The present value of the defined benefit obligation and the current service cost are measured using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date by independent actuary. Actuarial assumptions used in accounting for the Group Gratuity Scheme plan are Discount rate: 8%, Salary escalation rate 9%.

ii) Leave Encashment

The employees are entitled to accumulate leave subject to certain limits, for future leave encashment as per Punjab Government rules and regulations. The company provides for the encashment of leave subject to Punjab Government rules. The company makes annual contributions to the Employees Leave Encashment Fund, kept with insurance companies, a funded defined benefit plan for qualifying employees. The present value of the defined benefit obligation and the current service cost are measured using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Actuarial assumptions used in accounting for the Group Leave Encashment Scheme are Discount rate: 8%, Salary escalation rate 9%.

1.4 Inventories

(A) Assessment of Stocks

Following items constitute stocks at the year end and are determined from the Stock records and possession receipts/ joint statements and on the basis of information submitted by the Divisional / Project Officers.

- i. The Round Timber i.e. the converted volume of trees felled and lying at the Depots and Saw Mills.
- ii. The Sawn Timber i.e. the converted volume of round timber into sawn timber and lying at the Saw mills.
- iii. The stacked/ unstacked volume of fire wood, scrap, saw dust and end cuts etc. lying at the Depots, Saw Mills and Workshops.
- iv. The number of wooden crates, wooden articles and furniture lying at the Work Shops.
- v. Standing trees transferred by the Forest Department. but remained unfelled / unsold as on 31.3.2016.

Closing inventory of Serial No. i to v has been taken as per timber records and possession receipts /joint statements and therefore includes excesses/shortages, if any, therein. Shortages are deleted from the stock only after imposing recovery or writing off etc. as the case may be as per the applicable rules.

- vi. Chain Link
- vii. Barbed Wire
- viii. Galvanised Iron Wire
- ix. Other Stock such as Angle Iron, Patti, Pipe and Nails etc.

(B) Mode of Valuation

Items of stock are valued at cost or market value whichever is lower.

1.5 Impairment of Assets

The company assesses the value of fixed assets to determine the impairment of assets, if any.

1.6 Provisions, Contingent Liabilities and Contingents Assets

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

1.7 Income Taxes

Income taxes are accrued in the same period in which the related revenues and expenses arise. A provision is made for income tax annually, based on the income tax liability computed as per Income Tax Act, 1961.

The differences that result between the profit considered for income tax and the profit as per the financial statements are identified, and therefore a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount of timing difference.

1.8 Earnings per Share

Basic earning per share is computed by dividing the net profit after taxes by the number of equity shares issued.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2. SHARE CAPITAL	Amount (₹)	Amount (₹)
	As At 31.03.2016	As At 31.03.2015
AUTHORISED SHARE CAPITAL		
75,000 Equity Shares of 100/- each	75,00,000	75,00,000
25,000, 12% Redeemable Cumulative Preference Shares of 100/-each	25,00,000	25,00,000
TOTAL	1,00,00,000	1,00,00,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
25,000 Equity Shares of 100/- each Fully Paid up.	25,00,000	25,00,000

2.2 There is no movement of number of shares and share capital during the year 2015-16.

2.3 **Number of shares held by each shareholder holding more than 5 percent of the issued share capital**

Punjab State Forest Development Corporation is a Government company and 100% shares are held by the Government of Punjab.

The Shareholding pattern is as follows:

Particulars	Number of Shares	Percentage of Total Shareholdings
Governor of Punjab	24,997	99.988
Financial Commissioner (Forests & WildLife Preservation)	1	0.004
Financial Commissioner (Finance)	1	0.004
Principal Chief Conservator of Forests (HoFF)	1	0.004
Total No. of Shares	25,000	100.00

The Governor of Punjab is holding more than 5% shares of the company.

2.4 Information regarding issue of shares in the last five years

- i) The Company has not issued any shares without payment being received in cash.
- ii) There has been no issue of bonus shares.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		Amount (₹)		
		As At 31.03.2016		As At 31.03.2015
3.	RESERVE & SURPLUS			
I.	General Reserve			
	Opening Balance as on 1.4.2015	4,18,62,480	3,87,49,760	
	Add: Additions by transfer from Profit and Loss account transferred To General Reserve	-	31,12,720	
		4,18,62,480		4,18,62,480
II.	Profit & Loss Surplus			
a)	Opening Balance as on 1.4.2015	50,43,81,330	48,29,96,922	
b)	Less: Additional Depreciation on Fixed Assets whose life has expired.	-	5,72,719	
c)	Add: Profits during the year	2,45,38,769	2,80,81,597	
d)	Less: Proposed Dividend	25,00,000	25,00,000	
e)	Less: Dividend Distribution Tax	5,08,940	5,11,750	
f)	Less: Transfer to General Reserve	-	31,12,720	
	Balance carried to Balance Sheet (a-b+c-d-e-f)	52,59,11,159		50,43,81,330
	TOTAL	56,77,73,639		54,62,43,810

3.1 Profit & Loss Surplus

- a) Net profit after taxes for the current year are ₹2,45,38,769/-. The company has proposed 100% dividend (₹25,00,000/-). The accumulated net figure of Profit & Loss Surplus stand at ₹52,59,11,159/- as on 31.3.2016.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		Amount (₹)	
4.	Long Term Borrowings	As At 31.03.2016	As At 31.03.2015
	Long Term Loan from HUDCO guaranteed by The Govt. of Punjab	10,35,48,000	11,78,36,000

4.1 Nature of Security/Guarantee

The Government of Punjab has provided guarantee to Housing and Urban Development Corporation.

4.2 Terms of Repayment

The repayment period of the term loan is 15 years commencing within one year from the date of withdrawal i.e.7/12/2009. The first instalment of term loan was repaid in August 2010. The Corporation has repaid term loan of ₹1,42,88,000/- during the year 2015-16. No default has been made in repayment of loan during the year or as on 31.3.2016.

4.3 Rate of Interest

The term loan has been raised on floating rate of interest @9.75% (10.75% as on 31.3.2016)

4.4 The Corporation has raised term loan of ₹ 20.00 Crores from Housing and Urban Development Corporation Limited (HUDCO) @9.75% p.a. (10.75% p.a. as on 31.3.2016). The amount of term loan so raised, has been forwarded to Chairman, Forest Complex Construction Committee in lieu of 51 year's lease of Two Towers in Forest Complex, Sector 68, SAS Nagar. This lease of Two Towers has been cancelled on 30/11/2014. New terms and conditions have been proposed to the State Government which includes interalia repayment of outstanding HUDCO Term loan by PSFDC. The approval of the State Government of new terms and conditions is awaited. Meanwhile PSFDC is repaying term loan and interest as and when due. So far PSFDC has repaid term loan of ₹1,78,60,000/- and interest of ₹1,88,09,548/- from the date of cancellation of MOU i.e. 30/11/2014 and has partly received back term loan of ₹35,72,000/- and interest of ₹1,20,24,385/- from Punjab Forest Department.

Also refer Note No. 14.1.

