



we make your dreams come true

To,  
The Corporate Services Department  
The Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Fort, Mumbai - 400 001.  
**Scrip Code: 521149**

Date: August 11, 2016

Dear Sir(s),

**Sub: Annual Report 2015-16**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2015-16 approved and adopted by the Members as per the provisions of the Companies Act, 2013 and the Rules made there under, at the 79<sup>th</sup> Annual General Meeting of the Company held on Wednesday, August 10, 2016 at 3.00 p.m. at the Registered Office of the Company situated at 110 Avanashi Road, Gandhi Nagar Post, Tirupur-641 603, Tamil Nadu, India.

The above is also uploaded on the Company's website i.e. [www.ptlonline.com](http://www.ptlonline.com).

Kindly take the same on record.

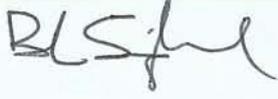
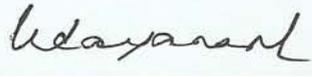
Thanking You,

Yours truly,  
**For Prime Urban Development India Limited**

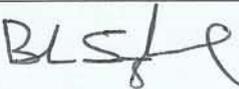
**Krunal Shah**  
**Senior Manager- Legal and Company Secretary**  
**Membership No: A26087**



**FORM A**  
**(For audit report with unmodified opinion)**

1.	Name of the Company	PRIME URBAN DEVELOPMENT INDIA LIMITED
2.	Annual financial statements for the year ended - Standalone	31 <sup>st</sup> March, 2016
3.	Type of Audit observation	Un-modified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	Mr. Banwarilal Singhal Audit Committee Chairman	
	Mr. Purusottamdas Patodia Chairman and Managing Director	
	Mr. S. Udayananda Chief Financial Officer	
<p>Refer our Audit Report dated 6<sup>th</sup> May, 2016 on the Standalone Financial statements of the Company.</p> <p>For <b>M. S. Jagannathan &amp; Visvanathan</b> Chartered Accountants (Firm's Registration NO.: 001209S)</p> <p> <b>N. Rajesh</b> Partner (Membership No. 212417)</p> <p> M.S. JAGANNATHAN &amp; VISVANATHAN 67A, P&amp;T Colony Main Road, Kaundampalsyam, Coimbatore-641 030 * CHARTERED ACCOUNTANTS *</p> <p><b>Place: Mumbai</b> <b>Date: 6<sup>th</sup> May, 2016</b></p>		

**FORM A**  
**(For audit report with unmodified opinion)**

1.	Name of the Company	PRIME URBAN DEVELOPMENT INDIA LIMITED
2.	Annual financial statements for the year ended - Consolidated	31 <sup>st</sup> March, 2016
3.	Type of Audit observation	Un-modified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	Mr. Banwarilal Singhal Audit Committee Chairman	
	Mr. Purusottamdas Patodia Chairman and Managing Director	
	Mr. S. Udayananda Chief Financial Officer	
<p>Refer our Audit Report dated 6<sup>th</sup> May, 2016 on the Consolidated financial statements of the Company.</p> <p>For <b>M. S. Jagannathan &amp; Visvanathan</b> Chartered Accountants (Firm's Registration NO.: 001209S)</p> <p> <b>N. Rajesh</b> Partner (Membership No. 212417)</p> <p></p> <p><b>Place: Mumbai</b> <b>Date: 6<sup>th</sup> May, 2016</b></p>		

*79<sup>th</sup>  
Annual Report  
2015-2016*



**PRIME URBAN<sup>®</sup>**  
**DEVELOPMENT INDIA LTD.**

*we make your dreams come true*

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# PRIME URBAN DEVELOPMENT INDIA LIMITED

## 79<sup>th</sup> ANNUAL REPORT 2015-16

### CORPORATE INFORMATION

#### BOARD OF DIRECTORS

##### CHAIRMAN

Mr. Purusottamdas Patodia

##### VICE CHAIRMAN

Mr. Manoj Kumar Patodia

##### MANAGING DIRECTOR

Mr. Anuj Patodia

##### WHOLE TIME DIRECTOR

Mr. T. Paul Sugumaran

##### DIRECTORS

Mr. N.K. Bafna

Mr. Banwarilal Singhal

Mr. Venkatchalam Ramaswamy

Dr. Vajjayanti Pandit

##### CHIEF FINANCIAL OFFICER

Mr. S. Udayananda

##### SENIOR MANAGER – LEGAL AND COMPANY SECRETARY

Mr. Krunal Shah

##### STATUTORY AUDITORS

M/s. M.S. Jagannathan & Visvanathan  
Chartered Accountants, Coimbatore

##### LEGAL ADVISORS

M/s. Ramani & Shankar  
Advocates, Coimbatore

##### BANKERS

Central Bank of India

#### REGISTERED OFFICE

110, Avanashi Road, Gandhi Nagar Post,  
Tirupur- 641 603, Tamil Nadu, India.

Tel No.: +91 421 4307800

Fax No.:+91 421 2471463

#### CORPORATE OFFICE

54-Free Press House, 5th Floor,  
215, Free Press Journal Marg,  
Nariman Point, Mumbai- 400 021,  
Maharashtra, India.

Tel No.: +91 22 6164 5000

Fax No.: +91 22 6164 5070

Email ID: companysecretary@ptlonline.com

#### REGISTRAR & SHARE TRANSFER AGENTS

S.K.D.C. Consultants Limited  
Kanapathy Towers, 3rd Floor, 1391/A-1,  
Sathy Road, Ganapathy Post,  
Coimbatore – 641 006, Tamil Nadu, India.

Tel No. : +91 422 6549995

Fax No. : +91 422 2539837

#### WEBSITE

[www.ptlonline.com](http://www.ptlonline.com)

#### CORPORATE IDENTIFICATION NUMBER

L70200TZ1936PLC000001

## Board of Directors

### Visionary Promoter



**P. D. Patodia**  
Chairman & Managing Director

He is mentor of the group with vast experience over five decades in textiles management and exports

- Chairman of standing Committee on Cotton in CITI (Cotton Development Research Association)
- Headed Cotton Textiles Export Promotion Council (TEXPROCIL)
- Headed Federation of Indian Exports Organization (FIEO)
- Headed the Confederation of Indian Textiles Industry (CITI)

# Leadership Team



## Manoj Kumar Patodia



Vice Chairman & Managing Director

- Vast experience in Textiles and Realty Segments
- Executive Council Committee member of
  - Indian Merchants Chamber
  - Cotton Textile Export Promotion Council
- Executive Committee Member of
  - Federation of Indian Chambers of Commerce and Industry (FICCI)
  - All India Exporters Chamber

## Anuj Patodia



Managing Director

- Rich experience in the field of Textiles and Real Estate Development
- Active member of the Mumbai Chapter of the Entrepreneurs Organization (EO)

## T. Paul Sugumaran



Whole Time Director

- Knowledge base in the field of Civil Engineering
- Over three decades of experience
- Heading the Real Estate business operation

## ...supported by Board of Directors



**N.K. Bafna**



Sr. Partner  
Lodha & Co.

- Chartered Accountant
- More than 40 years of experience
- Chairman of the Stakeholders Relationship Committee
- Member of Audit Committee and Nomination and Remuneration Committee

**B.L. Singhal**



Sr. Partner  
B.L. Singhal & Co.

- Chartered Accountant
- More than 40 years of experience
- Chairman of the Audit Committee and Nomination and Remuneration Committee
- Member of Stakeholders Relationship Committee

**Venkat Ramaswamy**



Promoter Director  
Edelweiss

- Director of Edelweiss Financial Services Ltd, Edelweiss Tokio Life Insurance Company Ltd, Edelweiss Holdings Ltd, Edelweiss Capital (Singapore) Pte. Ltd, Edelweiss Alternative Asset Advisors Pte. Ltd
- Member of Nomination and Remuneration Committee of the Company.
- Member of Share Transfer Committee, Stakeholders Relationship Committee & Corporate Social Responsibility Committee of Edelweiss Financial Services Ltd

**Vaijayanti Pandit**



Sr. VP, Jaro Education and  
Advisor, Welingkar Institute of  
Management Development & Research

- Former Director of FICCI West, Mumbai
- Ph.D in Management Studies from Jamnalal Bajaj Institute of Management Studies and Specialization in Women Entrepreneurship Development
- Commissioned by ILO Geneva for Women Empowerment projects in Asia Pacific region
- Author of Business@ Home and Everyday Yoga



**PRIME ENCLAVE VISTAS, TIRUPUR**



**THE ONYX, TIRUPUR**



## LETTER FROM THE CHAIRMAN



**Mr. P. D. Patodia**  
Chairman and Managing Director

Dear Shareholders, I am happy to share with you Prime Urban Development India Limited's ("Company") performance for the year 2015-16.

This year was a landmark year in the history of your Company. The realty division of your Company has performed exceptionally well this year and the profits from this division are commendable especially in the backdrop of tough Real Estate conditions prevailing in the country.

The Government of India has executed policies remarkably well in the last few years and our belief is that the Country is well placed to benefit from the reforms. The reforms for the Real Estate sector which were long awaited have finally become a reality.

The Real Estate Regulatory Bill is a welcome step which creates a level playing field for all stakeholders. The Bill will ensure increased transparency on the part of the Developers and will go a long way in winning the trust of the consumer leading to increased sales in the sector.

The Government's decision to provide incentives for Affordable Housing, will lead to creation of exponential housing supply which is important in our country where large population is deprived of housing.

Your Company is focusing on Real Estate development segment in state of Tamil Nadu. We have an excellent brand image in the city of Tirupur which is known for Knitwear exports across the Globe. With the industry expected to generate revenue of Rs. 750 bn in the next 5 years, the wealth creation across various classes of consumers in Tirupur will be enormous. This wealth creation will find its way in Real estate and your Company is poised to take advantage of this upsurge in the coming few years.

Your Company has 3 projects in the Realty division.

'Prime Enclave Vistas' is our Apartment project in Tirupur. This project has witnessed excellent response in the last few years and ~97% sold out.

Our 2nd project is 'The Onyx' in Tirupur. This project consists of luxury villas and is adept with modern and contemporary amenities and landscape that nourishes your mind, body and soul. Phase I of the project has already been completed and is handed over to the buyers. Phase II of this project is under execution and we target to complete the construction and sales over next 24 months.

Your Company also sells Developed plotted land and we have successfully sold over 140,000 sqft of land.

The success of these projects has resulted in a healthy profitability for your Company. In 2015-16 your Company's consolidated revenue is Rs. 72.19 cr. Our EBITDA nearly tripled YoY to Rs. 26.19 cr. Profit after Tax was recorded at Rs. 14.48 cr. a growth of nearly 6.4 times YoY. The performance of the Company has led the Board of Directors to recommend a final dividend at the rate of Rs. 0.40 (Forty paise only) (20%) per Equity Share of Rs. 2/- each subject to the approval of Members at the forthcoming Annual General Meeting.

South India is fast growing region, especially Tamil Nadu, thanks to the advent of Automotive Industry, Textiles Industry, IT-ITES and coupled with large availability of skilled labor make Tamil Nadu a favored destination for Investment among major corporate Companies as well as Multi-National Companies. At Prime Urban Development India Ltd, we are confident to capitalize on this growth in Tamil Nadu.

Your Company shall continue to focus in Tamil Nadu and increase its presence in Tirupur while following Asset Light Business Model. We are also looking at various opportunities in Coimbatore and Chennai. Your Company shall continue to endeavor to deepen its Real estate brand and is confident of its success going forward. The Company's Business of export of cotton yarn under Merchant Trading has been sluggish during the year due to intense competition. We would like to express our gratitude to entire team at Prime Urban Development India Limited whose efforts are the result of the strong brand value your Company enjoys. We would also thank our Board of Directors for their continuous guidance, our partners for their trust and support in our projects, our bankers and our shareholders for their continued support.

With country wide policy implementation we remain confident of better prospects for 2016-17.

Best regards,

**P.D. Patodia**  
Chairman and Managing Director

## PRIME URBAN DEVELOPMENT INDIA LIMITED



### PRIME URBAN DEVELOPMENT INDIA LIMITED

Corporate Identity Number (CIN): L70200TZ1936PLC000001

Regd. Office: 110, Avanashi Road, Gandhinagar Post, Tirupur-641 603

Website: [www.ptlonline.com](http://www.ptlonline.com), Email id: [companysecretary@ptlonline.com](mailto:companysecretary@ptlonline.com)

Tel. No: +91 421- 4307800 Fax: +91 421-2471463

#### NOTICE

NOTICE is hereby given that the SEVENTY-NINTH Annual General Meeting of the Members of **PRIME URBAN DEVELOPMENT INDIA LIMITED** will be held at the Registered Office of the Company situated at 110 Avanashi Road, Gandhi Nagar Post, Tirupur-641 603, Tamil Nadu on Wednesday, **10th August, 2016 at 3.00 p.m.** to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Financial Statements (including audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2016 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Final Dividend on equity shares of the Company for the Financial Year ended 31st March, 2016.
3. To appoint a Director in place of Mr. Thirugnanam Paul Sugumaran (DIN: 01875775), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of M/s. M.S. Jagannathan & Visvanathan, Chartered Accountants (Registration No. 001209S) as Statutory Auditors of the Company, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under (including any statutory modification(s) or re-enactments thereof for the time being in force) and pursuant to the resolution passed by the Shareholders of the Company at the Seventy-Seventh Annual General Meeting held on 14th August, 2014, the appointment of M/s M.S. Jagannathan & Visvanathan, Chartered Accountants (Registration No. 001209S) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Eightieth Annual General Meeting of the Company be and is hereby ratified at such remuneration as may be determined by the Board of Directors of the Company."

#### **SPECIAL BUSINESS**

5. To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution.**

**"RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactments thereof for the time being in force), a new set of Articles of Association, placed before the Members, be and is hereby adopted and substituted in place of the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors and/or Mr. Krunal Shah, Senior Manager-Legal and Company Secretary be and are hereby severally authorised to file returns with the Registrar of Companies and perform and execute all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."



6. To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**.

**“RESOLVED THAT** pursuant to provisions of Section 94(1) and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to keep the Register and Index of Members and other registers/records to be maintained under Section 88(1) of the Act and copies of the Annual Returns filed under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto or any documents as may be required, at the Corporate Office of the Company situated at 54- Free Press House, 5th Floor, 215, Free Press Journal Marg, Nariman Point, Mumbai – 400 021, Maharashtra, India (i.e. place other than Registered Office where the Registers, Returns and other documents are proposed to be kept).

**RESOLVED FURTHER THAT** all other statutory registers and minutes books as may be required to be maintained by the Company at the Registered Office as per the Act and Rules made thereunder be and are hereby maintained at Corporate Office of the Company situated at 54- Free Press House, 5th Floor, 215, Free Press Journal Marg, Nariman Point, Mumbai – 400 021, Maharashtra, India.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company and/or Mr. Krunal Shah, Senior Manager-Legal and Company Secretary be and are hereby severally authorised to intimate to the Registrar of Companies and to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this Resolution.”

By Order of the Board of Directors  
For Prime Urban Development India Limited

Place: Mumbai  
Date: May 6, 2016

Krunal Shah  
Senior Manager-Legal and Company Secretary

Registered Office:  
110, Avanashi Road,  
Gandhinagar Post,  
Tirupur-641 603, Tamil Nadu.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument appointing the Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the AGM. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business to be transacted at the AGM, is annexed hereto.
3. Corporate members intending to send their authorized representative(s) to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the AGM.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 4th August, 2016 to Wednesday, 10th August, 2016 (both days inclusive).
5. Documents in respect of items referred to in the accompanying Notice and the Explanatory Statement are available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. upto the date of the AGM on all working days (except Saturday, Sunday and Public Holidays).
6. The Final Dividend for the financial year ended 31st March, 2016, as recommended by the Board of Directors and if approved at the AGM, will be paid within 30 days from the conclusion of AGM to those Members whose name appears in the Register of Members of the Company as on the book closure dates.
7. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in electronic form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants.
8. Members holding shares in physical form are requested to notify/send:
  - Any change in their address/mandate/bank details;
  - Particulars of their bank account, in case the same have not been sent earlier;
  - Quote their Folio numbers in all correspondences;And
  - Applications for consolidating their holdings into one folio in case shares are held under multiple folios in the identical order of names to the Company's Registrar and Share Transfer Agent, SKDC Consultants Limited, Coimbatore at the earliest but not later than 3rd August, 2016.
9. Information as required to be provided pursuant to the requirements of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 with regards to the Directors seeking appointment and re-appointment at this AGM is given as an Annexure to this Notice.
10. Electronic copy of Annual Report for the financial year 2015-16 and Notice calling the 79th AGM of the Company inter alia indicating the process and manner of Remote E-voting along with Attendance Slip and Proxy Form is also being sent to all Members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copy of Annual Report for the financial year 2015-16 and Notice of the 79th AGM of the Company inter alia indicating the process and manner of Remote E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.



11. Members/ Proxies are requested to bring the Attendance Slip(s) duly filled in and copies of the Annual Report at the AGM.
12. Members who hold shares in electronic form are requested to write their Client ID and DP ID number and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the AGM.
13. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agents of the Company at the following address:

**S.K.D.C. Consultants Limited**

Kanapathy Towers, 3rd Floor,  
1391/A-1, Sathy Road, Ganapathy Post,  
Coimbatore-641 006, Tamil Nadu  
Tel No. +91 422 2539835  
Fax No. +91 422 2539837  
Email: info@skdc-consultants.com

14. The Securities and Exchange Board of India ("SEBI") has mandated submission of Income Tax Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its Registrar and Share Transfer Agents.
15. Instructions and other Information for Voting:
  - i) In accordance to the provisions of Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer to its Members facility for voting through electronic means ("E-voting") on the resolutions proposed to be passed at the AGM.  
  
The Company has engaged Central Depository Services (India) Limited ("CDSL"), an agency authorized by the Ministry of Corporate Affairs for providing e-voting platform.
  - ii) The Members may cast their votes through E-voting from a place other than the venue of the AGM ("Remote E-voting").
  - iii) Voting through physical ballot paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by Remote E-voting shall be able to cast their vote by physical ballot paper at the Meeting.
  - iv) The Members who have cast their vote by Remote E-voting may also attend the Meeting but shall not be entitled to cast their vote again.
  - v) The Remote E-voting facility will commence from 9.00 a.m. on 7th August, 2016 and will end at 5.00 p.m. on 9th August, 2016. Remote E-voting will not be allowed beyond the aforesaid date and time and the Remote E-voting module shall be disabled by CDSL upon expiry of aforesaid period.
  - vi) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/ beneficial owner as on the cut-off date i.e. 3rd August, 2016.
  - vii) The Members whose names appear in the Register of Members / list of beneficial owners as on the cut-off date i.e. 3rd August, 2016, only shall be entitled to vote on the Resolutions set out in this Notice.
  - viii) Any person who becomes a Member of the Company after dispatch of this Notice and holding shares as on the cut-off date i.e. 3rd August, 2016, may obtain the User ID and password for Remote E-voting by sending request at companysecretary@ptonline.com.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

However, if you are already registered with CDSL for Remote E-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/ Password" option available on [www.evotingindia.com](http://www.evotingindia.com) or contact CDSL at the following toll free number 1800-200-5533.

- ix) Mr. S. Ramanathan, Practising Chartered Accountant (Membership No. FCA 019532) has been appointed as the Scrutinizer to scrutinize the E-voting process and voting done through physical ballot paper at the AGM in a fair and transparent manner.
- x) The Scrutinizer shall, after scrutinising the votes cast at the AGM and through Remote E-voting, not later than 2 (two) days from the conclusion of the AGM make a consolidated Scrutinizer's report and submit the same to the Chairman.

The results declared alongwith the Scrutinizer's Report shall be placed on the website of the Company [www.ptonline.com](http://www.ptonline.com) and on the website of CDSL and shall also be communicated to BSE Limited.

- xi) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM i.e. 10th August, 2016.
- xii) Instructions for Members for Remote E-voting are as under:

### A. In case of members receiving e-mail:

- i. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on "Shareholders" tab :
- iii. Now enter your User ID ,
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
	Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
	In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth DOB	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy) format as recorded in your demat account or in the Company records in order to login.
	If both the details are not recorded with the depository or the Company please enter the member id/folio no. in the Dividend Bank details field as mentioned in instruction (iii).



- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting on resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant Company name "PRIME URBAN DEVELOPMENT INDIA LIMITED" on which you choose to vote.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the resolution and option "NO" implies that you dissent to the resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- xiii. After selecting the resolution if you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- xvi. If demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xvii. Note for Non-Individual shareholders and custodians:
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
  - The List of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
  - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**B. In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

16. In case of joint holders, attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the Meeting.
17. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection at the Annual General Meeting.
18. Members desirous of obtaining any information as regards Accounts are requested to write to the Company at least one week before the AGM so that the information required will be made available at the AGM.
19. The Annual Report for the financial year 2015-16, Notice calling the 79th Annual General Meeting and Attendance Slip/Proxy Form will also be available on Company's website - [www.ptonline.com](http://www.ptonline.com). Physical copies of the aforesaid documents will also be available for inspection at the Registered Office of the Company between 11.00 a.m and 1.00 p.m upto the date of the AGM on all working days (except Saturday, Sunday and Public Holidays).

