

**ANNUAL REPORT**

**PARMESHWARI SILK**  
**MILLS LIMITED**

**YEAR 2012-2013**



# ***PARMESHWARI SILK MILLS LIMITED***

Regd. Office: Village - Bajra, Rahon Road, Ludhiana

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## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 21<sup>th</sup> Annual General Meeting of the members of M/s Parmeshwari Silk Mills Limited, will be held at the Registered Office at: Village- Bajra, Rahon Road, Ludhiana on Monday the 30<sup>th</sup> day of September, 2013, at 11:30 A.M. to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31<sup>st</sup> March 2013 and Profit & Loss Account for the period ended on that date along with Report of Auditors and Directors thereon.
2. To appoint a Director in place of Sh. Jatinder Pal Singh who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Smt. Kuljeet Kaur who retires by rotation and being eligible offers herself for reappointment.
4. To appoint Auditors and to fix their remuneration.

Place : Ludhiana  
Dated : 1<sup>th</sup> August, 2013

By order of the Board of Directors

Sd/-  
(Jatinder Pal Singh)



## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOUR BEFORE THE MEETING. THE BLANK PROXY FORM IS ENCLOSED.
2. The Register of Members and Share Transfer Books will remain closed from Saturday i.e. 28<sup>th</sup> September 2013 to Monday the 30<sup>th</sup> September 2013 (both days inclusive).
3. The audited Balance Sheet as at 31<sup>st</sup> March 2013 and the Profit & Loss Account for the year ended on that dated along with the reports thereon of the Auditors and Directors are enclosed. Queries relating to the Accounts must be sent to the Company at its registered office at least seven days before the date of the meeting.
4. Members/Proxies are requested to bring their copies of Annual Reports, as the same will not be distributed at the meeting.
5. Re-appointment of Directors:

At the ensuing annual general meeting Sh. Jatinder Pal Singh and Smt. Kuljeet Kaur will retire and being eligible offer themselves for reappointment. Sh. Jatinder Pal Singh is 56 years of age with vast experience in the textile industry. Moreover, he is associated with the company since 1993 with active involvement in its day to day working. His re appointment as a director will be in the company's overall interest. Further Smt. Kuljeet Kaur who is associated with the company since 2005 is about 55 years of age. She is having vast business experience which will be beneficial for the company as a whole. Thus, her re-appointment on the Board will be positive for the company.



# PARMESHWARI SILK MILLS LIMITED

Regd. Office: Village - Bajra, Rahon Road, Ludhiana

## DIRECTORS' REPORT

Your Directors are glad to present the 21<sup>th</sup> Annual Report of the Company on the affairs of the Company for the year ended 31<sup>st</sup> March, 2013.

### 1. FINANCIAL RESULTS

	Rs. in Lac	
	31 <sup>st</sup> March 2013	31 <sup>st</sup> March 2012
Revenue from operations	6394.87	5502.93
Other Income	12.16	7.15
Financial Costs	356.41	305.02
Depreciation & Amortization Expenses	114.39	107.07
Profit before tax	88.94	85.00

Your directors are happy to report that the company's performance has improved during the year as compared to last year. Sales has increased along with simultaneous increase in profits before tax. Your directors are hopeful that the company will perform better in the months to come.

### 2. DIVIDENDS

In order to conserve the resources for future growth, your directors do not recommend any dividend.

### 3. DIRECTORS

Sh. Jatinder Pal Singh Director retires by rotation and being eligible offers himself for reappointment. Further Smt. Kuljeet Kaur, director retires by rotation and being eligible offers herself for reappointment.

### 4. AUDITORS

The Auditors M/s Davinder Pal Singh & Company Chartered Accountants will hold office until the conclusion of ensuing Annual General Meeting. Being eligible they offers themselves for reappointment. So, they are recommended for re-appointment. The company has received a certificate from them to the effect that their re-appointment if made will be within the limits specified in Section of Section 224 of the Companies Act, 1956.

### 5. COMMENTS ON AUDITORS' REPORT

The notes on accounts referred to in the auditor's report are self explanatory and therefore do not call for any further comment.



## **6. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO**

The Information on conservation of energy, technology, absorption and foreign exchange earning and out go has been annexed here to and forms part of this report.

## **7. LISTING OF SHARES**

The company's securities continued to be listed at Ludhiana and Delhi Stock Exchanges.

## **8. PARTICULARS OF EMPLOYEES U/S 217 (2A) OF THE COMPANIES ACT, 1956**

The information in respect of particulars of employees u/s 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 may be treated as NIL.

## **9. COMPANIES COMPLIANCE CERTIFICATE**

The compliance Report issued by the Practising Company Secretary as provided under Section 383A of the Companies Act, 1956 has been enclosed being part of this report.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Director of your Company state: -

- (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 this 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.



