

19th
ANNUAL REPORT

2011 - 2012

PARNAMI CREDITS LIMITED

BOARD OF DIRECTORS

As On 31st May, 2012

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.

Contents	Page No.
NOTICE	1
DIRECTOR'S REPORT	3
REPORT ON CORPORATE GOVERNENCE	5
AUDITOR'S REPORT	9
BALANCE SHEET	14
PROFIT & LOSSACCOUNT	15
SCHEDULES	17
CASH FLOW STATEMENT	22
BALANCE SHEET ABSTRACT	24

PARNAMI CREDITS LIMITED

NOTICE

NOTICE is hereby given that the 19th Annual General Meeting of the Members of the Company will be held on Wednesday, 26th Day of September, 2012 at 9.00 A.M. at The League Hotel, Old Delhi Road, Gurgaon to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2012, 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. Anil Khanna, 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 : 31-05-2012

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 25th September, 2012 to 26th day of September, 2012. (Both days inclusive).

PLACE : Gurgaon

By the order of the board

Dated : 31-05-2012

SD/-

T. K. Parnami

Managing Director

PARNAMI CREDITS LIMITED

DIRECTORS' REPORT

TO

**THE MEMBERS
PARNAMI CREDITS LIMITED**

The Directors are pleased to present the 19th Annual Report on the business and operations of the company together with Audited Balance Sheet as at 31st March 2012.

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.

<i>PARTICULARS</i>	<i>2010-2011 Amount in Rupees Lac.</i>	<i>2011-2012 Amount in Rupees Lac.</i>
Income from operation	43.18	44.20
Profit before interest Depreciation and Tax	5.27	4.26
Interest	0.97	1.18
Stock Valuation Difference	-	-
Profit before tax	2.93	1.60
Profit after tax	0.86	0.04

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. 0.03 lac to the NBFC Reserve fund and Rs. 0.00 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. Anil Khanna 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, 2012.

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
31st May, 2012

Sd/-
T.K. Parnami
Chairman

PARNAMI CREDITS LIMITED

REPORT ON CORPORATE GOVERNANCE

(forming part of Directors report for the period ended on 31st March, 2012)

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, 2012 is as follows.

a. Executive Director	One
b. Non-Executive Director	Five
TOTAL	Six

C. MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met 04 (Four) times during the financial year 2011-2012 on the following dates.

1. 30-06-2011	3. 31-10-2011
2. 30-07-2011	4. 31-01-2012

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 1-4-2011 to 31-3-2012 is as follow : -

Name of the director	Number of meeting		Whether attended Last AGM
	Held	Attended	
2. T.K. Panami	04	04	Yes
3. Anil Parnami	04	04	Yes
4. Brajesh Kataria	04	04	Yes
5. Anil Khanna	04	04	Yes
6. Kishan Chand Wadhwa	04	04	Yes
7. 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
2011	The League Hotel Old Delhi Road, Gurgaon	22-09-2011	Thursday	9.00 AM
2010	Regd. Office SCO 50-51, 2nd Floor Old Judicial Complex, Gurgaon	16-9-2010	Thursday	9.00 A.M.
2009	Registered Office SCO 50-51, 2nd Floor Old Judicial Complex, Gurgaon	25-8-2009	Tuesday	9.00 A.M.

G. DISCLOSURES

- a. 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.
- b. 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
26/9/2012	9 AM		The League Hotel, Old Delhi Road, Gurgaon

Financial Calender	April to March every Year
--------------------	---------------------------

Adoption of quaterly results For the quarter ending	4th week of
--	-------------

30th June, 2012	July 2012
30th September, 2012	October 2012
31st December, 2012	January 2013
31st March, 2013	April 2013

Date of Book Closure	25th Sept., 2012 to 26th Sept., 2012 (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 2012.

