

P.M. Telelinnks Limited

**31st
Annual Report 2010 - 2011**

AUDITORS :

M/s. G. Ram Mohan & Co.
Chartered Accountant
7/A, 1st Floor,
Vengal Rao Nagar,
Hyderabad-500038

BANKERS :

KOTAK MAHINDRA BANK
Raj Bhavan Road,
Somajiguda, Hyderabad.

INDIAN BANK

Karan Centre, S.D. Road,
Secunderabad.

REGISTERED OFFICE

1-7-241/11/D, S.D. Road,
Secunderabad-500003-A.P.

G.P. SURANA

Managing Director

Directors :

Ravi Surana
C. Raj Kumar
P. Chandra Mohan Rao
(Addl. Director)

**31st
Annual Report
2010 - 11**

NOTICE

NOTICE is hereby given that the Thirty First Annual General Meeting of the members of the PM Telelinnks Limited will be held on the 30th day of September, 2011 at 11.30 A.M. at the Registered office of the company, at 1-7-241/A/1, S.D.ROAD, Secunderabad-500003. Andhra Pradesh to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Balance Sheet as on 31st March 2011 and Profit and Loss Account for the period ended 31st March 2011 together with Auditor's Report and Directors' Report thereon.
2. To appoint a Director in place of Sri G.P. Surana who retires by rotation and being eligible, offers him self for re-appointment.
3. To appoint Auditors of the company and to fix their remuneration.

To consider and if thought fit to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. G. Ramamohan & Co, Chartered Accountants, Hyderabad be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting of the Company till the conclusion of next Annual General Meeting of the Company on such remuneration including out of pocket expenses as may be approved by the Board of Directors of the Company."

Date: 2nd SEPTEMBER, 2011
Place: Secunderabad

By the order of the Board for
P M TELELINNKS LIMITED
Sd/-
(G.P.SURANA)
MANAGING DIRECTOR

NOTES:

1. A member who is entitled to attend and vote is entitled to appoint a proxy to attend and on poll to vote instead of himself/herself and such proxy need not be a member.
2. The proxy, in order to be effective, shall be lodged with the Company's Registered Office at least 48 hours before the commencement of the meeting.
3. Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2011 to 30.09.2011 (Both days inclusive) for the purpose of Annual General Meeting.
4. Members intending to seek any clarifications at the Meeting regarding accounts and operations of the Company are requested to send their questions in writing to the Secretarial Department so as to reach the Company at least 7 days in advance before the Date of the Meeting, specifying the points.
5. Members are requested to notify promptly any change in their address to the Company/ Depository Participants i.e., Aarathi Consultants Pvt Ltd., 1-2-285, Domalguda, Hyderabad - 500 029, Registrars & Share Transfer Agents of the Company.
6. Shareholders holding shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
7. The Company's equity shares are listed on the Mumbai Stock Exchange, Phirozee Jeejeeboy Towers, Dalal Street, Fort, Mumbai - 400 001.
8. Members are requested to bring Annual Report with them for the Meeting. No copies of Annual Report will be distributed at the meeting.

Date: 2nd SEPTEMBER, 2011
Place: Secunderabad

By the order of the Board for
P M TELELINNKS LIMITED
Sd/-
(G.P.SURANA)
MANAGING DIRECTOR

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 311, 314, 320 and other applicable provisions if any, of the Companies Act, 1956 read with Schedule XIII thereof as amended up to date, subject to applicable approvals as may be necessary to this regard pursuant to the approval of the Board of Directors at their meeting the consent of the Company be and is hereby accorded to appoint Sr P.Chandra Mohan Rao, as an independent Director for a period of One Year."

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT OF HE SPECIAL BUSINESS ITEM:

Item No: 4

Sri P.Chandra Mohan Rao was on Board of Diretors earlier. As the Company is of the opinion that his expertise is necessary .. requested him to rejoin the Company as an Independent Director, for which he gracefully agreed upon. The Board of Directors now recommends the resolution for the approval of the Members.

Non of the Directors' are directly or indirectly interested in this Resolution.

Date: 2nd SEPTEMBER, 2011
Place: Secunderabad

By the order of the Boardfor
P M TELELINNKS LIMITED
Sd/-
(G.P.SURANA)
MANAGING DIRECTOR

P.M. TELELINNKS LIMITED

1-7-241/11/D, S.D. ROAD, SECUNDERABAD-500003

DIRECTOR'S REPORT

To
The Members,

Your Directors hereby present the 30th Annual Report of the Company together with the Audited Financial Statement of Accounts for the period ended on 31st March 2011.