## 11. ACKNOWLEDGMENT

Your Directors are thankful to all business constituents and staff members for their continued support during the year.

Place : Ludhiana  
Dated : 1<sup>st</sup> August, 2013

For and on behalf of the  
Board of Directors

Sd/-  
(Jatinder Pal Singh)

Sd/-  
(Kuljeet Kaur)



## REPORT ON CORPORATE GOVERNANCE

Corporate Governance Policies recognize the importance of the transparency to all its constituents including employees, customers, investors and the regulatory authorities and of demonstrating that the shareholders are the ultimate beneficiaries of the Company's economic activities.

Parmeshwari Silk Mills Limited's Corporate Governance philosophy encompasses not only regulatory and legal requirements, including the SEBI Regulations in respect of corporate governance, but also other practices aimed at business ethics, effective supervision and enhancement of value for all shareholders. Parmeshwari Silk Mills Limited's role, function, responsibility and accountability are clearly defined. In addition to its primary role of monitoring corporate performance, the function of the Board includes approving a business plan, reviewing and approving annual budgets and borrowing limits, fixing exposure limits and ensuring that our shareholders are kept informed about our plans, strategies and performance. To enable the Board of Directors to discharge these responsibilities effectively, the management provides detailed reports on performance to the board on a quarterly basis.

The Board of Directors also functions through various Committees such as the Audit Committee, and the Shareholders'/Investors Grievance Committee. These committees meet on regular basis. Your Company understands that the customer is the purpose of our business and every customer is an important stakeholder of your Company, performing ethically and efficiently to generate long term value and wealth for all its stakeholders. The Report on Corporate Governance, as per the applicable provisions of Clause 49 of the Listing Agreement is as under:

### 2) BOARD OF DIRECTORS

#### (i) Composition of the Board

The Board has optimum combination of Promoter, Executive and Non Executive Directors. None of the Directors on the board are members on more than 10 committees and chairman of more than 5 committees (as specified in clause 49 of the Listing agreement), across all the companies in which they are Directors. The directors have made the necessary disclosures regarding committee memberships. The composition of the Board and other relevant details relating to Directors as on 31<sup>st</sup> March, 2013 are given below:

Name of the Director	Designation	Category	Directorship of other Companies	Membership/ Chairmanship in Board Committees
Kuljeet Kaur	Whole Time Director	Executive	2	-
Jatinder Pal Singh	Whole time Director	Executive	2	2
Prabhpreet Kaur	Whole time Director	Executive	0	-
Ajinder Pal Singh	Whole Time Director	Executive	2	-



(ii) **Number of Board Meetings held and attended by Directors**

1. During the year under review 11 (Eleven) meetings of the Board of Directors were held and gap between two meetings did not exceed four months. The dates of which the Board Meetings were held are as follows: 28/04/2012, 30/05/2012, 04/07/2012, 13/07/2012, 31/07/2012, 31/08/2012, 15/09/2012, 30/10/2012, 30/01/2013, 19/02/2013 and 30/03/2013.
2. The attendance record of each of the Directors at the Board Meeting during the year ended on 31<sup>st</sup> March, 2013 and of the last Annual General Meeting are as under:

Name of the Director	No. of Board Meeting Attended	Attendance at the last AGM
Kuljeet Kaur	11	Yes
Jatinder Pal Singh	11	Yes
Prabhpreet Kaur	11	Yes
Ajinder Pal Singh	11	Yes

(iii) **Code of Conduct**

The Board of Directors of the Company has approved and adopted a Code of Conduct for the members of the Board of the Company.

**AUDIT COMMITTEE:**

The Board of Directors has constituted an Audit Committee, comprising of three directors namely Kuljeet Kaur, Jatinder Pal Singh, Prabhpreet Kaur. All the members of the Audit Committee are financially literate. The Committee consists the following:-

The Composition of Audit Committee is as follows:

Name of the Director	Position Held
Jatinder Pal Singh	Chairman
Kuljeet Kaur	Member
Prabhpreet Kaur	Member

During the year under review, four Audit Committee Meetings were held on 30/05/2012, 04/07/2012, 30/10/2012, 30/01/2013.

