

**PASUPATI
SPINNING
& WEAVING
MILLS LTD.**

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July 05, 2013
The Industrial Finance Corpn. of India Ltd.
IFCI Tower,
61 Nehru Place
New Delhi

M (R S)
17/07/13
17/7/13

Dear Sirs,

Re : Submission of Progress Report half year ended 31-3-2013

Enclosed herewith please find the Progress Report in respect of 14% debentures, 15% debentures and 19% debentures for the half year ended 31-3-.2013.

Hope you will find the same in order.

Thanking you,

Yours faithfully,
For PASUPATI SPG & WVG MILLS LTD.,

Rekha Sharma
**REKHA SHARMA
COMPANY SECRETARY**

Encl: AA

(2)

Half Yearly Compliance Report for the period ending 31-3-2013
14% Secured Redeemable Partly Convertible Debentures

A) Compliance in respect to Terms of Debenture Issue

| S.No | Terms of Issue | As per Information Memorandum/Subsription Agreement/Offer document | Status of Compliance as on 31.03.2013 | If fall below stipulated reasons thereof | Action taken by the Company |
|------|----------------------|---|---|--|-----------------------------|
| 1 | Asset Coverage Ratio | No such stipulation in offer document. | 2.13 Times | N/A | N/A |
| 2 | Status of Security | First charge on fixed assets of the company on pari passu basis with other term lenders | First charge on fixed assets of the company on pari passu basis with other term lenders | N/A | N/A |
| 3 | DSCR Requirement | No such stipulation in offer document. However as per BIFR Scheme DSCR is 1.54. | Complied With | N/A | N/A |
| 4 | DRR Requirement | As per guidelines issued by the Central Govt. in this regard from time to time | Complied With | N/A | N/A |
| 5 | Credit Rating | LA | C by CRISIL | See Note below | See Note below |

Note:- In the year 1999-2000, on account of various internal as well as external factors such as adverse market condition, labour unrest, competitive business environment, high debt cost etc the operations and profitability of the company were adversely affected which also resulted non payment of interest and redemption of debentures on due dates. The Company became sick in the year 2002 and was declared as a sick company by BIFR in July 2005 and BIFR appointed Bank of Baroda as operating agency(OA) under section 17(3) of the Act for preparation a rehabilitation scheme. The Hon'ble BIFR finally sanctioned Rehabilitation Scheme vide its order dated 17/2/2012. Pursuant to the terms of Rehabilitation Scheme as approved by the Hon'ble BIFR, all the debenture holders shall be paid 75% of the

For *Paup...* & Weaving Mills Ltd.

REKHA SHARMA
Company Secretary

outstanding principal amount of their debentures in full and final settlement of their claims and such amount shall be paid in 24 equal monthly installments without any interest, liquidated damages or any other charges of whatsoever nature. As per their instructions, the company is regularly making payments to the debenture holders without any default.

After implementation of Rehabilitation Scheme sanctioned by BIFR, the net worth of the company has turned positive due to induction of promoters' contribution, conversion of part of debt into equity, waivers by financial institutions/debentures and improvement in working results of the company.

B) Details of Payment of Interest/Redemption

| S.No. | Due Dates of Interest/redemption during last half year | Interest/Redemption | Status of Payment | If not paid on due date, status as on date |
|-------|---|---|-------------------|--|
| 1 | As per the directions issued by Hon'ble BIFR vide its order dated 17/2/2012, all the debenture holders shall be paid 75% of the outstanding principal amount of their debentures in full and final settlement of their claims and such amount shall be paid in 24 equal monthly installments (Commenced from 31-3-2012) without any interest, liquidated damages or any other charges of whatsoever nature. Since 31-3-2012 company is regularly making payments to the debenture holders. Payment Schedule as per BIFR order:- 24 Equal Monthly Installments of Rs. 150000/- commencing from 31-3-2012. | Rs.28,53,531 /-Paid as per BIFR Order during the Half Year Ending 31-3-2013. | Paid on Due Date. | N/A |


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For Pasupati Spinning & Weaving Mills Ltd.

REKHA SHARMA
Company Secretary

Half Yearly Compliance Report for the period ending 31-3-2013
15% Secured Redeemable Partly Convertible Debentures

| S.No | Terms of Issue | As per Information Memorandum/Subsription Agreement/Offer document | Status of Compliance as on 31.03.2013 | If fall below stipulated reasons thereof. | Action taken by the Company |
|------|----------------------|---|---|---|-----------------------------|
| 1 | Asset Coverage Ratio | No such stipulation in offer document | 2.13 Times | N/A | N/A |
| 2 | Status of Security | First charge on fixed assets of the company on pari passu basis with other term lenders | First charge on fixed assets of the company on pari passu basis with other term lenders | N/A | N/A |
| 3 | DSCR Requirement | No such stipulation in offer document. However as per BIFR Scheme DSCR is 1.54. | Complied With | N/A | N/A |
| 4 | DRR Requirement | As per Section F(d) read with Section N.(1) of the Guidelines and Investor Protection or any other Guidelines/ Statutes as may be applicable from time to time. | Complied With | N/A | N/A |
| 5 | Credit Rating | LA | C by CRISIL | See Note below | See Note below |

Note:- In the year 1999-2000, on account of various internal as well as external factors such as adverse market condition, labour unrest, competitive business environment, high debt cost etc. the operations and profitability of the company were adversely affected which also resulted non payment of interest and redemption of debentures on due dates. The Company became sick in the year 2002 and was declared as a sick company by BIFR in July 2005 and BIFR appointed Bank of Baroda as operating agency(OA) under section 17(3) of the Act for preparation a rehabilitation scheme. The Hon'ble BIFR finally sanctioned Rehabilitation


 ig & Weaving Mills Ltd.
 REKHA SHARMA
 Company Secretary

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Scheme vide its order dated 17/2/2012. Pursuant to the terms of Rehabilitation Scheme as approved by the Hon'ble BIFR, all the debenture holders shall be paid 75% of the outstanding principal amount of their debentures in full and final settlement of their claims and such amount shall be paid in 24 equal monthly installments without any interest, liquidated damages or any other charges of whatsoever nature. As per their instructions, the company is regularly making payments to the debenture holders without any default.