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

20. The Company is concerned about the environment and utilizes natural resources in a sustainable way. To support "Green Initiative", the Members are requested to update their email address, with their concerned Depository Participant to enable us to send you necessary documents /communication via email. Members who hold shares in physical form are requested to register their e-mail address with S.K.D.C Consultants Limited, Registrar and Share Transfer Agents.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

#### **Item No. 5**

The Articles of Association of the Company currently in force were originally adopted when the Company was incorporated under the Companies Act, 1913.

The Articles of Association were amended from time to time in accordance with the provisions of the Companies Act, 1956. With the introduction of the Companies Act, 2013, it is proposed to amend the existing Articles of Association to make it consistent with the provisions of Companies Act, 2013 including the Rules framed thereunder.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting on all working days except Saturday, Sunday and Public Holidays. The proposed draft Articles of Association is available on the Company's website at [www.ptonline.com](http://www.ptonline.com) for perusal by the Members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives, are in any way concerned or interested in the aforesaid Special Resolution.

The Board therefore recommends the Special Resolution set out at Item no. 5 for the approval of Members.

#### **Item No. 6**

In terms of the provisions of Section 94(1) of the Companies Act 2013 ("Act"), Registers and copies of the returns as aforesaid may also be kept at any other place in India other than at the Registered Office of the Company, in which more than one-tenth of the total number of members entered in the Register of Members reside, if approved by a Special Resolution by the members of the Company.

The Board recommends to keep the Register and Index of Members and other register/ records required to be maintained under Section 88(1) of the Act and all other Statutory registers and Minutes Books required to be maintained by the Company, copies of the annual returns under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto or any documents as may be required at the Corporate Office of the Company situated at 54 – Free Press House, 5th Floor, 215, Free Press Journal Marg, Nariman Point, Mumbai – 400 021, Maharashtra, India.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives, are in any way concerned or interested in the aforesaid Special Resolution.

The Board therefore recommends the Special Resolution set out Item No. 6 for the approval of Members.

By Order of the Board of Directors  
For **Prime Urban Development India Limited**

**Place: Mumbai**  
**Date: May 6, 2016**

**Krunal Shah**  
**Senior Manager-Legal & Company Secretary**

**Registered Office:**  
110, Avanashi Road,  
Gandhinagar Post,  
Tirupur-641 603, Tamil Nadu



Information Required Under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect to the Directors retiring by rotation and being eligible, seeking re-appointment is as under:

Name of the Director	Thirugnanam Paul Sugumaran
Director Identification Number	01875775
Date of Birth	23/04/1963
Date of appointment	01/06/2015
Qualifications	B. Tec (Civil), M.A. Sociology
Expertise in Specific Functional Area	Project Management – EPC Business Management – Realty Construction Management – Infrastructure, Water, Residential, Commercial Project.
Directorship held in other companies (As on 31 <sup>st</sup> March, 2016)	None
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31 <sup>st</sup> March 2016)	None
Shareholding of Directors (As on 31 <sup>st</sup> March, 2016)	2,500 equity shares
Relationship between Directors inter-se	None

**Route map for venue of the AGM**

110 Avanashi Road, Gandhi Nagar Post,  
Tirupur-641 603, Tamil Nadu



## PRIME URBAN DEVELOPMENT INDIA LIMITED

### DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 79th Annual Report and the Audited Accounts of Prime Urban Development India Limited ["Company"], for the financial year ended 31st March, 2016.

#### FINANCIAL HIGHLIGHTS

The summarized financial performance (Standalone and Consolidated) of your Company for the Financial Years 2015-16 and 2014-15 are given below:

Particulars	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Revenue from operations	6,973.63	5,077.02	7,218.90	5,817.81
Other Income	97.77	22.16	99.95	35.67
Earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA)	2,622.26	655.72	2,618.53	656.87
Less : Finance Costs	211.97	384.53	211.98	386.35
Less: Depreciation and amortization expense	27.62	21.35	29.49	23.66
Profit/(Loss) before Exceptional Items and Tax	2,382.67	249.84	2,377.06	246.86
Exceptional Items	(555.55)	-	(555.55)	2.17
Profit/(Loss) before Tax	1,827.12	249.84	1,821.51	249.03
Less: Tax Expense	(372.98)	(51.39)	(372.98)	(51.39)
Profit/(Loss) After Tax	1,454.14	198.45	1448.53	197.64
Surplus from previous year brought forward	603.34	404.89	612.23	414.59
<b>Sub-total</b>	<b>2,057.48</b>	<b>603.34</b>	<b>2,060.76</b>	<b>612.23</b>
<b>Appropriations:</b>				
Transfer to General Reserve	1,900.00	-	1,900.00	-
Provision for Dividend and Tax	128.27	-	128.27	-
<b>Balance carried to Balance Sheet</b>	<b>29.21</b>	<b>603.34</b>	<b>32.49</b>	<b>612.23</b>

Rs. in Lakhs

#### BUSINESS OPERATIONS

Your Company has two reportable segments, the Realty and Textiles.

##### Realty Segment

In the Realty segment your Company has more than doubled revenues in 2015-16 to Rs. 31.74 cr. This gives us immense confidence of our real estate developments and acceptance of our brand.

For 2015-16 your Company had sales in Prime Enclave Vistas (Apartments Project) and The Onyx (Villas Project). The remaining apartments in Prime Enclave Vistas shall be sold in the next financial year.

Your Company has sold 8 out of 34 villas in the Onyx project till date. Your Company is targeting to complete the entire Onyx project in the next 24 months along with sale of balance villas.

Your Company is also engaged in the sales of Developed lands. In Financial Years 2014-15 and 2015-16 your Company achieved sale of lands of over 1,40,000 sq ft.

Your Company adopts an asset light and bottom line focused business model approach. Keeping in line with this strategy we are exploring new development options in Tirupur and are keen to enter newer cities in South India viz. Coimbatore and Chennai.



### **Textile Segment**

In the Textile segment, your Company is engaged in the business of export of cotton yarn under Merchant Trading. There are no material changes in this segment of your Company.

### **CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the provisions of Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the audited consolidated financial statements are provided in this Annual Report.

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

As at 31st March, 2016, your Company had following 4 (Four) Subsidiary Companies:

<b>Sr. No</b>	<b>Name of the company</b>	<b>Category</b>
1.	ATL Textile Processors Limited	Subsidiary
2.	Manoj Yarn Processors Limited	Subsidiary
3.	Pee Dee Yarn Processors Limited	Subsidiary
4.	Patodia Developers Private Limited	Subsidiary

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiaries, associates and joint venture companies in Form AOC 1 is attached separately to this Annual Report.

In accordance to the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein standalone and the consolidated financial statements and the audited financial statements of each of the subsidiary companies have been placed on the website of the Company- [www.ptlonline.com](http://www.ptlonline.com).

The audited financial statements in respect of each subsidiary companies shall also be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of ensuing Annual General Meeting. The aforesaid documents relating to subsidiary companies can be made available to any Member interested in obtaining the same upon a request in that regards made to the Company.

The policy for determining material subsidiaries as approved by the Board of Directors of the Company is made available on the website of the Company- [www.ptlonline.com](http://www.ptlonline.com).

### **TRANSFER TO RESERVES**

Your Company proposes to transfer of Rs. 1,900 Lacs to the general reserve during the financial year under review.

### **DIVIDEND**

Your Directors have recommended a final dividend of Rs. 0.40 (Forty paise only) (20%) per equity share of Rs. 2/- each for the year ended 31st March, 2016. The dividend distribution would result in a cash outgo of Rs. 1,28,27,044/- (including tax on dividend of Rs. 21,69,604/-).

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **PUBLIC DEPOSITS**

Your Company has not been accepting any deposits from the public and hence there are no unpaid/unclaimed deposits nor there is any default in repayment thereof.

### **BOARD MEETINGS**

The Board of Directors met 4 (Four) times during the financial year 2015-16. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Annual Report.

### **COMMITTEES OF THE BOARD OF DIRECTORS**

During the year under review, all recommendations made by the Audit Committee were accepted by the Board. There were no instances where the Board has not accepted any recommendation of the Audit Committee.

Details of Committees of Board of Directors along with their terms of reference, composition and meetings held during the year, are provided separately in the Corporate Governance Report, which forms part of this Annual Report.

### **PARTICULARS OF LOANS GRANTED, GUARANTEE PROVIDED AND INVESTMENTS MADE PURSUANT TO THE PROVISIONS OF SECTION 186 OF THE COMPANIES ACT, 2013**

Details of loans granted, guarantees provided and investments made by the Company under the provisions of Section 186 of the Companies Act, 2013, are provided in the Note No. 6 under Notes forming part of standalone financial statements.

### **PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT & FOREIGN EXCHANGE EARNINGS AND OUTGO**

Considering the nature of activities in which the Company operates, energy consumption is in accordance to the normal business practices and does not require any specific installations. In its regular course of business, the Company is always vigilant to conserve the resources and continuously implements measures required to save energy.

The business activities of the Company is not specific to any technology requirements. In the course of its operations, processes are formed and implemented to achieve operational efficiencies which provide maintaining product quality and cost control.

The details in respect of Foreign Exchange earnings/outgo during the year under review, is provided in Note No. 16, (Point No. 3 & 4) under Notes forming part of standalone financial statements.

### **EXTRACT OF ANNUAL RETURN**

In terms of provisions of Section 92(3) of the Companies Act, 2013, an extract of Annual Return in prescribed format is annexed to this Report as "Annexure I".



## **CORPORATE GOVERNANCE REPORT**

A report on Corporate Governance together with Auditors' Certificate as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, Mr. Purusottamdas Patodia, Mr. Manoj Kumar Patodia and Mr. Anuj Patodia has been re-appointed as Chairman & Managing Director, Vice-Chairman & Managing Director and Managing Director respectively for a period of three years with effect from 1st April, 2016, pursuant to the approval accorded by the Shareholders of the Company at the 78th Annual General Meeting held on 13th August, 2015.

During the year under review, Mr. Thirugnanam Paul Sugumaran, has been appointed as Whole-time Director of the Company for a period of three years with effect from 1st June, 2015, pursuant to the approval accorded by the Shareholders of the Company at the 78th Annual General Meeting held on 13th August, 2015.

During the year under review, Dr. Vaijayanti Pandit has been appointed as an Independent and Woman director of the Company for a period of five years with effect from 14th August, 2014, pursuant to the approval accorded by the Shareholders of the Company at the 78th Annual General Meeting held on 13th August, 2015.

The Company has received individual declaration from following Independent Director(s) of the Company stating that they meet the criteria of independence as provided under sub-section (6) of Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- a) Mr. N. K. Bafna
- b) Mr. Banwarilal Singhal
- c) Mr. Venkatchalam Ramaswamy
- d) Dr. Vaijayanti Pandit

In terms of the provisions of the Companies Act, 2013, Mr. Thirugnanam Paul Sugumaran retires from the Board of Directors of the Company by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The Notice convening forthcoming Annual General Meeting includes the proposal for appointment/re-appointment of aforesaid Directors. A brief resume of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting and other details as required to be disclosed in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the said Notice. None of the Directors are disqualified for appointment/re-appointment under Section 164 of the Companies Act, 2013. None of the Directors are related inter-se to each other save and except Mr. Purusottamdas Patodia, Mr. Manoj Kumar Patodia and Mr. Anuj Patodia. Mr. Purusottamdas Patodia is the father of Mr. Manoj Kumar Patodia and Mr. Anuj Patodia.

During the year under review, Mr. Krunal Shah has been appointed as Company Secretary of the Company at the Meeting of the Board of Directors held on 13th August, 2015.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement it is hereby confirmed that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) the 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 your Company as at 31st March, 2016 and of the profit and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts for the financial year ended 31st March, 2016 on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

### **AUDITORS AND AUDITOR'S REPORT**

M/s. M. S. Jagannathan & Visvanathan (Firm Registration No. 001209S), Chartered Accountants, have been appointed as the Statutory Auditors of the Company for a period of three consecutive years at the 77th Annual General Meeting held on 14th August, 2014. In terms of the provisions of Section 139 of the Companies Act, 2013, their appointment will however need to be ratified by Shareholders at the forthcoming Annual General Meeting. Notice convening the forthcoming Annual General Meeting includes a proposal for ratification of appointment of Statutory Auditors by the Shareholders of the Company.

The notes on financial statements referred to in the Auditors Report are self-explanatory and do not call for any further comments and explanations. The Auditors Report does not contain any qualification, reservation or adverse remark.

### **SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:**

The Company has appointed Dr. S. K. Jain, Practicing Company Secretary and Proprietor of M/s. S. K. Jain & Co. to conduct Secretarial Audit of the Company for the financial year 2015-16 in terms of provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report is annexed to this Report as "Annexure II".

### **Secretarial Auditor's Observations in Secretarial Audit Report and Directors explanation thereto-**

The Company has appointed Mr. Krunal Shashiraj Shah an Associate Member of Institute of Company Secretaries of India (Membership No. A- 26087) under Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as Company Secretary at the Meeting of Board of Directors held on 13th August, 2015.



**Explanation:** The Company was in search of suitable candidate for the appointment as Company Secretary in whole time employment. It took some time and the Company appointed Mr. Krunal Shah, an Associate Member of Institute of Company Secretaries of India (Membership No. A- 26087) as Company Secretary of the Company at the Meeting of Board of Directors held on 13th August, 2015.

#### **RELATED PARTY TRANSACTIONS**

All transactions entered into with related parties during the financial year under review were in the ordinary course of business and on arm's length basis.

The particulars of contracts or arrangements with aforesaid related parties, in prescribed format is annexed to this Report as "**Annexure III**".

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the website of the Company - [www.ptlonline.com](http://www.ptlonline.com).

#### **RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY**

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has established a vigil mechanism to provide a framework to promote responsible and secure whistle blowing and to provide a channel to the employee(s) and Directors for reporting to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy/ies of the Company, as adopted/framed from time to time. The details of said vigil mechanism is given in Corporate Governance Report, which forms part of this Annual Report. The Whistle Blower Policy has been uploaded on the Company's website i.e. [www.ptlonline.com](http://www.ptlonline.com).

#### **NOMINATION AND REMUNERATION POLICY**

In terms of requirements prescribed under Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Policy inter-alia providing the terms for appointment and payment of remuneration to Directors and Key Managerial Personnel is annexed to this Report as "**Annexure IV**".

#### **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

During the year under review, the Company has transferred a sum of Rs. 95,302/- to Investor Education and Protection Fund (IEPF) pursuant to Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001. The said amount represents dividend for the year 2007-08 which remained unclaimed by the members of the Company for a period exceeding 7 years from its due date of payment.

#### **PARTICULARS OF EMPLOYEES**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided under "**Annexure V**", which is annexed to this Report.

None of the employees of the Company were in receipt of monthly or yearly remuneration in excess of the limits specified under the Companies Act, 2013 and Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The full Annual Report including aforesaid information is being sent electronically to all those Members who have registered their email addresses and is also available on the website of the Company.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion & Analysis Report as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report as “Annexure VI”.

### **INTERNAL FINANCIAL CONTROLS**

Your Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses were observed.

### **PERFORMANCE EVALUATION**

The Company has devised a policy for evaluation of Performance of the Board of Directors, its Committees and individual Directors (“Policy”). The evaluation involves assessment of performance individually of each of the Board Members and of the entire Board of Directors and its Committees.

The performance evaluation criteria of the entire Board of Directors inter alia comprised of the following key areas:

- i) the role of a Board Members is clearly defined and understood;
- ii) the Board has ensured that the organization’s accomplishments and challenges are communicated to Members and Stakeholders;
- iii) the spread of talent within the Board reflect the Company’s needs;
- iv) all Board Members bring valuable skill and experience to the Company;
- v) the composition of the Board is sufficient to carry out the work required of it;
- vi) the matters relating to the Company are discussed in a structured manner;
- vii) the Board knows and understand the Company’s mission, vision and strategy; the Board’s Meeting agenda clearly reflects strategic plan or priorities;
- viii) the Board papers contain the correct amount and type of information;
- ix) all Board Members participate in important Board discussions;
- x) the Board knows and keep abreast of trends and issues affecting the market in which the Company competes;
- xi) the Board understands the business it is governing;
- xii) the Board Members actively engage in networking for the benefit of the Company;
- xiii) the Board Members have sufficient financial skills to ensure that the Board can discharge its governance responsibilities;
- xiv) the Company have relevant internal reporting and compliance systems;
- xv) the Board Members are aware of their risk assessment duties as Directors;
- xvi) there is a clear understanding of the Company’s business risk;
- xvii) the Board encourages Directors to pursue opportunities for personal development;
- xviii) the Board have a succession plan in place for the Directors, KMP and Senior Management Personnel;
- xix) responsibilities have been effectively delegated amongst the Executive Directors, KMP and Senior Management Personnel;
- xx) there is good communication between the Board and KMP.



The evaluation framework for assessing the performance of Committee(s) of Board of Directors inter-alia comprised of the following key areas:

- i) the Committees have been constituted in compliance with the requirement of Listing Regulations and the Companies Act, 2013 read with the Rules thereunder;
- ii) the role/terms of reference of the Committee Members is clearly defined and understood;
- iii) the composition of the Committee is sufficient to carry out the work required of it;
- iv) the Committee knows and understands the Company's mission, vision and strategy;
- v) the Committee's Meetings are properly conducted and agenda papers contain the correct amount and type of information;
- vi) all Committee Members participate in discussion making;
- vii) the Committee Members have sufficient skills to ensure efficient discharge of responsibilities;
- viii) there is good communication between the Committees and the Board.
- ix) the Committee has relevant internal reporting and compliance systems;

The performance evaluation process of individual Directors inter alia comprised of the following key areas:

- i) uphold ethical standards of integrity and probity;
- ii) act objectively and constructively while exercising their duties;
- iii) exercise their responsibilities in a bona fide manner in the interest of the Company;
- iv) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- v) assist the Company in implementing the best corporate governance practices;
- vi) strive to attend all Meetings of the Board of Directors and of the Board committees of which they are members;
- vii) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between Management and Shareholder's interest;
- viii) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk Management are robust and defensible;
- ix) strive to safeguard the interests of all stakeholders, particularly the minority shareholders;
- x) balance the conflicting interest of the stakeholders;
- xi) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts;
- xii) keep themselves well informed about the Company and the external environment in which it operates;
- xiii) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- xiv) strive to attend the general Meetings of the Company;
- xv) acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- xvi) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- xvii) ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- xviii) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any;
- xix) maintain confidentiality of information such as commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

- xx) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc;
- xxi) they express concerns about the running of the Company or a proposed action and ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that the concerns are recorded in the Minutes of the Board Meeting;
- xxii) develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior Management of the Company;
- xxiii) fairly contribute towards proper functioning of Board or Committees of the Board.

The evaluation framework for assessing the performance of Independent Directors inter-alia comprised of the following key areas:

- i) satisfy the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and the Listing Regulations;
- ii) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk Management, resources, key appointments and standards of conduct;
- iii) bring an objective view in the evaluation of the performance of Board and Management;
- iv) actively scrutinise the performance of Management in Meeting agreed goals and objectives and monitor the reporting of performance;
- v) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- vi) contribute to determine appointment and remuneration of executive Directors, Key Managerial Personnel (KMP) and senior Management;
- vii) exercise objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.

In terms of the Policy, a process of evaluation was undertaken by the Board for its own performance and that of its Committees and individual Directors. The evaluation process focused on various aspects of the functioning of the Board and Committees. Separate exercise was carried out to evaluate the performance of individual Directors on specified parameters.

The outcome of evaluation process was shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the evaluation, the Board and Committees have agreed on an action plan for the identified areas.

The details of programme for familiarisation of Independent Directors with the Company, industry in which it operates, their roles, rights, responsibilities is made available on the website of the Company – [www.ptlonline.com](http://www.ptlonline.com).

### **INDEPENDENT DIRECTORS MEETING**

During the year under review, the Independent Directors of the Company met on February 3, 2016, inter-alia, to discuss:

- i) Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- ii) Evaluation of performance of the Chairman of the Company, taking into view of Executive and Non-Executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.



#### **GENERAL**

- 1) The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- 2) The Whole Time Director has not received any commission from the Company nor any remuneration or commission from any of its holding or subsidiary company.
- 3) There are no significant/material orders passed by the regulators/courts/tribunals during the year under review which would impact the going concern status of your Company and its future operations.
- 4) During the year under review, there were no reported instances of cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **ACKNOWLEDGEMENTS**

Your Directors would like to thank and place on record their appreciation for the support and co-operation provided to your Company by its Shareholders, their employees, regulatory authorities and its bankers.