		Amount (₹)	
5.	Deferred Tax Liabilities	As At 31.03.2016	As At 31.03.2015
	Deferred Tax Liabilities	40,36,752	35,59,000

- 5.1 Deferred tax liabilities are measured based on the tax rates that are expected to apply in the period when the liability is settled, based on prevailing income tax rates on the balance sheet date.
- 5.2 Deferred tax liabilities are arising on account of timing differences are Fixed Assets and depreciation.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		Amount (₹)	
6. TRADE PAYABLES		As At 31.03.2016	As At 31.03.2015
	Forest Department, Punjab for purchase of Standing Trees	20,49,11,592	24,35,57,508
	Others for purchase of furniture, sleepers etc.	98,65,128	1,79,19,357
	Interest payable on Purchase of Standing Trees	2,02,95,928	2,02,95,928
	TOTAL	23,50,72,648	28,17,72,793

- 6.1 Trade payables of ₹20,49,11,592/- represents pending amount payable to Department of Forests , Govt. of Punjab on account of purchase of standing trees during the current year 2015-16. Cost of standing trees payable at the end of the year is also under reconciliation with Punjab Forest Department. Differences, if any, will be accounted for in the year of reconciliation.
- 6.2 ₹98,65,128/- pertains to amount payable to suppliers of furniture, timber sleepers, standing trees purchased from other institutes/departments etc.
- 6.3 Stipulation regarding levy of interest @12% p.a. on delayed payment of royalty was imposed in the year 1997 retrospectively w.e.f. the year 1991-92 onwards . Punjab Forest Department has claimed interest on delayed payments of royalty to the tune of about ₹3.92 crore upto the year 1996-97. This claim is not being agreed by the corporation & therefore, this matter has been taken up with the Govt. of Punjab for waiving it off which is still under consideration & hence, this interest has not been provided for in the books of accounts. However, the Corporation has paid interest from the year 1998-99 to 2006-07. Similarly, the corporation has not provided any interest for the year 2007-08 to 2015-16 as there is no such stipulation in terms and conditions under new policy issued by State Government in 2009. This matter is also under the consideration of the State Government. Any interest liability that may arise in future for any year will be settled against outstanding interest payable. Only thereafter, any shortfall / excess of interest payable will be adjusted in the year of settlement.
- 6.4 Balances of trade payables are subject to confirmation and adjustments, if any, necessary upon reconciliation thereof.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		Amount (₹)	
7.	OTHER CURRENT LIABILITIES	As At 31.03.2016	As At 31.03.2015
	Advances from User agencies for Purchase of Land on behalf of Forest Department, Punjab		
	Advance payable to Punjab Greening Fund (50% share of the total funds received)	-	5,55,059
	Advance with PSFDC for purchase of Non-Forest Land on behalf of Punjab Forest Department (50% share of the total funds received)	36,39,56,127	32,40,90,748
	Interest on Advances payable to Greening Punjab Fund	3,18,10,503	25,40,903
	Rashtriya Krishi Vikas Yojana (R.K.V.Y Scheme)		
	Funds received from Forest Department under R.K.V.Y Scheme	-	3,50,18,000
	Interest payable on RKVY funds	78,934	16,99,969
	Earnest Money Deposits and Part Payments of: -		
	Sale of Standing Trees	5,20,20,724	7,71,59,110
	Sale of timber	13,19,132	2,87,662
	Sale of Charcoal	2,21,770	-
	Advances from Customers	71,16,484	1,98,60,430
	Securities		
	-Standing trees	3,61,55,596	3,53,98,791
	-Others	80,19,570	83,11,244
	VAT/Sales tax payable	36,02,641	29,70,557
	Cheques Pending Encashment	3,04,986	9,94,810
	Expenses Payable	1,46,55,114	1,22,30,415
	Other Liabilities	52,44,512	49,75,230
	Current maturities of long term borrowings	1,42,88,000	1,42,88,000
	Interest Accrued But not Due on Long Term Borrowings from HUDCO	10,69,547	12,62,418
	TOTAL (₹)	53,98,63,640	54,16,43,346

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

7.1 The Punjab Government has framed policy for purchase of non-forest land for compensatory plantation and has authorized the Corporation to purchase non-forest land, for plantation on behalf of Punjab Forest Department. The land is to be purchased out of the amount deposited by the user agencies for this purpose. For rendering this service, the corporation will earn service charges @15% on total cost of land so purchased.

Further the corporation has received ₹7,97,30,758/-from various user agencies for purchase of land during the current year 2015-16. The details of funds received, utilised and land purchased are given below:

S.No.	Particulars	Amount (₹)	
		As At 31.3.2016	As At 31.3.2015
1.	Opening Balance of funds as on 1.4.2015	32,46,45,807	32,86,64,187
2.	Add: Funds received during the year	7,97,30,758	3,93,78,792
3.	Less: Funds used for purchase of land	-	-
4.	Less: Service Charges @15% of cost of land purchased	-	-
5.	Less: Service Tax	-	-
6.	Less: Released to Punjab Forest Department	4,04,20,438	4,33,97,172
7.	Closing Balance of funds as on 31.3.2016	36,39,56,127	32,46,45,807
8.	Area of Land Purchased during the year	-	-

As per the revised policy of State Government issued vide memo no. 46/192/2010-Ft,-3/4370 Chandigarh dated 28/6/2013, 50% of the funds received from user agencies and 100% interest earned is to be paid to Green Punjab Mission ₹3,98,65,379/- being 50 % of ₹ 7,97,30,758/- received during the year 2015-16 and interest of ₹ 3,18,10,503/-, being 100% on total funds held till 31.3.2016, have been remitted by the corporation to "Greening Punjab Mission" as on date. ₹ 36,39,56,127/- (accumulated till 31.3.2016) will be utilised by the corporation for purchase of non-forest land as per State Government Policy.

7.2 ₹3,50,18,000/- received from Punjab Forest Department under Rashtriya Kisan Vikas Yojna Scheme, has been paid to Punjab Forest Department as per their demand. ₹24,10,960/- being Interest earned on these funds during 2015-16, has been paid to Punjab Forest Department as on date.

7.3 Earnest money deposits and part payments of ₹5,20,20,724/- are outstanding on account of standing trees sold through open auction/tenders which will be adjusted against sales on receipt of balance payments to effect complete sales. It also includes ₹66,12,533/- refundable to customers.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

- 7.4 Earnest Money Deposits of Timber ₹13,19,132/- includes ₹1,48,400/-on account of shortage of timber lots for which recovery has been imposed in the subsequent year.
- 7.5 ₹71,16,484/- represents the advance from Society Promotion of Quality Education for Poor Students for supply of furniture.
- 7.6 Securities of Standing trees of ₹3,61,55,596/- represents security received from customers on sale of standing trees which will be released after execution of contract (felling of standing trees) if completed as per the terms & conditions stated therein.
- 7.7 Other Securities of ₹80,19,570/- includes interalia ₹19,05,963/- on account of security received from marketing associates for supply of furniture, ₹31,87,901/- security received from Tata Iron and Steel Company Ltd. for supply of galvanized iron wire.
- 7.8 Other Liabilities of ₹52,44,512/- includes interalia deductions of General Provident Fund, Employees Provident Fund, Tax deducted/ collected at Source, Labour Cess, Service tax payable, interest on service tax payable, pending leave encashment and Group insurance claims etc.