After implementation of Rehabilitation Scheme sanctioned by BIFR, the net worth of the company has turned positive due to induction of promoters' contribution, conversion of part of debt into equity, waivers by financial institutions/debentures and improvement in working results of the company.

C) Details of Payment of Interest/Redemption

| S.No. | Due Dates of Interest/redemption during last half year | Interest/Redemption | Status of Payment | If not paid on due date, status as on date |
|-------|--|--|-------------------|--|
| 1 | As per the directions issued by Hon'ble BIFR vide its order dated 17/2/2012, all the debenture holders shall be paid 75% of the outstanding principal amount of their debentures in full and final settlement of their claims and such amount shall be paid in 24 equal monthly installments(Commenced from 31-3-2012) without any interest, liquidated damages or any other charges of whatsoever nature. Since 31-3-2012 company is regularly making payments to the debenture holders accordingly. Payment Schedule as per BIFR order:- 24 Equal Monthly Installments of Rs. 2,81,000/- commencing from 31-3-2012. | Rs.36,66,936 /-Paid as per BIFR Order during the Half Year Ending 31-3-2013 | Paid on Due Date. | N/A |

For P... & Weaving Mills Ltd.

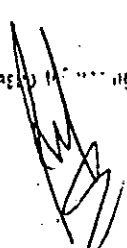
REKHA SHARMA
Company Secretary

(6)
Half Yearly Compliance Report for the period ending 31-3-2013.
19% Non Convertible Debentures

| S.No | Terms of Issue | As per Information Memorandum/Subsription Agreement | Status of Compliance as on 31.03.2013 | If fall below stipulated reasons thereof | Action taken by the Company |
|------|----------------------|---|---|--|-----------------------------|
| 1 | Asset Coverage Ratio | No such stipulation in offer document | 2.13 Times | N/A | N/A |
| 2 | Status of Security | First charge on fixed assets of the company on pari passu basis with other term lenders | First charge on fixed assets of the company on pari passu basis with other term lenders | N/A | N/A |
| 3 | DSCR Requirement | No such stipulation in offer document. However as per BIFR Scheme DSCR is 1.54. | Complied With | N/A | N/A |
| 4 | DRR Requirement | In accordance with the SEBI guidelines issued from time to time and in force during the currency of the debentures. | Complied With | N/A | N/A |
| 5 | Credit Rating | - | C by CRISIL | See Note below | See Note below |

Note:- In the year 1999-2000, on account of various internal as well as external factors such as adverse market condition, labour unrest, competitive business environment, high debt cost etc the operations and profitability of the company were adversely affected which also resulted non payment of interest and redemption of debentures on due dates. The Company became sick in the year 2002 and was declared as a sick company by BIFR in July 2005 and BIFR appointed Bank of Baroda as operating agency(OA) under section 17(3) of the Act for preparation a rehabilitation scheme. The Hon'ble BIFR finally sanctioned Rehabilitation Scheme vide its order dated 17/2/2012. Pursuant to the terms of Rehabilitation Scheme as approved by the Hon'ble BIFR, all the debenture holders shall be paid 75% of the

For Past ... ing & Weaving Mills Ltd.



REKHA SHARMA
 Company Secretary

outstanding principal amount of their debentures in full and final settlement of their claims and such amount shall be paid in 24 equal monthly installments without any interest, liquidated damages or any other charges of whatsoever nature. As per their instructions, the company is regularly making payments to the debenture holders without any default.

After implementation of Rehabilitation Scheme sanctioned by BIFR, the net worth of the company has turned positive due to induction of promoters' contribution, conversion of part of debt into equity, waivers by financial institutions/debentures and improvement in working results of the company.

D) Details of Payment of Interest/Redemption

| S.No. | Due Dates of Interest/redemption during last half year | Interest/Redemption | Status of Payment | If not paid on due date, status as on date |
|-------|--|--|-------------------|--|
| 1 | As per the directions issued by Hon'ble BIFR vide its order dated 17/2/2012, all the debenture holders shall be paid 75% of the outstanding principal amount of their debentures in full and final settlement of their claims and such amount shall be paid in 24 equal monthly installments(Commenced from 31-3-2012) without any interest, liquidated damages or any other charges of whatsoever nature. Since 31-3-2012 company is regularly making payments to the debenture holders accordingly. Payment Schedule as per BIFR order:- 24 Equal Monthly Installments of Rs. 1,56,250/- commencing from 31-3-2012 | Rs.937500/- Paid as per BIFR Order during the Half Year Ending 31-3-2013. | Paid on Due Date. | N/A |

For Basu & Co. & Weaving Mills Ltd.

 REKHA SHARMA
 Company Secretary