Your Directors would also like to place on record their appreciation for the efforts put in by employees of the Company during the year.

**For and on behalf of the Board of Directors**

**Place : Mumbai**

**Date : May 6, 2016**

**Purusottamdas Patodia  
Chairman and Managing Director**

# PRIME URBAN DEVELOPMENT INDIA LIMITED

## Annexure - I

### FORM NO. MGT 9

#### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L70200TZ1936PLC000001
2	Registration Date	16.11.1936
3	Name of the Company	<b>PRIME URBAN DEVELOPMENT INDIA LIMITED</b>
4	Category/Sub-category of the Company	Public Company Limited by Shares Indian Non-Government Company
5	Address of the Registered Office & contact details	110, Avanashi Road, Gandhinagar Post, Tirupur - 641603, Tamil Nadu, Tel: +91-421-4307800/2470065, Fax: +91-421-2471463 Email ID: companysecretary@ptionline.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>S.K.D.C. Consultants Limited</b> Kanapathy Towers, 3rd Floor, 1391/A-1 Sathy Road, Ganapathy Coimbatore-641006, Tamil Nadu Tel: +91-422-6549995, 2539835 Fax: +91-422-2539837 Email ID:info@skdc-consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate	410	46%
2	Textiles	131	54%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	ATL Textile Processors Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603, Tamil Nadu	U65910TZ1996PLC007068	Subsidiary	100%	2(87)(iii)
2	Manoj Yarn Processors Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603, Tamil Nadu	U01712TZ1996PLC006934	Subsidiary	100%	2(87)(iii)
3	Pee Dee Yarn Processors Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603, Tamil Nadu	U17111TZ1995PLC006750	Subsidiary	100%	2(87)(iii)
4	Patodia Developers Pvt. Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603, Tamil Nadu	U70101TZ2008PTC014230	Subsidiary	100%	2(87)(iii)

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	6,893,006	-	6,893,006	25.87%	6,893,006	-	6,893,006	25.87%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	12,019,350	-	12,019,350	45.11%	12,019,350	-	12,019,350	45.11%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	<b>18,912,356</b>	<b>-</b>	<b>18,912,356</b>	<b>70.98%</b>	<b>18,912,356</b>	<b>-</b>	<b>18,912,356</b>	<b>70.98%</b>	<b>0.00%</b>
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>TOTAL (A)</b>	<b>18,912,356</b>	<b>-</b>	<b>18,912,356</b>	<b>70.98%</b>	<b>18,912,356</b>	<b>-</b>	<b>18,912,356</b>	<b>70.98%</b>	<b>0.00%</b>



<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	3,750	-	3,750	0.01%	3,750	-	3,750	0.01%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>3,750</b>	<b>-</b>	<b>3,750</b>	<b>0.01%</b>	<b>3,750</b>	<b>-</b>	<b>3,750</b>	<b>0.01%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	1,130,340	18,900	1,149,240	4.31%	1,025,658	18,900	1,044,558	3.92%	-9.11%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	2,175,814	1,225,095	3,400,909	12.76%	2,640,888	1,281,745	3,922,633	14.72%	15.34%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	2,087,207	195,860	2,283,067	8.57%	1,749,270	120,210	1,869,480	7.02%	-18.12%
<b>c) Others (specify)</b>									
Non Resident Indians	66,219	-	66,219	0.25%	66,675	-	66,675	0.25%	0.69%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	16,468	-	16,468	0.06%	25,254	-	25,254	0.00%	53.35%
Trusts	1,000	-	1,000	0.00%	1,000	-	1,000	0.00%	0.00%
Directors and Relatives	50,413	-	50,413	0.19%	50,413	-	50,413	0.19%	0.00%
Hindu Undivided Families	760,178	-	760,178	0.00%	747,481	-	747,481	2.81%	-1.67%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>6,287,639</b>	<b>1,439,855</b>	<b>7,727,494</b>	<b>29.00%</b>	<b>6,306,639</b>	<b>1,420,855</b>	<b>7,727,494</b>	<b>29.00%</b>	<b>0.00%</b>
<b>Total Public (B)</b>	<b>6,291,389</b>	<b>1,439,855</b>	<b>7,731,244</b>	<b>29.02%</b>	<b>6,310,389</b>	<b>1,420,855</b>	<b>7,731,244</b>	<b>29.02%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)</b>	<b>25,203,745</b>	<b>1,439,855</b>	<b>26,643,600</b>	<b>100.00%</b>	<b>25,222,745</b>	<b>1,420,855</b>	<b>26,643,600</b>	<b>100.00%</b>	<b>0.00%</b>

**(ii) Shareholding of Promoter**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 31.03.2015)			Shareholding at the end of the year (As on 31.03.2016)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anjana Syntex Company Limited	5,301,620	19.90%	0	5,660,655	21.25%	0	6.77%
2	Pat Credit Limited	6,368,710	23.90%	0	6,009,675	22.56%	0	-5.64%
3	Purusotamdas Patodia	2,068,929	7.77%	0	2,068,929	7.77%	0	0.00%
4	Manoj Kumar Patodia	1,055,087	3.96%	0	1,055,087	3.96%	0	0.00%
5	Anuj Patodia	553,675	2.08%	0	553,675	2.08%	0	0.00%
6	Indira Devi Patodia	239,650	0.90%	0	239,650	0.90%	0	0.00%
7	Nandita Patodia	1,250,750	4.69%	0	1,250,750	4.69%	0	0.00%
8	Meenal Patodia	1,724,915	6.47%	0	1,724,915	6.47%	0	0.00%
9	Classic Yam Processors Limited	349,020	1.31%	0	349,020	1.31%	0	0.00%

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(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 31.03.2015)		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Anjana Syntex Company Limited				
	At the beginning of the year	5,301,620	19.90%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	3,59,035 (Acquisition of Shares on 30.11.2015)	1.35%	5,660,655	21.25%
	At the end of the year	5,660,655	21.25%	-	-
2	Pat Credit Limited				
	At the beginning of the year	6,368,710	23.90%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	3,59,035 (Sale of shares on 30.11.2015)	1.35%	6,009,675	22.56%
	At the end of the year	6,009,675	22.56%	-	-

(iv) Shareholding Pattern of top ten Shareholder's

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 31.03.2015)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Polisetty Gnana Dev				
	At the beginning of the year	1,081,539	4.06%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	2,500 (Sale of Shares on 18.09.2015)	0.01%	1,079,039	4.05%
		600 (Sale of Shares on 30.09.2015)	0.00%	1,078,439	4.05%
		72,059 (Acquisition of Shares on 18.03.2016)	0.27%	1,150,498	4.32%
		5,051 (Sale of Shares on 25.03.2016)	0.02%	1,145,447	4.30%
		950 (Sale of Shares on 31.03.2016)	0.00%	1,144,497	4.30%
	At the end of the year	1,144,497	4.30%	-	-
2	Renaissance Asset Management Company Pvt. Ltd				
	At the beginning of the year	660,000	2.48%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	660,000	2.48%	-	-
3	Manek Bhanshali				
	At the beginning of the year	564,000	2.12%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	564,000	2.12%	-	-
4	Subodh Begani				
	At the beginning of the year	313,134	1.18%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	313,134	1.18%	-	-



5	Suresh Sanwarmal Todi				
	At the beginning of the year	156,840	0.59%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	1,40,830 (Sale of Shares on 21.08.2015)	0.53%	16,010	0.06%
		1,40,830 (Acquisition of Shares on 21.08.2015)	0.53%	156,840	0.59%
	At the end of the year	156,840	0.59%	-	-
6	Jain Broking Pvt. Ltd.				
	At the beginning of the year	127,319	0.48%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	211 (Sale of Shares on 21.08.2015)	0.00%	127,108	0.48%
		250 (Sale of Shares on 04.09.2015)	0.00%	126,858	0.48%
		3,900 (Sale of Shares on 18.09.2015)	0.02%	122,958	0.46%
		2,000 (Sale of Shares on 25.09.2015)	0.01%	120,958	0.45%
		3,000 (Sale of Shares on 30.09.2015)	0.01%	117,958	0.44%
		4,000 (Sale of Shares on 30.10.2015)	0.02%	113,958	0.43%
		1,974 (Sale of Shares on 06.11.2015)	0.01%	111,984	0.42%
		1,385 (Sale of Shares on 20.11.2015)	0.01%	110,599	0.41%
		1,000 (Sale of Shares on 08.01.2016)	0.00%	109,599	0.41%
		5,550 (Sale of Shares on 12.02.2016)	0.02%	104,049	0.39%
	At the end of the year	104,049	0.39%	-	-
7	Jehangir Kaikoshru S.Nicholson				
	At the beginning of the year	120,210	0.45%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	120,210	0.45%	-	-
8	Satish Chandra Katyal				
	At the beginning of the year	79,115	0.30%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	79,115	0.30%	-	-
9	Bhadravati Chandulal Thakker				
	At the beginning of the year	78,240	0.29%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	78,240	0.29%	-	-

## PRIME URBAN DEVELOPMENT INDIA LIMITED

10	Manisha Devi Agarwal				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	1,038 (Acquisition of Shares on 04.09.2015)	0.00%	1,038	0.00%
		1,850 (Acquisition of Shares on 11.09.2015)	0.01%	2,888	0.01%
		4,630 (Acquisition of Shares on 18.09.2015)	0.02%	7,518	0.03%
		10,000 (Acquisition of Shares on 25.09.2015)	0.04%	17,518	0.07%
		10,350 (Acquisition of Shares on 30.09.2015)	0.04%	27,868	0.11%
		5,000 (Acquisition of Shares on 02.10.2015)	0.02%	32,868	0.12%
		6,767 (Acquisition of Shares on 30.10.2015)	0.03%	39,635	0.15%
		17,981 (Acquisition of Shares on 06.11.2015)	0.07%	57,616	0.22%
		9,000 (Acquisition of Shares on 13.11.2015)	0.03%	66,616	0.25%
		4,258 (Acquisition of Shares on 20.11.2015)	0.02%	70,874	0.27%
		4,310 (Acquisition of Shares on 18.12.2015)	0.02%	75,184	0.28%
		7,050 (Acquisition of Shares on 25.12.2015)	0.03%	82,234	0.31%
		8,900 (Acquisition of Shares on 31.12.2015)	0.03%	91,134	0.34%
		6,682 (Acquisition of Shares on 08.01.2016)	0.03%	97,816	0.37%
		11,699 (Acquisition of Shares on 26.02.2016)	0.04%	109,515	0.41%
		2,870 (Acquisition of Shares on 04.03.2016)	0.01%	112,385	0.42%
		9,914 (Acquisition of Shares on 11.03.2016)	0.04%	122,299	0.46%
		7,000 (Acquisition of Shares on 18.03.2016)	0.03%	129,299	0.49%
		5,500 (Acquisition of Shares on 25.03.2016)	0.02%	134,799	0.51%
	At the end of the year	134,799	0.51%	-	-

### (v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (As on 31.03.2015)		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Purusottamdas Patodia				
	At the beginning of the year	2,068,929	7.77%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	2,068,929	7.77%	-	-
2	Manoj Kumar Patodia				
	At the beginning of the year	1,055,087	3.96%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	1,055,087	3.96%	-	-



3	Anuj Patodia				
	At the beginning of the year	553,675	2.08%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	553,675	2.08%	-	-
4	T. Paul Sugumaran				
	At the beginning of the year	2,500	0.01%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	2,500	0.01%	-	-
5	S. Udayananda				
	At the beginning of the year	-	0.00%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	-	-	-	-
6	Krunal Shah				
	At the beginning of the year	-	0.00%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	-	-	-	-

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Rs. in Lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	277.62	2,231.56	-	2,509.18
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>277.62</b>	<b>2,231.56</b>	<b>-</b>	<b>2,509.18</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	(60.00)	(1,715.24)	-	(1,775.24)
Net Change	(60.00)	(1,715.24)	-	(1,775.24)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	217.62	516.32	-	733.94
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>217.62</b>	<b>516.32</b>	<b>-</b>	<b>733.94</b>

## PRIME URBAN DEVELOPMENT INDIA LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL						
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:						Rs. in Lakhs
SN.	Particulars of Remuneration					Total Amount
Name	Mr. Purusottamdas Patodia	Mr. Manoj Kumar Patodia	Mr. Anuj Patodia	Mr. T. Paul Sugumaran*		
Designation	Chairman and Managing Director	Vice-Chairman and Managing Director	Managing Director	Whole-time Director		
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42.00	31.20	30.00	15.80	119.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9.02	5.75	7.27	8.20	30.24
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Employer PF Contribution	5.04	3.62	3.48	-	12.14
	Pension Contribution	-	0.12	0.12	-	0.24
	LIC Super- Annuation	2.73	2.03	1.95	-	6.71
	<b>Total (A)</b>	<b>58.79</b>	<b>42.72</b>	<b>42.82</b>	<b>24.00</b>	<b>168.33</b>
	<b>Ceiling as per the Act</b>	The remuneration paid to Managing Directors are within the ceiling prescribed under Companies Act, 2013				
	* Appointed with effect from 1st June, 2015					
B. Remuneration to other Directors						Rs. in Lakhs
SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. N.K. Bafna	Mr. Banwarilal Singhal	Mr. Venkatchalam Ramaswamy	Dr. Vajjayanti Pandit	
1	Independent Directors					
	Fee for attending board committee meetings	0.95	0.95	0.15	0.45	2.50
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>0.95</b>	<b>0.95</b>	<b>0.15</b>	<b>0.45</b>	<b>2.50</b>
2	Other Non-Executive Directors					
	Fee for attending board/committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>0.95</b>	<b>0.95</b>	<b>0.15</b>	<b>0.45</b>	<b>2.50</b>
	<b>Total Managerial Remuneration (A+B)</b>					<b>170.83</b>



C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD Rs. in Lakhs

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Mr. S. Udayananda	Mr. Krunal Shah*	
	Designation	CFO	CS	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8.46	4.24	12.70
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.98	1.29	3.27
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
5	- others, specify	-	-	-
	Others, please specify	-	-	-
	Total	10.44	5.53	15.97

\* Appointed with effect from 17th July, 2015

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **Annexure II**

#### **Secretarial Audit Report**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

To  
The Members,  
**PRIME URBAN DEVELOPMENT INDIA LIMITED.**  
110, AVANASHI ROAD GANDHI NAGAR POST  
TIRUPUR TN 641603

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prime Urban Development India Limited (Hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s Prime Urban Development India Limited's Books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company, during the audit period covering the Financial Year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Prime Urban Development India Limited as given in 'Annexure I' for the financial year ended on 31st March, 2016 according to the provisions of:
  - i. The Companies Act, 2013 and the Rules made thereunder for specified Sections notified and came into effect from 12th September, 2013 and Sections and Rules notified and came into effect from 1st April, 2014;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
  - iii. The Depositories Act, 1996 and the regulations and bye- laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company as the Company has not availed any Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings)**
2. The following Regulations and Guidelines prescribed under the SEBI Act, 1992 are as follows:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/ The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;  
**(Not applicable to the Company during Audit period as the Company has not introduced any such Scheme)**
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;  
**(Not applicable to the Company during Audit period as the Company has not issued any Debt Securities);**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;  
**(Not applicable to the Company during Audit period as the Company has not delisted /propose to de-list any equity shares from any stock Exchange)**
  - h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;  
**(Not applicable to the Company during Audit period as the Company has not bought back / proposed to Buy Back any Securities)**
3. Other laws specifically applicable to the Company are:
- a) TN Public Buildings Licensing Act 1965;
  - b) TN Lifts Act 1997;
  - c) TN District Municipalities Building Rules 1972;
  - d) Town Planning Act, 1971;
  - e) Multistoreyed Public Building rules 1973;
  - f) Transfer of Property Act, 1882;
  - g) District Municipalities Building rules, 1972;

I have also examined Compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013;  
During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.
- ii. The Listing Agreement entered into by the Company with Bombay Stock Exchange. The Company has entered into new Listing Agreement with Bombay Stock Exchange under Regulation 109 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 on 11th February, 2016.

**I further report that**, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive Director and Independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting member views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and insure compliances with the applicable Laws, Rules, Regulations and Guidelines.

**I further report that** during the Audit period following observations were made:

- 1. The Company has appointed Mr. Krunal Shashiraj Shah an Associate Member of Institute of Company Secretaries of India (Membership No. A- 26087) under Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as Company Secretary at the Meeting of Board of Directors held on 13th August, 2015.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

I have also examined the books, papers and returns filed and other records maintained by Prime Urban Development India Limited for the Financial Year ended on 31st March, 2016 according to the provisions of various other Laws applicable, including the Rules made thereunder, and amended from time to time, to the Company, as informed by the Company, details of which are mentioned in '**Annexure II**':

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts, I have relied on the Reports given by the Statutory Auditors of the Company.

**I further report that** during the audit period the Company has the following specific events:

The Company had allotted 39,00,000 Equity Shares of Rs. 2/- each issued at a premium of Rs. 3/- per share to Promoters against the conversion of Warrants on a preferential basis in the Meeting held on 31/03/2015 pursuant to approval given by shareholders through Postal Ballot, Results of which were declared on 19/10/2013. These shares are ranking pari passu with the old equity shares of the Company. The Company has made Compliance of the provisions of Section 62 read with Section 42 of the Companies Act, 2013 and Rules made thereunder. The above mentioned shares are listed and permitted for trading on the Exchange with effect from Wednesday, August 19, 2015.

The details of registered and Corporate Office of Prime Urban Development India Limited are given in '**Annexure-III**'.

Place: Mumbai  
Date : 06/05/2016

Dr. S. K. Jain  
Practicing Company Secretary  
FCS No.:1473  
C P No.: 3076



## ANNEXURE - I

### List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2015.
3. Minutes of the Meetings of the Board of Directors, Audit Committee and Nomination & Remuneration Committee along with Attendance Register held during the Financial Year under report.
4. Minutes of General Body Meetings held during the Financial Year under report.
5. All Statutory Registers.
6. Agenda papers submitted to all the Directors /Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.

Place: Mumbai  
Date : 06/05/2016

Dr. S. K. Jain  
Practicing Company Secretary  
FCS No.:1473  
C P No.: 3076

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **ANNEXURE – II**

#### **List of applicable laws to the Company**

- i. Transfer of Property Act, 1882
- ii. The Payment of Bonus Act, 1965
- iii. The Payment of Gratuity Act, 1972
- iv. The Sexual Harassment Act, 2013
- v. The Maternity Benefits Act, 1961
- vi. The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- vii. The Environment (Protection) Act, 1986;
- viii. The Professional Tax Act, 1975

Place: Mumbai  
Date : 06/05/2016

Dr. S. K. Jain  
Practicing Company Secretary  
FCS No.:1473  
C P No.: 3076

### **ANNEXURE - III**

#### **Registered Office:**

110, Avanashi Road, Gandhi Nagar Post  
Tirupur 641603

#### **Corporate Office:**

54 Free Press House; 5th Floor;  
215, Free Press Journal Marg,  
Nariman Point,  
Mumbai- 400 021

Place: Mumbai  
Date : 06/05/2016

Dr. S. K. Jain  
Practicing Company Secretary  
FCS No.:1473  
C P No.: 3076



To  
The Members,  
**PRIME URBAN DEVELOPMENT INDIA LIMITED.**  
110, AVANASHI ROAD GANDHI NAGAR POST  
TIRUPUR TN 641603

My Secretarial Audit Report of Even date is to be read along with this letter.

**Management's Responsibility**

It is the responsibility of the management of the Company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

My responsibility is to express an opinion on these secretarial records, system, standards and procedures based on our audit.

Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company

Place: Mumbai  
Date : 06/05/2016

Dr. S. K. Jain  
Practicing Company Secretary  
FCS No.:1473  
C P No.: 3076

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Annexure III FORM NO. AOC -2

(Pursuant to Section Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)  
Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto.

#### 1. Details of Contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contracts or arrangements or transactions with its related parties which are not on arm's length basis during the financial year 2015-16.