Particulars	No. of Share Holder	% to Total	No. of Share	% to Total
1-5000	1448	58.576	719300	14.359
5001-10,000	575	23.261	547050	10.92
10,001-20,000	167	6.756	284400	5.677
20,001-30,000	92	3.722	225100	4.494
30,001-40,000	34	1.375	121100	2.417
40,001-50,000	47	1.901	213200	4.256
50,001-1,00,000	57	2.306	456400	9.111
Above 1,00,000 and Above	52	2.104	2442850	48.765
Total	2472	100	5009400	100

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 2012 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
31st May, 2012

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, 2012 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, 2012 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, 2012.
- 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
31st May, 2012

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 interanal 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
31st May, 2012

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, 2012. 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
31st May, 2012

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 2011-2012)

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, 2012.
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 provisining 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
31st May, 2012

Vinod Arora
Proprietor

PARNAMI CREDITS LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2012**

PARTICULARS	NOTES	31.03.2012 (Rs.)	31.03.2011 (Rs.)
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	1	3,78,42,040	3,78,42,040
Reserve & Surplus	2	47,04,086	47,00,107
<u>CURRENT LIABILITIES</u>			
Short Term Borrowings	3	50,05,930	-
Other Current Liabilities	4	4,36,765	6,51,839
Short-Term Provisions	5	27,60,352	23,14,196
TOTAL		<u>5,07,49,173</u>	<u>4,55,08,182</u>
<u>ASSETS</u>			
<u>NON CURRENT ASSETS</u>			
Fixed Assets			
Tangible Assets	6	4,03,947	5,52,632
Intangible Assets		-	-
Long Term Loans & Advance	7	6,000	6,000
<u>CURRENT ASSETS</u>			
Inventories	8	24,51,528	33,15,798
Cash and Cash Equivalents	9	8,61,119	20,36,123
Short Term Loans & Advances	10	4,65,74,187	3,86,55,037
Other Current Assets	11	4,52,392	9,42,592
Significant Accounting Policies & Notes on financial Statement 1 to 12			
TOTAL		<u>5,07,49,173</u>	<u>4,55,08,182</u>

In terms of our report attached

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

Sd/-
VINOD ARORA
Proprietor

Gurgaon
31st May, 2012

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

PARNAMI CREDITS LIMITED**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012**

INCOME	31.03.2012 (Rs.)	31.03.2011 (Rs.)
Revenue from Operations		
Income from Dealing in shares	1,80,800	-
Dividend	45,699	33,314
Interest from Loans & Advances	44,19,715	43,18,041
Other Income :		
Provision for Doubtful Assets W/Back	1,23,804	-
Total (A)	47,70,018	43,51,355
EXPENDITURE		
Office Rent	4,80,000	4,80,000
Salaries & Bonus	14,70,040	18,34,056
Printing & Stationery	49,219	34,101
Telephone & Postage Expenses	67,847	62,600
Directores' Remuneration	5,40,000	5,40,000
Travelling & Conveyance	6,761	6,000
Bank Charges & Interest	14,365	6,183
Interest to Other	1,17,700	96,700
Legal & Professional Charges	70,657	60,717
Insurance	-	2,652
Staff Welfare	7,525	14,914
Repairs & Maintenance:		
Car	1,400	45,041
Others	<u>30,903</u>	<u>30,168</u>
Entertainment/Business Promotion	19,817	7,313
Subscription/ Membership	62,940	27,045
Electricity Expenses	60,000	60,000
Auditors' Remuneration	42,000	42,000
Annual General Meeting Expenses	8,150	7,440
Provision for Doubtful/Substandard Assests	4,13,960	3,500,00
Loss on Valuation of Shares	9,92,593	39,279
Loss From Dealing in Shares	-	1,67,672
Depriciation	1,48,685	1,37,058
Miscelleneous expenses	5,477	7,357
TOTAL (B)	46,10,039	40,58,296

PARNAMI CREDITS LIMITED

Profit before extra ordinary & exceptional Item (A) - (B)	1,59,979	2,93,059
Extra Ordinary & exceptional items	-	-
Profit before tax	1,59,979	2,93,059
Tax Expense - Provision for tax	1,56,000	2,07,000
Profit After Tax	3,979	86,059
Earning/Loss Per Share	-	-
Notes :		
Earning in Foreign Exchange	-	-
Break-up of Auditors' Remuneration :		
(i) As Auditors	18,000	18,000
(ii) In Respect of Taxation Matters	24,00	24,00