FINANCIAL RESULTS:

The performance during the year is as under

	CURRENT YEAR 31.03.2011 (Rs. in lakhs)	PREVIOUS YEAR 31.03.2010 (Rs. In lakhs)
Sales	2281.18	0
Other income	7.71	34.20
Profit before Depreciation, Interest and Exceptional items	141.28	17.91
DEDUCT		
Depreciation	0	0
Interest	0	0
Profit before tax, prior period and extraordinary items	141.28	17.91
Prior period adjustments	0	0
Extraordinary items	0	0
Provision for taxation (net of deferred tax adjustment)	0	0
Profit after tax	141.28	17.91
Income tax of earlier years	0	0
Surplus brought forward from last year	(2385.64)	(2403.56)
Balance available for appropriation	—	—
APPROPRIATION		
Proposed Dividend	—	—
Transfer from General Reserve	—	—
Balance c/f to Balance Sheet	(2244.36)	(2385.64)

OPERATIONAL AND FINANCIAL PERFORMANCE

Your Directors have to inform you that your Company has achieved a sale turnover of Rs 2281.18 Lacks, (Previous Year Rs.NIL Lacs) during the year under consideration.

FUTURE OUTLOOK:

The Company is looking for valuable open lands, Farm Houses for Development and sale and also value added goods for trading.

FIXED DEPOSITS

Your Company has not accepted any deposits from the public for the year under review within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

FINANCES

The Company has dismantled absolute machines and industrial sheds and also collected long outstanding dues from debtors and paid of to the secured lender.

AUDITORS & AUDITOR'S REPORT

M/s.G.Ramamohan & Co. Chartered Accountants, Auditors of the company will retire at the ensuing AGM of the Company and being eligible have offered themselves for reappointment for the year 2011-12. The members are requested to consider their reappointment for the year 2011-12 on such remuneration as determined by the board.

DIRECTORS RESPONSIBILITY STATEMENT

As required u/s 217 (2AA) of the Companies Act, 1956, you Directors confirm that:

1. In preparation of Annual Financial Statement of Account for the period ended 31st March 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. Directors have 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 2010-2011 and the profit & loss of the company for that period.
3. Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

CONSTITUTION OF AUDIT COMMITTEE

In accordance with the provisions of Section 292 A of the Companies Act, 1956 read with Clause 49 of Listing Agreement of the Stock Exchanges, the Board of Directors

In accordance with the provisions of Section 292 A of the Companies Act, 1956 read with Clause 49 of Listing Agreement of the Stock Exchanges, the Board of Directors has constituted an Audit Committee with the following members of the Board.

1. Sri Ravi Surana, Chairman
2. Sri G. P Surana, Managing Director
3. Sri C. Raj Kumar, Director

The Audit Committee discharges its duties, performs its functions and exercises its role in terms of provisions of Section 292 A of the Companies Act, 1956 and Clause 49 of Listing Agreement of the Stock Exchanges. The terms of reference of the Audit Committee are those as are governed by the provisions of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement of the Stock Exchanges.

DIRECTORS

Sri G.P. Surana who retires by rotation during the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. It is in the best interests of the Company, your Board of Directors commend for re-appointment of Sri G.P. Surana as a Director of the Company.

STATUTORY INFORMATION

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required to be disclosed under Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are provided as an Annexure forming a part of this Report. Since the manufacturing activities are suspended the compliance reports required under section 271(1)(e) are no longer applicable to the company.

LISTING INFORMATION

The Equity Shares of your company are listed at the Mumbai Stock Exchange. In terms of Clause 38 of Listing Agreement, the listing fees for the financial year 2011-2012 have already been paid.

DEMATERIALIZATION OF SHARES

As the members are aware, your company's shares are tradable compulsorily in electronic form and your company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Limited (CDSL). The members are requested to dematerialize their physical holding in view of various advantages of holding the shares in dematerialized form. The company also follows the transfer cum demat procedure for quick transfer and dematerialization of shares.

M/s Aarathi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad, a registered Depository Participant has been retained as Registrar and Share Transfer Agent.

CORPORATE GOVERNANCE:

Your company has been practicing the principles of good Corporate Governance over the years and the Board of Directors lays strong emphasis on transparency, accountability and integrity. The Company has taken adequate steps to ensure that the conditions of corporate Governance as in clause 49 of the listing agreements of the Stock

Exchanges are complied with. Further a report on Corporate Governance and Auditors Certificate regarding compliance of the conditions of Corporate Governance as stipulated under Clause 49 of the listing agreement with Stock Exchanges is given in the Annual Report.

PARTICULARS OF EMPLOYEES

Information as required to be given under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of the Employees) Rules, 1975, has been provided as an Annexure, which form part of this Report.

