

**20<sup>th</sup>**  
**ANNUAL REPORT**

**2012 - 2013**

**PARNAMI CREDITS LIMITED**

**BOARD OF DIRECTORS**

As On 30th May, 2013

Sh. Tribhawan Kumar Parnami	<i>Mg. Director</i>
Sh. Anil Kumar Parnami	<i>Director</i>
Sh. Raman Kumar Parnami	<i>Director</i>
Sh. Brajesh Kataria	<i>Director</i>
Sh. Anil Khanna	<i>Director</i>
Sh. Kishan Chand Wadhwa	<i>Director</i>

**AUDITORS**

M/s Vinod Arora & Co.  
*Chartered Accountants*

211-212, Apna Bazar  
Gurgaon (Haryana) - 122 001

**CORPORATE LAW ADVISOR**

N. K. Rastogi & Associates  
Company Secretaries  
109, Choudhary Complex,  
9 V.S. Block, Shakarpur,  
Delhi - 110 092

**REGISTERED OFFICE**

Parnami Tower  
SCO 50-51, IIInd Floor, Old Judicial Complex, Civil Lines,  
Gurgaon (Haryana) - 122 001

**BANKERS**

Bank of Baroda  
Jammu & Kashmir Bank Ltd.  
H.D.F.C. Bank Ltd.

<b>Contents</b>	<b>Page No.</b>
NOTICE .....	1
DIRECTOR'S REPORT .....	3
REPORT ON CORPORATE GOVERNANCE .....	5
AUDITOR'S REPORT .....	9
BALANCE SHEET .....	14
PROFIT & LOSS ACCOUNT .....	15
NOTES .....	16
CASH FLOW STATEMENT .....	22

# **PARNAMI CREDITS LIMITED**

## **NOTICE**

**NOTICE** is hereby given that the 20th Annual General Meeting of the Members of the Company will be held on Wednesday, 18th Day of September, 2013 at 9.00 A.M. at Queen Pearl, Opp. Distt. Court, Rajiv Chowk, Gurgaon to transact the following business.

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2013, the Profit & Loss Account of the Company for the year ended on that date and the reports of the Board of Directors & Auditors thereon.
2. To appoint a Director in the place of Sh. Kishan Chand Wadhwa, who retires by rotation and , being eligible, offers himself for re-appointment.
3. To appoint auditors of the company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

a) **"RESOLVED THAT** pursuant to Section 224 (1) of the Companies Act, 1956 M/s Vinod Arora & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting at such remuneration as may be settled by the Board of Directors".

By the order of the board

SD/-

**T. K. Parnami**

Managing Director

Gurgaon

Dated : 15-07-2013

## **PARNAMI CREDITS LIMITED**

### **NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy(ies) and vote instead of himself/herself and the proxy(ies) need not be a member of the Company.
2. Proxy (ies) in order to be effective must be signed stamped and deposited at the Registered office of the company not less than forty eight hours before the commencement of the meeting. Blank Proxy form is annexed hereto.
3. The Register of Members & Transfer Books of Company will remain closed from 17th day of September, 2013 to 18th day of September, 2013. (Both days inclusive).

PLACE : Gurgaon

By the order of the board

Dated : 15-7-2013

SD/-

**T. K. Parnami**

Managing Director

# **PARNAMI CREDITS LIMITED**

## **DIRECTORS' REPORT**

TO

**THE MEMBERS  
PARNAMI CREDITS LIMITED**

The Directors are pleased to present the 20th Annual Report on the business and operations of the company together with Audited Balance Sheet as at 31st March 2013.

### **OPERATION AND FINANCIAL RESULTS :**

The summary of operation and financial results of the company for the year with comparative figures for last year is as under.

<b><i>PARTICULARS</i></b>	<b><i>2011-2012 Amount in Rupees Lac.</i></b>	<b><i>2012-2013 Amount in Rupees Lac.</i></b>
Income from operation	44.20	57.30
Profit before interest Depreciation and Tax	4.26	11.09
Interest	1.18	10.52
Stock Valuation Difference	-	-
Profit before tax	1.60	.57
Profit after tax	0.04	(2.05)

As per the directions given by the Reserve Bank of India your Company is not accepting public deposits.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

As required by the Companies (amendment) Act 2000 the board of directors confirm as under.

- a. That in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. The Directors have selected such accounting policies and applied them consistently and made judgements 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 of the Company for that period.

- c. 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.

# **PARNAMI CREDITS LIMITED**

- d. That the Directors have prepared the annual accounts ongoing concern basis.

## **DIVIDEND AND RESERVE**

Your Directors has transferred a sum of Rs. 0.10 lac to the NBFC Reserve fund and Rs. 2.47 lacs in general Reserve fund to conserve the resources of the company the director regret their inability to declare any dividend. Together with the sum brought forward in the Profit and loss account balance of Rs. 3.21 lacs is being carried forward in the profit and loss account.