In terms of our report attached

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

Sd/-

VINOD ARORA
Proprietor

Gurgaon
31st May, 2012

For and on behalf of Board of Directors

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, 2012

	31.03.2012 (Rs.)	31.03.2011 (Rs.)
1. SHARE CAPITAL		
AUTHORISED		
55,00,000 (Previous year 55,00,000 Equity Share of 10/-each)	5,50,00,000	5,50,00,000
Total	5,50,00,000	5,50,00,000
ISSUED, SUBSCRIBED & PAID UP SHARES		
50,09,400 (Previous Year 50,09,400) equity Shares of Rs. 10/- each fully paid	5,00,94,000	5,00,94,000
Total	5,00,94,000	5,00,94,000

1.1 Rights, preferences and restrictions attached to shares :

Equity Shares : The company 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 eligible 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, 2012</u>		<u>31st March, 2011</u>	
	No. of Share	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares Outstanding at the beginning of the year	50,09,400	50,94,000	50,09,400	50,09,400
Share issued during the year	-	-	-	-
Shares Outstanding at the end of the year	50,09,400	50,94,000	50,09,400	50,09,400

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

Name of Shareholder	<u>31st March, 2012</u>		<u>31st March, 2011</u>	
	Nos.	%age	Nos.	%age
Mr. T.K. Parnami	3,75,400	7.49	3,75,400	7.49

2. RESERVE AND SURPLUS

<u>Capital Reserve Account</u>				
Balance as per last year		35,00,000		35,00,000
<u>NBFC RESERVE FUND</u>				
Balance as per last financial statements	8,80,000		8,60,000	
Amount transferred during the year	3,000	8,83,000	20,000	8,80,000
<u>SURPLUS IN THE STATEMENT OF PROFIT AND LOSS</u>				
Balance as per last financial statement	3,20,107		2,54,048	
Profit for the year	3,979		86,059	
	<u>3,24,086</u>		<u>3,40,107</u>	

PARNAMI CREDITS LIMITED

Less : Appropriations :

Transfer to NBFC Reserve Fund	3,000	3,21,086	20,000	3,20,107
Total		47,04,086		47,00,107

3. SHORT TERM BORROWINGS

Unsecured - Payable on demand

Loans and advances from related parties

- Deposits from Directors

	50,05,930	-
Total	50,05,930	-

4. OTHER CURRENT LIABILITIES

Income Tax deducted at Source

Cheques issued but not presented for payment

Expenses Payable

	31,658	29,224
	36,707	1,41,103
	3,68,400	4,81,512
Total	4,36,765	6,51,839

5. SHORT TERM PROVISIONS

Doubtful/Substandard Assets

Income Tax

	8,66,352	5,76,196
	18,94,000	17,38,000
Total	27,60,352	23,14,196

NOTE '6' FIXED ASSETS

6.1 Tangible Assets

GROSS BLOCK Addition during

Balance as at during

Particulars	01-04-2011	the year	Total
Car	1014532	-	1014532
Scooter	61932	-	61932
Furniture & Fixtures	461401	-	461401
Office Equipment	221434	-	221434
Computer	374097	-	374097
Mobile Phone	6280	-	6280
Total	2139676	-	2139676

Previous year 2139676 - 2139676

PARTICULARS	DEPRECIATION			Total	WRITTEN DOWN VALUE AS AT	
	Up to 31.03.2011	For the the year	W/back during the year		31.03.2012	31.03.2011
Car	6,82,316	96,381	-	7,78,697	2,35,835	3,32,216
Scooter	56,926	1,909	-	58,835	3,097	5,006
Furniture & Fixture	3,88,008	29,207	-	4,17,215	44,186	73,393
Office Equipment	1,09,206	10,518	-	1,19,724	1,01,710	1,12,228
Computer	3,45,219	10,073	-	3,55,292	18,805	28,878
Mobile Phone	5,369	597	-	5,966	314	911
TOTAL	15,87,044	1,48,685	-	17,35,729	4,03,947	5,52,632
Previous Year	14,49,986	1,37,058	-	15,87,044	5,52,632	-
6.2 Intangible Assets	-	-	-	-	-	-