ACKNOWLEDGEMENTS

Your Directors convey their sincere gratitude and express their appreciation for the assistance extended by Company's Bankers-Kotak Mahindra Bank Limited, Indian Bank, and various agencies of State and Central Governments for their continued support and guidance. The industrial relations of the Company were cordial throughout the year under review.

Your directors wish to place on record their appreciation for the services rendered by all Officers, Staff and Workmen of the Company. Your Directors would also like to thank all the shareholders who have reposed their confidence on the Company.

By the order of the Board for
P M TELELINNKS LIMITED

Date: 2ND SEPTEMBER 2011
Place: Secunderabad

Sd/-
(G.P.SURANA)
MANAGING DIRECTOR

ANNEXURE TO DIRECTOR'S REPORT

INFORMATION UNDER SECTION 217 (1)(e) OF THE COMPANIES ACT, 1956
READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE
REPORT OF DIRECTORS) RULES, 1988.

(A) CONSERVATION OF ENERGY:

- | | |
|---|-----------------------|
| a) Energy Conservation measures taken | NIL |
| b) Additional Investments and proposals | NIL |
| c) Impact of measures | NIL |
| d) Total Energy Consumption and energy for unit of production as per form "A" | As per FORM-A annexed |

(B) TECHNOLOGY ABSORPTION:

Efforts made in technology absorption as per Form B

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

- | | |
|---|----------------------------------|
| 1. Activities relating to export incentives taken to increase exports, development of new export markets for products and services and export plans | NIL |
| 2. Total Foreign Exchange used and earned Earnings/Expenditure in Foreign Currency | Used: Rs. Nil
Earned: Rs. NIL |

FORM B

Form for Disclosure of particulars with respect to Technology Absorption, Research and Development (R&D).

A) Research and Development (R & D):	
1. Specific areas in which R&D is carried out by the Company	NIL
2. Benefit derived as a result of R&D	NIL
3. Future Plan of Action	Periodical Renovation and Maintenance.
2. Expenditure on R & D	
i) Capital	NIL
j) Recurring	NIL
k) Total	NIL
l) Total R&D expenditure as a percentage	NIL

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts in brief made towards technology absorption, adoption	Nil
2. Benefits derived as a results of the above efforts	Nil
3. In case of imported technology (imported during the last 6 years reckoned from the beginning of the financial year) the following information may be furnished	N.A.
a. Technology imported	N.A.
b. Year of import	N.A.
c. Has the technology been fully absorbed	N.A.
d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	N.A.

ANNEXURE TO DIRECTORS' REPORT

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF THE SEC. 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AS AMENDED UPTODATE AND FORMING PART OF THE DIRECTOR'S REPORT

Name & Designation	Gross Remuneration (Rs. in lakhs)	Qualification	Experience	Dt. of commencement of employment	Age	Last Employment
G.P. Surana Managing Director		BE (Mech)	35yrs	12.08.1996	61yrs	MD to Bhagyanagar Metals Ltd.
b. Persons employed for part of the year	Nil	NIL	NIL	NIL	NIL	NIL

NOTES:

1. Remuneration includes Salary, Allowances, Reimbursement of Medical Expenses, etc.
2. Employment of Sri G.P. Surana, Managing Director is contractual.

Date: 2nd SEPTEMBER, 2011
Place: Secunderabad

By the order of the Board for
P M TELELINNKS LIMITED
Sd/-
(G.P.SURANA)
MANAGING DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS

The Company has very marginal production since 2003. Till then engaged in the manufacture of CRCA Strips, Galvanized and Black Steel Tubes and Headers & accessories for dewatering.

OPPORTUNITES:

In view of the above the company ventured into real estate business and hopes to achieve a break through from the present situation.

THREATS;

The threat for your company is from the market for the real estate.

OUTLOOK;

We are hoping to revive as soon as possible.

INTERNAL CONTROL SYSTEM AND ITS ADEQUANCY;

The Company has adequate internal control systems and procedures with regards to the size and nature of business.

FINANCIAL PERFORMANCE & OPERATIONAL PERFORMANCE:**A. Financial Condition:****Capital Structure:**

There is no change in the Capital Structure of the Company since last AGM.

Reserves and Surplus:

There is no change in reserves and surplus of the Company which stood at Rs.2220 lakhs as in last year.

Fixed Assets:

During the year the absolute and rusted plant and machinery had been disposed off.

Inventories:

Inventories as on 31st March,2011 amounted to Rs 237.37 Lakhs

Sundry Debtors:

Sundry debtors amounted to Rs.199 lakhs .

Cash and bank Balances:

Cash and Bank balances with schedule banks amounting to Rs.2.61 lakhs

Current Liabilities:

Other Liabilities denotes amounts accrued for various operational expenses.