Amount (₹)

8. SHORT TERM PROVISIONS	As At 31.03.2016	As At 31.03.2015
Provision for Gratuity	5,05,228	91,65,935
Provision for Leave Encashment	-	14,64,823
Provision for Taxation	1,40,46,264	3,06,56,233
Proposed Dividend	25,00,000	25,00,000
Dividend Distribution Tax	5,08,940	5,11,750
Provision for Social Corporate Responsibility Expenses	48,52,253	30,45,596
TOTAL	2,24,12,685	4,73,44,337

8.1 Provision for Gratuity

The corporation has created provision for gratuity on the basis of actuarial valuation by independent actuary as on balance sheet date.

Present Value of obligation as on 31.3.2016	₹8,55,64,781/-
Fair Value of Plan Assets as on 31.3.2016	₹8,50,59,553/-
Net liability to be recognized in Balance Sheet	₹5,05,228/-

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

The Corporation has created a Punjab State Forest Development Employees Group Gratuity Trust for gratuity. The fund size of Group Gratuity Scheme with Life Insurance Corporation of India as on 31.3.2016 is ₹8,50,59,553/-. Gratuity obligation as per actuary report is classified as below:

Current liability (Amount due within one year)	₹26,77,044/-
Non-Current liability (Amount due over one year)	₹8,28,87,737/-

Discounted rate of 8% and salary escalation @ 9% has been assumed and Projected Unit Credit method has been used for actuarial valuation of gratuity.

8.2 Provision for Leave Encashment

The corporation has provided for leave encashment on the basis of actuarial valuation by independent actuary as on balance sheet date.

Present Value of obligation as on 31.3.2016	₹6,03,86,340/-
Fair Value of Plan Assets as on 31.3.2016	₹6,30,69,297/-
Net Asset to be recognized in Balance Sheet	₹26,82,957/-

Amount due of the leave encashment obligation as per actuary report is given below:

Current liability (Amount due within one year)	₹17,77,844/-
Non-Current liability (Amount due over one year)	₹5,86,08,496/-

This liability of leave encashment for the current year has been paid during the year 2015-16. Discounted rate of 8% and salary escalation @9% has been assumed and Projected Unit Credit method has been used for actuarial valuation for leave encashment.

8.3 The corporation has made a provision of ₹1,40,46,264/- for income tax liability of current year.

8.4 Dividend @100 % amounting to ₹25,00,000/- has been proposed in the year 2015-16 for which matching provision has also been made for dividend distribution tax .

Note 9

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR

FIXED ASSETS SCHEDULE AS ON 31.03.2016

(All amounts in ₹ unless stated otherwise)

S.No.	A S S E T S		Life of Asset (Years) as per Schedule II of Companies Act, 2013	G R O S S		B L O C K		D E P R E C I A T I O N				N E T B L O C K			
	Particulars	As at 1-4-2015		Additions during the year 2015-16	Sales of Existing Assets during the year 2015-16	Original Cost Adjusted	As at 31.03.2016	Up to 1.4.2015	Depreciation charged to Retained Earnings	For the Year 2015-16	Sales / Adjustment	Accumulated Depreciation adjusted	Up to 31.03.2016	As At 31.03.2016	As At 31.03.2015
1	Leasehold Land (2 acre Plot at Industrial Area, Sahibzada Ajit Singh Nagar, Mohalli)	10,77,980		-	-	-	10,77,980	-	-	-	-	-	-	10,77,980	10,77,980
2	Office Building	6,20,02,000		-	-	-	6,20,02,000	99,64,424	-	25,56,298	-	1,25,20,722	4,94,81,278	5,20,37,576	
3	Shed Building	25,63,636		14,94,910	-	-	40,58,746	14,55,446	-	5,71,761	-	20,27,207	20,31,539	11,08,390	
4	Tube well	1,53,465		-	-	20,000	1,73,465	52,098	-	44,631	-	1,15,729	57,736	1,01,367	
5	Plant & Machinery	18,92,985		14,05,190	34,200	-5,350	32,58,625	8,10,449	-	3,69,006	32,490	11,41,882	21,16,743	10,82,536	
6	Electrical Fitting	1,07,006		8,750	3,000	-72,839	39,917	76,814	-	4,244	2,850	29,161	10,756	30,192	
7	Furniture & Fixtures	13,04,896		69,510	3,300	19,750	13,90,856	8,67,538	-	1,29,853	3,135	10,09,467	3,81,389	4,37,356	
8	Office Equipment	16,67,341		49,827	97,532	18,269	16,37,905	11,33,182	-	2,48,610	87,058	13,20,639	3,17,266	5,34,159	
9	Computers	26,98,244		1,08,425	-	-	28,06,669	18,35,178	-	5,58,659	-	23,93,837	4,12,832	8,63,066	
10	Air Conditioner & Cooler	4,07,124		73,353	-	24,970	5,05,447	3,49,211	-	61,071	-	4,09,096	96,351	57,913	
11	Vehicles	1,64,70,151		-	10,04,454	68,091	1,55,33,788	1,40,95,529	-	6,27,955	9,54,233	1,38,37,342	16,96,446	23,74,622	
	TOTAL (₹)	9,03,45,028		32,09,965	11,42,486	72,891	9,24,85,388	3,06,39,869	-	51,72,088	10,79,766	3,48,05,082	5,76,80,316	5,97,05,159	
	Previous Year	27,62,61,745		3,767,066	18,58,75,332	-38,08,451	9,03,45,028	4,05,27,223	5,72,719	7,182,718	1,38,34,340	3,06,39,869	5,97,05,159	23,57,34,522	

AUDITORS' REPORT

As per our report of even date attached

For K.B.Sood & Associates
Chartered Accountants
Firm Registration No.0049989N

Sd/-
K.B.Sood, FCA
Partner

Membership No.081629
Sahibzada Ajit Singh Nagar, 18th August, 2016

Sd/-
Viswajeet Khanna, IAS
Chairman

Sd/-
Kuldip Kumar, IFS
Managing Director

Sd/-
Daljit Kaur, FCA
General Manager, Finance
Sahibzada Ajit Singh Nagar, 18th August, 2016

Sd/-
R.K. Singal, FCS
Company Secretary

9. Fixed Assets

Tangible Assets

- 9.1 PSFDC has been allotted an area measuring 13,827.60 sq.ft. at a cost of ₹620.02 Lakhs in Forest Complex for accommodating its offices in forest complex. The Corporation is the deemed owner as this area has been handed over to the PSFDC for accommodating its offices forever without any time limit through execution of an agreement between PSFDC and Punjab Forest Department although the title deed of land is in the name of the Forest Department. Depreciation at the prescribed rate has been provided in the books of accounts.
- 9.2 The Corporation has been making addition/alteration on the shed/building as per its requirement and capitalizing the same. The ownership right and title over these sites /buildings are vested with the Forest Department Punjab. The Corporation has not provided any liability on account of hiring of these sites/buildings.
- 9.3 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II of Companies Act, 2013 so that the carrying amount of each asset shall be depreciated over the useful life. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful lives by applying written down value method. Certain assets have been reclassified for uniformity and compliance purpose.