## **DIRECTORS**

In accordance with the provisions of the Section 256 of The Companies Act 1956 and Articles 90 of the Articles of Association of the company, Sh. Kishan Chand Wadhwa retires by rotation and being eligible , offers himself for re-appointment. The Directors recommend his re-appointment.

## **AUDITORS**

M/s Vinod Arora & Co., Chartered Accountant , the auditors of the company hold office until the conclusion of the ensuing Annual General Meeting.

The auditors have forwarded a certificate under section 224 (I-B) of the Companies Act 1956 , to the effect that their reappointment , if effected, would be within the limits specified in the said section.

## **FIXED DEPOSITS**

The Company has not received any Fixed Deposits from the Public nor there are any deposits outstanding as on 31st March, 2013.

## **PERSONNEL**

The employees at all levels continued to put sincere efforts in the growth of the company . The employees relations continue to be cordial.

During the year there were no employees, whose particulars are required to be furnished under the provisions of Section 217 (2A) of the Companies Act ,1956 read with companies (particulars of the Employees) Rules 1975.

## **REPORT ON CORPORATE GOVERNANCE**

The mandatory recommendation of the committee on Corporate Governance, as stipulated under clause 49 of the listing Agreement with the stock Exchanges have become applicable on your company. For the information of our shareholders a separate section on corporate governance duly audited by the Statutory Auditors as per legal requirement is included in the annual Report.

## **OTHER INFORMATION**

The Company is a Non Banking Finance Company and the particulars required to be specified in terms of the provision of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1998 are considered to be not applicable.

The directors further report that there were no foreign exchange earning or out go.

## **LISTING AT STOCK EXCHANGE**

In accordance with the listing agreement (s) entered into by the company with the stock Exchanges the Directors further report that your company is listed on Delhi and Jaipur Stock Exchanges and there are no dues towards listing fees to the said Stock Exchanges.

## **ACKNOWLEDGEMENTS**

Your directors take this opportunity to express their deep sense of appreciation and gratitude to its Bankers, Customers and various government agencies for their assistance, co-operation & guidance. The Board also thanks the shareholders for their unstinted support.

for and on behalf of the Board

GURGAON  
15th July, 2013

Sd/-  
**T.K. Parnami**  
Chairman

# **PARNAMI CREDITS LIMITED**

## **REPORT ON CORPORATE GOVERNANCE**

(forming part of Directors report for the period ended on 31st March, 2013)

### **A. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The company is committed to good corporate Governance. The company respect the right of its shareholders to information on the performance of the compnay and it is its endeavor to maximize the long term value to the shareholders of the company. The compliance Report is prepared and given below in conformity with the mandatory requirements of the Listing Agreement with the Stock Exchanges.

### **B. BOARD OF DIRECTORS**

The company is managed and controlled through Board of Directors. The composition of the Board of Directors as on 31st March, 2013 is as follows.

a. Executive Director	One
b. Non-Executive Director	Five
<b>TOTAL</b>	<b>Six</b>

### **C. MEETING OF THE BOARD OF DIRECTORS**

The Board of Directors met 04 (Four) times during the financial year 2012-2013 on the following dates.

1. 30-06-2012	3. 31-10-2012
2. 30-07-2012	4. 31-01-2013

The maximum gap between two meeting was 92 days. The Attendance record of participation directors at the Board meeting and Annual General Meetings (AGM) from 1-4-2012 to 31-3-2013 is as follow : -

Name of the director	Number of meeting		Whether attended Last AGM
	Held	Attended	
1. T.K. Panami	04	04	Yes
2. Anil Parnami	04	04	Yes
3. Brajesh Kataria	04	04	Yes
4. Anil Khanna	04	04	Yes
5. Kishan Chand Wadhwa	04	04	Yes
6. Raman Kumar Parnami	04	04	Yes

### **D. AUDIT COMMITTEE**

The Audit Committee was constituted with Sh. T K Parnami as Chairman and Sh. Brajesh Kataria and Sh. Anil Kumar Parnami as memebers of the committee. The committee discharges such duties and functions generally indicated in clause 49 of the listing Agreement with the Stock exchanges and such other function as may be specifically delegated to the committee by the Board from time to time.

### **E. SHAREHOLDER/INVESTOR GRIEVANCE COMMITTEE**

The company has a shareholders/investors Grievance Committee, Which is headed independently by Sh. Brajesh Kataria to attend and address the grievance of shareholder/investors as and when received.

# PARNAMI CREDITS LIMITED

## F. GENERAL BODY MEETING

YEAR	LOCATION	DATE	DAY	TIME
2012	The League Hotel Old Delhi Road, Gurgaon	26-09-2012	Wednesday	9.00 AM
2011	The League Hotel Old Delhi Road, Delhi	22-9-2011	Thursday	9.00 A.M.
2010	Registered Office SCO 50-51, 2nd Floor Old Judicial Complex, Gurgaon	16-09-2010	Thursday	9.00 A.M.