A. Operational Results:**Turnover:**

During the year 2010-2011, the turnover of the company is Rs 2261.18 lakhs.

Expenditure:

During the year the company incurred expenses amounting to Rs 2147.61 lakhs

Depreciation:

The depreciation for the year is not provided as there is no production during the year.

Provision for Tax: (net of differed tax)

No provision has been made for the year under review.

Net Profit:

Profit/(Loss) before Taxation amounted to Rs. 141.28 lakhs.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:

The Company believes that the quality of its employees is the key to its success in the long run and is committed to provide necessary human resource development and training opportunities to equip them with skill, which enables them to adapt to contemporary technological advancements.

Industrial relations during the year continued to be cordial and the company is committed to maintain good industrial relations through negotiations, meetings etc.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results would differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions in the domestic and overseas markets in which the Company operates, changes in the government regulations, tax laws and other statutes and other incidental factors.

AUDITORS' REPORT

To the Members of M/s. P.M. Telelinks Limited.

1. We have audited the attached Balance Sheet of M/s. P.M. TELELINKS LIMITED as at 31st March 2011 and also the Profit and Loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the 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. On the basis of written representation received from the Directors, as at 31st March 2011 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March 2011 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
4. As required by the Manufacturing and other Companies (Auditor's Report) Order, 1988 issued by the central Government of India in terms of Sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
5. Further, we report that:

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
6. In our opinion, and to the best of information and explanations given to us the said accounts read with the notes thereon the going concern assumption of preparation of accounts does hold good.
7. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles accepted in India.

1. In case of Balance Sheet, of the state of affairs of the company as at 31st March 2011.
2. In case of the Profit and Loss Account, the loss for the year ended on that date.
3. In the case of Cash flow statement, of the cash flows for the year ended on that date.

**For G. Ramamohan & Co
Chartered Accountants**

Sd/-

(G.Rama Mohana Rao)

**Place : Secunderabad
Date : 2nd-09-2011**

Proprietor

ANNEXURE REFFRED IN PARAGRAPH (3) OF OUR REPORT OF EVEN
DATE TO THE MEMBERS OF P.M. TELELINKS LIMITED ON THE
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

- i. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The Fixed assets of the company have been physically verified by the Management during the year, which in our opinion is reasonable having regard to the size of the company and nature of the fixed assets. No material discrepancies were noticed as explained to us.
- ii. None of the fixed assets have been revalued during the year.
- iii. The Company has not accepted any deposits to which provisions of Section 58A of the Companies Act, 1956 are applicable.
- iv. As the values of scrap generated is not significant, no quantitative records have been maintained. The Company has no by-products.
- v. The Internal Audit is in existence and is commensurate with the transactions of the Company.
- vi. The maintenance of cost records under section 209(1)(d) has not been prescribed by the Central Government for the Company.
- vii. According to the information and explanations given to us no personal expenses of employees or Directors have been charged to revenue account other than those payable under contractual obligations or in accordance with generally accepted business practice.

**For G. Ramamohan & Co
Chartered Accountants**

**Place : Secunderabad
Date : 02-09-2011**

**Sd/-
(G.Rama Mohana Rao)
Proprietor**

To
The Members of P.M.Telelinnks Limited
Secunderabad

We have examined the compliance of conditions of Corporate Governance by P.M.Telelinnks Limited for the year ended 31.03.2011, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has generally complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no Investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shaholders/ Investors' grievance Committee.

**For G.Ramamohan & Co
Chartered Accountants**

**Sd/-
(G.Rama Mohana Rao)
Proprietor**

**Place : Secunderabad
Date : 02-09-2011**

P.M. TELELINNKS LTD.**BALANCE SHEET AS ON 31ST MARCH 2011**

	SCH.	31.03.2011 Rs.	31.03.2010 Rs.
I. SOURCES OF FUNDS			
1. Share Holders' Funds			
a) Share Capital	1	100,750,000	100,750,000
b) Reserves & Surplus	2	221,974,922	221,974,922
2. Loan Funds			
Un Secured Loans	3	2,794,549	31,897,790
3. Deferred Tax Liability (Net)		4,635,564	4,635,564
TOTAL		330,155,035	359,258,276
II. APPLICATION OF FUNDS			
1. Fixed Assets			
a) Gross Block	4	163,078,118	176,523,878
b) Less Depreciation		116,360,810	116,360,810
c) Net Block		46,717,308	60,163,068
2. Investments	5	56,557	56,557
3. Current Assets Loans & Advances			
Current Assets			
a) Inventories	6	23,736,625	0
b) Sundry debtors	7	19,975,660	9,300,486
c) Cash & Bank balance	8	261,345	223,628
d) Loans & Advances	9	53,393,405	50,950,425
Total (a)		97,367,035	60,474,539
Less: Current Liabilities			
a) Current liabilities	10	38,421,544	0
Total (b)			
Net Current Assets (a - b)		58,945,491	60,474,539
4. Debit Balance of P & L a/c	11	224,435,679	238,564,112
(To the extent not written of or adjusted)			
Notes to Accounts	13		
TOTAL		330,155,035	359,258,276

The Schedules referred to above form an integral part of Balance Sheet.