Details of attendance of each director who attended Meetings of the company are as follows:

Name of the Director	Designation	No. of Meeting held	No. of Meetings attended
Jatinder Pal Singh	Chairman	4	4
Kuljeet Kaur	Member	4	4
Prabhpreet Kaur	Member	4	4



The Audit Committee of Parmeshwari Silk Mills Limited performs the following functions:

1. Oversee the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Reviewing with Management the Annual Financial Statement before submission to the Board.
3. Any change in accounting policies and practices.
4. Major accounting entries based on exercise of Judgment by Management.
5. Qualification in draft audit report.
6. Significant adjustments arising out of audit.
7. The going concern assumption.
8. Compliance with accounting standards.
9. Any related party transaction i.e. transactions with promoters/Management their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.
10. Reviewing the adequacy of internal control systems with Management, external and internal auditors.
11. Reviewing the adequacy of internal audit function and reporting the matter to the Board.
12. Reviewing the Company's financial risk Management policies.
13. Reviewing the findings of internal investigation on suspected fraud or irregularities of failure of internal control systems.

Quarterly results of the company are reviewed & duly approved by the committee.

#### REMUNERATION COMMITTEE:

Constitution of remuneration committee by listed public company pursuant to the listing agreement is voluntary. Presently the Company has not constituted any remuneration committee.

#### DIRECTOR'S REMUNERATION

The company has paid remuneration to the Whole-time Director as approved by the members of the company in the general body meeting. The details of remuneration paid to the Whole-Time Director during the year 2012-13 are given below:

NAME	DESIGNATION	SALARY (RS.)	PERKS (RS.)	TOTAL (RS.)
Ajinder Pal Singh	Whole-time Director	10,20,000/-	----	10,20,000/-
Jatinder Pal Singh	Whole-time Director	10,20,000/-	----	10,20,000/-



Kuljeet Kaur	Whole-time Director	10,20,000/-	----	10,20,000/-
Prabhpreet Kaur	Whole-time Director	6,60,000/-	----	6,60,000/-

Non-executive independent directors have not been paid any remuneration during 2012-13.

**SHAREHOLDERS'/INVESTORS' GRIEVANCES COMMITTEE:**

The Shareholders/Investors Grievances Committee is constituted for good corporate governance. The Composition of Shareholders/ Investors Grievances Committee is as follows:

Name of the Director	Designation	Category
Jatinder Pal Singh	Chairman	Executive
Kuljeet Kaur	Member	Executive
Prabhpreet Kaur	Member	Executive

Details of attendance of each member of Shareholders/ Investors Grievances Committee Meetings of the company are as follows:

Name of the Director	Designation	No. of Meeting held	No. of Meetings attended
Jatinder Pal Singh	Chairman	4	4
Kuljeet Kaur	Member	4	4
Prabhpreet Kaur	Member	4	4

Share transfer requests received by the Company or by its Registrar and Share Transfer Agents are registered within a period of 15 days from the receipt, if the transfer documents are complete in all respects.

The roles and responsibilities of Shareholders/ Investors Grievances Committee are as follows:

**ROLE AND RESPONSIBILITIES:**

The role of Shareholders/ Investors Grievances Committee includes the review of following:

To monitor the process of expeditious transfer of shares or debentures. To monitor and review the shareholders complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc.

To monitor and review from time to time the systems/ procedures relating to processing of transfer of shares, dematerialization/ re-materialization of share certificates, re-issued of share certificates against split, cancellation, consolidation and lost share certificates etc.

To investigate any activity and seek information from any employee of the company, in discharging its duties. To obtain outside legal or professional services, if considered necessary.

To fix the record date for the purposes as required under the Companies act and/or listing agreement. To consider and approve issue of duplicate share certificate in lieu of those reported lost, misplaced, torn, mutilated etc. Any other powers which are specifically delegated by the board from time to time.



#### GENERAL BODY MEETINGS

Details of last three Annual General Meetings are given below:

YEAR	DATE	VENUE	TIME
2011-12	29.09.2012	Village Bajra Rahon Road Ludhiana	11.30 A.M.
2010-11	30.09.2011	Village Bajra Rahon Road Ludhiana	11.30 A.M.
2009-10	30.09.2010	Village Bajra Rahon Road Ludhiana	11.30 A.M.

All resolutions proposed for the above said meetings were duly passed by show of hands.

#### STATUTORY DISCLOSURES:

Transactions of material nature have been entered into by the company with the promoters, directors, their related companies, firms, subsidiaries or relatives etc. in relation to this the disclosure as per accounting standard 18 has been annexed with the balance sheet.

#### DISCLOSURES:

There are no materially significant related party transactions, which have potential conflict with the interest of the Company at large. The details of the Related Party Transactions are placed before the Company's Audit Committee are reviewed by it.

The Company has complied with the requirements of the Stock Exchanges/ Securities and Exchange Board of India/ Statutory Authorities on all matters relating to capital markets, during the last three years.

#### RISK MANAGEMENT:

The Company has in place a Risk Management policy, which lays down a robust and dynamic process for identification and mitigation of risks. This policy has been adopted by the Audit Committee as well as the Board of Directors of the Company. The Audit Committee reviews the risk management and mitigation plan from time to time.