## G. DISCLOSURES

- The company has not entered into any transaction of material nature with Promoters, the Director or the management or their relative etc., that may have any potential conflict with the interest of the company.
- The company has complied with the requirements of the Stock Exchanges, The SEBI and other statutory authorities on all matters related to capital markets during the last three years. There were no penalties imposed nor any strictures passed on the company by the Stock Exchanges, the SEBI or any other statutory authority relating to the above.

## H. MEANS OF COMMUNICATION.

The half-yearly/quarterly results are published in the newspapers (Delhi Edition) and are not being sent to each of share holders. The results are usually published in Jansatta (in Hindi) and The Financial Express (in English).

## I. GENERAL SHARE HOLDER INFORMATION

Date,	Time,	and	Venue of AGM
18/09/2013	9 AM		<b>Queen Pearl Opp Distt. Court, Rajiv Chowk, Gurgaon</b>
Financial Calender			April to March every Year
Adoption of quaterly results For the quarter ending			4th week of
30th June, 2013			July 2013
30th September, 2013			October 2013
31st December, 2013			January 2014
31st March, 2014			April 2014
Date of Book Closure			17th Sept., 2013 to 18th Sept., 2013 (Both Days Inclusive)

# **PARNAMI CREDITS LIMITED**

ISIN number for NSDL/CDSL  
Address for correspondence :  
Registrar & Share Transfer Agent

INE837C01013

**MAS SERVICES LIMITED**  
T-34, IInd Floor, Okhla Phase-II,  
New Delhi-110020  
Ph. : 011-26387281/82/83 Fax : 26387384

Registered Office

**PARNAMI TOWER**  
**SCO 50-51, IInd Floor, Old Judicial Complex,**  
**Civil Lines, Gurgaon.**

A committee of Directors has been constituted to approve the transfer, transmission, dematerialization of shares, issued of duplicate share certificates and allied matters. The company's Registrars **M/s Mas Services Limited** have adequate infrastructures to process share transfer and dematerialization of shares.

## **DISTRIBUTION OF SHARE HOLDING AS ON 31ST MARCH 2013.**

<b>Particulars</b>	<b>No of SH Holder</b>	<b>% To Total</b>	<b>No of Share</b>	<b>Amount in (Rs.)</b>	<b>% To Total</b>
1-5000	1448	58.576	719300	71,93,000	14.359
5001-10,000	575	23.261	547050	54,70,500	10.92
10,001-20,000	167	6.756	284400	28,44,000	5.677
20,001-30,000	92	3.722	225100	22,51,000	4.494
30,001-40,000	34	1.375	121100	12,11,000	2.417
40,001-50,000	47	1.901	213200	21,32,000	4.256
50,001-1,00,000	57	2.306	456400	45,64,000	9.111
Above 1,00,000 and Above	52	2.104	2442850	2,44,28,500	48.765
<b>Total</b>	<b>2472</b>	<b>100</b>	<b>5009400</b>	<b>5,00,94,000</b>	<b>100</b>

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

The member

**Parnami Credits Limited**  
Gurgaon.

We have examined the compliance of conditions of corporate governance by Parnami Credits Limited ("The Company") for the year ended 31st March 2013 as stipulated in clause 49 of listing agreement of the said company with the Delhi stock exchange and The Jaipur stock exchange.

The compliance of the conditions of the corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the company ensuring the compliance of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and to the best of our information and according to the explanation given to us we certify that the company has complied with the condition of Corporate governance as stipulated in the above listing agreement.

## **PARNAMI CREDITS LIMITED**

We state that no investor grievance is pending for a period exceeding one month against the company as per records maintained by the company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **VINOD ARORA & CO.**  
Chartered Accountants

Sd/-  
**VINOD ARORA**  
Proprietor

Gurgaon  
30th May, 2013

**AUDITOR'S REPORT****TO THE SHAREHOLDERS OF  
PARNAMI CREDITS LIMITED  
GURGAON**

1. We have audited the attached Balance Sheet of PARNAMI CREDITS LIMITED, GURGAON as at 31st March, 2013 and also the profit & loss account of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above :
  - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii) In our opinion, proper books of accounts as required by Law have been kept by the company so far as appears from our examination of the books.
  - iii) The balance sheet and profit & loss account referred to in this report are in agreement with the books of accounts of the company.
  - iv) In our opinion, the Balance Sheet and the Profit & Loss Account comply with the Mandatory Accounting Standards referred to in section 211(3C) of the Companies Act, 1956.
  - v) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st

## **PARNAMI CREDITS LIMITED**

March, 2013 from being appointed as directors in terms of clause (g) of sub-section(1) of section 274 of the Companies Act, 1956.

- vi) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit & Loss Account read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
- a) In the case of the Balance Sheet, of the State of Affairs of the company as at 31st March, 2013.
- b) In the case of the Profit & Loss Account, of the Profit for the year ended on that date.

For **VINOD ARORA & CO.**  
*Chartered Accountants*

Gurgaon  
30th May, 2013

Sd/-  
**VINOD ARORA**  
*Proprietor*

## **PARNAMI CREDITS LIMITED GURGAON**

### **ANNEXURE TO AUDITOR'S REPORT**

Referred to in paragraph 3 of our report of even date.