As per our report of even date attached

For G.Ramamohan & Co.

Chartered Accountants

Sd/-

(G.Rama Mohana Rao)

Proprietor

Place:-Secunderabad

Date:-28.05.2011

Sd/-

G.P.SURANA

Managing Director

Sd/-

RAVI SURANA

Director

P.M. TELELINNKS LTD.
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31.03.2011

	SCH.	YEAR ENDED	
		31.03.2011	31.03.2010
		Rs.	Rs.
INCOME			
Gross Sales			
A) Sales		228,118,448	0
b) Job Work		27,225	0
Miscellaneous Income		744,100	3,420,050
TOTAL		228,889,773	3,420,050
EXPENDITURE			
Purchases		212,208,848	0
Admn. & Maintenance expenses	12	2,552,492	1,628,492
Depreciation	4	0	0
TOTAL		214,761,340	1,628,492
(LOSS)/PROFIT FOR THE YEAR		14,128,433	1,791,558
Prior period Adjustments (Net)		0	0
Depreciation of earlier years written back		0	0
Profit Before Taxation		14,128,433	1,791,558
Provision for Taxation			
Current Taxation		0	0
Less:-Deferred Tax Asset for the current year		0	0
Add:-Additional Deferred Tax Liability on account of change in the method of Depreciation		0	0
Net Provision for Taxation		-	-
Profit after tax		14,128,433	1,791,558
Income tax of earlier years		-	-
Balance B/F from previous year		(238,564,112)	(240,355,670)
AMOUNT AVAILABLE FOR APPROPRIATION		(224,435,679)	(238,564,112)
Provision for dividend		-	-
Provision for tax on dividend		-	-
Current Year		-	-
Earlier Year		-	-
Transfer from General Reserve		-	-
Balance carried to Balance Sheet		(224,435,679)	(238,564,112)
E.P.S.(in Rs.)-See Note-29 of Notes to Accounts			
Notes to Accounts -13			
The Schedules referred to above form an integral part of Profit & Loss Account			
As per our report of even date attached.			

Place:-Secunderabad
 Date:-28.05.2011

G.P.SURANA
 Managing Director

RAVI SURANA
 Director

SCHEDULES TO THE BALANCE SHEET AS ON 31ST MARCH 2011

SCHEDULE	31.03.2011 Rs.	31.03.2010 Rs.
1. SHARE CAPITAL		
AUTHORISED		
12,000,000 (Prev. Year 12,000,000) Equity shares of Rs. 10/- each.	120,000,000	120,000,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
10,075,000 (Prev. Year 10,075,000) Equity shares of Rs. 10/- each fully paid	100,750,000	100,750,000
[Out of the above 723,800 Equity shares have been issued as bonus shares by Capitalisation of General Reserve and Share Premium A/C]		
TOTAL	100,750,000	100,750,000
2. RESERVES AND SURPLUS		
A. Capital Reserve		
<i>a. Revaluation Reserve :</i>		
Balance as per last accounts	2,105,594	2,105,594
Add: on account of revaluation of Land	25,652,697	25,652,697
Balance at the year end	27,758,291	27,758,291
<i>b. Central Subsidy :</i>		
Balance as per last accounts	459,555	459,555
Additions during the year	0	0
Balance at the year end	459,555	459,555
<i>c. Share Premium Account :</i>		
Balance as per last accounts	48,683,004	48,683,004
Additions during the year	0	0
Less: Share issue expenses written off	0	0
Balance at the year end	48,683,004	48,683,004
<i>d. Surplus on Re-issue of forfeited shares:</i>		
Balance as per last accounts	213,500	213,500
Additions during the year	0	0
Balance at the year end	213,500	213,500
<i>e. Surplus on abatement of Long Term Loan</i>	144,860,572	144,860,572
TOTAL	221,974,922	221,974,922
3. UN SECURED LOANS		
	31.03.2011 Rs.	31.03.2010 Rs.
A) From P.M. Telecom	0	38,93,000
B) Deferment of Sales Tax	0	23,084,396
C) Sales Tax liability-others	2,794,549	4,920,394