#### STATUS OF COMPLIANCE WITH MANDATORY REQUIREMENTS:

- 1) The Company has Complied with mandatory requirements of clause 49 of the Listing Agreement with the Stock Exchange and applicable and in force till on March 31, 2013.
- 2) Throughout the year management of the Company has not denied to any person to access the audit committee with regard to any governance issue, though the Company has not formed whistle blower policy in place.

#### ANNUAL GENERAL MEETING

Date : 30<sup>th</sup> September, 2013  
Time : 11.30 A.M.  
Venue : Village Bajra Rahon Road Ludhiana Punjab-141007.

#### EXTRA ORDINARY GENERAL MEETING

No Extra Ordinary General Meeting was held during the year under review.

#### RESOLUTION PASSED DURING THE FINANCIAL YEAR 2012-13 BY POSTAL BALLOT:

No resolution was passed by Postal Ballot during the financial year 2014-14.

#### FINANCIAL CALENDER (tentative)

Accounting Year	-	April 1 to March 31 of the following year
Financial Reporting for the First Quarter ending 30 <sup>th</sup> June, 2013	-	on or before 15 <sup>th</sup> of August, 2013
Financial Reporting for the Second Quarter ending 30 <sup>th</sup> Sep., 2013	-	on or before 15 <sup>th</sup> of November, 2013
Financial Reporting for the Third Quarter ending 31 <sup>st</sup> Dec., 2013	-	on or before 15 <sup>th</sup> of Feb., 2014
Financial Reporting for the Fourth Quarter ending And year ending on 31 <sup>st</sup> March, 2014	-	Mid/Last week of May, 2014

#### DATE OF BOOK CLOSURE

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 28.09.2013 to Monday 30.09.2013.

#### LISTING ON STOCK EXCHANGE:

1. Delhi Stock Exchange Ltd., Delhi, DSE House, 3/1 Asaf Ali Road, New Delhi-110002.
2. Ludhiana Stock Exchange Ltd., Feroze Gandhi Market, Ludhiana – 141 001



**SHARE DETAILS:**

Listed at

: Delhi Stock Exchange Ltd., (DSE) &  
Ludhiana Stock Exchange (LSE)**MARKET PRICE DATA**

Stock Code:

Since there is No trading in Securities on the exchanges i.e. LSE and DSE, where the shares of your company are listed, there is no Stock Market Share price Data.

**SECRETARIAL AUDIT**

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, Certificates on half yearly basis have been issued by the Company Secretary in practice for due Compliance of Share Transfer formalities of the Company.

To reconcile the total admitted capital, total issue and listed capital a secretarial audit is carried out by a Practicing Company Secretary on quarterly basis.

**STATUS FOR SHAREHOLDERS' COMPLAINTS FOR THE PERIOD 01.04.2012 TO 31.03.2013**

Complaint received from the shareholders of the company during the year was duly resolved upto the satisfaction of our shareholders & no complaint was pending at the end of financial year.

**SHAREHOLDING PATTERN (DISTRIBUTION SCHEDULE) OF THE COMPANY AS ON 31/03/2013**

Holder's	No. of Shares	% of Total
Promoters		
(a) Indian	1532695	48.50
(b) Foreign		
Non Promoters		
Financial Institution and Banks		
Non-Resident, OCB's, Foreign Banks		
Other Bodies Corporate	661300	20.93
Mutual Funds		
Clearing member		
Public	966305	30.57
<b>Total</b>	<b>3160300</b>	<b>100</b>

**ADDRESS FOR CORRESPONDENCE**

Mr. Jatinder Pal Singh

Whole Time Director &amp; Compliance Officer

Village Bajra Rahon Road Ludhiana

Phone no.: 161-2691873

E-mail ID: [psmltex@gmail.com](mailto:psmltex@gmail.com)



**DECLARATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, all Board members and Senior Management Personnel have affirmed compliance with Parmeshwari Silk Mills Limited's Code of Business Conduct and Ethics for the year ended 31st March, 2013.

For Parmeshwari Silk Mills Limited

Date: 01.08.2013  
Place: Ludhiana

Sd/-  
**(Jatinder Pal Singh)**  
Whole Time director  
DIN 01661864

Sd/-  
**(Kuljeet Kaur)**  
Whole Time Director  
DIN: 01661755



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We submit herewith the Management discussion and analysis report on the business of the Company as applicable to the extent relevant.

### **INDUSTRY OUTLOOK**

The Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textiles industry also plays a vital role through its contribution to industrial output, employment generation, and the export earnings of the country.