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us the fixed Assets have been physically verified by the management at year end and no material discrepancy was noticed on such verification.
- (c) No substantial part of fixed assets has been sold during the year.
- ii. (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management
- (b) In our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The company is maintaining proper records of inventory and no material discrepancy was noticed on physical verification.
- iii. (a) The company has neither granted nor taken any loans, secured or unsecured to/ from companies, firms or other parties covered in the register maintained under section 301 of the Act.

## PARNAMI CREDITS LIMITED

- (b) In our opinion and according to the information & explanation given to us, the rate of interest and other terms and conditions on loans given or taken by the company, secured or unsecured are not prima facie prejudicial to the interest of the company.
- (c) Payment of the principal amount and interest is also regular.
- (d) There are no overdue amounts.
- iv. In our opinion and according to the information and explanation given to us, there is an adequate internal control procedure commensurate with the size of the company, and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods.
- v. There are no transactions that need to be entered in the register in pursuance of section 301 of the Act.
- vi. The company has not accepted any deposits from the public.
- vii. In our opinion, the company has an internal audit system commensurate with its size & nature of its business.
- viii. The maintenance of cost records has not been prescribed by the Central Government under clause(d) of sub-section(1) of section 209 of the Act for the company.
- ix. The company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales-tax, Wealth-tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities, there are no out-standing statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- x. There are no accumulated losses of the company at the end of the financial year. It has not incurred cash losses in the financial year and in the financial year immediately preceding such financial year also.
- xi. The company has not defaulted in repayment of dues to a financial institution or bank. There are no debentures.
- xii. In our opinion and according to the explanation given to us and based on the information available, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- xiv. As per the information and explanations given to us the company is not dealing or trading in shares, securities, debenture and other investments.
- xv. The company has not given any

## **PARNAMI CREDITS LIMITED**

### **AUDITORS' REPORT ON CORPORATE GOVERNANCE**

guarantee for loan taken by other from bank or financial institutions.

- xvi. The terms loans taken by the company were applied for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us and examination conducted by us we are of the opinion that the funds raised on short term basis have not been used for long term investments.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. The company has not issued any debentures.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. In our opinion and according to the information & explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For **Vinod Arora & Co.**  
*Chartered Accountants*

Gurgaon  
30th May, 2013

Sd/-  
**Vinod Arora**  
Proprietor

To  
The Member  
Parnami Credits Limited  
Gurgaon.

We have examined the compliance of conditions of the corporate governance by Parnami Credits Limited ("The Company") for the year ended 31st March, 2013. As stipulated in clause 49 of listing agreement of the said company with the Delhi Stock exchange and the Jaipur stock exchange.

The Compliance of the conditions of the corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the company ensuring the compliance of the corporate governance. It is neither an audit nor an expression of opinion and to the best of our information and according to the explanation given to us we certify that the company has complied with the condition of corporate governance as stipulated in the above listing agreement.

We state that no investor grievance is pending for a period exceeding one month against the company as per records maintained by the company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **Vinod Arora & Co.**  
*Chartered Accountants*

Gurgaon  
30th May, 2013

Sd/-  
**Vinod Arora**  
Proprietor

**AUDITORS' REPORT**

In terms of Para 15 of Non Banking Financial (Non-Deposit Accepting or Holding) companies Prudential Norms (RB) Directions 2007. (Financial Year 2012-2013)

This is to report that :

1. The company has obtain the certificate of Registration from Reserve Bank of India.
2. The company is entitled to continue to hold certificate of registration in terms of its assets/ income pattern as on 31st March, 2013.
3. The Company has been correctly classified as AFC as defined in Non - Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 with reference to business carried on by it during the year.
4. The Board of Directors has passed a resolution for non - acceptance of any public deposits & has not accepted public deposits during the year.
5. The company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad doubtful debts as applicable to it in terms of Non-Banking Fianancial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

For **Vinod Arora & Co.**  
*Chartered Accountants*

Sd/-

Gurgaon  
30th May, 2013

**Vinod Arora**  
Proprietor

**PARNAMI CREDITS LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2013**

<b>PARTICULARS</b>	<b>NOTES</b>	<b>31.03.2013 (Rs.)</b>	<b>31.03.2012 (Rs.)</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
Shareholders' Funds			
Share Capital	1	3,78,42,040	3,78,42,040
Reserve & Surplus	2	49,51,570	47,04,086
<b><u>CURRENT LIABILITIES</u></b>			
Short Term Borrowings	3	71,14,930	50,05,930
Other Current Liabilities	4	9,69,095	4,36,765
Short-Term Provisions	5	33,05,980	27,60,352
<b>TOTAL</b>		<b><u>5,41,83,615</u></b>	<b><u>5,07,49,173</u></b>
<b><u>ASSETS</u></b>			
<b><u>NON CURRENT ASSETS</u></b>			
Fixed Assets			
Tangible Assets	6	2,67,841.00	4,03,947
Intangible Assets		-	-
<b><u>CURRENT ASSETS</u></b>			
Inventories	7	20,58,931	24,51,528
Cash and Cash Equivalents	8	20,27,699	6,53,159
Short Term Loans & Advances	9	4,98,29,144	4,67,88,147
Other Current Assets	10		4,52,392
Significant Accounting Policies & Notes on financial Statement	16		
<b>TOTAL</b>		<b><u>5,41,83,615</u></b>	<b><u>5,07,49,173</u></b>

Schedule '1' to '16' are integral part of financial statements.