#### 2. Details of Contracts or arrangements or transactions at arm's length basis:

(1)	(2)	(3)	(4)	(5)
a Name(s) of the Party and Nature of Relationship	<b>(1) Mr. Purusottamdas Patodia</b> <b>(2) Mr. Manoj Kumar Patodia</b> <b>(3) Mr. Anuj Patodia</b> <b>(4) Mrs. Meenal Patodia</b> <b>(5) Mrs. Nandita Patodia</b> <b>(6) Mrs. Indira Devi Patodia</b> <b>(7) Mr. Dhruv Patodia</b> <b>(8) Anjana Syntex Company Ltd</b> <b>(9) Pat Credit Ltd</b> Promoters and their relatives	<b>(1) M/s. Rehoboth Engineering and Contractors.</b> The Proprietor of M/s. Rehoboth Engineering and Contractors is son of Mr. T. Paul Sugumar, Whole Time Director of the Company	<b>(1) Mrs. Annakamakshi</b> Wife of Mr. T. Paul Sugumar, Whole Time Director of the Company	<b>(1) Srivasha Realtors Pvt Ltd.</b> Mrs. Nandita Patodia, who is a Shareholder of the Company, is wife of Mr. Manoj Kumar Patodia, Vice Chairman and Managing Director of the Company. Mr. S. Udayananda is a Director of Srivasha Realtors Pvt. Ltd and is DGM (Finance) and CFO of the Company.

b Nature of contracts / arrangements / transactions	Promoters and their relatives has given loan to M/s. Prime Developers, a Partnership Firm in which the Company is a Partner	Employed as Sales Executive in the Company	a. Finishing work of Civil, electrical and plumbing b. Labour Charges for shifting of earth c. Road Laying and compound wall construction & electrical work	Employed as Civil Work in Residential Project in M/s. Prime Newline AOP, in which the Company is a Member. b. Srivarsha Realtors Pvt. Ltd is giving Rent of Rs.1,000 p.m. to the Company for occupying a Room.
c Duration of the contracts / arrangements / transactions	Ongoing	Ongoing	a. Two Years b. Up to quarter ended 30 <sup>th</sup> June, 2015 c. Two Years	Up to quarter ended 31st December, 2015 Ongoing
d Salient terms of the contracts or arrangements or transactions including the value, if any	An amount of Rs.468.95 Lakhs given as loan at 12% p.a. to M/s. Prime Developers, a Partnership Firm by the Company.	Salary paid by the Company to Mrs. Indira Devi Patodia at Rs. 13,916 p.m. Total payment for year ended 31st March, 2016 is Rs. 1.67 Lakhs.	a. Total value of contract is Rs. 278.43 Lakhs and billed so far is Rs. 211.12 Lakhs. The contract value of Rs.237.73 Lakhs entered with M/s. Prime Developers, a Partnership Firm in which the Company is a Partner and the contract value of Rs.40.69 Lakhs entered with M/s. Prime Newline AOP, in which Company is a Member The above firms & AOP have given job work to M/s. Rehoboth Engineering and Contractors, Proprietorship Firm. b. As per Work Order, the contract value is Rs.26.67 Lakhs for Contract given by M/s. Prime Developers in which the Company is a Partner. Value of work executed in this year is Rs.17.08 Lakhs.	a. Total Value of Contract is Rs. 4.40 crores. Work done and billed for the year is Rs. 4.23 Lakhs. b. As per Rent Agreement. Rent paid during the Year is Rs.0.03 Lakhs.



## PRIME URBAN DEVELOPMENT INDIA LIMITED

e	Date(s) of approval by the Board, if any	Refer Note below	c. Total Value of Contract given by the Company is Rs. 26.63 lakhs. Work Completed and billed for the year is Rs. 21,695/-. The Contract is terminated w.e.f October 2015.				
f	Amount paid as advance, if any	-	-	-	-	-	M/s. Prime Newline AOP has paid a facility advance of Rs.50.00 Lakhs to Srivarsha Realtors Pvt Ltd.

Note: Approval of the Audit Committee / Board of Directors has been obtained from time to time.

**For and on behalf of the Board of Directors**

**Date: May 6, 2016**  
**Place: Mumbai**

**Purusottamdas Patodia**  
**Chairman and Managing Director**



**Annexure - IV**  
**PRIME URBAN DEVELOPMENT INDIA LIMITED**  
**Remuneration Policy for Directors, Key Managerial Personnel and Other Employees**

**1. PREFACE:**

Prime Urban Development India Limited (hereinafter called and referred to as “the Company”) believes in conducting its affairs in a fair and transparent manner by adopting highest standard of professionalism and good Corporate Governance Practices. The Company is committed to ensure that equitable remuneration is paid to all directors and employees of the Company. In order to attract and retain properly qualified and skilled directors and executives, to fill vacancies at all levels, it is the Company’s aim to maintain fair and competitive remuneration consistent with industry practices and all necessary regulations.

The Company had constituted a Remuneration Committee (“Committee”) way back. The Company had already adopted a Nomination and Remuneration Policy as required under the provisions of the Companies Act, 2013 and the same has been replaced with this new Policy. Nomination and Remuneration Policy (“the Policy”) has been framed in accordance with the provisions of the Companies Act, 2013 (“the Act”) and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**2. AIMS AND OBJECTIVES:**

This policy is intended to ensure that:

- All Directors and Executives of the Company are recognized and rewarded for their performance in a fair and equitable manner;
- To ensure that remuneration paid to Directors and Executives is competitive, enabling the Company to attract and retain employees capable of meeting the Company’s needs and service delivery obligations; and
- To reward Directors and Executives for achieving pre-determined Company, Departmental as well as personal/individual performance targets and goals.

**3. APPLICATION OF THIS POLICY:**

Directors, Key Managerial Personnel and other Senior Employees as may be decided by the Committee or Board of the Company, subject to the approval of members in the General Meeting for their appointment wherever applicable and subject to the provisions of the Companies Act, 2013 shall be remunerated in line with the service agreement.

**4. DEFINITIONS:**

Directors which includes Whole Time or Executive Directors, and Non-Executive or Independent Directors.

“Board” means Board of Directors of the Company as constituted from time to time.

“Independent Director” means a director referred to in Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Key Managerial Personnel/KMP shall mean “Key Managerial Personnel” as defined in Section 2(51) of the Act.

“Committee” means Nomination and Remuneration Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Senior Management” mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act,1992 and Rules and Regulations framed thereunder or in the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 or the Accounting Standards shall have the meanings assigned to them in these regulations.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **5. GENERAL POLICY STATEMENT:**

The role of the Committee shall, inter-alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Nomination and Remuneration Committee shall ensure that –

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

### **6. Appointment and Removal of Director, Key Management Personnel (“KMP”) and Senior Management**

#### **6.1 Appointment criteria and qualification:**

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment on the basis of criteria laid down from time to time.
- ii. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.
- iii. Appointment of Independent Directors is subject compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules there under.
- iv. The Company shall not appoint or continue the employment of any person as Managing Director, Whole-time Director and Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### **6.2 Term/ Tenure of Appointment**

##### **a) Managing Director/Whole Time Director/Manager**

The Company shall appoint or re-appoint any person as its Chairman & Managing Director, Joint Managing Director or Executive Director or Whole Time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### **b) Independent Director**

An Independent Director shall hold office for such term which should not exceed a maximum of five consecutive years on the Board of the Company, as may be recommended by the Committee and approved by the Board and shareholders and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.



No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

A person shall not serve as an Independent Director in more than seven listed Companies, provided that any person who is serving as a whole time Director in any listed Company shall serve as an Independent Director in not more than three listed Companies.

The maximum tenure of Independent Directors shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard, from time to time.

### **6.3 Evaluation:**

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment/re-appointment/continuation of Independent Directors on the Board shall be subject to the outcome of the yearly evaluation process.

### **6.4 Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, and Rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

### **6.5 Retirement:**

The Directors, Key Managerial Personnel and Senior Management Staff shall retire as per the applicable provisions of the Companies Act, 2013 and as per provisions of the Articles of Association of the Company. The Committee may recommend to the Board for retention of any Director, Key Managerial Personnel, Senior Management in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **7. Provisions regarding payment of Remuneration, perquisites to the Managing Director/Whole-time Directors/Manager, Key Management Personnel ("KMP") and Senior Management Personnel**

### **(a) General Provisions**

- i. The remuneration/perquisites/commission etc. to the Managing Director/Whole-time Directors/Manager, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.
- ii. The remuneration/perquisite/commission etc. shall be in accordance with the percentage/slabs / conditions laid down in the Companies Act, 2013 and shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- iii. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director/ Whole Time Director/Manager. The decision of the Committee as to increment shall be final.
- iv. Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying any of them against any liability in respect of a deed for which they may be held guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **b) Remuneration to the Managing Director/Whole-time Directors/Manager, Key Management Personnel (“KMP”) and Senior Management Personnel**

#### **Remuneration**

The Managing Director/ Whole-time Director/Manager shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus/commission and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the Shareholders and Central Government, wherever required.

#### **Minimum Remuneration**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director / Whole-time Director/Manager in accordance with the provisions of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

#### **Provisions for Excess Remuneration**

If Managing Director/ Whole-time Director/Manager draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### **(c) Remuneration to Non Whole Time Directors (Including Independent Directors) Sitting Fees:**

The Non Whole Time Directors (Including Independent Directors) of the Company shall be paid remuneration by way of sitting fees for attending Meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board. The amount of sitting fees shall not exceed the amount prescribed in the Companies Act, 2013 and the Rules made thereunder.

#### **Profit Linked Commission**

The Non-executive/Independent Directors of the Company may be paid profit-linked Commission within the monetary limit as may be recommended by the Board of Directors from time to time and also approved by the Shareholders of the Company and by the Central Government, wherever required.

#### **Stock Options**

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company.

### **8. Amendments to the Policy**

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant Statutory authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.



### Annexure V

Details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary and Managing Director during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 are as under:

Sr. No.	Name of Director/KMP and designation	Remuneration of Director/KMP for Financial Year 2015-16 (Rs. in Lakhs)	% increase in Remuneration for Financial year 2015-16	Ratio of remuneration of each Director to median remuneration of employees
1	Purusottamdas Patodia Chairman and Managing Director (CMD)	58.79	Nil	Not Applicable
2	Manoj Kumar Patodia Vice-Chairman and Managing Director (VCMD)	42.72	Nil	Not Applicable
3	Anuj Patodia Managing Director (MD)	42.82	Nil	Not Applicable
4	T. Paul Sugumaran Whole-time Director (WTD)	24.00	*	Not Applicable
5	S. Udayananda Chief Financial Officer (CFO)	10.44	6%	Not Applicable
6	Krunal Shah Company Secretary (CS)	5.53	**	Not Applicable

\* Not applicable since T. Paul Sugumaran was appointed as Whole time Director with effect from 1st June, 2015

\*\* Not applicable since Krunal Shah was appointed as Company Secretary with effect from 17th July, 2015

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### b) Comparison of Remuneration of the KMP against the performance of the Company

Particulars	Remuneration (Rs. in Lakhs)						
	Purusottamdas Patodia (CMD)	Manoj Kumar Patodia (VCMD)	Anuj Patodia (MD)	T. Paul Sugumaran (WTD)	S. Udayananda (CFO)	Krunal Shah (CS)	Total
Remuneration of KMPs paid during the financial year 2015-16	58.79	42.72	42.82	24.00	10.44	5.53	184.30
Revenues for the financial year 2015-16	6,973.63						
Remuneration of KMPs as % of revenue	0.84	0.61	0.61	0.34	0.15	0.08	2.64
Profit before tax for the financial year 2015-16	1,827.12						
Remuneration of KMPs as % of Profit before tax	3.21	2.34	2.34	1.31	0.57	0.30	10.09

### c) Percentage increase in the median remuneration of employees in the financial year

In the financial year 2015-16, there was an increase of 8% in the median remuneration of employees.

### d) Number of permanent employees on the rolls of Company

There were 10 Permanent employees on the rolls of Company as on 31st March, 2016.

### e) Explanation on relationship between average increase in remuneration and Company performance :

See Point no. b above

### f) i) Variations in the market capitalisation of the Company

The market capitalisation as on March 31, 2016 was Rs. 42.89 Crore and as on March 31, 2015 was Rs. 7.87 Crore.

### ii) Price Earnings ratio of the Company was 2.14 as at March 31, 2016 and was 4 as at March 31, 2015.

### iii) Percent increase over/decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer:

Particular	March 31, 2016	March 31, 2015	% Increase
Market Price(BSE)	16.10	2.96	443.92%



- g) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average percentage increase made in the salaries of employees other than the managerial personnel for the financial year i.e. 2015-16 was 8% whereas the increase in the managerial remuneration for the same financial year was Nil.

- h) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not Applicable**

- i) Key parameters for any variable component of remuneration availed by the directors:**

Not Applicable as no variable component forms part of remuneration of Directors.

- j) Affirmation that the remuneration is as per the remuneration policy of the Company:**

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

# PRIME URBAN DEVELOPMENT INDIA LIMITED

## Annexure-VI

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2015-16

#### INDUSTRY STRUCTURE AND DEVELOPMENTS

##### Indian Economy

In 2015-16, India remained a resilient economy. The Growth rate achieved during a challenging year such as last year reaffirms India's strength in its domestic consumption and speaks volumes of its better progress in years to come.

The improvement in India's economic fundamentals has accelerated in the year gone by with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

Indian economy is expected to grow at 7-7.75 per cent during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will be growing by more than 7 per cent for the third successive year 2016-17 and can start growing at 8 per cent or more in next two years. Foreign direct investment (FDI) in India has increased by 29 per cent during October 2014-December 2015 period post the launch of Make in India campaign, compared to the 15-month period before the launch.

The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP), at factor cost at constant (2011-12) prices, in 2015-16 is Rs 113.5 trillion (US\$ 1.668 trillion), as against Rs 105.5 trillion (US\$ 1.55 trillion) in 2014-15, registering a growth rate of 7.6 per cent. The economic activities which witnessed significant growth were 'financing, insurance, real estate and business services' at 11.5 per cent and 'trade, hotels, transport, communication services' at 10.7 per cent.

Total private equity (PE) investments in India for 2015 reached a record high of US\$ 19.5 billion through 159 deals, according to the PwC Money Tree India report. According to The World Bank, India's per capita income is expected to cross Rs 100,000 (US\$ 1,505.4) in FY 2017 from Rs 93,231 (US\$ 1,403.5) in FY 2016.

##### Indian Real Estate

The real estate sector is one of the most globally recognized sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade.

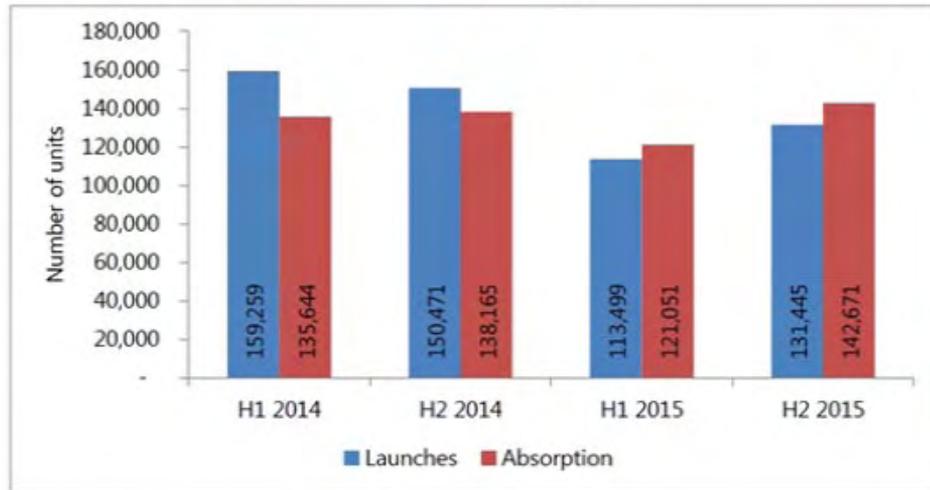
The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP). During the period FY 2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs. During the first nine months of 2015, PE funds invested about US\$ 2.4 billion in the real estate sector, across 53 transactions compared US\$ 1.3 billion across 57 transactions in the same period last year. Deal sizes have also increased in 2015, and residential projects both luxury and affordable have attracted a substantial amount of capital. Private Equity (PE) funds and Non-Banking Financial Companies (NBFCs) in India are seen increasingly investing jointly in real estate projects, in order to hedge risk and undertake bigger transactions.

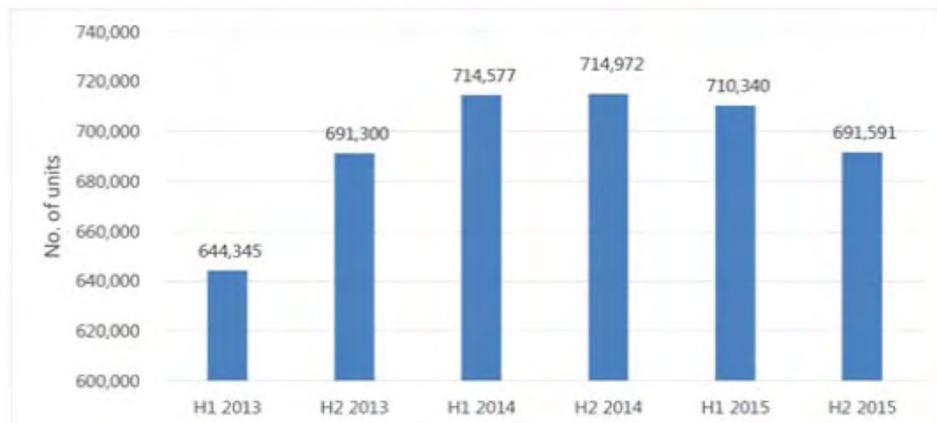
The Indian residential sector has been reeling under tremendous pressure since the last couple of years. The slowdown is being witnessed not just in the premium segment but across all types of residential properties. The revival in the residential segment that was expected, owing to the positive sentiment in the economy on the back of the formation of the new government at the Centre is yet to witness its true potential. Additionally, homebuyer interest has not yet picked up, due to issues such as stalled projects, unaffordable prices, delays in the completion of major infrastructure projects and low credibility of developers. On the contrary, the office space market has witnessed a remarkable recovery in the last two years and vacancy levels are expected to touch a new low by the end of the current year. Unfortunately, the rub-off effect of the office market is still not visible in the residential segment.



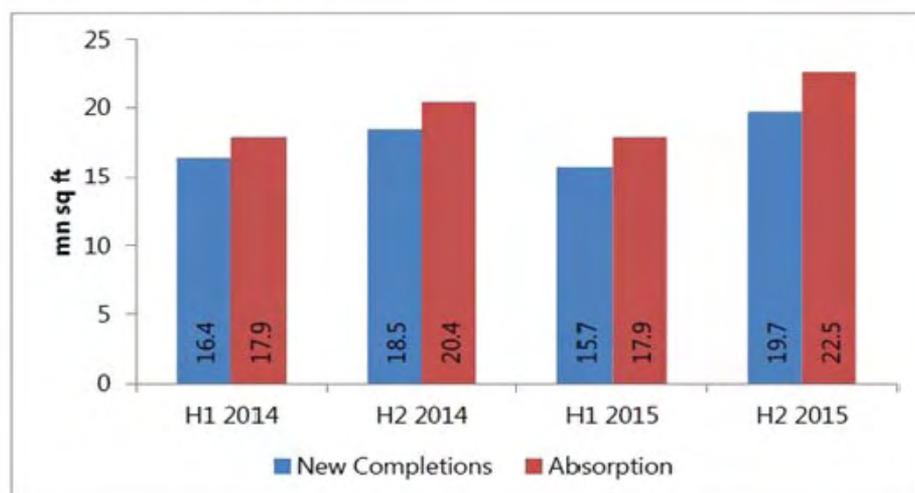
### All-India Residential market launches and absorption



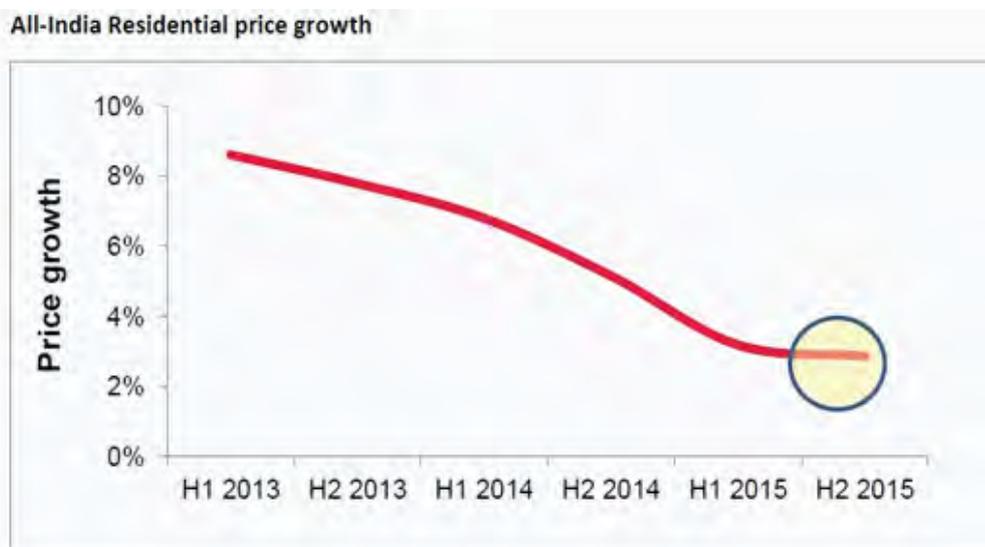
### All-India Residential unsold inventory



### All-India Office market trend



## PRIME URBAN DEVELOPMENT INDIA LIMITED



(Source: IBEF, Knight Frank)

### Investment Destination

The Indian real estate market offers a diverse range of property segments - residential being the largest (due to large housing needs & increasing urbanization), followed by office which is emerging as the preferred investment option by institutional investors besides retail and logistics sectors. The recent notification of the REIT policy has made commercial real estate more attractive for both domestic and international investors. In the first phase, the REIT in India would encompass revenue-generating commercial real estate assets. Knight Frank estimates approximately USD 96 Billion or 1.4 Billion sq.ft. of occupied space across office, retail and warehouse segments that could potentially benefit from the REIT opportunity.