### **OPPORTUNITY**

The most significant change in the Indian textile industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe. The future outlook for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade

### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial statements have been prepared in accordance with the requirements of the Companies Act, 1956 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Account and other financial statements forming part of this annual report.

### **HUMAN RESOURCE DEVELOPMENT**

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation.

Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

**By Order of the Board of Directors**

**For PARMESHWARI SILK MILLS LIMITED**

Date: 01.08.2013

Place: Ludhiana

Sd/-  
(Jatinder Pal Singh)  
Whole Time director  
DIN 01661864

Sd/-  
(Kuljeet Kaur)  
Whole Time Director  
DIN: 01661755



## Auditor Report

To the Members of  
Parmeshwari Silk Mills Limited.

We have audited the accompanying financial statements of M/s Parmeshwari Silk Mills Limited, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



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

2. As required by section 227(3) of the Act, we report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

g) The company has not provided for deferred tax liability on account of difference between w.d.v. as per income tax Act and companies Act.

For Davinder Pal Singh and Co.  
Chartered Accountants

Sd/-

Davinder Pal Singh

(Partner)

Membership No. :086596

FRN:007601N

Place:Ludhiana

Date:01.08/2013



The Assurance referred to in paragraph 1 of the Our Report of even date to the members of M/s Parmeshwari Silk Mills Limited. on the accounts of the company for the year ended 31st March, 2013. On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.

2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.

(c) The terms and conditions of the loans and rate of interest are prime facie not prejudicial to interest of the company.

(d) The repayment of the principal and interest is regular as per terms of loan.

(e) There is no overdue amount.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories and fixed assets and payment for expenses and for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) As per information and explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act exceedeeng Rs. five lacs rupees in a financial year



has been made at prices which are reasonable having regard to the prevailing market prices at the relevant time .

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.

7. As per information and explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.

8. As per information and explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes .

10. The Company does not have any accumulated losses and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.

14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds and other Investments.

15. According to the information and explanations given to us, the Company has given guarantees for loan taken by his sister concern M/s Ramtex Exports.

16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.

17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.

19. The Company has no outstanding debentures during the period under audit.



21. The Company has not raised any money by public issue during the year.

22. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Davinder Pal Singh and Co.

Chartered Accountants

Sd/-

Davinder Pal Singh

(Partner)

Membership No. :086596

FRN/007601N

Place Ludhiana

Date: 01/08/2013



## AUDITOR'S CERTIFICATE

**PARMESHWARI SILK MILLS LIMITED**

We have examined the compliance of conditions of corporate governance by **PARMESHWARI SILK MILLS LIMITED** for the year ended on 31<sup>st</sup> March 2013 as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In view and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreement as required by the guidance note issued by the Institute of Chartered Accountants of India. We have to state that no investor grievance relating to the shares is pending for a period exceeding one month against the company as per the records made available to us.

For M/s Davinder Pal Singh & Co.  
Chartered Accountants

Sd/-

(Davinder Pal Singh)  
(Partner)  
M. No.086596  
FRN-007601N

Date: 01.08.2013  
Place: Chandigarh



## CERTIFICATION BY CHAIRMAN FOR FINANCIAL YEAR 2012-13

Jatinder Pal Singh Whole Time Director looking after the finance functions certify that:

I have reviewed the financial statements and cash flow statement for the year ended 31<sup>st</sup> March 2013 to the best of my knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

(iii) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March 2013 are fraudulent, illegal or violative of the Company's code of conduct.

(iv) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

(v) There has not been any significant change in internal control over financial reporting during the year under reference;

(vi) Changes in accounting policies during the year have been disclosed in the notes to the financial statements; and

(vii) I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**By Order of the Board of Directors  
For Parmeshwari Silk Mills Limited**

Date: 01.08.2013  
Place: Ludhiana

Sd/-  
(Jatinder Pal Singh)  
Whole Time Director

## COMPLIANCE WITH CODE OF CONDUCT

I, Jatinder Pal Singh, Whole Time Director of the Company hereby certify that all the Directors and the Sr. Management Personnel have affirmed compliance of the Code of Conduct of the Company for the Financial Year ended March 31, 2013.

**By Order of the Board of Directors  
For Parmeshwari Silk Mills Limited**

Date: 01.08.2013  
Place: Ludhiana

Sd/-  
(Jatinder Pal Singh)  
Whole Time Director



## Independent Auditor's Report

To the Members of

Parmeshwari Silk Mills Limited.

We have audited the accompanying financial statements of M/s Parmeshwari Silk Mills Limited, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

2. As required by section 227(3) of the Act, we report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.





The company has not provided for deferred tax liability on account of difference between  
w.d.v. as per income tax Act and companies Act.