In terms of our report attached

for **Vinod Arora & Co.**  
Chartered Accountants

Sd/-  
**VINOD ARORA**  
Proprietor

Gurgaon  
30th May, 2013

Sd/-  
**TRIBHAWAN K. PARNAMI** *Managing Director*  
Sd/-  
**ANIL K. PARNAMI** *Director*  
Sd/-  
**BRAJESH K. KATARIA** *Director*

**PARNAMI CREDITS LIMITED****STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

<b>INCOME</b>		<b>31.03.2013 (Rs.)</b>	<b>31.03.2012 (Rs.)</b>
Revenue from Operations - Interest	11	56,91,955	47,24,319
Other Income :	12	38,749	45,699
<b>Total</b>		<b>57,30,704</b>	<b>47,70,018</b>
<b>EXPENDITURE</b>			
Employee Benefit Expenses	13	18,75,955	14,77,565
Finance Cost	14	10,54,012	1,32,065
Other Expenses	15	21,55,146	28,51,724
<b>Total</b>		<b>50,85,113</b>	<b>44,61,354</b>
Earnings before tax, depreciation and amortisation		6,45,590	3,08,664
Depreciation and amortisation expenses		1,36,106	1,48,685
Profit before extra ordinary & exceptional Item		5,09,484	1,59,979
Extra Ordinary & exceptional items		-	-
Profit before tax		5,09,484	1,59,979
Tax Expense - Provision for tax		2,62,000	1,56,000
Profit After Tax		2,47,484	3,979
Earning/Loss Per Share		0.05	-
Notes :			
Earning in Foreign Exchange		-	-
Break-up of Auditors' Remuneration :			
(i) As Auditors		18,000	18,000
(ii) In Respect of Taxation Matters		24,000	24,000

The accompanying notes are an integral part of financial statements.  
In terms of our report attached

for **Vinod Arora & Co.**  
Chartered Accountants

Sd/-  
**VINOD ARORA**  
Proprietor

Gurgaon  
30th May, 2013

Sd/-  
**TRIBHAWAN K. PARNAMI** *Managing Director*  
Sd/-  
**ANIL K. PARNAMI** *Director*  
Sd/-  
**BRAJESH K. KATARIA** *Director*

# PARNAMI CREDITS LIMITED

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013

	31.03.2013 (Rs.)	31.03.2012 (Rs.)
<b>1. SHARE CAPITAL</b>		
<b>PARTICULARS</b>		
<b>AUTHORISED</b>		
55,00,000 (Previous year 55,00,000 Euity Share of 10/-each)	5,50,00,000	5,50,00,000
<b>Total</b>	<b>5,50,00,000</b>	<b>5,50,00,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP SHARES</b>		
50,09,400 (Previous Year 50,09,400) equity Shares of Rs. 10/- each fully paid	5,00,94,000	5,00,94,000
Less : Calls Unpaid	1,22,51,960	12251960
<b>Total</b>	<b>3,78,42,040</b>	<b>3,78,42,040</b>

1.1 Rights, preferences and restrictions attached to shares :

Equity Shares : The compnay has issued one class of equity shares having par value of Rs. 10 per Share Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligihible to receive the remaining assets of the company after distribution the equity of all preferential amounts, in proportion to their shareholding.

1.2 Reconciliation of Number of Equity Shares :

Particulars	<u>31st March, 2013</u>		<u>31st March, 2012</u>	
	No. of Share	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares Outstanding at the beginning of the year	50,09,400	5,00,94,000	50,09,400	5,00,94,000
Share issued during the year	-	-	-	-
Shares Outstanding at the end of the year	50,09,400	5,00,94,000	50,09,400	5,00,94,000

1.3 List of Equity Shareholders more than 5% of the agreegate Equity Shares :

Name of Shareholder	<u>31st March, 2013</u>		<u>31st March, 2012</u>	
	Nos.	%age	Nos.	%age
Mr. T.K. Parnami	3,75,400	7.49	3,75,400	7.49