10.	LONG TERM LOANS & ADVANCES	Amount (₹)			
			As At 31.03.2016		As At 31.03.2015
	Unsecured considered Good Advances recoverable in cash or in kind or for value to be received				
	Amounts recoverable from the Employees	1,00,09,558		1,21,73,840	
	Less: Provision for Doubtful Recoveries	40,39,802	59,69,756	48,49,363	73,24,477
	HBA Corporation Staff	10,19,145		16,21,370	
	Less: Provision for Doubtful House Building Advances	-	10,19,145	3,51,500	12,69,870
	Security Recoverable		5,98,979		5,98,979
	TOTAL()		75,87,880		91,93,326

- 10.1 Amounts recoverable from employees shows ₹1,00,09,558/- due from various officials on account of the final outcome of enquiries and recoveries are either being effected or action is being taken to recover the amount. Provision for doubtful recoveries has been made for amounts recoverable from retired, dismissed and expired employees etc.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

10.2 The corporation has given House Building Advances (HBA) in the earlier years as per the rules of the State Govt.. These advances are being recovered in monthly instalments from the salaries of concerned employees. House Building Advances of ₹ 10,19,145/- are outstanding as on 31.3.2016.

		Amount (₹)		
11. INVENTORIES		As At 31.3.2016		As At 31.3.2015
	Timber Stock			
	- Round Timber	3,69,89,284		40,26,328
	- Sawn Timber	48,45,077		39,90,708
	- Wooden Crates	51,48,265		1,30,285
	Total	4,69,82,626		81,47,321
	Less :Provision for Doubtful/dead/Short stock	74,69,222	3,95,13,404	75,24,327
	Furniture		22,36,887	1,20,071
	Stock of Standing Trees			
	- Strip Forest	30,59,798		78,65,300
	- Block Forest	25,85,749		-
	Total	56,45,547		78,65,300
	Less:Provision for Doubtful/ dead/ Short Standing Trees	15,01,526	41,44,021	19,27,564
	Galvanised Iron Wire		53,10,316	62,62,979
	ChainLink		66,01,783	1,05,31,624
	Barbed Wire		19,42,036	16,98,897
	Charcoal		2,34,154	-
	Other Stock		7,99,335	-
	TOTAL(₹)		6,07,81,936	2,51,74,301

11.1 Closing Stock of timber stock other than unfelled/ unsold trees at the year end has been taken as per Timber records and therefore, includes shortages of about ₹74,69,222/- on account of pending enquiries, expired / dismissed and other cases etc. Matching provision for short timber stock stood at ₹74,69,222/- as on 31.3.2016.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Closing inventory includes unfelled / unsold and sold but not lifted volume of standing trees measuring 3817.60 m³ , valuing at ₹56,45,547/- at the end of the year & includes shortages etc.
 Other Stock includes stock of Angle Iron, Patti, Pipe etc.

		Amount (₹)		
12.	TRADE RECEIVABLES		As At 31.03.2016	As At 31.03.2015
	Unsecured but considered good			
	(A) Debts outstanding for a period exceeding six months	1,00,17,039		16,00,811
	(B) Other Debts	75,43,135		1,47,67,794
	Total	1,75,60,174		1,63,68,605
	Less: Provision for doubtful debts	3,94,177		4,13,627
	TOTAL(₹)		1,71,65,997	1,59,54,978

- 12.1 Trade receivables includes interalia debtors on account of sale of Chainlink ₹1,03,27,262, Barbed Wire ₹33,27,596
- 12.2 Balances of trade receivables are subject to confirmation and adjustments, if any, necessary upon reconciliation thereof.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

				Amount (₹)	
13	CASH AND BANK BALANCES		As At 31.03.2016		As At 31.03.2015
I.	Cash and Cash Equivalents				
	Cash on Hand		-		2,234
	Imprest with Staff		2,29,994		10,806
	Balances with Banks				
	Bank Current and Collection Accounts	3,02,14,176		1,30,70,338	
	TDR's maturing within 3 months	34,52,85,542	37,54,99,718	35,14,67,702	36,45,38,040
	Cheques Pending realization		86,58,819		5,21,968
	Balances with banks against Long Term Borrowings from HUDCO		72,34,028		75,00,062
	Other Bank Balances				
	TDRs with maturity after 3 months but before 12 months		69,68,27,220		73,66,83,339
	Interest accrued but not due		5,55,71,841		7,80,03,556
	TOTAL(₹)		1,14,40,21,620		1,18,72,60,005

13.1 Bank and Current Collection account represents several current and collections accounts in Chandigarh and throughout Punjab.

13.2 Term Deposit receipts (TDR's) includes interalia ₹36,39,56,127/- received from various user agencies for purchase of non-forest land on behalf of Department of Forests.

13.3 Interest accrued but not due on Term Deposit Receipts is ₹5,55,71,841/- as on 31.3.2016.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount (₹)

14	SHORT TERM LOANS AND ADVANCES		As At 31.3.2016		As At 31.3.2015
	Unsecured considered Good Advances recoverable in cash or in kind or for value to be received				
	Amount Recoverable from Forest Department for-				
	Leasehold Building Tower No. 4 & 5 of Forest Complex,	13,21,24,000		13,56,96,000	
	Interest on HUDCO Loan after 30.11.2014	67,85,163		50,24,385	
	Rent of Tower No. 4 & 5 of Forest Complex	-	13,89,09,163	3,98,82,293	18,06,02,678
	Advance to parties for Furniture & Furnishing , Ballies etc.		1,40,385		9,34,000
	Prepaid Duties and Taxes		34,19,364		29,42,481
	Advance Income Tax for the year 2015-16	1,50,00,000		3,40,00,000	
	Tax Deducted at Source from TDR's	1,01,67,466	2,51,67,466	1,13,85,115	4,53,85,115
	Amounts Recoverable from Income Tax Department		1,65,00,272		86,62,640
	Other Advances		38,32,965		50,84,603
	TOTAL(₹)		18,79,69,615		24,36,11,517

14.1 As M.O.U for lease of Tower No. 4 & 5 of Forest Complex between PSFDC and Punjab Forest Department has been cancelled on 30/11/2014, ₹35,72,000/- has been received from Punjab Forest Department out of total consideration of ₹13,56,96,000/- and , therefore, ₹13,21,24,000/- is still recoverable from Forest Department as on 31.3.2016. This amount is proposed to be recovered by adjusting it against cost of standing trees payable to Punjab Forest Department on approval of new terms and conditions by the State Government.

Meanwhile PSFDC is repaying term loan and interest as and when due. The amount so paid has been partly received from Punjab Forest Department. A sum of ₹67,85,163/- paid as interest on HUDCO loan is still recoverable from Punjab Forest Department as on 31.3.2016.

Also refer note no. 4.4

14.2 The Corporation has paid ₹1,50,00,000/- as advance income tax and ₹1,01,67,466/- has been deducted as tax at source (TDS) which will be set off against the income tax liability of current year.

14.3 Balances of Loans and Advances are subject to confirmation and adjustments necessary upon reconciliation thereof. In the opinion of management, Loans and Advances are stated at the value at which these are stated in the balance sheet, if realized in the ordinary course of business.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

14.4 Other Advances of ₹38,32,965/- include interalia ₹18,00,000/- advanced to Divisional Forest Officers for felling of dead/dry/fallen trees, ₹15,71,814 being Balance of earnest money deposit with Punjab State Civil Supplies (PUNSUP) under dispute and Festival Advance, marriage advance, leave encashment fund, leave salary recoverable etc.