For Davinder Pal Singh & Co

Chartered Accountants

FRN:007601N

Davinder Pal Singh

(Partner)

Membership No. :086596

Place:Ludhiana.

Date:01.08/2013.





The Annexure referred to in paragraph 1 of the Our Report of even date to the members of M/s Parmeshwari Silk Mills Limited. on the accounts of the company for the year ended 31<sup>st</sup> March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.

2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.

(c) The terms and conditions of the loans and rate of interest are prime facie not prejudicial to interest of the company.

(d) The repayment of the principal and interest is regular as per terms of loan.

(e) There is no overdue amount.





4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act exceeding Rs. five lacs rupees in a financial year has been made at prices which are reasonable having regard to the prevailing market prices at the relevant time .
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2013 for a period of more than six months from the date they became payable .
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes .
10. The Company does not have any accumulated losses and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.





12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments.
15. According to the information and explanations given to us, the Company has given guarantees for loan taken by his sister concern M/s Ramtex Exports.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Davinder Pal Singh & Co.

Chartered Accountants



Davinder Pal Singh

Place:Ludhiana.

Membership No. :086596 (Parner)



M/s PARMESHWARI SILK MILLS LIMITED  
LUDHIANA  
BALANCE SHEET AS ON 31.03.2013

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
1	2	3	4
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) <u>Share capital</u>	1	24,909,000.00	24,909,000.00
(b) <u>Reserves and surplus</u>	2	120,362,692.94	105,420,871.80
(c) Money received against share warrants		-	-
<b>2 Share application money pending allotment</b>			
<b>3 Non-current liabilities</b>			
(a) <u>Long-term borrowings</u>	3	84,858,078.40	82,007,815.93
(b) <u>Deferred tax liabilities (Net)</u>		353,787.03	353,787.03
(c) <u>Other Long term liabilities</u>	4	-	-
(d) <u>Long-term provisions</u>	5	-	-
<b>4 Current liabilities</b>			
(a) <u>Short-term borrowings</u>	6	186,323,319.88	177,264,739.30
(b) <u>Trade payables</u>	7	67025874.03	105,371,649.43
(c) <u>Other current liabilities</u>	8	17,932,757.37	2,046,954.40
(d) <u>Short-term provisions</u>	9	8,094,920.79	7,248,038.35
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Fixed assets</b>			
(i) <u>Tangible assets</u>	10	155,001,216.94	150,437,861.68
(ii) <u>Intangible assets</u>		-	-
(iii) <u>Capital work-in-progress</u>		-	-
(iv) <u>Intangible assets under development</u>		-	-
(b) <u>Non-current investments</u>	11	-	-
(c) <u>Deferred tax assets (net)</u>		-	-
(d) <u>Long-term loans and advances</u>	12	917,850.00	917,850.00
(e) <u>Other non-current assets</u>	13	959,139.00	1,099,105.00
<b>2 Current assets</b>			
(a) <u>Current investments</u>	14	-	-
(b) <u>Inventories</u>	15	146,179,098.00	168,243,688.00
(c) <u>Trade receivables</u>	16	186,495,318.46	169,426,783.47
(d) <u>Cash and cash equivalents</u>	17	5,162,748.50	6,792,440.92
(e) <u>Short-term loans and advances</u>	18	7,524,421.54	3,740,922.17
(f) <u>Other current assets</u>	19	7620638.00	3964205.00
<b>TOTAL</b>		<b>509,860,430.44</b>	<b>504,622,856.24</b>
		0.00	0.00

Note:  
This is the balance sheet subject to our report of even date

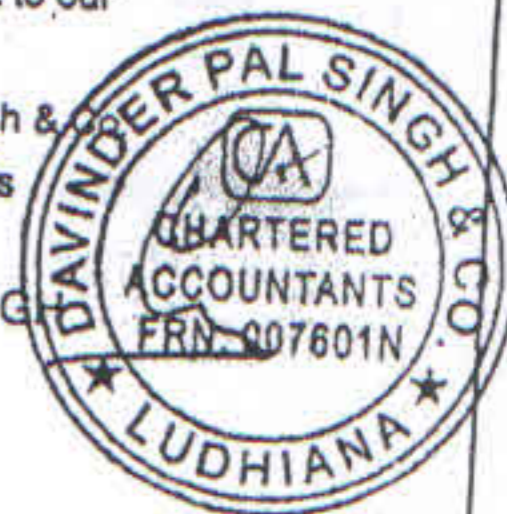
For Parmeshwari Silk Mills Limited  
*Ajinderpal Singh*  
Director

Place Ludhiana  
Date 1/8/2013

For Davinder Pal Singh & Co  
Chartered Accountants

DAVINDERPAL SINGH  
(Partner)