The real estate activity is spread across multiple cities having independent demand drivers. Key investment destinations include Bangalore, Delhi NCR, and Mumbai, that together account for more than two-thirds of commercial investment activity. Emerging metro cities of Pune, Chennai and Hyderabad, primarily driven by a strong IT/ ITeS industry have also seen significant interest in the recent past.

The real estate market is expecting higher liquidity with emergence of REITs in the near future. Over the last 15 years, India has observed foreign investment of USD 341 Billion out of which 10% was invested in the real estate sector.

### Government Initiatives

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the real estate sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies.

Below are some of the other major Government Initiatives:

**Housing for All by 2022** - 30 million houses will be built in India by 2022, mostly for the economically weaker sections and low-income groups, through public-private-partnership (PPP) and interest subsidy.

The Government of India has **relaxed the norms to allow Foreign Direct Investment (FDI) in the construction development sector**. This move should boost affordable housing projects and smart cities across the country.

**Make in India Initiative** - This initiative is expected to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development.



### **Recent Allocation of USD3.72 billion for housing and urban development in Budget 2015 – 16 shows Government's intent towards the real estate and housing sector**

The Provision for reduction in minimum capitalization for FDI investment from USD10 million to USD5 million would act as a big catalyst in boosting urbanization.

**Affordable Housing** - The Governments budget announcement to allow 100 per cent deduction for profits to housing projects building homes up to 30 sq metres in the four metro cities and 60 sq metres in other cities is likely to spur supply of affordable homes. This segment makes for almost 90 per cent of the demand for homes in India.

### **Real Estate Regulatory Bill now a law**

The Real Estate industry has for long reeled under the garbs of mistrust of buyers coupled with opaque practices. The Real Estate bill is a major reform that promises to bring in much-needed transparency and accountability to the sector. It will create a much-needed consumer right protection umbrella for buyers of real estate, thereby increasing consumer confidence as well as creating lasting developer brands strong on quality and timely delivery of their projects. This will benefit branded and organized Real estate developers such as Prime Urban.

### **Few Micro-level impacts that the Bill envisages are -**

*Timely completion and delivery:* Developers will now have to deposit 70% of the collections from home buyers in a dedicated account to be used only for that particular project. It has been clarified that if the land cost has already been incurred by the promoter, he can withdraw the amount to that extent.

*Level playing field:* Developers will now have to deliver on time, adhering to the level of quality stated in the information provided to the regulatory authority during registration

*Better quality buildings:* The bill states that the liability of the developers for structural defects will now be five years from the date of handing over possession.

*Majority to hold sway:* Developers cannot make alterations or additions in the sanctioned plans and specifications of the building or the common areas without the consent of at least two-thirds of buyers.

### **Macro-level impact**

Provisions in the bill will without doubt make the process of home-buying much easier. With a regulator in place, the sector will be more efficient, prices will be more rationalized and most importantly, the regulator will ensure that malpractices are weeded out well in time

### **REITs**

The government has accepted the industry's long standing demand of DDT exemption on income distributed from the SPV. Over the last year, the government notified significant regulations regarding REITs, which we believe should make it conducive for large unlisted commercial landlords to list their portfolios. REITs, once fully operationalized, will have a significant effect on the industry by

1. Allowing for capital recycling thus reducing dilution risks at parent-co level.
2. Ability to undertake higher level of capex.
3. Improved institutional funding (long term capital from income asset owners) into the sector.
4. Allowing for lower financing costs as REITs are allowed to borrow offshore.

### **REIT Market Potential in India**

<b>Property Type</b>	<b>Potential REIT Area (Million Sq. Ft)</b>	<b>Potential Market Value (USD Million)</b>
Office	425	52
Retail	64	16
Warehouse	919	28
<b>Total</b>	<b>1,408</b>	<b>96</b>

Source : Knight Frank Research

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **South India: Real Estate**

Southern India has for long been the silent crusader, building and strengthening its real estate development as one of the most sought after destinations in the country. Tamil Nadu (8.16%) contribution to Indian GDP is at 3rd position among 33 Indian States & Union Territories. Five states in south India contributes to nearly 26% of the GDP of all states put together. Healthy contribution of these states to the services and the manufacturing sectors in the past two decades has set a strong foundation for the future growth. By focusing on the core competence of each of the states, the respective State governments could sustain its growth in the near term.

Earlier the south Indian real estate market was known as high price sensitive, with buyers primarily focused on affordability quotient. Developers had to adopt a strategy to entice potential end users and investors by offering their products in the right price band. However with increasing foreign investment in establishing back offices in prime location of south Indian cities coupled with increasing job prospects the South Indian economy has witnessed rapid growth over the last few years. This has led to fast-paced urbanization with the southern region housing 100+ million people in urban area. The southern states have gradually become robust centers for the service industry, while maintaining a strong focus on the manufacturing sector for industries such as automobiles, textiles, pharmaceuticals, defense and aerospace. The four states house close to 50% of the total number of SEZs in the country. Together with industrial growth, IT remains the dominant driver for the Real Estate market, followed by biotechnology.

### **About Tirupur – Our core market:**

Tirupur is known as India's knitwear capital. From a little village forty years back to a small export hub clocking Rs 15 crore in 1985 to over Rs 20,000 crore of knitwear exports - it has been quite a journey for Tirupur. It has come a long way from a small cotton-marketing centre with a few ginning factories to become a prominent cluster of small and medium manufacturing enterprises gainfully engaged in the production and export of a range of knitted apparels. Tirupur earns the major part of India's Foreign Exchange. The economy of Tirupur has registered an annual growth rate of 30% since the year 1998. Tirupur, one of the popular Industrial cities of South India is an emerging international trade centre. Also known as the Dollar City, the city of Tirupur expects Garments exports to double to Rs. 750 bn in the next 5 years, a phenomenon that will have positive effects on all aspects of the city's development.

Infrastructure plays a vital role in the development of textile industry in Tirupur. Though it is still suffering from infrastructural bottlenecks, the development taken place in Tirupur is commendable.

There are around twelve colleges and twenty four high schools in this town which provides the basic skill required for the human resources. Similarly, there are various banking companies operating in this small town. Almost all the top performing public sector banks and multinational banks have branches in Tirupur. Moreover, developmental financial institutions like SIDBI also operate from this town to facilitate industrial activities. There are five primary health centers and ten big hotels that are located in Tirupur. Some of these hotels have state of the art conference facilities, seminar halls and swimming pools. The construction activity has increased over the years and the real estate development is keeping pace.

Tirupur is leading the real estate revolution in Tamil Nadu. The demand from middle-class professionals & entrepreneurs has gone up for residential houses. The need for housing facilities for the middle managers and managers is on the rise, thanks to the increasing prominence of Tripur in global textile space. This increasing prominence and acceptability has motivated the industry to invest more in production capacities. The major influx of migrant labour to the textile town, from a population of 150,000 to around 800,000 people in the city, of which around 600,000 are employed in the 4,000 or so factories located in the 14-km industrial hub, the housing requirement for Tirupur is enormous.

### **Coimbatore – Manchester of South India**

Coimbatore is a city in southern India, a major commercial and business hub in the state of Tamil Nadu. It is the highest revenue yielding district in the state even ahead of Chennai, thus making it one of the fastest-growing metro cities in India.

Economy of Coimbatore is heavily influenced by Information Technology, Engineering & Textiles. Coimbatore is called the Manchester of South India due to its extensive textile industry, fed by the surrounding cotton fields.



Coimbatore region is famed for the quality of its cotton and dyed fabric. It is hailed as the region with the highest concentration of textile activity in the world. It has numerous centres that specialize in spinning, weaving, powerlooms and knitwear. A large produce of the manufacture is exported to different countries. Exports include knitwear, woven apparel and home furnishings. The growth of textiles naturally led to the inception of textile machinery manufacturing. Today, some of the best known global brands in textile machinery and component manufacturing are based out of Coimbatore. Besides Textiles, Coimbatore has a large and a diversified manufacturing sector facilitated by the presence of research institutes and large number of engineering colleges producing about 50,000 engineers. Many prominent corporate have set up manufacturing base in Coimbatore. The city is the second largest software producer in Tamil Nadu, next only to Chennai. IT and BPO industry in the city has grown greatly with the launch of TIDEL park and other planned IT parks in and around the city. It is ranked at 17th among the global outsourcing cities.

Coimbatore has emerged as one of the most trusted outsourcing destinations for the auto component industry. Several factors have contributed to this growth, including ready availability of resources and skilled technical talent. Technical Partnerships and strategic alliances with global manufacturers have given the Coimbatore auto component industry more mileage in the international market. Today, auto majors with a growing presence in India source both major components and sub assemblies from the city.

At Prime Urban, we have a positive outlook toward Coimbatore and shall be pursuing real estate opportunities to exploit the increased prominence of the city.

#### **Chennai – a growing real estate market with vast opportunities**

Chennai is a vibrant city with multiple businesses and activities benefitting the economic upliftment of the city. Known as the Detroit of Asia, the city accounts for 60 per cent of India's automotive exports. The city is a major centre for the auto ancillary industry. Chennai has been tagged as the Banking Capital of India, for its vibrant banking culture and trading. The city has emerged as an important centre for banking and finance in the World Market. Chennai boasts a transaction volume which serves 900 million people across the World through Back office operation. Chennai leads in the health care sector and is considered the Health Capital of India. Home to some of India's best health care institutions Chennai is a preferred destination for medical tourists from across the globe. The city is home to the Tamil entertainment (motion pictures, television, and recorded music) industry which is the second largest in India after Bollywood. These factors make Chennai very attractive from a real estate perspective. We at Prime Urban shall be actively scouting for real estate opportunities.

#### **OPPORTUNITIES FOR GROWTH**

Real Estate sector in India has been on benign footing for quite some time. Marred in controversies, lack of transparency, over leveraging and increased exposure of builders beyond capacity, non standardised procedures, archaic laws busting the exuberance the sector witnessed during 2006-10. All said and done Real estate is a vast sector. Including allied sectors it is one of the highest contributors to India's GDP with approx 6% share to India's GDP, employs a large work force and acts as an enabler to provide homes to millions which is one of the most important assets for Indians. Besides being a large contributor, Real estate sector has also had a big social impact on the lives of people.

Various opportunities lie to deepen the Real estate sector -

- **Housing for All** – The Government of India has envisioned Houses for all by the year 2022. This vision is likely to give a fillip to the real estate sector as the Government will provide many incentives in form of Interest subvention, Investor friendly PPP schemes, increased FDI participation, faster project clearances which will boost the Housing sector. The scheme envisages 60mn homes to be built across India, a move that will create large and scalable opportunities for home builders.
- **Easing of FDI in Construction Industry** – The Government has after long deliberation eased FDI in Construction industry which is likely to have a cascading effect on the Industry. Long gestation projects such as Hotels, Hospitals, Townships will see a positive impact due to the inflow of large funds. FDI will help Real Estate players to lower their cost of capital, reduce timelines from acquisition of land to launch of project, increase exposure to large townships thereby leading to higher development and industrial activity in the country ultimately benefitting one and all. Large scale institutional monies in the sector will help faster construction & timely delivery.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

- **Government Allocation** – The Government has allocated large sums for Rural Housing through NHB. This will increase flow of capital for affordable housing for the rural poor besides improving infrastructure in rural areas.
- **Increased Commercial Activity** – The positive air around the Economy is expected to lead to economic uptick in business activities in the country. This will lead to higher investments in commercial office space, warehouses, and residential houses leading to overall uptick in Real Estate industry. We are witnessing early signs of low vacancy levels in Commercial real estate in various pockets of India.
- **Urbanization** – Increased opportunities have led to increased demand for better infrastructure in India. Villages, Towns, Cities or Metros, citizens today demand for better facilities leading to continuous demand for housing, hospitals, schools, public transport, banks. Urbanization has led to a surge in development activities causing for an eruption of opportunities for the real estate developers.
- **Accelerating Economy in India and Tamil Nadu** – Indian economy has outshined the World economy growth by a wide margin. India's demographic and need to improve infrastructure coupled with availability of skilled labour makes it a one-stop-shop for investors. Tamil Nadu has played an important part in economic growth for its citizens. Availability of large educated work force is leading to many Global companies to set up shop in Tamil Nadu across various sectors such as Auto, Textiles, IT-ITES, KPO, Renewables and many others. This provides for a continuous need for housing stock especially organized housing which is a big boon for real estate developers.
- **Nuclear Families** – This is a big phenomenon which is continuously driving India's growth. Increased nuclearization is driving up consumption in the country. In a young country such as India, this concept is likely to positively impact the real estate sector. Increased affinity towards branded and organized housing will further impact the real estate developers.

### PROJECT WISE DETAILS

At Prime Urban we are engaged with 3 projects currently. All these projects are at Tirupur where we have developed significant real estate experience and with a proven track record built a trustworthy brand image.

- **Prime Enclave Vistas** – Prime Enclave Vistas is our Apartment project set amidst serene landscaped surroundings of greenery & blooms. It is the first of its kind township in city of Tirupur. The Project was conceived with a single-minded objective to create a new level of residential luxury in Tirupur. A residential luxury designed to match the tastes and mind-set of a select few, who aspire to live ahead of the times. We have a total of 376 units in this project of which we have sold 364 units i.e. 96.8% of the total project. Construction of this Project is completed.
- **The Onyx (Villas)** – The Onyx is our Villa Project in Tirupur. The project consists of 34 luxurious Villas amidst breathtaking, lush landscaping and an array of recreation which is available at a stone's throw away distance. We have currently sold 8 units i.e. 23.52% of the total project. Project is currently under progress and is expected to be completed in 24 months. We aim to sell the balance units in span of next 2 years. This project is one of kind for the city of Tirupur and on completion would enhance our brand value with customers immensely.
- **Developed Lands** – The Company has taken up Developed Land Projects and successfully completed sale of Lands measuring over 140,000 sq. ft. of Land in FY15 & FY16. We have 67,601.12 sq. ft. land available to sell and are targeting to sell the same within next 24 months

Our projects are signature style and path breaking for the city of Tirupur. We are confident of a good quality product for our customers which will improve the living standards of the city and add a whole new dimension of Real estate development. With our project portfolio being targeted for completion and sale within the next 24 months, our Company will see significant cash flows and profitability which shall be utilized to make deeper inroads in Tirupur real estate market and enter other cities of Tamil Nadu such as Coimbatore and Chennai.



## RISKS & CONCERNS

Though the Real estate sector holds lot of potential for positive performance it has direct correlation with India's economy and does possess some risks & concerns

1. Real estate is the single largest investment for people in India. Traditionally the sector does well during periods of sustainably better performing economy. And so, if the Indian economy slows there could be a slow-down in the realty sales.
2. Rising Interest rates – India has witnessed tremendous growth in Real estate sector with the advent of financing options by banks in early 2000's. A period of low sustained rates saw huge sales in real estate. However if interest rates rise, it can potentially impact the financing costs thereby slowing down the sector.
3. Delay in Permissions – one of the biggest challenges faced by the Real estate sector is securing permissions on land for construction. Delays in permission for housing starts can increase the cost of development of a project thereby lowering the return potential leading to possible un-viability of the project.
4. Oversupply leading to slowdown in Transactions – The sector has witnessed tremendous construction activity since early 2000's backed by healthy sales. However recently the construction activity has outpaced the transactions and reached a zone of oversupply. Continued oversupply of realty stock in the market could dent the prospects of developers and cause liquidity issues.
5. Change in regulations – real estate sector in India is governed by many laws at the state and city level. Changes in regulations could impact the project in terms of financial viability as well as delivery.
6. IT-ITES sector performance – IT & ITES are large consumers of commercial estate. India's prowess in this sector has led to the emergence of many large scale developments and IT zones many parts of the country. Any slowdown in this sector could impact the performance of real estate sector especially Commercial real estate.
7. Textile Industry performance – large part of realty sales are in Tirupur and the city is a large textile hub in India. It is one of the largest exporters of garments in the country. Any slowdown in the textile industry performance could impact the financial health of textile entrepreneurs who are large buyers of organized real estate in Tirupur.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

## SEGMENT WISE FINANCIAL PERFORMANCE

The summarized segment-wise performance of the Company for the Financial Year 2015-16 is as follows:

Rs. in Lakhs

Sl. No.	Particulars	Realty	Textiles	Total
1.	Segment Revenue	3,174.24	3,799.39	6,973.63
2.	Segment Results (Profit/ (Loss) before interest tax, interest and exceptional items from each segment)	2,528.07	94.62	2,622.69
	Less:			
	Finance Cost			(211.97)
	Exceptional items			(555.55)
	Unallocable expenditure			(28.05)
	Profit/(Loss) before tax and extraordinary items			1,827.12
	Less: Extraordinary items			-
	Profit/(Loss) before tax			1,827.12
3.	Capital Employed (Excluding Business Reconstruction Reserve)	2,511.15	152.58	2,663.73

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**



### **Prime Urban Development India Limited REPORT ON CORPORATE GOVERNANCE YEAR ENDED ON 31ST MARCH 2016**

#### **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Corporate Governance indicates fairness, transparency, accountability and integrity of the Management. It is all about maintaining valuable relationship and trust with all stakeholders.

The Company has established procedures and systems to ensure regular dissemination of information to the Board of Directors to ensure effective oversight of the Company's business and activities. Based on the Corporate Governance practices, the Company has always worked towards building trust with the Shareholders and employees of the Company. Your Company, through its Board and Committees, endeavours to strike and deliver the highest governing standards for the benefit of its stakeholders.

Actions and decisions of the Board are aligned in the best interest of the Company. The Board critically evaluates Company's strategic decisions, management policy and its effectiveness. The Board regularly reviews related party transactions, financial reports and evaluates the performance of the business.

#### **BOARD OF DIRECTORS**

The Board of Directors of the Company ("Board") has an optimum combination of Executive and Non-Executive Directors with not less than fifty percent being Non-Executive Independent Directors. The Board also comprises of one women Director.

Mr. Purusottamdas Patodia acts as the Executive Chairman of the Board and Mr. Manoj Kumar Patodia acts as the Vice Chairman of the Board.

Mr. T. Paul Sugumaran, Whole Time Director of the Company, does not serve as an Independent Director of any other listed company.

During the financial year 2015-16, four meetings of the Board of Directors were held on the following dates: 29th May, 2015, 13th August, 2015, 4th November, 2015 and 3rd February, 2016.

The Details as required under Schedule II of Part 'A' of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is placed before the Board of Directors at their Meetings.

The details of Directorship and Membership/Chairmanship of the committees of the Board held by the Directors as on 31st March, 2016 and their attendance at the meeting during the year are as follows:



Name of the Director	Category	No. of Board Meetings held during the financial year 2015-16	No. of Board Meetings attended by the Director during the financial year 2015-16	Attendance at the last AGM	No. of Directorship in other public limited companies#	No. of Committee position held including the company*		Relationship with other Directors Interse
						Chairman of the Committee	Member	
Mr. Purusottamdas Patodia##	Executive Chairman/ Promoter	4	4	Yes	2	0	1	Related to Mr. Manoj Kumar Patodia and Mr. Anuj Patodia.
Mr. Manoj Kumar Patodia##	Executive Vice-Chairman/ Promoter	4	4	Yes	5	0	2	Related to Mr. Purusottamdas Patodia and Mr. Anuj Patodia
Mr. Anuj Patodia##	Managing Director/ Promoter	4	4	Yes	9	0	0	Related to Mr. Purusottamdas Patodia and Mr. Manoj Kumar Patodia
Mr. T. Paul Sugumaran***	Whole Time Director	4	3	Yes	0	0	0	Not related to any other Director of the Company
Mr. N. K. Bafna	Non Executive Director/ Independent	4	4	Yes	1	1	3	
Mr. Banwarilal Singhal	Non Executive Director/ Independent	4	4	Yes	4	4	3	
Mr. Venkat chalam Ramaswamy	Non Executive Director/ Independent	4	1	No	5	0	0	
Dr. Vaijayanti Pandit**	Non Executive Director/ Independent	4	4	Yes	7	0	1	

#excludes directorship in private companies, foreign companies and Section 8 companies

\*Membership/Chairman of only Audit Committee and Stakeholders' Relationship Committee in Public Limited companies have been considered

\*\* Appointed as an Independent Director with effect from 14th August, 2014

\*\*\* Appointed as Whole Time Director with effect from 1st June, 2015

## Re-appointed as Managing Directors with effect from 1st April, 2016

As on 31st March, 2016, the number of directorship/committee membership/chairmanship of all the Directors is within the respective limits prescribed under Companies Act, 2013 and that of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

The shareholding of the Non-Executive Directors of the Company as on 31st March, 2016 is as follows:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>No. of equity shares held as on 31<sup>st</sup> March, 2016</b>
1	Mr. Banwarilal Singhal	36,213
2	Mr. Venkat chalam Ramaswamy	NIL
3	Mr. N.K. Bafna	NIL
4	Dr . Vaijayanti Pandit	NIL

The details of familiarisation programmes imparted to Independent Directors of the Company is disclosed on the website of the Company - [www.ptonline.com](http://www.ptonline.com).