	31.03.2011	31.03.2010
5. INVESTMENTS		
	Rs.	Rs.
NSC Certificates (Pledged with Govt. Authorities)	56,557	56,557
TOTAL	56,557	56,557
6. INVENTORIES		
Material Stock	23,736,625	0
7. SUNDRY DEBTORS		
	31.03.2011	31.03.2010
	Rs.	Rs.
Unsecured:-		
(A) Debts outstanding for more than six months:		
(a) Considered good	9,300,486	9,300,486
(b) Considered doubtful	10,675,174	0
TOTAL	19,975,660	9,300,486
8. CASH AND BANK BALANCES		
	31.03.2011	31.03.2010
	Rs.	Rs.
A) Cash and cheques in Hand		
Cash at HO	17,130	8,320
	17,130	8,320
b) Balances with Scheduled Banks		
i. In Current accounts	12,781	16,126
iii. Unpaid Dividend a/c	231,434	231,434
TOTAL	261,345	223,628
9. LOANS AND ADVANCES		
[Unsecured Considered good unless otherwise stated]		
TDS Receivable	74,410	0
Advance to Trade suppliers	50,717,900	50,717,900
P.M. Telecom	1,975,565	0
APSEB Voluntary Deposit	41,200	41,200
Sales Tax Deposit	121,500	121,500
Telephone/Telex Deposit	69,825	69,825
VAT Receivable	393,005	0
TOTAL	53,393,405	50,950,425

10. CURRENT LIABILITIES	31.03.2011	31.03.2010
	Rs.	Rs.
Sundry creditors	38,400,544	0
Auditors remuneration payable	21,000	0
TOTAL	38,421,544	0
11. MISCELLANEOUS EXPENDITURE	31.03.2011	31.03.2010
(to the extent not written off or adjusted)	Rs.	Rs.
Profit & Loss Account Debit Balance	224,435,679	238,564,112
	224,435,679	238,564,112
12. ADMN EXPENSES	31.03.2011	31.03.2010
	Rs.	Rs.
Adversement	16,538	71,003
Consultancy Charges	129,971	10,000
Demat Expenses (CDSL and NSDL)	72,892	85,675
Printing & Stationery (Inclu Annual Report)	59,628	5,826
Postage & Telephone Expenses	65,896	3,826
Bombay Stock Exchange	989,264	99,270
Salaries	864,565	81,218
Auditor's Remuneration		
I. Audit Fees	10,000	5,000
ii. Tax Audit Fees	10,000	1,000
iii. Taxation Matters	1,000	2,000
iv . Sales Tax audit	0	1,000
Bank Charges	5,238	520
Other Expenses	124,500	124,500
Security Charges	187,500	167,400
interest payment		84,836
Travelling Expenses	15,500	16,000
Registration fee and Stamp Duty		
Total	2,552,492	1,628,492

P.M. TELELINNKS LTD.**B. SIGNIFICANT ACCOUNTING POLICIES****1. Accounting Convention:**

The Financial Statements are prepared under the Historical Cost Convention method except so far as they relate to the revaluation of certain Fixed Assets in an earlier year.

2. Revenue Recognition :

- a) Sale of goods is recognised at the point of despatch to customers. Sales are inclusive of Excise Duty & Sales Tax.
- b) Discounting Charges on B/Ns are accounted at the point of occurrence.
- c) Other Income is recognised at the point of receipt of consideration

3. Fixed Assets:

- a) Assets revalued in earlier years are stated at revalued cost less depreciation.
- b) Other assets are stated at their original cost less depreciation.
- c) The Cost of Assets is net of Modvat & include directly attributable interest, costs and expenses for bringing the respective assets to the working condition for their intended use.

4. Inventories:

- a) Raw Materials, Work-in-Progress, Stores & Spares and Packing Materials are valued at cost.
- b) Finished goods are valued at lower of Cost (inclusive of Excise Duty) or Net realisable value. The excise duty liability on Finished Goods is provided for in the accounts.
- c) Scrap is valued at Realisable value.

5. Depreciation

Depreciation is not charged during the year

6. Retirement/Tenninal Benefits*:

The Employees of the Company are covered under the Group Gratuity Scheme of LIC of India. The premium paid thereon is charged to Profit & Loss Account. Leave encashment has been provided in the accounts on estimated basis and other benefits if any as decided by the management are charged off to the Profit & Loss Account in the year of payment. No provision has been made for leave encashment as amounts were not ascertainable in the accounts for such benefits, as per the requirements of Accounting Standard XV issued by the Institute Of Chartered Accountants of India. Please refer to Note-23 of "Notes to Accounts".