M.NO. 086596  
FRN :- 007601N





Income Statement for the Year 31.03.2013

Particulars	Refer Note No.	Figures for the current reporting period	Figures for the previous reporting period
I. Revenue from operations			
Profit On Sale Of Asset	20	639487708.38	550293458.00
II. Other income		40000.00	
	21	1216484.46	715107.10
III. Total Revenue (I + II)		640744192.84	551008565.10
IV. Expenses:			
Cost of materials consumed			
Purchases of Stock-in-Trade	22	325570040.19	287484767.00
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		326386009.19	331204165.00
Employee benefits expense		22938409.00	-43719398.00
Finance costs	23	15026541.00	12494075.00
Depreciation and amortization expense	24	35641884.41	30502193.51
Manufacturing Expenses		11439980.00	10707211.00
Repair & Maintainance	25	186659016.26	172457811.35
Office & Administration Expenses	26	2395500.00	2137967.61
Selling & Distribution Expenses	27	11692448.85	9548455.93
Other expenses	28	19637836.00	16986331.00
Loss on Sale of Assets		848032.00	189058.00
Total expenses		631849687.71	542507870.40
V. Profit before exceptional and extraordinary items and tax (III-IV)		8894505.13	8500694.80
VI. Exceptional Items		0.00	0.00
VII. Profit before extraordinary items and tax (V - VI)		8894505.13	8500694.80
VIII. Extraordinary Items		0.00	0.00
IX. Profit before tax (VII- VIII)		8894505.13	8500694.80
X Tax expense:			
(1) Current tax		3874800.00	3083501.00
(2) Prior Period Tax		129388.00	353787.03
XI Profit (Loss) for the period from continuing operations (IX - X)		5090317.13	5063406.77
XII Profit/(loss) from discontinuing operations		0.00	0.00
XIII Tax expense of discontinuing operations		0.00	0.00
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		0.00	0.00
XV Profit (Loss) for the period (XI + XIV)		5090317.13	5063406.77
XVI Earnings per equity share:			
(1) Basic		2.79	2.78
(2) Diluted			

For Parmeshwari Silk Mills Limited

*Davinder Pal Singh*

Director Director

Place Ludhiana

Date :01/08/2013

Note:

This Income Statment subject to our report of even date

For Davinder Pal Singh & Co  
Chartered Accountants

DAVINDERPAL SINGH  
(Partner)

M.NO. 086596

FRN :- 007601N





Note 1(a) Disclosure pursuant to Note no. 6(A)(a) of Part I of Schedule VI to the Companies Act, 1956

Share Capital	As at 31 March 2013		As at 31 March 2012	
	Number	Amount	Number	Amount
<b>Authorised</b>				
___% preference shares of ___ each				
Equity Shares of Rs. 10/- each				
	3,500,000.00	35,000,000.00	3,500,000.00	35,000,000.00
<b>Issued</b>				
___% preference shares of ___ each				
Equity Shares of Rs. 10/- each				
<b>Subscribed &amp; Paid up</b>				
___% preference shares of ___ each				
18215000 Equity Shares of Rs. 10/- each fully paid	1,821,500.00	18,215,000.00	1,821,500.00	18,215,000.00
<b>Subscribed but not fully Paid up</b>				
___% preference shares of ___ each, not fully paid up				
13388000 Equity Shares of Rs.10/- each, Rs. 5 paid up	1,338,800.00	6,694,000.00	1,338,800.00	6,694,000.00
<b>Total</b>	<b>3,160,300.00</b>	<b>24,909,000.00</b>	<b>3,160,300.00</b>	<b>24,909,000.00</b>





**M/s PARMESHWARI SILK MILLS LIMITED**  
**LUDHIANA**

Note 1(b) Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956  
(Following disclosure should be made for each class of Shares)

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	31603000.00	24909000.00	Nil	Nil
Shares Issued during the year	0.00	0.00		
Shares bought back during the year	0.00			
Shares outstanding at the end of the year	31,603,000.00	24,909,000.00	Nil	Nil

Note 1 (C) Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956

**Not Applicable**

Equity Shares (Previous year) are held by \_\_\_\_\_, the holding company.  
Above disclosure is required for each class of Shares held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate.