PARNAMI CREDITS LIMITED

7. LONG TERM LOANS AND ADVANCES

Deposit for Telephone	6,000	6,000
Total	6,000	6,000

8. INVENTORIES

Traders Shares	24,51,528	33,15,798
Total	24,51,528	33,15,798

8.1 Inventory Valuation method

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

9. CASH AND CASH EQUIVALENT

Cash in hand	1,98,187	9,15,429
Cheque in hand	-	22,905
Balance in Bank in Current Accounts	4,54,972	10,97,789
<u>OTHER BANK BALANCES</u>		
Cheque deposited but not cleared	20,79,60	-
Total	8,61,119	20,36,123

9.1 Detail of Current Accounts :

Jammu & Kashmir	1,46,494	9,549
Bank of Baroda	71,703	5,57,226
HDFC Bank	2,36,775	5,31,014

Total :	4,54,972	10,97,789
----------------	-----------------	------------------

10. SHORT TERM LOANS AND ADVANCE

Advance Tax/TDS	27,34,271	24,60,428
Other Loans & Advances	4,38,39,916	3,61,94,609
TOTAL	4,65,74,187	3,86,55,037

10.1 Other Loans & Advances are unsecured but are considered good

10.2 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.

11. OTHER CURRENT ASSETS

Installment due but not received	4,52,392	4,52,392
Other Advances & Receivable	-	4,90,200
TOTAL	4,52,392	9,42,592

PARNAMI CREDITS LIMITED

12. 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)
- (2) Associate Companies

Mr. T.K. Parnami, Managing Director
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

During the year there are no transactions with these parties

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 **Vinod Arora & Co.**
Chartered Accountants

Sd/-
VINOD ARORA
Proprietor

Gurgaon
31st May, 2012

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

PARNAMI CREDITS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	CURRENT YEAR 31-03-2012	PREVIOUS YEAR 31-03-2011
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/Loss before Tax & Extraordinary Items	1,59,978	2,93,059
Depreciation	1,48,685	1,37,058
Loss on Sale of Assets	-	-
Interest / Dividend	-45,699	-33,314
Operating Profit before Working Capital Changes	2,62,964	3,96,803
Adjustment for Trade & other Receivable Inventories	-76,36,910	9,82,621
Trade & other Payable	8,64,270	-13,42,999
Income Tax	2,31,082	3,47,526
Cash Generated from Operating Activities	-1,56,000	-2,07,000
	-64,34,594	1,76,951
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	-	-
Sale of Fixed Assets	-	-
Investment	-	-
Divided Received	45,699	33,314
Net Cash used in Investing Activities	45,699	33,314
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Secured Loan	-	-
Unsecured Loan	50,05,930	-2,51,720
Net Cash from Financial Activities	50,05,930	-2,51,720
Net Increase in Cash / Cash Equivalents (A+B+C)	13,82,965	-41,455
Bank & Cash Equivalents (Beginning of the year)	20,36,123	20,77,578
Bank & Cash Equivalents (Closed of the year)	6,53,158	20,36,123

For & on Behalf of Board of Directors

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
31st May, 2012

PARNAMI CREDITS LIMITED

AUDITORS' CERTIFICATE

We have examined the attached cash flow statement of Parnami Credits Limited, Gurgaon for the year ended 31st March, 2012. 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, 2012 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
31st May, 2012

Sd/-
VINOD ARORA
Proprietor

PARNAMI CREDITS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI OF THE COMPANIES ACT, 1956

I. Registration Detail

CIN No.