7. Borrowing Cost

Borrowing Cost attributable to the acquisition and construction of an asset are capitalised as part of the cost of such asset upto the date when such asset is ready for intended use.

8. Investments

Investments are stated at cost.

9. Foreign Currency Transaction

- a) Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction or at the exchange rates under the related Forward Exchange Contracts.
- b) Foreign currency liability/asset covered by forward contracts are stated at the forward contract rate. Foreign Currency liability/asset not covered by forward contracts are restated at the rates prevailing at the year end.
- c) Exchange differences relating to fixed assets are adjusted in the cost of the Asset. Any other exchange differences are dealt with in the Profit & Loss Account.

P.M. TELELINNKS LTD.**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

1. **Accounting Convention:**
The Financial Statements are prepared under the Historical Cost Convention method except so far as they relate to the revaluation of certain Fixed Assets in an earlier year.
2. **Revenue Recognition :**
 - a) Sale of goods is recognised at the point of despatch to customers. Sales are inclusive of Excise Duty & Sales Tax.
 - b) Discounting Charges on Bills are accounted at the point of occurrence.
 - c) Other income is recognised at the point of receipt of consideration
3. **Fixed Assets:**
 - a) Assets revalued in earlier years are stated at revalued cost less depreciation.
 - b) Other assets are stated at their original cost less depreciation.
 - c) The Cost of Assets is net of Modvat & include directly attributable interest, costs and expenses for bringing the respective assets to the working condition for their intended use.
4. **Investments**
Investments are stated at cost.
5. The Total Sales tax deferment Account is Rs.230.84 Lakhs (Previous year Rs. 280.05 Lakhs). The Account is restructured to give correct picture as per the Order Passed by the CTO, S.D.Road Circle, Secunderabad.
6. Depreciation is not claimed as the Fixed Assets are not put to use even for a single day during the relevant Financial Year, and the company will claim the same as and when the BIFR gives its verdict and the company starts its production.
7. **Related Party Disclosures - As required by AS-18 are as:** (a) Relationships:

Category - I - Major shareholders in the Company - Promoters of Company who are holding 41.48% stake.

Category - II - Subsidiaries and Associates of the Company - None.

Category - III - Other related parties where common control exists

Kaveri (India) Ltd.

P.M.Strips Ltd.

Golconda Engg. Enterprises Ltd.

Surana Securities Ltd.

Surana Steels Ltd.

Category - IV- Key Managerial Personnel - Sri G.P.Surana, Managing Director.

Category - V- Relatives of Key Managerial Personnel -Sri G.P.Surana,

Father of Ravi Surana & Dipin Surana.

Category - VI- Key Managerial Personnel -Remuneration

Names of the person Salary & Perks

Sri G.P.Surana, M.D.

(Paid against due to the M.D.)

Total

Category - V- Relatives of Key Managerial Personnel -

8. **Earnings per Share (EPS):-**

	2010-11	2009-10
	In 000's	In 000's
Profit after Tax attributable to ordinary shareholders	1,383	964
Average No .of ordinary shares for Basic EPS	10,075,000	10,075,000
Nominal Value of Ordinary Shares (Rs.)	10.00	10.00
Basic Earnings per Ordinary Share	1.40	0.18

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(As required under part IV c./ the schedule VI c./ the Companies Act, 1956)