### MEETING OF INDEPENDENT DIRECTORS

As stipulated under the Code for Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 3rd February, 2016.

The meeting was attended by all the Independent Directors.

### AUDIT COMMITTEE

The terms of reference of Audit Committee inter alia includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions
  - g) Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.) the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditors independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;



12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control system;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee, if any.

The executives from accounts, finance and corporate secretarial section also attend Audit Committee Meetings.

**Composition and Attendance at Meetings:**

As on 31st March, 2016, the composition of the Audit Committee has been as under:

- a) Mr. Banwarilal Singhal
- b) Mr. N.K. Bafna
- c) Mr. Manoj Kumar Patodia

During the financial year 2015-16, four meetings of Audit Committee were held on the following dates: 29th May, 2015, 13th August, 2015, 4th November, 2015 and 3rd February, 2016.

Attendance of the Directors at the Audit Committee Meetings held during the financial year is as under:

<b>Name of Directors</b>	<b>Designation</b>	<b>Category</b>	<b>No. of Meeting(s) Attended</b>
Mr. Banwarilal Singhal	Chairman	Non - Executive Director /Independent	4
Mr. N. K. Bafna	Member	Non - Executive Director /Independent	4
Mr. Manoj Kumar Patodia	Member	Executive Vice - Chairman/Promoter	4

Mr. Banwarilal Singhal, Chairman of the Audit Committee was present at the last Annual General Meeting held on 13th August, 2015.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### NOMINATION AND REMUNERATION COMMITTEE

The Terms of reference of Nomination and Remuneration Committee inter alia includes the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- ii. Formulation of criteria for evaluation of performance of Independence Directors and the Board of Directors;
- iii. Devising a policy on diversity of board of directors;
- iv. Identifying persons who are qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- v. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- vi. Such other matters as may be delegated by the Board of Directors of the Company.

#### Composition and Attendance at Meetings:

- a) Mr. Banwarilal Singhal
- b) Mr. N.K. Bafna
- c) Mr. Venkatchalam Ramaswamy

During the financial year 2015-16, two meetings of Nomination and Remuneration Committee were held on 29th May, 2015 and 13th August, 2015.

Attendance of the Directors at the Nomination and Remuneration Committee Meetings held during the financial year is as under:

Name of Directors	Designation	Category	No. of Meeting(s) Attended
Mr. Banwarilal Singhal	Chairman	Non - Executive Director /Independent	2
Mr. N. K. Bafna	Member	Non - Executive Director /Independent	2
Mr. Venkatchalam Ramaswamy	Member	Non - Executive Director /Independent	0

**Remuneration Policy:** As disclosed in the Directors' Report as "Annexure IV".

#### Details of remuneration paid to the Directors during the Financial Year 2015-16:

Name of the Director	Sitting Fees* (Rs.)	Remuneration (Rs.)	Total (Rs.)	No. of Stock Options
Mr. Purusottamdas Patodia	Nil	58,78,655	58,78,655	Nil
Mr. Manoj Kumar Patodia	Nil	42,71,832	42,71,832	Nil
Mr. Anuj Patodia	Nil	42,82,444	42,82,444	Nil
Mr. T. Paul Sugumaran**	Nil	24,00,000	24,00,000	Nil
Mr. N.K. Bafna	95,000	Nil	95,000	Nil
Mr. Banwarilal Singhal	95,000	Nil	95,000	Nil
Mr. Venkatchalam Ramaswamy	15,000	Nil	15,000	Nil
Dr. Vaijayanti Pandit***	45,000	Nil	45,000	Nil

\* includes fees paid for board and committee meetings

\*\* Appointed as Whole Time Director of the Company with effect from 1st June, 2015

\*\*\* Appointed as an Independent Director of the Company with effect from 14th August, 2014



### **Non- Executive Directors**

The Non-Executive Directors of the Company are not paid any remuneration except by way of sitting fees for attending meetings of Board of Directors and its Committee(s). The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during the financial year 2015-16.

### **Whole Time Director**

The Shareholders of the Company had at an Annual General Meeting held on 13th August, 2015 approved appointment of Mr. T. Paul Sugumaran as Whole Time Director of the Company and payment of remuneration by way of salary in the scale of Rs. 2,40,000-20,000-2,80,000 per month (including all perquisites) for a period of three years beginning from 1st June, 2015 to 31st May, 2018.

### **Managing Directors**

The Shareholders of your Company at an Annual General Meeting ("AGM") held on 13th August, 2015 approved the re-appointment of Mr. Purusottamdas Patodia, Mr. Manoj Kumar Patodia and Mr. Anuj Patodia as Chairman and Managing Director, Vice- Chairman and Managing Director and Managing Director respectively for a period of three (3) years commencing from 1st April, 2016. The terms and conditions of their appointments including remuneration payable to them was approved in the AGM held on 13th August, 2015 in accordance with the provisions of Sections 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The complete details of the Remuneration paid to the Managing Directors is stated in Form MGT- 9 – Extract of the Annual Return which forms part of the Board's Report in this Annual Report.

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The terms of reference of Stakeholders' Relationship Committee includes the following:

- a. To review Transfer/ Transmission / Dematerialisation of Equity Shares of the Company.
- b. To issue duplicate share certificates as and when the requests are received by the Company;
- c. To review correspondence with the shareholders vis-à-vis legal cases and take appropriate decisions in that regard; and
- d. To authorise affixing of the Common Seal of the Company from time to time on any deed or other instrument requiring authentication by or on behalf of the Company.
- e. To consider and resolve the grievances of the security holders including complaints related to transfer of shares non-receipt of annual report and non-receipt of declared dividends.
- f. To do all acts, deeds and things as may be required to be undertaken in terms of the provisions of Companies Act, 2013 and rules made there under.

### **Composition and Attendance at Meeting**

As on 31st March, 2016, the composition of Stakeholders' Relationship Committee has been as under:

- a) Mr. N. K. Bafna
- b) Mr. Banwarilal Singhal
- c) Mr. Purusottamdas Patodia
- d) Mr. Manoj Kumar Patodia

During the financial year 2015-16, four meetings of Stakeholders' Relationship Committee were held on the following dates: 29th May, 2015, 13th August, 2015, 4th November, 2015 and 3rd February, 2016

## PRIME URBAN DEVELOPMENT INDIA LIMITED

Attendance of the Directors at the Stakeholders Relationship Committee held during the financial year is as under:

Name of Directors	Designation	Category	No. of Meeting(s) Attended
Mr. N. K. Bafna	Chairman	Non - Executive Director /Independent	4
Mr. Banwarilal Singhal	Member	Non - Executive Director /Independent	4
Mr. Purusottamdas Patodia	Member	Executive Chairman/Promoter	4
Mr. Manoj Kumar Patodia	Member	Executive Vice - Chairman /Promoter	4

During the year under review, 3 (Three) complaints/ correspondences were received by the Company and S.K.D.C. Consultants Limited, Registrar and Share Transfer Agent. The shareholder's complaints/ correspondences were resolved and there were no pending complaints or un-attended correspondences as on 31st March, 2016.

### Name, Designation and address of Compliance Officer

Mr. Krunal Shah, Senior Manager – Legal and Company Secretary,  
Prime Urban Development India Limited,  
54 – Free Press House, 5th Floor,  
215, Free Press Journal Marg  
Nariman Point, Mumbai – 400 021.

### GENERAL BODY MEETINGS

The details of Annual General Meetings (“AGM”) held during last three years are as follows:

Year	Day, Date and Time	Venue
2012 - 13	Friday, August 2, 2013 at 4.00 p.m.	110, Avanashi Road, Gandhinagar Post, Tirupur – 641 603, Tamil Nadu
2013 - 14	Thursday, August 14, 2014 at 11.00 a.m.	110, Avanashi Road, Gandhinagar Post, Tirupur – 641 603, Tamil Nadu
2014 - 15	Thursday, August 13, 2015 at 3.00 p.m	110, Avanashi Road, Gandhinagar Post, Tirupur – 641 603, Tamil Nadu

### Special Resolution(s) passed at the last three Annual General Meeting(s) (“AGM”)

AGM	AGM Date	Special Resolutions passed
76 <sup>th</sup>	2 <sup>nd</sup> August, 2013	None
77 <sup>th</sup>	14 <sup>th</sup> August, 2014	None
78 <sup>th</sup>	13 <sup>th</sup> August, 2015	<ul style="list-style-type: none"> <li>i. Re-appointment of Mr. Purusottamdas Patodia, as Chairman and Managing Director of the Company for a period of three years w.e.f. April 1, 2016.</li> <li>ii. Re-appointment of Mr. Manoj Kumar Patodia, as Vice-Chairman and Managing Director of the Company for a period of three years w.e.f. April 1, 2016.</li> <li>iii. Re-appointment of Mr. Anuj Patodia, as Managing Director of the Company for a period of three years w.e.f. April 1, 2016.</li> <li>iv. Appointment of Mr. T. Paul Sugumaran as Whole Time Director of the Company for a period of 3 years w.e.f. June 1, 2015.</li> <li>v. Appointment of Dr. Vijayanti Pandit as Woman Director/ Independent Director of the Company for a period of 5 (five) years</li> <li>vi. Approval of Related Party Transactions.</li> </ul>



## **POSTAL BALLOTS**

No special resolutions were passed through Postal Ballot during the financial year ended 31st March, 2016.

## **DISCLOSURES**

### **Vigil Mechanism/Whistle Blower Policy**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. In its endeavour to provide its employee(s), secure and fearless working environment, the Company has established the 'Vigil Mechanism Policy' for its Directors and Employees ("**Policy**").

The purpose of the Policy is to provide a framework to promote responsible and secure whistle blowing and to provide a channel to the employee(s) and Directors to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy/ies of the Company, as adopted /framed from time to time. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The Policy covers malpractices and events which have taken place/suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence, causing danger to public health and safety, misappropriation of monies and other matters or activities on account of which the interest of the Company is affected and formally reported by whistle blowers. There are no instances of denial to any person, for access to the Chairman of the Audit Committee during the year.

The Policy is in line with the vision and objectives of the Company and should be read in conjunction with applicable regulations and existing policies and procedures of the Company.

### **Related Party Transactions**

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. The details of transactions with related parties are given for information in Note No. 10 under notes to standalone financial statements.

The Policy on Related Party Transaction is posted on the website of the Company- [www.ptlonline.com](http://www.ptlonline.com)

### **Material Subsidiaries**

The Policy on Material Subsidiaries is posted on the website of the Company- [www.ptlonline.com](http://www.ptlonline.com)

### **Statutory Compliance, Penalties and Strictures**

The Company has complied with requirements of Stock Exchange/SEBI and other statutory authorities to the extent applicable, and accordingly no penalties have been levied or strictures have been imposed on the Company on any matter related to capital markets during the last three years.

### **Disclosure of Accounting Treatment**

The Financial Statements have been prepared under the historical cost convention on accrual basis and in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The said Financial Statements comply with the relevant provisions of the Companies Act, 2013 and rules made thereof, the mandatory Accounting Standards notified by the Central Government of India under Companies (Accounting Standards) Rules, 2006, as amended from time to time.

### **Code of Conduct**

The Company has framed and adopted the Code of Conduct for all its Board Members and Senior Management Personnel. The Code of Conduct for Board Members and the Senior Management Personnel is posted on the website of the Company- [www.ptlonline.com](http://www.ptlonline.com)

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2015-16. A declaration to this effect in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

The Company's code for prevention of Insider Trading inter alia prohibits purchase/sale of securities of the Company by the designated person therein, while in possession of un-published price sensitive information.

### Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of the Directors' Report and include discussion on various matters specified under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Means of Communication and Shareholder Information

The financial results are regularly submitted to the Stock Exchanges in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and published in one English and one regional language newspaper. The financial results are also uploaded on the website of the Company - [www.ptonline.com](http://www.ptonline.com)

The official news, release, presentation that may be made to the Shareholders at the Annual General Meeting and the presentation as may be done to the analysts will be posted on the website of the Company - [www.ptonline.com](http://www.ptonline.com)

### General Shareholder Information

#### Annual General Meeting

Date and Time	10 <sup>th</sup> August, 2016 at 3.00 p.m.
Venue	Registered Office situated at 110 Avanashi Road, Gandhi Nagar Post, Tirupur-641 603, Tamil Nadu.
Financial year	The financial year of the Company is from April 1 to March 31 of the following year
First Quarter Results	By second week of August, 2016
Second Quarter Results	By second week of November, 2016
Third Quarter Results	By second week of February, 2017
Fourth Quarter/Annual Results	By end of May, 2017
Date of Book Closure	4 <sup>th</sup> August, 2016 to 10 <sup>th</sup> August, 2016 (both days inclusive)
Dividend Payment Date	Within 30 days from the conclusion of Annual General Meeting.

Corporate Identity Number (CIN): L70200TZ1936PLC000001

**Listing on Stock Exchange:** The Company's Equity Shares are listed on BSE Limited ("BSE") – Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

#### Stock Code

BSE Limited : 521149

International Securities Identification Number ("ISIN") : INE419E01024

#### Listing Fees:

Listing fees for the Stock exchange for the year 2015-16 has been paid.

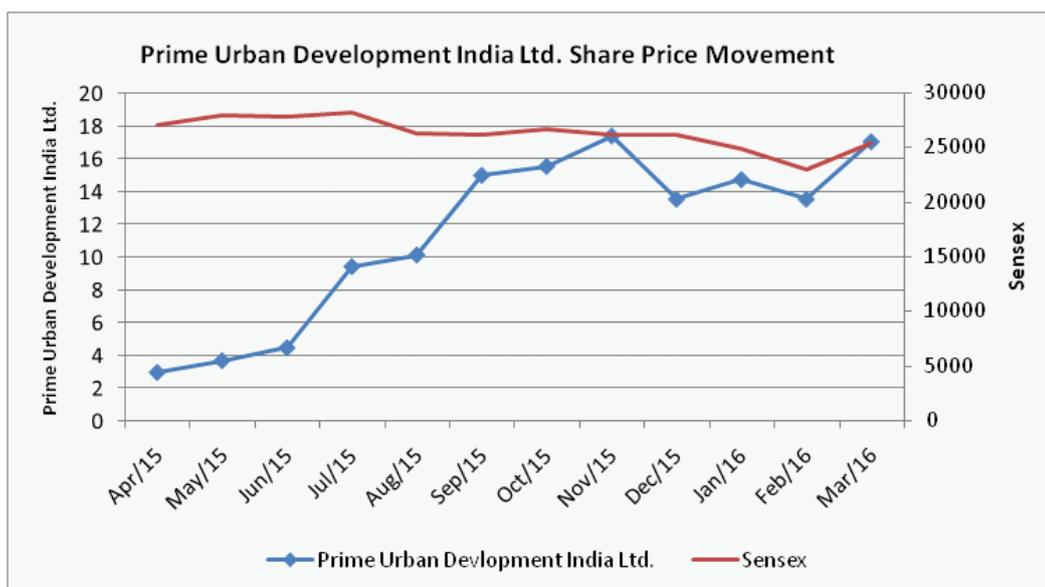


#### Market Price Data during Financial Year 2015-16:

Month	BSE	
	High (Rs.)	Low (Rs.)
April 2015	3.10	2.95
May 2015	3.67	3.08
June 2015	4.45	3.85
July 2015	9.41	4.67
August 2015	11.40	9.40
September 2015	16.57	10.05
October 2015	16.26	12.40
November 2015	18.25	14.80
December 2015	17.45	13.50
January 2016	19.75	14.70
February 2016	17.50	13.32
March 2016	17.00	14.00

#### Performance of shares price in comparison with the broad-based indices viz. BSE Sensex:

The Chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex for the financial year ended 31st March, 2016 (based on month end closing):



#### Registrar and Share Transfer Agents S.K.D.C. CONSULTANTS LIMITED

Kanapathy Towers, 3rd Floor,  
1391/A-1, Sathy Road,  
Ganapathy Post, Coimbatore,  
Tamil Nadu – 641 006  
Tel: +91 422 6549995  
Fax: +91 422 2539837  
E-mail: info@skdc-consultants.com

#### Share Transfer System

Shares held in physical forms are processed by the Registrar and Share Transfer Agents in the prescribed manner and if the documents are complete in all respects, are transferred within the time frame under the applicable provisions of law.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Distribution of Shareholdings as on 31st March, 2016

Value (Rs.)	Number of Shareholders	%	Amount	%
UPTO 5,000	4099	94.51	40,94,206	7.68
5,001 – 10,000	103	2.37	7,64,688	1.44
10,001 – 20,000	47	1.08	6,78,680	1.27
20,001 – 30,000	35	0.81	8,68,300	1.63
30,001 – 40,000	8	0.18	2,78,802	0.52
40,001 – 50,000	6	0.14	2,74,978	0.52
50,001 – 1,00,000	9	0.21	6,16,470	1.16
1,00,001 and above	30	0.69	4,57,11,076	85.78
<b>Total</b>	<b>4337</b>	<b>100.00</b>	<b>5,32,87,200</b>	<b>100.00</b>

### Categories of Shareholding as on 31st March, 2016

Category	No. of Shares	Shareholding %
<b>Promoters and their relatives/Promoter Group Companies</b>		
Individuals	68,93,006	25.87
Bodies Corporate	1,20,19,350	45.11
<b>Public Shareholders</b>		
Mutual Funds	3,750	0.01
Non Resident Indian	66,675	0.25
Indian Companies	10,44,558	3.92
Indian Public	57,92,113	21.74
Clearing Members	25,254	0.09
Directors and Relative	50,413	0.19
Trusts	1,000	0.00
Hindu Undivided Families	7,47,481	2.81
<b>Total</b>	<b>2,66,43,600</b>	<b>100.00</b>

### Dematerialization of Shares and Liquidity

As on 31st March, 2016, a total of 2,52,22,745 equity shares aggregating to 94.67% of the issued, subscribed and paid-up equity share capital of the Company are in dematerialised form.

The Company's Equity Shares are regularly traded on BSE Limited.

**Outstanding GDRS/ADRS/Warrants or any Convertible Instruments** : Not Applicable

**Plant Location** : Not Applicable

**Address for Correspondence** :

**Registrar and Share Transfer Agents**

S.K.D.C. Consultants Limited

Kanapathy Towers, 3rd Floor,

1391/A-1, Sathy Road,

Ganapathy Post, Coimbatore,

Tamil Nadu – 641 006

Tel: +91 422 6549995

Fax: +91 422 2539837

E-mail: info@skdc-consultants.com

### Company

Prime Urban Development India Limited

### Registered Office:

110, Avanashi Road, Gandhinagar Post,

Tirupur 641 603, Tamil Nadu.

Tel: +91 421 4307800

Fax: +91 421 2471463

**Corporate Office:**

54 – Free Press House, 5th Floor,  
215, Free Press Journal Marg  
Nariman Point, Mumbai – 400 021.  
Tel: +91 22 6164 5000  
Fax: +91-22-6164 5070  
Website: www.ptlonline.com

**Designated email id:** companysecretary@ptlonline.com

**Non Mandatory Requirements**

The status of compliance with the non-mandatory requirements is as under:

**1. The Board**

No separate office for the Chairman is maintained, and hence no reimbursement of expenses is made towards the same.

**2. Shareholders' Rights**

Quarterly and Half Yearly financial results are furnished to the Stock Exchanges and published in prescribed newspaper and also uploaded on website of the Company. The same are not separately sent to each household of the Shareholders. Significant events are posted on Company's website from time to time.

**3. Audit Qualifications**

There are no audit qualifications in the financial statements for the year 2015-16. Standard practices and procedures are followed to ensure unqualified financial statements.