Amount (₹)

15.	Revenue from Operations		As At 31.03.2016		As At 31.03.2015
i)	Sales				
	Sale of Standing Trees	34,67,20,773		50,50,52,523	
	Sale of Standing Trees other than Forest Department	29,23,274		39,51,354	
	Sale of Timber	2,38,36,959		20,76,800	
	Sale of Furniture	2,46,21,336		6,17,41,344	
	Sale of Chain Link	1,68,94,152		2,19,94,775	
	Sale of Barbed Wire	41,85,194		12,66,345	
	Sale of Sleepers	68,22,464		15,38,267	
	Other Sale	15,80,615		5,03,265	
		42,75,84,767		59,81,24,673	
	Less: Excise Duty on Chain Link sold	18,77,132		24,19,507	
			42,57,07,635		59,57,05,166
ii)	Income from Bir Sanour Fencing Project		1,69,53,104		-
iii)	Rent from Two Towers of Forest Complex , Sector 68, Sahibzada Ajit Singh			-	2,39,29,077
	Total		44,26,60,739		61,96,34,243

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16	OTHER INCOME	Amount (₹)	
		As At 31.03.2016	As At 31.03.2015
	Interest on Term Deposit Receipts	6,91,84,104	7,34,18,635
	Interest on refund of income tax	9,01,298	8,72,377
	Fine & Forfeiture	46,44,490	73,24,781
	Recovery of timber /standing Trees/ Mudhies etc.	6,18,261	6,57,285
	Other Income	29,33,957	12,23,214
	Profit on sale of assets	7,23,380	4,28,355
	TOTAL()	7,90,05,490	8,39,24,647

16.1 The corporation has earned interest of ₹6,91,84,104/- on the term deposit receipts. Interest is inclusive of tax deducted at source and interest accrued but not due. Interest on Term Deposits has been accounted for on accrual basis. Income Tax of ₹97,99,132/- has been deducted at source by the banks during the current year 2015-16.

16.2 Other Income of ₹29,33,957/- includes interalia departmental charges received on advance to DFO, Forest Department, miscellaneous receipts, provisions of doubtful recoveries, provision of short/ doubtful timber stock / standing trees, provision for doubtful debtors and provision for leave encashment written back, etc.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		Amount (₹)	
17.	Purchases	As At 31.03.2016	As At 31.03.2015
1	Purchase of Standing Trees (Strip Forest)		
	-Forest Department, Punjab	23,80,18,347	34,67,34,517
	-Other than Punjab Forest – Department	20,46,291	26,34,311
	Total	24,00,64,638	34,93,68,828
2	Timber		
	-Purchase of Standing Trees (Block Forest) from Forest Department, Punjab	3,76,72,120	10,51,761
	-Felling Expenses		
	Logging Expenses	1,47,10,834	9,16,690
	Wages	17,26,067	57,772
	Consumables	3,73,128	15,895
	Transportation	19,57,375	68,254
	Tools & Spares	30,176	-
	Vehicle Running & Maintenance	43,30,139	3,38,988
	Total Felling Expenses	2,31,27,719	13,97,599
	Total cost of Timber	6,07,99,839	24,49,360
	Less: - Timber issued for Wooden Crates	37,34,811	-
	Timber issued for Charcoal	1,64,350	-
	Total	5,69,00,678	24,49,360
3.	Furniture		
	Purchases	1,94,49,744	5,38,81,785
	Logo Expenses	36,000	67,440
	Total Furniture Expenses	1,94,85,744	5,39,49,225
4.	Furniture Manufacturing Expenses		
	Material Consumed	17,60,489	-
	Fabrication	2,89,300	-
	Other Expenses	1,21,589	-
	Total Furniture Manufacturing Expenses	21,71,378	-
5.	Chain Link		
	Opening Stock of GI Wire	55,85,596	-
	Add: - Purchase of Galvanized Wire(GI Wire)	1,02,68,315	3,11,15,653
	Add: - GI Wire received from Phillaur	2,86,814	-
	Less: - GI Wire issued to Bir Sanour Project	1,32,221	-
	Less: Closing Stock of GI Wire	43,57,650	55,85,596
	GI Wire Consumed	1,16,50,854	2,55,30,057
	Chainlink Manufacturing expenses	11,75,670	24,21,689
		1,28,26,524	2,79,51,746

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	Less: - Chainlink issued to Bir Sanour Project	35,69,340	-
	Total	92,57,184	2,79,51,746
6.	Barbed Wire		
	Opening Stock of GI Wire	6,77,383	-
	Purchase of Galvanized Wire (GI Wire)	40,85,123	32,76,297
	Less: closing Stock of GI Wire	9,52,666	6,77,383
	GI Wire Consumed	38,09,840	25,98,914
	Barbed Wire Manufacturing Expenses	2,94,936	1,83,445
	Total	41,04,776	27,82,359
7.	Crates Manufacturing Expenses		
	Wood Issued	37,34,811	-
	Less: - Cost of By Products i.e. Battens, Scrap etc.	7,48,955	
	Cost of Wood Consumed	29,85,856	
	Sawing of Crates Battens	8,00,653	-
	Crates Manufacturing Expenses	12,31,471	-
	Total Crates Manufacturing Expenses	50,17,980	-
8.	Charcoal Manufacturing Expenses		
	Wood Consumed	1,64,350	-
	Wages	69,804	-
	Total Charcoal Manufacturing Expenses	2,34,154	
9.	Bir Sanour Fencing Project Expenses		
	Chainlink	35,69,340	-
	GI Wire	1,32,221	-
	Barbed Wire	2,71,772	-
	Angle Iron	26,83,898	-
	Patti	5,83,661	-
	Civil Construction Cost	77,67,660	-
	Total Bir Sanour Fencing Project Expenses	1,50,08,552	-
10.	Timber Sleepers		
	Purchases	64,67,868	14,59,750
11.	Other Purchases i.e. Angle Iron, Patti, Plants etc.	16,06,576	4,79,300
	TOTAL (₹)	36,03,19,528	43,84,40,568

17.1 The purchase cost of standing trees has been provided for on the basis of standing trees transferred to the Corporation by the Forest Department, Punjab during the year 2015-16. The purchase cost of standing trees of Strip Forest has been provided @ 70% of sales value of standing trees while the purchase cost of standing trees of Block Forest has been provided for on the basis of rates fixed by the State Government for Block Forests. In certain emergent cases of tree felling Strip forest by PSFDC, purchase cost has been provided on the basis of same rates of Block Forests as done in case of felling in Block Forests.

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17.2 PSFDC has manufactured Chainlink, fencing material and Barbed wire at Patiala and Phillaur respectively for which Galvanized Iron Wire is consumed as raw material.