## 2. RESERVE AND SURPLUS

### Capital Reserve Account

Balance as per last year 35,00,000 35,00,000

### NBFC RESERVE FUND

Balance as per last financial statements 8,83,000 8,80,000

Amount transferred during the year 10,000 8,93,000 3,000 8,83,000

### SURPLUS IN THE STATEMENT OF PROFIT AND LOSS

Balance as per last financial statement 3,21,086 3,20,107

Profit for the year 2,47,484 3,979

5,68,570 3,24,086

# PARNAMI CREDITS LIMITED

Less : Appropriations :				
Transfer to NBFC Reserve Fund	10,000	5,58,570	3,000	3,21,086
<b>Total</b>		<b>49,51,570</b>		<b>47,04,086</b>
<b>3. SHORT TERM BORROWINGS</b>				
Unsecured - Payable on demand				
Loans and advances from related parties				
- Deposits from Directors		71,14,930		50,05,930
<b>Total</b>		<b>71,14,930</b>		<b>50,05,930</b>
<b>4. OTHER CURRENT LIABILITIES</b>				
Income Tax deducted at Source				
		1,25,704		31,658
Cheques issued but not presented for payment				
		1,85,048		36,707
Expenses Payable				
		6,58,343		3,68,400
<b>Total</b>		<b>9,69,095.00</b>		<b>4,36,765</b>
<b>5. SHORT TERM PROVISIONS</b>				
Doubtful/Substandard Assets				
		11,49,980		8,66,352
Income Tax				
		21,56,000		18,94,000
<b>Total</b>		<b>33,05,980</b>		<b>27,60,352</b>

## NOTE '6' FIXED ASSETS

### 6.1 Tangible Assets

#### GROSS BLOCK

Particulars	Balance as at	Addition during	
	01-04-2012	the year	Total
Car	10,14,532	-	10,14,532
Scooter	61,932	-	61,932
Furniture & Fixtures	4,61,401	-	4,61,401
Office Equipment	2,21,434	-	2,21,434
Computer	3,74,097	-	3,74,097
Mobile Phone	6,280	-	6,280
<b>Total</b>	<b>21,39,676</b>	<b>-</b>	<b>21,39,676</b>
Previous year	21,39,676	-	21,39,676

PARTICULARS	DEPRECIATION			Total	WRITTEN DOWN VALUE AS AT	
	Up to the year	For the year	W/back during		31.03.2013	31.03.2012
<b>31.03.2012</b>						
Car	7,78,697	96,381	-	8,75,078	1,39,454	2,35,835
Scooter	58,835	-	-	58,835	3,097	3,097
Furniture & Fixture	4,17,215	29,207	-	4,46,422	14,979	44,186
Office Equipment	1,19,724	10,518	-	1,30,242	91,192	1,01,710
Computer	3,55,292	-	-	3,55,292	18,805	18,805
Mobile Phone	5,966	-	-	5,966	314	314
<b>TOTAL</b>	<b>17,35,729</b>	<b>1,36,106</b>	<b>-</b>	<b>18,71,835</b>	<b>2,67,841</b>	<b>4,03,947</b>
Previous Year	15,87,044	1,48,685	-	17,35,729	4,03,947	-
6.2 Intangible Assets	-	-	-	-	-	-

# PARNAMI CREDITS LIMITED

## 7. INVENTORIES

Traders Shares	20,58,931	24,51,528
<b>Total</b>	<b>20,58,931</b>	<b>24,51,528</b>

### 7.1 Inventory Valuation method

Stock in Trade are valued at cost or at market price whichever is lower.

## 8. CASH AND CASH EQUIVALENT

Cash in hand	9,81,942	1,98,187.00
Balance in Bank in Current Accounts	10,45,757	4,54,972
<u>OTHER BANK BALANCES</u>	-	-
<b>Total</b>	<b>20,27,699</b>	<b>6,53,159</b>

### 8.1 Detail of Current Accounts :

Jammu & Kashmir	10,36,828	1,46,494
Bank of Baroda	6,153	71,703
HDFC Bank	2,776	2,36,775

<b>Total :</b>	<b>10,45,757</b>	<b>4,54,972</b>
----------------	------------------	-----------------

## 9. SHORT TERM LOANS AND ADVANCE

Advance Tax/TDS	29,99,262	27,34,271
Other Loans & Advances	4,53,65,382	4,38,39,916
Security Deposit	6,000	6,000
Cheque Deposit but not Cleared	14,58,500	2,07,960
<b>TOTAL</b>	<b>49,829,144</b>	<b>4,67,88,147</b>

9.1 Other Loans & Advances are unsecured but are considered good

9.2 The company has sent letters to parties to whom loans have been advanced for confirmation of balance, response of those parties are awaited, the management of the company considers all the advances as good.