**4. Separate Posts of Chairman and CFO**

The Company has held separate posts for Chairman and CFO. Currently Chairman of the Board is a Non-Independent Director.

**5. Reporting of Internal Auditor**

The Internal Auditor reports to the Audit Committee.

**DECLARATION**

I, Purusottamdas Patodia, Chairman and Managing Director of Prime Urban Development India Limited, hereby declare that all the members of the Board of Directors of the Company and the Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Company in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2016.

**For Prime Urban Development India Limited**

Place: Mumbai  
Date: May 6, 2016

**Purusottamdas Patodia  
Chairman & Managing Director**

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **CEO/CFO CERTIFICATION**

**To**  
**The Board of Directors**  
**Prime Urban Development India Limited**  
**Tirupur**

We, the undersigned, in our respective capacities as the Chairman and Managing Director and Chief Financial Officer of Prime Urban Development India Limited ("the Company") to the best of our knowledge and belief hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2016 and based on my knowledge and belief, we state that:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement 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.
- B. We further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- D. We accept responsibility for establishing and maintaining internal controls and for evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operational of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- E. We have indicated, based on our most recent evaluation, wherever applicable to the Auditors and Audit Committee:
- i) Significant changes in the internal control over financial reporting during the year ended 31st March, 2016
  - ii) significant changes in the accounting policies made during the year ended 31st March, 2016 and that the same has been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

**Purusottamdas Patodia**  
Chairman & Managing Director

**S.Udayananda**  
DGM (Finance) & CFO

Place : Mumbai  
Date : May 6, 2016



**Auditors' Certificate on Corporate Governance to the members of Prime Urban Development India Limited**

To,  
The Members of  
Prime Urban Development India Limited.

We have examined the compliance of conditions of Corporate Governance by Prime Urban Development India Limited ("the Company") for the year ended 31st March, 2016 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company, for ensuring compliance of the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the directors and the management and read with the paragraph above, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**For M.S. Jagannathan & Visvanathan**  
**Chartered Accountants**  
ICAI FRN 001209S

Place : Mumbai  
Date : May 6, 2016

N.Rajesh  
Partner  
M.No.212417

# PRIME URBAN DEVELOPMENT INDIA LIMITED

## Independent Auditor's Report

### To the Members of Prime Urban Development India Limited

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Prime Urban Development India Limited ("the Company"), which comprise the Balance sheet as at 31st March 2016, the Statement of profit and loss and the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

#### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance sheet, the Statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;



- (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 16.01 to the financial statements;
  - (ii) In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M.S.Jagannathan & Visvanathan  
Chartered Accountants  
ICAI FRN 001209S

Place : Mumbai  
Date : 06/05/2016

N.Rajesh  
Partner  
Membership No.212417

# PRIME URBAN DEVELOPMENT INDIA LIMITED

## Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets .
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner which in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets and no material discrepancies were noted on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) During the year Inventories has been physically verified by the Management and there were no material discrepancies were noticed during such verification.
- (iii) As informed to us, during the year the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the businesses rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
As explained to us, the Company did not have any dues on account of duty of excise.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 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 are following dues of which have not been deposited on account of dispute and the same being contested by the Company :

Name of the statute	Nature of dues	Amount Rupees in lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	551.09	A Y 2009-10	Hon'ble High Court of Madras
CST Act, 1956	Central Sales Tax	4.67	F.Y.1993-94	Sales Tax Appellate Tribunal

- (viii) During the year, Company has not defaulted in repayment of dues to Banks or financial institutions.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For M.S.Jagannathan & Visvanathan  
Chartered Accountants  
ICAI FRN 001209S

Place: Mumbai  
Date : 06/05/2016

N.Rajesh  
Partner  
M.No.212417



## Annexure - B to the Auditors' Report

### Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Prime Urban Development India Limited ("the Company") as on 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M.S.Jagannathan & Visvanathan  
Chartered Accountants  
ICAI FRN 001209S

Place: Mumbai  
Date : 06/05/2016

N.Rajesh  
Partner  
M.No.212417

# PRIME URBAN DEVELOPMENT INDIA LIMITED

## BALANCE SHEET

₹ in Lacs

Particulars	Note	As at 31st March, 2016	As at 31st March, 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	532.87	532.87
(b) Reserves and Surplus	3	4,300.89	14,601.15
		<u>4,833.76</u>	<u>15,134.02</u>
<b>(2) Non-current liabilities</b>	4		
(a) Long-term borrowings		581.36	539.87
(b) Other Long term liabilities		1,270.11	1,270.11
(c) Long-term provisions		-	65.59
		<u>1,851.47</u>	<u>1,875.57</u>
<b>(3) Current liabilities</b>	5		
(a) Short-term borrowings		152.58	1,969.31
(b) Trade payables		216.35	305.31
(c) Other Current liabilities		81.40	202.42
(d) Short-term provisions		305.93	143.29
		<u>756.26</u>	<u>2,620.33</u>
Total		<u>7,441.49</u>	<u>19,629.92</u>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>	6		
(a) Fixed assets			
Tangible assets		3,170.43	14,648.80
Sub-total -(a)		<u>3,170.43</u>	<u>14,648.80</u>
(b) Non-current investments		730.83	730.82
(c) Long-term loans and advances		161.47	141.87
Sub-total -(b)		<u>892.30</u>	<u>872.69</u>
Total (a) + (b)		<u>4,062.73</u>	<u>15,521.49</u>
<b>(2) Current assets</b>	7		
(a) Current investments		-	5.79
(b) Inventories		1,164.49	1,361.65
(c) Trade receivables		10.41	594.98
(d) Cash and cash equivalents		58.30	52.22
(e) Short-term loans and advances		2,123.95	1,487.26
(f) Other current assets		21.61	606.53
		<u>3,378.76</u>	<u>4,108.43</u>
Total		<u>7,441.49</u>	<u>19,629.92</u>
<b>Significant Accounting Policies</b>	1		
<b>Additional information to financial statements</b>	16		

As per our report of even date attached  
For **M.S.Jagannathan & Visvanathan**  
Chartered Accountants  
FRN 001209S

**Purusottam Das Patodia**  
Chairman & Managing Director

**For and on behalf of the Board**  
**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**N.Rajesh**  
Partner M.No.212417

Place : Mumbai  
Date : 06.05.2016

**S.Udayananda**  
DGM(Finance) & CFO

**Krunal Shah**  
Sr. Manager- Legal & Company Secretary

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### STATEMENT OF PROFIT AND LOSS

₹ in Lacs

Particulars	Note	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>Income</b>			
1 Revenue from operations	8	6,973.63	5,077.02
2 Other income	9	97.77	22.16
3 <b>Total Revenue (1 + 2)</b>		<u>7,071.40</u>	<u>5,099.18</u>
<b>Expenses</b>			
4 (a) Purchases of Stock-in-Trade	10	3,331.16	3,761.96
(b) Changes in inventories of finished goods and Stock-in-trade	11	156.51	(175.69)
(c) Employee benefit expenses	12	255.97	233.31
(d) Finance cost	13	211.97	384.53
(e) Depreciation and amortisation expenses		27.62	21.35
(f) Other expenses	14	705.50	623.88
Total expenses (a to g)		<u>4,688.73</u>	<u>4,849.34</u>
5 <b>Profit/(-) Loss before exceptional and extraordinary items and tax</b>		2,382.67	249.84
6 Exceptional expenses	15	(555.55)	-
7 <b>Profit/(-) Loss before extraordinary items and tax</b>		1,827.12	249.84
8 Extraordinary items		-	-
9 <b>Profit/(-) Loss Before Tax</b>		<u>1,827.12</u>	<u>249.84</u>
10 Tax expense :			
(a) Current Tax		(369.52)	(51.39)
(b) Mat Credit entitlement for the year net of reversal for earlier year		(3.46)	-
(c) Deferred Tax		-	-
11 <b>Profit/(-) Loss for the year from continuing operations</b>		<u>1,454.14</u>	<u>198.45</u>
12 <b>Earnings Per Equity Share :</b>			
Basic/Diluted Earnings Per Share before exceptional/extraordinary items		7.54	0.74
Basic/Diluted Earnings Per Share after exceptional/extraordinary items		5.46	0.74
(Face value of Rs. 2 each)			
<b>Significant Accounting Policies</b>	1		
<b>Additional information to financial statements</b>	16		

As per our report of even date attached  
For **M.S.Jagannathan & Visvanathan**  
Chartered Accountants  
FRN 001209S

**Purusottam Das Patodia**  
Chairman & Managing Director

For and on behalf of the Board  
**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**N.Rajesh**  
Partner M.No.212417

Place : Mumbai  
Date : 06.05.2016

**S.Udayananda**  
DGM(Finance) & CFO

**Krunal Shah**  
Sr. Manager- Legal & Company Secretary



## CASH FLOW STATEMENT

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit/(Loss) before tax and extra ordinary items</b>	<b>2,382.67</b>	249.84
Adjustments for:		
Depreciation	27.62	21.35
(Profit) / Loss on sale of tangible assets (net)	(4.78)	4.41
Interest income	(18.38)	-
Provision for Dividend and tax thereto	(128.27)	
Finance Cost	211.97	384.53
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>2,470.83</b>	660.13
Changes in Working Capital:		
Increase / (Decrease) in trade payables	(88.93)	27.65
Increase / (Decrease) in provisions	(65.59)	19.96
Increase / (Decrease) in other current liabilities	41.62	284.96
Increase / (Decrease) in Short Term Borrowings	(1,816.73)	(87.31)
(Increase) / Decrease in trade receivables	584.58	(539.28)
(Increase) / Decrease in inventories	197.17	(175.69)
(Increase) / Decrease in margin money and unpaid dividend	1.92	5.06
(Increase) / Decrease in Short Term loans and advances	(636.69)	(157.28)
(Increase) / Decrease in other current assets	584.92	52.26
(Increase) / Decrease in Long Term loans and advances	(0.65)	11.87
<b>Cash Generated from Operations</b>	<b>1,272.45</b>	102.33
Taxes paid (net of refunds)	(391.94)	(39.66)
<b>Net cash generated from operations before exceptional items</b>	<b>880.51</b>	62.67
Exceptional items	(555.55)	-
<b>Net cash generated from operating activities</b>	<b>324.96</b>	62.67
<b>B. Cash flow from Investing Activities:</b>		
Purchase of tangible/intangible assets	(176.87)	(28.79)
Sale of tangible/intangible assets	6.23	4.34
Interest received	18.38	-
Sale/ (Purchase) of non-current investments	5.79	56.78
<b>Net cash from investing activities</b>	<b>(146.47)</b>	32.33
<b>C. Cash flow from Financing Activities</b>		
Finance Cost	(211.98)	(412.21)
Issue of Equity Shares	(0.00)	146.25
Proceeds from Long Term borrowings	41.49	(19.70)
<b>Net cash used in Financing Activities</b>	<b>(170.49)</b>	(285.66)
<b>Net increase in cash and Cash equivalents</b>	<b>8.00</b>	(190.66)
<b>Cash and Bank balances at the beginning of the year</b>	<b>40.69</b>	231.35
<b>Cash and Bank balances at the end of the year</b>	<b>48.69</b>	40.69
<b>Reconciliation of Cash and Bank balances with the Balance sheet</b>		
Cash and Cash equivalents as per Balance Sheet	58.30	52.22
Less : Bank Balances not considered as Cash and Cash equivalents		
Margin Money Deposit	9.61	10.58
Unpaid dividend	-	0.95
<b>Net Cash and Cash equivalents at the year end</b>	<b>48.69</b>	40.69

Note : The above cash flow statement prepared in indirect method as per accounting standard "AS-3 Cash Flow Statements"

As per our report of even date attached  
For **M.S.Jagannathan & Visvanathan**  
Chartered Accountants  
FRN 001209S

**Purusottam Das Patodia**  
Chairman & Managing Director

For and on behalf of the Board  
**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**N.Rajesh**  
Partner M.No.212417

Place : Mumbai  
Date : 06.05.2016

**S.Udayananda**  
DGM(Finance) & CFO

**Krunal Shah**  
Sr. Manager- Legal & Company Secretary

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Note 1

#### Significant Accounting Policies

##### 1. General:

Accounts are prepared on historical cost (except Land at reinstated value) and on the accounting principles of a going concern. The income and expenditure are recognized on accrual basis except those with significant uncertainties.

##### 2. Fixed Asset:

Fixed Assets (except Land) are stated at cost of acquisition or construction less depreciation. All costs relating to the acquisition and installation of fixed assets are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date the asset is put to use.

Land value is stated at Reinstated Value

##### 3. Impairment of Assets :

The Company assesses at each Balance Sheet date whether there is any indication that any asset/group of assets may be impaired. If any such indication exists, the carrying value of such assets is reduced to recoverable amount and the impairment loss is charged to Statement of Profit and Loss. If at Balance Sheet date, there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

##### 4. Investments:

Long-term investments are stated at cost less provisions, if any, for permanent diminution in value for other than temporary, if any.

##### 5. Valuation of Inventories:

- a. Cost of Materials is determined on specific identification method and other costs incurred in bringing the inventories to their present location and condition.
- b. Land areas transferred to stock-in-trade (land held for development) are valued at lower of cost (as re-valued on conversion to stock) and net realisable value.

##### 6. Revenue Recognition:

a) **Real Estate projects:** Revenue from real estate projects is recognized when significant risks and rewards of ownership have been transferred and it is probable that the economic benefits will flow to the company. Losses expected in bringing a contract to completion are recognized in the income statement as soon as they are forecast.

i) Sale of undivided share of land under group housing is recognized upon transfer of all significant risks and rewards of ownership as per terms of the contracts executed with the buyers and is net of all costs.

ii) Revenue from executor firms/AOP in which the company is a partner member is recognized upon the said entity recognizing their respective revenues.

iii) Revenue from contractual projects is recognized on the basis of completion of a physical proportion of the contract work based on executed agreements entered into by the company or by firms in which the company is a partner.

iv) Revenue from sale of land and development rights is recognized upon transfer of all significant risks and rewards of ownership, no continuing management involvement and effective control are retained and the amount of revenue can be reliably measured. The transfer of risks and rewards vary depending on the individual terms of the contracts of sale.

b) **Textile:** Product sales are exclusive of the excise duty, VAT, insurance and trade discounts.

##### 7. Borrowing Cost:

Borrowing cost related to acquisition and construction of qualifying assets is capitalized as part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing cost is charged to Statement of Profit and Loss.

##### 8. Depreciation:

a. Depreciation on fixed assets is provided on straight line method at the rates prescribed in Schedule II to the Companies Act 2013.

b. Assets sold/discarded/demolished during the year, no depreciation is provided for.

##### 9. Employee benefits:

Short term employee benefits including accrued liability for Leave Encashment (other than termination benefits) which are payable within 12 months after the end of the period in which the employees render service are paid/provided during the year as per the Rules of the Company.



**Defined Contribution Plans:**

Company's contributions paid/payable during the year to Provident and Family Pension Funds, Superannuation Fund (wherever opted) and Employees State Insurance are recognized in the Statement of Profit and Loss.

**Defined Benefit Plans:**

The Employees' Gratuity Fund Scheme covered by the Group Gratuity cum-Life Assurance Policy of LIC of India is a Defined Benefit Plan. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method which recognizes each period of service as giving rise to additional amount of employees benefit entitlement and measures each unit separately to build up the final obligation.

**10. Foreign Currency Transactions:**

- a. Export sales in foreign currency are accounted for at the exchange rate prevailing on the date of negotiation, where such sales are not covered by forward contracts. Outstanding export documents pending negotiation when not covered by foreign exchange forward contracts are accounted for at the prevailing conversion rates at the close of the year and the difference in actual realization of such documents is accounted for in foreign exchange fluctuation account to be credited/charged to the statement of profit & loss in the year of realization.
- b. Foreign currency assets and liabilities are stated at the rate of exchange prevailing at the year-end and resultant gains/losses are recognized in the statement of Profit and Loss. Exchange difference in respect of foreign exchange forward contracts (other than for acquisition of fixed assets) is recognized as income or expenses over the life of the contract.

**11. Taxation:**

- a) Provision for Current tax is made on the basis of estimated taxable income for the year or computed in accordance with the Income-Tax Act, 1961.
- b) Deferred tax on account of timing differences, between taxable income and accounting income is recognized using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that these would be realized in future.

**12. Lease Rentals:**

Lease payments under an operating lease are recognized as an expense in the statement of profit and loss account on the basis of time pattern of the Company's benefit.

**13. Contingent Liabilities:**

Contingent Liabilities are disclosed in the Notes to Accounts and are determined based on the perception of the Management on the eventuality of the liability, materiality, contingent thereto.

**14. Use of estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of the financial statement and reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to the estimates is recognized prospectively.

As per our report of even date attached  
For **M.S.Jagannathan & Visvanathan**  
Chartered Accountants  
FRN 001209S

**Purusottam Das Patodia**  
Chairman & Managing Director

**For and on behalf of the Board**  
**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**N.Rajesh**  
Partner M.No.212417

Place : Mumbai  
Date : 06.05.2016

**S.Udayananda**  
DGM(Finance) & CFO

**Krunal Shah**  
Sr. Manager- Legal & Company Secretary

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Notes to the Financial Statements

#### Note 2 : Share Capital

	As at 31st March, 2016		As at 31st March, 2015	
	Number	₹ in lacs	Number	₹ in lacs
Authorised				
Equity Shares of ₹.2 each	62,500,000	1,250.00	62,500,000	1,250.00
Preference Shares of ₹.100 each	750,000	750.00	750,000	750.00
Issued				
Equity Shares of ₹.2 each	26,644,300	532.89	26,644,300	532.89
Subscribed and paid up:				
Equity Shares of ₹.2 each	26,643,600	532.87	26,643,600	532.87
	26,643,600	532.87	26,643,600	532.87

#### Note 2(a) - Share capital movement

Particulars	Number	Amount in lacs	Number	Amount in lacs
Shares outstanding at the beginning of the year	26,643,600	532.87	22,743,600	454.87
Add: Shares issued during the year	-	-	3,900,000	78.00
Shares outstanding at the end of the year	26,643,600	532.87	26,643,600	532.87

#### Note 2(b) - Equity Shares of more than 5% of Equity Shares are held by :

Name of the Shareholder	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Anjana Syntex Company Limited	5,660,655	21.25%	5,301,620	19.90%
Pat Credit Limited	6,009,675	22.56%	6,368,710	23.90%

Note 2(c) - The Company has only one class of equity shares having par value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share.

Note 2(d)- There was no issue of shares allotted as fully paid up pursuant to Contract(s) without payment being received in cash or buyback or bonus shares in the preceeding five years.