17.3 PSFDC has successfully executed the fencing project of Bir Sanour during the year 2015-16

		Amount (₹)		
18	Changes in Stock in Trade		As At 31.03.2016	As At 31.03.2015
	Opening Stock			
	Standing Trees		78,65,300	83,39,485
	Timber			
	-Round Timber	40,26,328		35,33,487
	-Sawn Timber	41,20,993		41,49,651
			81,47,321	76,83,138
	Chainlink		1,05,31,624	-
	Barbed Wire		16,98,897	-
	Furniture		1,20,071	1,20,071
			2,83,63,213	1,61,42,694
	Less: Barbed Wire issued to Bir Sanour Project		2,71,772	-
	Total Opening Stock		2,80,91,441	1,61,42,694
	Closing Stock			
	Standing Trees			
	- Strip Forest	30,59,798		78,65,300
	-Block Forest	25,85,749	56,45,547	-
				78,65,300
	Timber			
	-Round Timber	3,69,89,284		40,26,328
	-Sawn Timber	40,96,122		39,90,708
	-Wooden Crates	51,48,265		1,30,285
			4,62,33,671	81,47,321
	Furniture		22,36,887	1,20,071
	Chainlink		66,01,783	1,05,31,624
	Barbed Wire		19,42,036	16,98,897
	Charcoal		2,34,154	-
	Other Stock i.e. Angle Iron, Patti etc.		3,88,570	-
	Total Closing Stock		6,32,82,648	2,83,63,213
	Changes in Stock Increase(+)/decrease(-)		3,51,91,207	1,22,20,519

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

18.1 Stock has been valued at cost or market value whichever is lower. The company has changed its accounting policy of valuing items of stock such as round timber, sawn timber, firewood, scrap, saw dust etc. and wooden articles are valued at cost or market value whichever is lower as against the hitherto followed practice of valuing these stock items at net realisable value which was taken as the minimum reserve price fixed by the corporation. Consequently the profits are lowered by ₹86,04,614/-.

Amount (₹)

19.	EMPLOYEE'S BENEFIT COST	As At 31.03.2016	As At 31.03.2015
	Salaries	10,68,56,521	10,70,47,304
	Wages	89,21,601	78,82,566
	Contribution to EPF & FPF	60,00,681	46,34,718
	Gratuity of Corporation Staff	7,17,882	92,78,839
	Leave Encashment of Corporation Staff	-	26,60,188
	Contribution to ESI	54,853	51,195
	Medical Reimbursement Staff	8,80,429	12,63,459
	Travelling & conveyance Staff	6,40,405	11,03,032
	Bonus	4,46,070	1,19,000
	Liveries	71,633	1,59,253
	Leave Salary & Pension Contribution of Deputationist Staff	24,62,124	28,06,975
	House Rent Licence Fee	33,600	19,135
	Ex Gratia Grant	2,00,000	1,80,000
	Staff Training Expenses	20,000	26,700
	Director's Remuneration	9,33,889	30,75,965
	TOTAL(₹)	12,82,39,688	14,03,08,329

19.1 Gratuity for corporation Staff for the current year has been provided on the basis of actuarial valuation as the difference between present value of obligation date and fair value of plan assets as on balance sheet.

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

19.2 Details of Director's remuneration is given below:

Amount (₹)

S.No.	Particulars	As At 31.03.2016	As At 31.03.2015
1.	Honorarium to Vice-Chairman	2,40,000	2,45,000
2.	Salaries	1,84,800	19,06,595
3.	Rent of Vice-Chairman residence	2,40,000	2,39,000
4.	Travelling Expenses	1,76,680	3,09,180
5.	Leave Salary & Pension Contribution	54,400	3,24,984
6.	Telephone Expenses	31,909	32,006
8.	House License Fee of MD	1,600	19,200
9.	Sitting Fees - Director	4,500	-
	Total(₹)	9,33,889	30,75,965

Amount (₹)

20.	Finance Cost	As At 31.03.2016	As At 31.03.2015
	Interest on long term borrowings from HUDCO	-	1,06,93,908
	Total (₹)	-	1,06,93,908

Amount (₹)

21.	AUDITOR'S REMUNERATION	As At 31.03.2016	As At 31.03.2015
	Statutory Audit Fee including expenses	74,750	68,400
	Tax Audit Fee including expenses	23,000	22,800
	TOTAL (₹)	97,750	91,200

Amount (₹)

22.	SELLING & DISTRIBUTION EXPENSES	As At 31.03.2015	As At 31.03.2015
	Advertisement & Publicity	12,44,228	22,05,107
	Auction & Business Promotion	11,14,981	15,00,628
	Trade Fair Expenses	1,23,000	4,09,140
	TOTAL	24,82,209	41,14,875

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23.	Other Expenses	Amount (₹)		
			As At 31.03.2016	As At 31.03.2015
	Electricity & Water		19,96,039	7,22,327
	Repair & Maintenance of:			
	- Building	70,95,545		55,83,058
	- Plant & Machinery	74,417		-
	- Others	7,97,524	79,67,486	7,11,849
	Legal & Professional charges		4,92,902	13,17,979
	Books, Newspaper & Periodicals		29,676	17,384
	Office expenses		4,11,691	4,98,914
	Rent		1,23,480	70,500
	Postage, Telephone & Tel egram		3,43,444	1,79,049
	Printing & stationery		9,58,686	11,03,732
	Rates, taxes & fee		2,25,779	2,15,632
	Insurance expenses		1,00,297	96,371
	Vehicle Running & Maintenance- Jeeps/cars		19,03,043	21,65,416
	Computer & Website Expenses		6,95,667	4,08,258
	Computer Software		29,405	21,600
	Freight & Carriage		61,194	25,338
	Bank Charges		47,120	48,318
	Provision for doubtful recovery		77,307	-
	Nursery Expenses		8,13,060	7,000
	Amount recoverable from employees written off		1,74,339	-
	Sundry Debtors written off/Bad Debts		-	8,97,737
	Short/Excess Payments		25	400
	TOTAL(₹)		1,64,50,640	1,40,90,862

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

24.	PRIOR PERIOD ITEMS	Amount (₹)	
		As At 31.03.2016	As At 31.03.2015
	EXPENSES		
	Purchases	-	22,47,304
	Sundry Debtors	-	606
	Purchase of Standing Trees	1,42,379	-
	VAT/CST	-	24,283
	Audit expenses	-	10,476
	Refund of Excess Recovery	-	1,25,048
	Record Scanning Charges	-	3,26,171
	Interest on FDR	37,93,504	-
	Tax Collected at Source	14,637	-
	License Fees - MD	1,600	-
	Rent of Vice Chairman	1,000	-
	GIS	360	-
	HBA Interest	3,605	-
	Total Prior Period Expense	39,57,085	27,33,888
	INCOME		
	Sales	13,93,442	-
	Securities	13,33,874	-
	Rent	35,993	-
	HRD	1,631	-
	Total Income	27,64,940	-
	Net Prior Period Income	11,92,145	27,33,888

25.	TAX EXPENSE	Amount (₹)	
		As At 31.03.2016	As At 31.03.2015
	Current Year		
	Income Tax	1,40,46,264	3,06,56,233
	Deferred Taxes	4,77,752	3,37,935
	Previous Year		
	Income Tax	5,18,163	-1,69,561
	Deferred Taxes	-	-1,53,384
	TOTAL (₹)	1,50,42,179	3,06,71,223

25.1 Income Tax expense comprises current and deferred taxes. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

25.2 Deferred tax of current year is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Major components of current deferred taxes are arising on account of timing differences is depreciation.