## 10. OTHER CURRENT ASSETS

Installment due but not received	-	4,52,392
<b>TOTAL</b>	<b>-</b>	<b>4,52,392</b>

## 11. REVENUE FROM OPERATIONS

Interest on Advances	56,91,806	44,19,715
Interest from Bank	149	-
Income From Dealing in Shares	-	3,04,604
<b>Total</b>	<b>56,91,955</b>	<b>47,24,319</b>

# PARNAMI CREDITS LIMITED

## 12. OTHER INCOME

Dividend	38,749	45,699
<b>Total</b>	<b>38,749</b>	<b>45,699</b>

## 13. EMPLOYEE BENEFIT EXPENSES

Salary & Bonus	18,42,920	14,70,040
Staff Welfare	33,035	7,525
<b>Total</b>	<b>18,75,955</b>	<b>14,77,565</b>

## 14. FINANCE COST

Interest to Bank	32,026	14,365
Interest to Others	10,20,000	1,17,700
Bank Commission	1,986	-
<b>Total</b>	<b>10,54,012</b>	<b>1,32,065</b>

## 15. OTHER EXPENSES

Rent	4,80,000	4,80,000
Printing & Stationery	41,423	49,219
Postage & Telephone	61,864	67,847
Directors' Remuneration	5,40,000	5,40,000
Travelling & Conveyance	32,330	6,761
Legal & Professional Charges	70,917	70,657
Repair & Maintenance :		
- Car	34,310	1,400
- Other	19,806	54,116
Entertainment/Business Promotion	30,795	30,903
Electricity Expenses	60,000	19,817
Subscription/Membership Fees	43,899	60,000
Stock Valuation Difference	3,92,597	62,940
Auditors Remuneration	42,000	9,92,593
Annual General Meeting Expenses	6,546	42,000
Provision for Doubtful/Substandard Assets	2,83,628	8,150
Miscellaneous Expenses	15,031	4,13,960
<b>Total</b>	<b>21,55,146</b>	<b>28,51,724</b>

# **PARNAMI CREDITS LIMITED**

## **16. SIGNIFICANT ACCOUNTING POLICIES**

### **(a) Basis of Preparation of financial statements :**

- i) The Financial statements have been prepared in compliance with the accounting standards referred to in section 211 (3C) and the other relevant provisions of the Companies Act, 1956 to the extent applicable, the company follows the accrual system of accounting in general and the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) and are in accordance with applicable accounting standard issued by the Institute of Chartered Accountants of India and are adopted on a going concern basis as mandated by ICAI.
- ii) The preparation of accounting statements in conformity with GAAP requires the management to make assumption and estimates that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statement and the amounts of income and expenses during the period reported under the financial statements. Any revision to the accounting estimates are recognized prospectively when revised.
- iii) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

### **b) Fixed assets, intangible assets and capital work-in-progress :**

- i) Fixed assets are stated at cost or valuation less accumulated depreciation.
- ii) In accordance with and at the rates specified in Schedule XIV to the Companies Act, 1956 depreciation is provided by straight line method.

### **c) Inventories :**

Stock in trade is valued at lower of cost or market value

### **d) Revenue Recognition :**

- i) Interest revenue is recognised on time proportion basis taking into account the time of principal outstanding and applicable rate.

### **e) Employee Benefits :**

- i) Leave encashment is paid to employees during the year itself.

### **f) Taxes on Income :**

Current tax is determined as the amount of tax payable in respect of taxable income for the period.

### **g) Contingent Liabilities :**

Contingent liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

### **h) Provision for contractual Obligations. :**

There are no contractual obligations outstanding as on date of the balance sheet hence no provision is required to be made.

- i) The cash flows from regular revenue generating, investing and financing activities of the company are segregated. The cash flow statement is separately attached with the financial statements of the company.

# PARNAMI CREDITS LIMITED

## J) Related Party Disclosure

### A. Related Parties

- |                                    |                                     |
|------------------------------------|-------------------------------------|
| (1) Key Management Personnel (KMP) | Mr. T.K. Parnami, Managing Director |
| (2) Associate Companies            | Signature Finance Pvt. Ltd.         |
|                                    | Suman Villas Pvt. Ltd.              |
|                                    | V. S. Developers Pvt. Ltd.          |
|                                    | GLP Habitation Pvt. Ltd.            |
|                                    | M.R. Agrotech Pvt. Ltd.             |
|                                    | G.L. Parnami Marketing Co.          |
|                                    | D.D. Associates                     |

(3) Detail of transaction with related parties :

	Rs.	Rs.
	31-03-2013	31-03-2012
<b>Tribhawan K Parnami</b>		
Director's Remneration	5,40,000	5,40,000
Interest Paid	10,20,000	-
Amount received during the year	70,00,000	-
Amount Refunded during the year	53,00,000	-
<b>Anil K Parnami</b>		
Interest Pad	-	10,000
Amount received during the year	2,00,000	5,00,000
Amount refunded during the year	7,09,000	-
<b>Kusum Kataria</b>	1,78,200	1,44,000
Salary & Bonus		

### K) General

Finalcial Statement for the year have been prepared in accordance with revised schedule VI of the Companies Act,1956 while the same for previous year were prepared in accordance with old schedule VI of The Companies Act,1956.

Figures for Previous year have been re-grouped/rearranged to make them comparable with figures for current year.