I. Registration Details

Registration No. 2644

State Code 1

Balance Sheet 31-03-2011

II. Capital Raised During The Year (Amount In Rs. Thousands)

Public Issue NIL

Right Issue NIL

Bonus Issue NIL

Private Placement NIL

III. Position Of Mobilisation And Deployment Of Funds (Amount In Rs. Thousands)

Total Liabilities 330155

Tmal Assets 330155

SOURCES OF FUNDS

Paid-up Caprtal 100750

Reserves & Surplus 221975

Secured Loans 0

Unsecured Loans 2795

Deferred Tax Liability 4636

APPLICATION OF FUNDS

Net Fixed Assets 46717

Investments 57

Net Current Assets 58945

Misc Expenditure 224436

IV. Performance of the company (Amount in Rs. Rhousands)

Turnover 228890

Total Expenditure 214761

Profit before Tax 14,128

Profit After Tax 14,128

Earning per share 1.40

in Rs. 1.40

Dividend Rate (%) 0

**P.M. TELELINKS LTD.
 SCHEDULE:5 TO THE BALANCESHEET AS ON 31 MARCH 2010
 5. FIXED ASSETS SLM**

Particulars	Gross Block			Depreciation SLM					Net Block	
	Cost as on 01.04.2010	Additions during the Period	Deletions during the year	cost as on 31.03.2011	Up to 01.04.2010	For the Period	Del/Adj	Up to 31.03.2011	As on 31.03.2011	As on 31.03.2011
Free hold land	20,017,830	0	0	20,017,830	0	0	0	0	20,017,830	20,017,830
Factory Buildings	20,850,691	0	0	20,850,691	9,624,335	0	0	9,624,335	11,226,356	11,226,356
Buildings	238,000	0	0	238,000	83,300	0	0	83,300	154,700	154,700
Plant and Machinery	135,417,357	0	13,445,760	121,971,597	106,653,175	0	0	106,653,175	15,318,422	26,764,182
Elec.Installation	0	0	0	0	0	0	0	0	0	0
Office Equipment	0	0	0	0	0	0	0	0	0	0
Furniture & Fixtures	0	0	0	0	0	0	0	0	0	0
Computer	0	0	0	0	0	0	0	0	0	0
	176,523,878	0	13,445,760	193,078,118	116,360,810	0	0	116,360,810	46,717,308	60,163,068

P.M. TELELINNKSL

Cash Flow Statement for the year ended 31 st March 2011

Rs. in Lakhs

	Year ended 31.3.2011	Year ended 31-3-2010
A. Cash Flow from Operations:	141.28	17.92
Net Profit after tax	-	-
Add:- Non-Cash Items:-	-	-
Depreciation of current year	-	-
Depreciation written back	-	-
Provo For Taxation	-	-
Net provision for deferred tax liability	-	-
Loss(Profit) on Sale of Fixed Assets	-	-
Interest Income	-	-
Interest Expense	-	-
Deferred revenue expenses w/off	-	-
	<u>141.28</u>	<u>17.92</u>
Changes in Working Capital		
Increase (Decrease) in Receivables	106.75	-
Increase (Decrease) in Inventories	237.37	-
Increase (Decrease) in Loans & Advances	24.43	-
Increase(Decrease) in Other Trade Current Assets & Current liabilities	-	-
Increase (Decrease) in Provisions	-	-
Cash Generated from Operations	(368.55)	17.92
	<u>(227.26)</u>	
B. Cash Flow from Investing Activities:	-	-
Purchase of Fixed Assets	-	-
Revaluation of Fixed Assets (Land)	-	-
Sale of Fixed ASsets	-	-
Interest Income	-	-
Interest Expense	-	-
Cash Flow from Investing Activities	-	-
	<u>-</u>	<u>-</u>
C. Cash Flow from Finacing Activities:	(291.03)	-
Long Term Borrowings taken/(repaid)	-	-
Increase (Decrease) in Revaluation ReselVe	-	-
Cash Flow from Finacing Activities	(291.03)	-
Cash Flow from Investing Activities	(518.30)	17.92
Net Increase(Decrease) in Cash & Cash Equivalents (A+B+C)	2.24	-
Opening Balance Cash & cash equivalents	2.61	2.24
Closing Balance Cash & cash equivalents		
Net Increase/(Decrease) in Cash	0.38	2.24

P.M. TELELINNKS IMITED 1-7-241/11/D,

S.D.ROAD, SECUNDERABAD-500003

ATTENDANCE SLIP

31st Annual General Meeting-30th September, 2011

DP ID

Reg. Folio No:

CLIENT ID

I certify that I am a member /proxy for the member of the Company. I hereby record my presence at the 31st Annual General Meeting of the Company at Registered Office , 1-7-241/11/D, S.D.ROAD, SECUNDERABAD-500003 at 11-30 A.M., 30th September, 2011

Member/Proxy name in BLOCK LETTERS Member/Proxy Signature

Note: 1. Member/Proxy must bring the Attendance Slip to the Meeting and hand it over , duly signed, at the registration counter.

2. The Copy of the Annual Report may please be brought to the Meeting Hall

3. NO GIF WILL BE GIVEN

P.M. TELELINNKS LIMITED

1-7-241/11/D, S.D.ROAD, SECUNDERABAD-500003

PROXY FORM

DP ID

Reg. Folio No:

Client ID

I/We

of Being A

Member/members of P.M. TELELINNKS LIMITED, hereby appoint

as my/our Proxy to attend and vote for me/us on my/our behalf at the 31st Annual General Meeting

of the Company at Registered Office , 1-7-241/11/D, S.D.Road, Secunderabad-500003 at 11-30

A.M., 30th September, 2011 and at any adjournment thereof.

Signed this day of 2011

Affix 1 Rupee Revenue Stamp and Sign

Note: 1. Proxy need to be a member

Affix 1 Rupee
Revenue
Stamp and
Sign

2. proxy Form, complete in all respects , should reach the Company's Regd Office, 1-7-241/11/D, S.D.Road, Secunderabad-3, not less than 48 Hrs, before the Scheduled Time of the Meeting