Note 1(d) Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (if more than 5%)

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jatinder Pal Singh	284950	9.02	170530	5.40
Paramjit Singh	0		223310	7.07
Prabhpreet Kaur	161113	5.10	161113	5.10
Satnam Singh	218117	6.90	218117	6.90
Jay Ess Finvest (P) Ltd.	240000	7.59	240000	7.59
Maan Silk Mills Pvt. Ltd	240000	7.59	240000	7.59
DB Merchant Banking Services Ltd.	497300	15.74	497300	15.74
Sanjeev Singh	198900	6.29	198900	6.29

Note 1(e) Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 1956  
(Following disclosure should be made for each class of Shares)

Particulars	Year (Aggregate No. of Shares)				
	2011-12	2010-11	2009-10	2008-09	2007-08
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil
<b>Preference Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	N.A.	N.A.	N.A.	N.A.	N.A.
Fully paid up by way of bonus shares	N.A.	N.A.	N.A.	N.A.	N.A.
Shares bought back	N.A.	N.A.	N.A.	N.A.	N.A.

Note 1(f) Disclosure pursuant to Note no. 6(A)(k) of Part I of Schedule VI to the Companies Act, 1956

Unpaid Calls	2012
By Directors	Nil
By Officers	Nil





**PARMESHWARI SILK MILLS LIMITED, LUDHIANA**

**ANNEXURE-XVIII**

**NOTES ON ACCOUNTS FORMING PART OF BALANCE SHEET AS ON 31.03.2013**

1. Contingent Liabilities :: NIL
2. Depreciation has been charged on S.L.M method during the year.
3. Debit & Credit balance are subject to confirmation from parties.
4. Previous year figures have been recast/regrouped wherever necessary to make them comparable with current year figures.
5. Notes I to XXVIII forming integral part of balance sheet & profit and loss account and have been authenticated as such.
6. Additional information required as per Part-II of Schedule VI of the Companies Act, 1956.

a) <u>SALES:</u>	<u>VALUE (RUPEES)</u>
Sale	639487708.38

b) RAW MATERIAL CONSUMED

Raw Material Consumed	325570040.19
-----------------------	--------------

- c) Expenditures on employees drawing remuneration not less than Rs. 6,00,000/- p.a. and employed throughout the year and on employees drawing remuneration not less than Rs.50,000/- Per month and employed for part of the year ::

- S.Ajinderpal Singh	Rs.1020000/-	Salary
- S.Jatinderpal Singh	Rs.1020000/-	Salary
- Smt. Kuljit Kaur	Rs.1020000/-	Salary
S.Savinderpal Singh	Rs.1020000/-	Salary
S.Mandeep Singh	Rs.1020000/-	Salary
- Prabhpreet Kaur	Rs.660000/-	Salary
Dilpreet Kaur	Rs.660000/-	Salary





d) C.I.F. value of Imports :: Rs.5629648.00

e) Production data is available as the company is maintaining stock records. As Per Annexure

g) Bifurcation of material and stores consumed.

<u>INDIGENOUS</u>		<u>PERCENTAGE</u>
Raw Material	Rs. 319958441.19	100%
Stores & Spares	Rs. 1455000.00	100%

h) Expenditure in foreign Currency :: Rs.579732.00 (Travelling Expenses)  
Rs.583731.00 (Commission)

**AUDITOR'S REPORT**

As per our report of even date.

For **DAVINDER PAL SINGH & CO.,**  
CHARTERED ACCOUNTANTS

Place : Ludhiana  
Date : 01/08/2013





**PARMESHWARI SILK MILLS LIMITED**

Regd. Office: Village- Bajra , Rahon road, Ludhiana  
Email id:my.client123@gmail.com, CIN-L17116PB1993PLC012917

**ATTENDANCE SLIP**

(Please present this slip at the entrance of the meeting venue)

Regd. Folio. ....

Shares held .....

I hereby record my presence at the Annual General Meeting of the company to be held Monday, the 30<sup>th</sup> September, 2013 at 11.30 A.M at Village- Bajra , Rahon road, Ludhiana

Name of the Shareholder :

Name of the Proxy :

Signature of member/proxy :

Note : 1) To be signed at the time of handing over this slip.  
Members are requested to register their names at least 15 minutes prior to the commencement of the meeting.



**PARMESHWARI SILK MILLS LIMITED**

Regd. Office: Village- Bajra , Rahon road, Ludhiana  
Email id:my.client123@gmail.com, CIN-L17116PB1993PLC012917

**PROXY FORM**

I/We.....  
..... of .....  
being a member/members of the above named company hereby appoint  
..... as my/our proxy  
of .....  
to vote for me/us on my/our behalf at the Annual General Meeting of the company to be held on  
Monday, the 30<sup>th</sup> September, 2013 at 11.30 A.M at Village- Bajra , Rahon road, Ludhiana.

**Affix  
1 Re.  
Stamp**

Signed this..... day of \_\_\_\_\_ 2013.

- NOTE :**
- a) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself.
  - b) Proxy need not be a member.
  - c) The proxy form duly completed should be deposited at the registered office of the company not less than 48 hours before the time fixed for holding the meeting.