State Code

Balance Sheet Date

(Refer Code List)

Date Month Year

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue

Right Issue

Bonus Issue

Private Placement

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities

Total Assets

Sources of Funds

Paid-up Capital

Reserve & Surplus

Secured Loans

Unsecured Loans

Application of Funds

Net Fixed Assests

Investments

Net Current Assest

Miscellaneous Expenditure

Accumulated Losses

IV. Performance of the Company (Amount in Rs. Thousands)

Turnover

Total Expenditure

Profit/Loss Before Tax

Profit/Loss After Tax

(Please tick Appropriate box + for profit — for loss)

Earning per Share (Rs.)

Dividend

V. Generic Names of three Principal Products/Services of the Company (as per monetary terms)

Item Code No. (ITC Code)

Product Description a)

b)

Sd/-
ANIL K. PARNAMI
Director

Sd/-
TRIBHAWAN K. PARNAMI
Managing Director

Sd/-
BRAJESH K. KATARIA
Director

PARNAMI CREDITS LIMITED

Dear Shareholder

The Ministry of Corporate Affairs ("MCA") has taken a 'Green initiative in the Corporate Governance' by allowing paperless compliances by companies vide its Circular Nos. 17/2011 dated 21-04-2011 and 18/2011 dated 29-04-2011 inter alia stating that the service of documents by the companies to its members can be made through electronic mode.

The initiative taken by the MCA is a welcome step for the society at large, as this will reduce paper consumption to a great extent, ensure prompt receipt to communication and avoid loss of document in postal transit. Supporting the said move of MCA, we propose to send all future shareholders communications/documents like Notices of General Meetings, Annual Reports, Financial Results, etc. to the shareholders in electronic form to the e-mail IDs provided by the shareholders.

Your company desires to be one of the first to join this Green initiative and is initiating the process of graduating the paperless compliances. This will facilitate the company to dispatch all documents to be sent to you under the companies Act 1956 in electronic mode. This will include the Annual report with the Annual General Meeting Notice, Extra Ordinary General Meeting Notice, Intimation under Section 302 of the Companies Act 1956 etc.

You are holding share in physical form, you may provide the email id for the purpose of serving of documents by the company in electronic mode. There is also an option to choose physical serving of documents instead of electronic mode. You are therefore requested to select one of the options given below portion.

In view of above, we would request to kindly complete the format and return to the company duly signed, for this purpose a postage prepaid and self addressed envelope is sent herewith.

We are sure, that you will whole-heartedly support this initiative and co-operate with the Company to make it a success.

Please note, as a valued shareholder, you are always entitled to request and receive, free of cost, a printed copy of the Annual Report of the Company and all other documents/Communications entitled under the Companies Act, 1956.

Thanking you

For **Parnami Credits Limited**

Sd/-

T.K. Parnami
Managing Director

Dated : 31st May, 2012

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 **19TH ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, 26th day of September, 2012 at The League Hotel, Old Delhi Road, Gurgaon at 9.00 A.M. and at any adjournment thereof.

Signed this day of 2012

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 **19th ANNUAL GENERAL MEETING** of Company to be held on Wednesday, the 26th day of September, 2012 at The League Hotel, Old Delhi Road, Gurgaon - 122 001 (Hr.)

SIGNATURE OF THE SHAREHOLDER(S)/PROXY

PARNAMI CREDITS LIMITED

DATE :

TO,
THE DIRECTOR
M/S. PARNAMI CREDITS LIMITED

Sub. : "GO GREEN" INITIATIVE OF THE MINISTER OF CORPORATE AFFAIRS GOVERNMENT OF INDIA.

Dear Sir,

This has reference to your circular letter dated 31st May, 2012, on the above subject,
As desired by you, I/We are giving below our option for the purpose of serving document under the Companies Act 1956 :

1. I/We give our consent to the company to use my / our email id registered in my/our demate account with the depository, for serving of documents by the company, under The Companies Act 1956. (Please tick mark in the appropriate box below.)

Yes

No

2. Kindly use the email id given below for serving of documents by the company, under the Companies Act 1956.

E-mail id.....

3. I/We use the email id given below for serving of documents by the company, under the Companies Act 1956.

Yes

No

Thanking you

Yours faithfully

Sole/First Holder Name

Signature

DPID/CLIENT ID

BOOK POST

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