In terms of our report attached :

for <b>Vinod Arora &amp; Co.</b>	Sd/-	
Chartered Accountants	<b>TRIBHAWAN K. PARNAMI</b>	<i>Managing Director</i>
	Sd/-	
	<b>ANIL K. PARNAMI</b>	<i>Director</i>
Sd/-	Sd/-	
<b>VINOD ARORA</b>	<b>BRAJESH K. KATARIA</b>	<i>Director</i>
<i>Proprietor</i>		

Gurgaon  
30th May, 2013

# PARNAMI CREDITS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	CURRENT YEAR 31-03-2013	PREVIOUS YEAR 31-03-2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit/Loss before Tax & Extraordinary Items	5,09,484	1,59,978
Depreciation	1,36,106	1,48,685
Interest / Dividend	-38,749	-45,699
Operating Profit before Working Capital Changes	<u>6,06,841</u>	<u>2,62,964</u>
Adjustment for Trade & other Receivable Inventories	-25,88,605	-76,36,910
Trade & other Payable	3,92,597	8,64,270
Income Tax	10,77,958	2,31,082
Cash Generated from Operating Activities	<u>-2,62,000</u>	<u>-1,56,000</u>
	<u>-7,73,208</u>	<u>- 64,34,594</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of Fixed Assets	-	-
Sale of Fixed Assets	-	-
Investment	-	-
Dividend Received	38,749	45,699
<b>Net Cash used in Investing Activities</b>	<u>38,749</u>	<u>45,699</u>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Secured Loan	-	-
Unsecured Loan	21,09,000	50,05,930
<b>Net Cash from Financial Activities</b>	<u>21,09,000</u>	<u>50,05,930</u>
Net Increase in Cash / Cash Equivalents (A+B+C)	13,74,540	13,82,965
Bank & Cash Equivalents (Beginning of the year)	6,53,159	20,36,123
Bank & Cash Equivalents (Closed of the year)	20,27,699	6,53,158

For & on Behalf of Board of Directors

Sd/-  
for **Vinod Arora & Co.**  
Chartered Accountants

Sd/-  
**ANIL K. PARNAMI**  
Director

Sd/-  
**TRIBHAWAN K. PARNAMI**  
Managing Director

Sd/-  
**BRAJESH K. KATARIA**  
Director

Sd/-  
**VINOD ARORA**  
Proprietor

Gurgaon  
30th May, 2013

## **PARNAMI CREDITS LIMITED**

### **AUDITORS' CERTIFICATE**

We have examined the attached cash flow statement of Parnami Credits Limited, Gurgaon for the year ended 31st March, 2013. The statement has been prepared by the company in accordance with the requirement of clause 32 of the company's listing agreement with the Stock Exchange and is based on and derived from the Balance Sheet of Company as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date covered by our report of even date to the members of the company.

For **Vinod Arora & Co.**  
Chartered Accountants

Gurgaon  
30th May, 2013

Sd/-  
**VINOD ARORA**  
*Proprietor*

# PARNAMI CREDITS LIMITED

## PARNAMI CREDITS LTD.

Regd. Office : Parnami Tower, SCO-50-51, IInd Floor, Old Judicial Complex, Gurgaon-122 001 (Hr.)

### PROXY FORM

L.F. No. (S)/DPID/Client Id

I/We ..... of .....  
in the district of ..... being a member/members of  
PARNAMI CREDITS LTD. hereby appoint .....  
of ..... in the district of ..... or failing  
him/her ..... of ..... in the district of .....

as my/our proxy to vote for me/us on my/our behalf at the **20TH ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, 18th day of September, 2013 at Queen Pearl, Opp. Distt. Court, Rajiv Chowk, Gurgaon at 9.00 A.M. and at any adjournment thereof.

Signed this ..... day of 2013 .....

Affix  
Revenue  
Stamp of  
Rs. 1 here

Signature of Member : .....

Signature of Proxy Holder : .....

Address : .....

.....

- Note : 1. The Proxy need not be a member of the Company.  
2. The Proxy to be valid should be duly stamped with a revenue Stamp of Rs. 1/- and executed by the member and should reach the Company's Administrative Office at least 48 hours before the time fixed for the Meeting.

## PARNAMI CREDITS LTD.

Regd. Office : Parnami Tower, SCO-50-51, IInd Floor, Old Judicial Complex, Gurgaon-122 001 (Hr.)

### ATTENDANCE SLIP

NAME & ADDRESS OF  
THE SHAREHOLDER

L.F. NO. (S)  
DPID/CLIENT ID

No. of shares held

I hereby record my presence at the **20th ANNUAL GENERAL MEETING** of Company to be held on Wednesday, the 18th day of September, 2013 at Queen Pearl, Opp. Distt. Court, Rajiv Chowk, Gurgaon - 122 001 (Hr.)

SIGNATURE OF THE SHAREHOLDER(S)/PROXY

# BOOK POST

*If undelivered, please return to :*  
**PARNAMI CREDITS LIMITED**  
"PARNAMI TOWER"  
SCO-50-51, 11nd Floor, Old Judicial Complex,  
Gurgaon-122 001 (Haryana)