26.	Earning per Share	Amount (₹)
	Net Profit After Taxes	2,45,38,769
	Number of Equity Shares	25,000
	Earning per Equity Share	982
	Face Value per Equity Share	100/-

27. Contingent Liabilities not Provided for:

Claims against the Corporation not acknowledged as debts.

- Service cases filed by some employees and persons employed on daily basis against the corporation in various courts. There are other Court cases filed by employees against the recovery for shortages etc. imposed by the Corporation.
- Additional liability of Value Added Tax, Sales tax and income tax that may arise due to pending appeals/ assessments.
- Interest on delayed payments of cost of standing trees for the years 1991-92 to 1996-97 as claimed by Forest Department, Punjab (Amount ₹3.92 Crore).
- Any interest on delayed payments of cost of standing trees for the years 2007-08 to 2014-15 that may arise in future.
- Liability for contracts remaining to be executed on capital accounts and not provided for.

Nil (previous year-Nil).

28. The company has set up the fundamental objectives of "Promotion of Education" under its corporate social responsibility policy (CSR). PSFDC envisages to provide requisite infrastructure to needy Government schools such as installation of rooftop solar power systems to generate power sufficient to cater to the needs of school, fans, water, blackboards, furniture, tubelights etc.. The company has released funds to Punjab Energy Development Agency (PEDA) for installation of rooftop solar power systems in schools. The company has spent the entire amount of ₹30,45,596/- provided for CSR expenditure last year as on date. As such, the company has provided ₹33,22,440/- for the year 2015-16 out of which ₹14,84,550/- has been spent as on date and balance will be spent during next year.

29. Related Party Disclosure

Related Parties and their Relationship

Government of Punjab holding 100% Equity Shareholding

Key Personnel

Chairman - Sh. Viswajeet Khanna, IAS

Director - Sh. Kuldip Kumar, IFS as on date

Transactions with Punjab Forest Department

- 1) Purchase of Standing Trees
 - Strip Forest ₹23,80,18,347/-
 - Block Forest ₹3,76,72,120/-
 - 2) 13,21,24,000/- recoverable from Punjab Forest Department for disposal of Leasehold Building (Tower No. 4 & 5 of Forest Complex)
 - 3) Interest of ₹67,85,163/- on term loan after 30.11.2014.
 - 4) Advance of 3.00 Lakhs released to Divisional Forest Officer and ₹15.70 Lakhs received from DFO, Dasuya, Hoshiarpur and Mohali.
 - 5) Funds and interest received and paid on behalf of Department of Forests and Wildlife Preservation for purchase of non-forest land and Rashtriya Kisan Vikas Yojna as per note 7.1 and 7.2
 - 6) Bir Sanour Fencing Project Income: ₹1,78,24,370/-
 - 7) Sale of Chainlink and Barbed Wire to the tune of ₹1,67,51,480/- and ₹41,85,194/- respectively
 - 8) Dividend of ₹25,00,000/- paid to Government of Punjab for the year 2014-15
30. Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / disclosure.

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Statement forming part of the Profit & Loss Account for the year ending 31st March, 2016

31.		Particulars	Unit	For the year ended 31.3.2016	For the year ended 31.3.2015
I)		Standing Trees – Strip Forest			
	1	Opening Balance of Standing Trees	m3	4609.95	5196.70
		Amount		78,65,300	83,39,484
	2	Standing Trees Purchased	m3	53,372.06	74,649
		Amount		23,83,72,200	34,69,11,317
	3	Purchase Cost on Reconciliation		-	12,68,941
	4	Less: Standing Trees returned	m3	77.65	360.35
		Amount		3,53,853	14,45,741
	5	Purchase cost of Standing Trees Sold	m3	54,427.06	74,681.94
		Amount		24,25,24,933	34,58,22,416
	6	Volume of Standing Trees Felled in earlier years	m3	27.50	-
		Amount		11,339	-
	7	Volume of Standing Trees for which recoveries orders issued	m3	480.10	193.95
		Amount		2,87,577	1,17,344
	8	Closing Balance of Standing Trees	m3	2,969.70	4,609.95
		Amount		30,59,798	78,65,300
II)		Standing Trees – Block Forest			
	1	Opening Balance of Standing Trees	m3	-	-
		Amount		-	-
	2	Standing Trees Purchased	m3	13027.01	-
		Amount		3,77,96,475	-

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Statement forming part of the Profit & Loss Account for the year ending 31 st March, 2016					
		Particulars	Unit	For the year ended 31.3.2016	For the year ended 31.3.2015
	3	Less: Standing Trees returned	m3	61.90	-
		Amount		1,24,355	-
	4	Volume of Standing Trees Felled	m3	12117.21	-
		Amount		3,50,86,371	-
	5	Closing Balance of Standing Trees	m3	847.90	-
		Amount		25,85,749	-
III)		TIMBER			
i)		Opening stock of timber			
	a)	Round			
		1) Depots/Projects (P-I)	m3	1324.383	1221.207
		2) Saw Mills (P-II)	m3	184.753	184.753
	b)	Sawn (P-III)	m3	657.945	668.051
ii)		Receipts of Timber through Production/Direct Purchase Depots/Projects/Divisions Inter			
	a)	Production of timber			
		Round (P-I)	m3	10743.08	521.516
		Saw Mill (P-II)	m3	889.165	-
		Sawn (P-III)	m3	451.775	-
iii)		ROUND			
	b)	By Sale /Disposal/Recovery			
		1) Sales (P-I)	m3	3572.564	418.340
		Recovery (P-I)	m3	14.399	-
		Transfer to Saw Mill	m3	889.165	-
		Issued for Charcoal	m3	36.931	-
		2) Sale (P-II)	m3	3.415	-
		Issued for Wooden Crates	m3	829.209	-

Statement forming part of the Profit & Loss Account for the year ending 31 st March, 2016					
		Particulars	Unit	For the year ended 31.3.2016	For the year ended 31.3.2015
	2)	SAWN			
		Recovery imposed(P-III)	m3	8.950	10.106
		Disposal (P-III)	m3	0.774	-
iv)		Closing stock of timber			
		Round			
		Depots/Projects(P-I)	m3	7554.362	1324.383
		Saw Mills (P-II)	m3	241.294	184.753
		Sawn (P-III)	m3	1099.996	657.945
IV)		ChainLink			
		Opening Stock	MT	165.55	-
		Manufactured	MT	197.42	435.841
		Sales	MT	259.39	270.288
		Sales		2,14,50,255	2,19,94,775
		Closing Stock	MT	103.58	165.553
		Closing Stock		66,01,783	1,05,31,624
v)		Barbed Wire			
		Opening Stock	MT	21.38	-
		Manufactured	MT	51.36	35.000
		Sales	MT	48.44	13.621
		Sales		45,03,151	12,66,345
		Closing Stock	MT	24.30	21.379
		Closing Stock		19,42,036	16,98,897

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Statement forming part of the Profit & Loss Account for the year ending 31 st March, 2016					
		Particulars	Unit	For the year ended 31.3.2016	For the year ended 31.3.2015
VI)		Furniture			
	1	Opening Stock	-	-	-
	2	Purchases (Number)			
		Dual Desk	Nos.	6836	2700
		Study Table	Nos.	-	5191
		Student Chair	Nos.	-	8190
		Computer Chair	Nos.	-	360
		Computer Table	Nos.	-	240
		Teacher Chair	Nos.	2125	474
		Teacher Table	Nos.	1477	156
		Locker Steel Almirah	Nos.	-	30
		Office Steel Almirah	Nos.	-	150
		Office Chair	Nos.	-	150
		Office Table	Nos.	-	36
		Filing Cabinet	Nos.	-	10
		Revolving Stool	Nos.	-	450
		Wooden Single Bed	Nos.	-	5190
		Dining Tables	Nos.	-	120
		White Writing Board	Nos.	-	138
		Steel Rack	Nos.	-	42
		Laboratory Table	Nos.	359	-
		Executive Chair	Nos.	1	-
		Teak Wood Chair	Nos.	1	-
		Lecture Stand	Nos.	1	-
		Conference Table	Nos.	1	-

Statement forming part of the Profit & Loss Account for the year ending 31 st March, 2016					
		Particulars	Unit	For the year ended 31.3.2016	For the year ended 31.3.2015
		Purchases		1,94,49,744	5,38,81,785
		Sales			
		Dual Desk	Nos.	6836	2700
		Study Table	Nos.	-	5191
		Student Chair	Nos.	-	8190
		Computer Chair	Nos.	-	360
		Computer Table	Nos.	-	240
		Teacher Chair	Nos.	2125	474
		Teacher Table	Nos.	1477	156
		Locker Steel Almirah	Nos.	-	30
		Office Steel Almirah	Nos.	-	150
		Office Chair	Nos.	-	150
		Office Table	Nos.	-	36
		Filing Cabinet	Nos.	-	10
		Revolving Stool	Nos.	-	450
		Wooden Single Bed	Nos.	-	5190
		Dining Tables	Nos.	-	120
		White Writing Board	Nos.	-	138
		Steel Rack	Nos.	-	42
		Laboratory Table	Nos.	359	-
		Executive Chair	Nos.	1	-
		Teak Wood Chair	Nos.	1	-
		Lecture Stand	Nos.	1	-
		Conference Table	Nos.	1	-
		Sales		2,46,21,336	6,17,41,344

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

VI.		Value of Imports			
	1)	Raw Materials		Nil	Nil
	2)	Components and spare parts		Nil	Nil
	3)	Capital goods		Nil	Nil
	b)	Expenditure in foreign Currency on account of royalty ,know-how, professional and consultation fees and other matters		Nil	Nil
	c)	Total Value of imported raw material, spare parts and components		Nil	Nil
	d)	Dividend remitted to non-residents shareholders in foreign countries		Nil	Nil
	e)	Earnings in foreign exchange		Nil	Nil
N.B.	a)	P-I : Represents Round Timber Stock Proforma of Project			
	b)	P-II : Represents Round Timber Stock Proforma of Saw Mill .			
	c)	P-III : Represents Sawn Timber Stock Proforma of Saw Mill.			

AUDITORS' REPORT

As per our report of even date attached

For and on behalf of the Board

For K.B.Sood & Associates
Chartered Accountants
Firm Registration No.004998N

Sd/-
Viswajeet Khanna, IAS
Chairman

Sd/-
Kuldip Kumar, IFS
Managing Director

Sd/-
K. B. Sood, FCA
Partner
Membership No.081629

Sd/-
Daljit Kaur, FCA
General Manager (Finance)

Sd/-
R.K. Singal, FCS
Company Secretary

Sahibzada Ajit Singh Nagar, 18th August, 2016

Sahibzada Ajit Singh Nagar, 18th August, 2016

PUNJAB STATE FOREST DEVELOPMENT CORPORATION LIMITED, SAHIBZADA AJIT SINGH NAGAR
Cash Flow Statement for the year ended 31ST March, 2016

Particulars	As At 31.03.2016	As At 31.03.2015
A. Cash flow from operating Activities		
Net Profit After Taxes	2,45,38,769	2,80,81,597
Add: Provision for tax	1,45,64,427	30,671,223
Provision for CSR	33,22,440	30,45,596
Loss on disposal of Leasehold Building	-	363,24,645
Depreciation	51,72,088	71,82,718
Interest Expenditure	-	1,06,93,908
Gratuity	5,05,228	89,53,207
Leave Encashment	-	26,06,112
Profit on sale of capital assets	-7,23,380	-4,28,355
Provision for doubtful recoveries	77,307	8,97,737
Prior Period	24,23,637	606
Provision / Amount written back	-26,22,349	-7,23,832
Interest Income	-	-7,34,18,635
	<u>2,27,19,398</u>	<u>2,58,04,930</u>
Operating Profit before working Capital Changes	4,72,58,167	5,38,86,527
Less: Income Tax Paid	-1,87,94,380	-4,15,33,896
Gratuity Paid	-91,65,935	-64,58,753
Leave Encashment Paid	-26,06,112	-4,60,418
Increase in Stock	-3,51,26,491	-1,84,83,498
Increase in Debtors	-11,91,569	-75,20,415
Decrease in Short Term Loans & Advances	4,59,44,843	-3,65,51,685
Decrease in Long Term Loans & Advances	18,39,916	18,55,233
Increase in Deferred Tax Liabilities	4,77,752	
Decrease in Current Liabilities	-5,13,69,207	78,53,814
	<u>-6,99,91,184</u>	<u>-10,12,99,618</u>
Net Cash Flow used in Operations	-2,27,33,017	-4,74,13,091
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	-32,09,965	-37,67,066
Sale of Fixed Assets	7,86,100	4,48,702
Interest	1,86,38,212	2,00,19,287
	<u>1,62,14,347</u>	<u>1,67,00,923</u>
Net cash generated from investing activities	<u>1,62,14,347</u>	<u>1,67,00,923</u>
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	-1,42,88,000	-1,42,88,000
Interest on HUDCO Loan	-	-1,76,12,288
	<u>-1,42,88,000</u>	<u>-3,19,00,288</u>
Net Cash Flow used in Financing Activities	-1,42,88,000	-3,19,00,288
D. Net decrease in Cash and Cash equivalents	-2,08,06,670	-6,26,12,456
E. Opening Balance of Cash and Cash equivalents	1,10,92,56,449	1,17,18,68,905
F. Closing Balance of Cash and Cash equivalents	1,08,84,49,779	1,10,92,56,449

AUDITORS' REPORT

As per our report of even date attached

For and on behalf of the Board

For K.B.Sood & Associates
Chartered Accountants
Firm Registration No.004998N

Sd/-
Viswajeet Khanna, IAS
Chairman

Sd/-
Kuldip Kumar, IFS
Managing Director

Sd/-
K.B.Sood, FCA
Partner
Membership No.081629

Sd/-
Daljit Kaur, FCA
General Manager, Finance

Sd/-
R.K. Singal, FCS
Company Secretary

Sahibzada Ajit Singh Nagar, 18th August, 2016

Sahibzada Ajit Singh Nagar, 18th August, 2016