## Notes to the Financial Statements

₹ in Lacs

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>Note 3</b>		
<b>Reserve and Surplus</b>		
(a) General Reserve:		
Beginning of the Year	2,252.14	2,276.17
Add : Transfer from Statement of Profit and Loss	1,900.00	-
Less: Additional Depreciation Charged	-	(24.03)
Less: Transfer to Business Reconstruction Reserve	(2,901.43)	-
End of the Year	1,250.71	2,252.14
(b) Securities Premium Reserve		
Beginning of the Year	117.00	-
Add : Issued during the year (Share Premium at Rs.3 per share on 39,00,000 equity shares)	-	117.00
End of the Year	117.00	117.00
(c) Business Reconstruction Reserve :		
Beginning of the year	11,628.67	12,719.99
Add: Transfer from General Reserve	2,901.43	-
Less: Reduction due to a portion of land sold/Transfer	(11,626.13)	(1,091.32)
End of the Year	2,903.97	11,628.67
(d) Surplus/(Deficit) in Statement of Profit and Loss		
Beginning of the year	603.34	404.89
Add : Profit/(Loss) after Tax	1,454.14	198.45
	2,057.48	603.34
Less: Dividend and dividend tax for the Year	(128.27)	-
	1,929.21	603.34
Less: Transfer to General Reserve	(1,900.00)	-
End of the year	29.21	603.34
Total	4,300.89	14,601.15

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Secured	Unsecured	Secured	Unsecured
<b>Note 4</b>				
<b>Non-Current Liabilities</b>				
(a) Long Term Borrowings				
(i) Deferred payment liabilities				
Hire-purchase loan	65.04	-	23.31	-
(ii) Loans and Advances from related parties	-	516.32	-	516.56
	65.04	516.32	23.31	516.56
Sub-total (a)		581.36		539.87
Nature of Security :				
Hire purchase liabilities are secured against the vehicles acquired				
Terms of Repayment :				
Hire purchase loan liabilities and terms to pay last instalment due is on 10.8.2017 and rate of interest is 11.00 % per annum.				
(b) Other Long Term Liabilities				
Due to a Partnership firm in which Company is a partner		1,270.11		1,270.11
Sub-total (b)		1,270.11		1,270.11
(c) Long Term Provisions				
Provision for Employee benefits:				
- Super annuation		-		41.27
- Gratuity		-		24.32
Sub-total (c)		-		65.59
Total		1,851.47		1,875.57

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Notes to the Financial Statements

₹ in Lacs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Secured (I)	Unsecured (II)	Secured (I)	Unsecured (II)
<b>Note 5</b>				
<b>Current Liabilities</b>				
(a) Short Term Borrowings				
(i) Loan repayable on demand				
From Bank for working capital facilities	152.58	--	254.31	--
(ii) Deposit				
From Corporates	--	--	--	1,612.00
(iii) Shortterm Loan from a Director	--	--	--	103.00
	<u>152.58</u>	<u>--</u>	<u>254.31</u>	<u>1,715.00</u>
Sub-total (a)		152.58		1,969.31
Nature of Security :				
Secured loans are secured against hypothecation of current assets and further secured by way of second charge over the land of an Associate company and further guaranteed by three of the Directors of the Company				
(b) Trade payable				
Due to suppliers and service providers		216.35		305.31
Also refer Note No. 16.02 regarding MSM Enterprises		-		-
Sub-total (b)		<u>216.35</u>		<u>305.31</u>
(c) Other Current Liabilities				
(i) Current maturities of finance lease obligations (hire purchase)		33.95		19.30
(ii) Unpaid dividends		-		0.95
(iii) Other payables				
Statutory dues payable		12.85		18.67
Advance from customers		19.90		150.00
Security Deposit		13.60		13.50
(iv) Others		1.10		-
Sub-total (c)		<u>81.40</u>		<u>202.42</u>
(d) Short Term Provisions				
Provision for Employee benefits:				
Gratuity		3.14		-
Liability against sales		-		143.29
Provision for Dividend and tax thereto		128.27		-
Others		174.52		-
Sub-total (d)		<u>305.93</u>		<u>143.29</u>
Total		<u>756.26</u>		<u>2,620.33</u>



## Notes to the Financial Statements

Note 6 : (a) Fixed Assets

₹ in Lacs

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION					NET BLOCK
	As on 31.3.2015	Additions	Deductions	As at 31.3.2016	Upto 31.3.2015	For the Year	Additional Depreciation	Withdrawn	Upto 31.3.2016	As on 31.3.2016
<b>Tangible Assets :</b>										
Land - free hold	14,541.06	81.86	11,626.18	2,996.74	-	-	-	-	-	2,996.74
	(15,632.41)	-	(1,091.35)	(14,541.06)	-	-	-	-	-	(14,541.06)
Buildings	32.84	0.44	-	33.28	13.26	0.56	-	-	13.82	19.46
	(25.09)	(7.75)	-	(32.84)	(13.06)	(0.20)	-	-	(13.26)	(19.58)
Furniture & Office Equipment	136.80	4.06	-	140.86	123.55	6.11	-	-	129.66	11.20
	(124.09)	(16.27)	(3.56)	(136.80)	(107.36)	(3.11)	(15.63)	(2.55)	(123.55)	(13.24)
Motor Vehicles	149.67	90.51	28.90	211.28	74.76	20.95	-	27.46	68.25	143.03
	(163.43)	(4.77)	(18.53)	(149.67)	(59.11)	(18.05)	(8.40)	(10.80)	(74.76)	(74.91)
<b>Total</b>	<b>14,860.37</b>	<b>176.87</b>	<b>11,655.08</b>	<b>3,382.16</b>	<b>211.57</b>	<b>27.62</b>	<b>-</b>	<b>27.46</b>	<b>211.73</b>	<b>3,170.43</b>
	(15,945.02)	(28.79)	(1,113.44)	(14,860.37)	(179.53)	(21.36)	(24.03)	(13.35)	(211.57)	(14,648.80)

Notes :

1. Vehicle acquired on Hire-Purchase basis amounting to Rs. 192.72 lacs (Previous year Rs.92.48 lacs) and Net Block amounts to Rs.145.06 lacs (Previous year Rs.84.78 lacs)
2. Reduction in land Includes reduction of proportionate business reconstruction value is Rs. 11,626.13 lacs (Previous year Rs. 1,091.32 lacs) due to sale / transfer of land during the year.
3. Figures in brackets represents previous year's figures.

₹ in Lacs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Quoted (I)	Un-Quoted (II)	Quoted (I)	Un-Quoted (II)
<b>Note 6</b>				
<b>(b) Non-current Investments (Long term, Unquoted - At cost)</b>				
(i) Investment in Equity Instruments				
(a) Subsidiaries - Trade				
ATL Textile Processors Limited - (10,37,450 shares of Rs.10 each)		514.45		514.45
Manoj Yarn Processors Limited - (50,900 shares of Rs.10 each)		5.09		5.09
PeeDee Yarn Processors Limited - (10,900 shares of Rs.10 each)		1.09		1.09
Patodia Developers Pvt Ltd (10,000 shares of Rs.10 each)		1.00		1.00
(b) Other entities - Non-Trade				
Tirupur Infrastructure Development Company Limited (500 shares of ₹.1000 each)		5.00		5.00
(ii) Investment in Partnership firms/AOP				
Prime Developers		1.00		1.00
Prime Mall Developers		1.00		1.00
Prime Newline AOP		202.20		202.20
Aggregate amount of Unquoted investments		730.83		730.83
Sub-total (b) (i) + (ii)		730.83		730.83

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Notes to the Financial Statements

₹ in Lacs

Name of the Partners in the firm/AOP	Year Ended 31.03.2016 / 31.03.2015		
	Total Capital ₹ in Lacs	Share of Profit or Loss	
<b>Prime Developers :</b>			
1 Prime Urban Development India Limited	1.00	50.00%	
2 Prime Hitech Admin Services LLP	1.00	50.00%	
	<u>2.00</u>	<u>100.00%</u>	
<b>Prime Mall Developers :</b>			
1 Prime Urban Development India Limited	1.00	50.00%	66.66%
2 Pudumjee Plant Laboratories Limited	1.00	25.00%	33.34%
3 Aristo Realty Developers Limited	-	25.00%	-
	<u>2.00</u>	<u>100.00%</u>	<u>100.00%</u>
<b>Prime Newline - AOP :</b>			
1 Prime Urban Development India Limited	202.20	75.00%	75.00%
2 Newline Buildtech Private Limited	67.40	25.00%	25.00%
	<u>269.60</u>	<u>100.00%</u>	<u>100.00%</u>

₹. in Lacs

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>(c) Long-term Loans and Advances</b>		
(i) Security Deposits	4.95	4.30
(ii) Other loans and advances		
a) Advance income tax (Net of provision)	150.64	137.57
b) MAT Credit Entitlement	5.88	-
Sub-total (c)	<u>161.47</u>	<u>141.87</u>

₹. in Lacs

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>Note 7</b>		
<b>(a) Current Investments (Unquoted)</b>		
Investment in Nariman Commodity Services Pvt Ltd	-	47.29
Less: Provision for Diminution in value of investments	-	41.50
Net value of Investments (a)	<u>-</u>	<u>5.79</u>
<b>(b) Inventories</b>		
Valued at Cost or Net realisable value whichever is lower		
(i) Finished goods	15.88	28.45
(ii) Stock-in-trade	148.61	292.55
(iii) Land	1,000.00	1,040.65
Sub-total (b)	<u>1,164.49</u>	<u>1,361.65</u>



## Notes to the Financial Statements

₹ in Lacs

	As at 31st March, 2016	As at 31st March, 2015
<b>Note 7 (Contd.)</b>		
(c) Trade Receivables (current) (Unsecured and considered good unless otherwise stated) Doubtful - outstanding exceeding six months from the due date Less : Provision for doubtful debts	10.16 <u>(10.16)</u> -	13.81 <u>(13.81)</u> -
Outstanding exceeding six months from the due date	-	2.87
Others	<u>10.41</u>	<u>592.11</u>
Sub-total (c)	<u>10.41</u>	<u>594.98</u>
(d) Cash and Cash Equivalents		
Cash and Cash equivalents		
(i) Cash on hand	2.48	7.15
(ii) Balances with bank In current account	<u>46.21</u>	<u>33.54</u>
	48.69	40.69
Other Earmarked Accounts		
(i) Unpaid Dividend accounts	-	0.95
(ii) In Deposits under lien	9.61	9.56
(iii) In Current accounts	<u>-</u>	<u>1.02</u>
	9.61	11.53
Sub-total (d)	<u>58.30</u>	<u>52.22</u>
(e) Short-term loans and advances		
(i) Balance in Partners' Current account	1,175.06	1,295.03
(ii) Loans and advances to :		
- Subsidiaries	8.57	15.44
- Associates	0.10	1.88
- Corporates	749.61	-
- Others	<u>188.49</u>	170.46
(iii) Balance with Statutory Authorities	2.12	4.45
(iv) Doubtful Advances	-	0.30
Less: Provision for Bad and Doudtful Advances	-	(0.30)
Sub-total (e)	<u>2,123.95</u>	<u>1,487.26</u>
(f) Other current assets		
(i) Claim receivable	-	468.00
(ii) Interest and other receivables	<u>21.61</u>	<u>138.53</u>
Sub-total (f)	<u>21.61</u>	<u>606.53</u>
	<b>Year Ended 31st March, 2016</b>	<b>Year Ended 31st March, 2015</b>
<b>Note 8</b>		
<b>Revenue from operations :</b>		
<b>Textile Segment</b>		
Textiles - Sale of Traded Goods - Cotton Yarn	3,696.17	3,867.59
Export Incentives	<u>103.22</u>	<u>112.63</u>
Sub-total - Textile	3,799.39	3,980.22
<b>Realty Segment</b>		
Gain on Sale of Land (net of cost)	3,167.50	1,074.37
Share of Profit from a firm	-	21.88
Incidental income	<u>6.74</u>	<u>0.55</u>
Sub-total - Realty	<u>3,174.24</u>	<u>1,096.80</u>
Total	<u>6,973.63</u>	<u>5,077.02</u>

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Notes to the Financial Statements

₹ in Lacs

	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>Note 9</b>		
<b>Other Income</b>		
Interest	18.38	-
Commission receipts	22.40	7.37
Dividend	3.71	3.34
Liabilities no longer payable written back	47.98	0.47
Profit on Sale of Assets	4.78	-
Miscellaneous Income	0.52	10.98
Total	<u>97.77</u>	<u>22.16</u>
<b>Note 10</b>		
<b>Purchase of Stock-in-Trade :</b>		
Purchase of Traded Goods - Cotton yarn and Fabric	3,331.16	3,761.96
	<u>3,331.16</u>	<u>3,761.96</u>
<b>Note 11</b>		
<b>Changes in Stock of Finished Goods and Stock - in- trade</b>		
<b>Stock at Commencement:</b>		
Finished Goods	28.45	31.61
Stock in Trade	292.55	113.69
	(A)	
	<u>321.00</u>	<u>145.30</u>
Less :		
<b>Stock at Closing:</b>		
Finished Goods	15.88	28.45
Stock in Trade	148.61	292.54
	(B)	
	<u>164.49</u>	<u>320.99</u>
Net Value (A) -(B)	<u>156.51</u>	<u>(175.69)</u>
<b>Note 12</b>		
<b>Employee Benefits</b>		
Salaries, Wages, Bonus and others	224.08	192.21
Contribution to Provident and other Funds	24.37	33.80
Welfare Expenses	7.52	7.30
Total	<u>255.97</u>	<u>233.31</u>
<b>Note 13</b>		
<b>Finance cost</b>		
Interest on Borrowings	198.25	368.07
Other finance cost	13.72	16.46
Total	<u>211.97</u>	<u>384.53</u>



## Notes to the Financial Statements

₹ in Lacs

	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>Note 14</b>		
<b>Other Expenses</b>		
Insurance	5.42	7.50
Rates and taxes	22.17	12.86
Sitting Fees	2.50	2.50
Electricity	5.02	5.05
Rent	38.22	42.09
Repairs - Building	15.38	32.63
Other Repairs	9.89	5.75
Communication Expenses	14.45	17.73
Travelling and Conveyance	114.87	102.37
Sales Commission	56.94	55.56
Freight and Forwarding	71.76	152.85
Donation	0.29	1.07
Legal and Professional fees	62.96	17.82
Auditors Remuneration	2.15	1.93
Loss on Sale of Assets	-	4.41
Bad and doubtful advances written off	8.66	2.77
Share of Loss in Partnership Firm	111.83	-
Share of Loss in Association of Persons (AOP)	57.92	58.41
Bank Charges	12.69	18.49
Miscellaneous expenses	92.38	82.09
	<u>705.50</u>	<u>623.88</u>
<b>Note 15</b>		
<b>Exceptional Items</b>		
Insurance Claim receivable written off	468.00	-
Export Incentive receivable written off	87.55	-
	<u>555.55</u>	<u>-</u>

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Note 16

#### Additional information to the financial statements

#### 01. Contingent liabilities and commitments :

₹ in Lacs

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>a. Contingent liabilities (to the extent not provided for)</b>		
Disputed Tax Demands (Including Interest up to the date of demand)		
(i) Sales Tax The Sales tax liabilities of Rs.7.22 lacs is related to issue of 'C' form during 1997-98. Sales Tax Appellate Tribunal issued order in favour of Company and asked Department to verify the material facts of the case. Case not yet taken up by the department and another case regarding garment division tax set off.	7.22	11.58
(ii) Income Tax (Tax deposits Rs.207.48 lacs ; pr.yr.207.48 lacs) The Income Tax liability for AY 2009-10 for Rs.551.09 lacs is under appeal before the Hon'ble Madras High Court and the High Court has given stay against the order of Income Tax Appellate Tribunal and collection of demand.	743.09	743.09
<b>b. Commitments</b>		
Other money for which the company is contingently liable; Export Documentary bills discounted with Bank (Since Realized-Rs. Nil lacs Previous year - Rs.243.75 lacs)	118.01	1,056.91

#### 02. Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
(i) Principal amount and Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(ii) Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
(iii) The amount of interest due and payable for the year	NIL	NIL
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	NIL	NIL

#### 03. Expenditure in foreign currency :

₹ in Lacs

Particulars	2015-2016	2014-2015
a. Sales commission	52.81	51.03
b. Travelling expenses	39.95	37.14



**04. Earnings in foreign exchange :**

₹ in Lacs

Particulars		2015-2016	2015-2015
a.	Export of goods calculated on FOB basis	3,610.39	3,745.84

**05. Details of consumption of imported and indigenous items :**

Particulars	2015-2016		2014-2015	
		%		%
Traded goods :				
Indigenous	3,331.16	100%	3,761.96	100%
Imported	--		--	

06. a. In the opinion of the management, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

b. The accounts of certain Trade Receivables, Trade Payables, Loans & Advances and Banks are however, subject to formal confirmations/reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current period's financial statements on such reconciliation/adjustments.

**07. Auditors Remuneration :**

₹ in Lacs

Audit fees	1.20	1.01
Tax Audit fees	0.17	0.17
Other fees	0.78	0.75
Total (including service tax)	2.15	1.93

**08. Employee Benefit Plans :**

Defined contribution plans :

The company contributed to Super annuation and Provident Fund to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll cost to fund benefits.

₹ in Lacs

Particulars		2015-2016	2014-2015
a.	Provident Fund Contribution	14.52	14.47
b.	Superannuation / Gratuity	9.85	19.33

**Defined Benefit plan :**

The Company offers Gratuity scheme to its employees :

₹ in Lacs

01. Assumptions		31.03.2016	31.03.2015
	Discount Rate	8%	8%
	Salary Escalation	7%	7%
02. Changes in the present value of obligation			
	Present value of obligation as at beginning of year	31.57	34.20
	Interest Cost	2.53	2.74
	Current Service Cost	1.58	1.07
	Benefits paid	0	(8.66)
	Actuarial Loss/(Gain) on obligations	(0.11)	(5.91)
	Present value of obligations as at the end of year	35.56	35.26
03. Changes in the fair value of plan assets			
	Fair value of plan assets at beginning of year	6.21	10.36
	Expected return on plan assets	0.85	0.59
	Contributions	24.18	5.94
	Benefits paid	0	(8.66)
	Actuarial Gain/(Loss) on Plan assets	Nil	Nil
	Fair value of plan assets at the end of year	31.25	8.23

## PRIME URBAN DEVELOPMENT INDIA LIMITED

₹ in Lacs

04.	Fair value of plan assets		
	Fair value of plan assets at beginning of the year	6.21	10.36
	Actual return on plan assets	0.85	0.59
	Contributions	24.18	5.93
	Benefits paid	0	(8.66)
	Fair value of plan assets at the end of year	31.25	8.23
	Funded status	(4.31)	(27.04)
05.	Actuarial Gain/Loss recognized		
	Actuarial (gain) /Loss for the year - obligation	0.11	(5.92)
	Actuarial (gain)/Loss for the year - plan assets	Nil	Nil
	Total Loss/ (gain) for the year	(0.11)	5.91
	Actuarial Loss/(Gain) recognized in the year	(0.11)	5.91
06.	Amounts recognized in the balance sheet and Profit & Loss		
	Present value of obligations as at the end of the year	35.56	35.26
	Fair value of plan assets as at the end of the year	31.25	8.23
	Funded status	(4.31)	(27.04)
	Net Asset/(Liability) recognized in balance sheet	(4.31)	(27.04)
07.	Expenses charged in statement of Profit and Loss account		
	Current Service cost	1.58	1.07
	Interest Cost	2.52	2.73
	Expected return on plan assets	(0.85)	(0.59)
	Net Actuarial loss/(gain) recognized in the year	(0.11)	(5.92)
	Expenses recognized in statement of Profit and Loss account	3.14	(9.13)

- Notes: i. The entire Plan Assets are managed by LIC  
 ii. The expected return on Plan Assets is as furnished by LIC  
 iii. The estimate of future salary increase takes in to account inflation, likely increments, promotions and other relevant factors.

### 09. Segment Information :

₹ in Lacs

	Segment Revenue:	2015-2016	2014-2015
a.	Realty	3174.24	1096.80
b.	Textiles	3799.39	3980.22
	Segment Results :		
a.	Realty	2528.07	551.44
b.	Textiles	94.62	85.44
	Total	2622.69	636.88
	Less : Interest	211.97	384.53
	Less : Exceptional items	555.55	--
	Less : Un -allocable expenditure	28.05	2.51
	Profit/(Loss) before extraordinary items	1827.12	249.84
	Less : Extraordinary items	--	--
	Profit/(Loss) before tax	1827.12	249.84
	Capital Employed		
a.	Realty	2511.15	4422.43
b.	Textiles	152.58	1673.75



**10. Disclosure in respect of related parties pursuant to Accounting Standard –18 (AS 18):-**

**List of Related Parties and nature of relationships:**

₹ in Lacs

	Wholly owned subsidiaries :	ATL Textile Processors Limited Manoj Yarn Processors Limited Pee Dee Yarn Processors Limited Patodia Developers Pvt Ltd
With whom transactions have been entered in to :		
(i)	Associates	Prime Developers Prime New line AOP Prime Mall Developers Prime Hitech Admin Services LLP Aadarsh Jann Aawaash Limited
(ii)	Key Managerial Personnel	Mr. Purusottam Das Patodia Chairman & Managing Director Mr. Manoj Kumar Patodia Vice Chairman & Managing Director Mr. Anuj Patodia Managing Director
(iii)	Enterprises having Common Key Management Personnel	Pat Credit Limited Anjana Syntex Co. Limited
(iv)	Relatives of Key Managerial Personnel	Mrs.Indiradevi Patodia Wife of Mr. Purusottam Das Patodia Mrs. Nandita Patodia Wife of Mr. Manoj Kumar Patodia Mrs. Meenal Patodia Wife of Mr. Anuj Patodia M/s. Rehoboth Engineering and Contractors, a Firm, the Proprietor of the Firm is Son of Mr. T. Paul Sugumaran, Whole Time Director of the Company

**Transactions with related parties in the ordinary course of business :**

₹ in Lacs

Nature of Transaction	Subsidiary Companies	Associates	Key Managerial Personnel	Enterprises /Relatives of Key Managerial Personnel	Total
Rent received	-	0.04 (Nil)	- (Nil)	Nil (Nil)	0.04 (Nil)
Share of Profit/(Loss) from firms	-	(169.75) (36.53)	Nil (Nil)	Nil (Nil)	(169.75) (36.53)
Interest paid	-	Nil (Nil)	Nil (Nil)	Nil (0.71)	Nil (0.71)
Interest received	--	Nil (Nil)			nil (nil)
Contract amount paid - Rehoboth Engineering and Contractors				0.21 (8.36)	0.21 (8.36)
Directors' Remuneration Paid	-	Nil (Nil)	144.33 (142.77)	1.67 (1.61)	146.00 (144.38)

## PRIME URBAN DEVELOPMENT INDIA LIMITED

Balance as on 31.3.2016					
<b>Amount Payable:</b>					
ATL Textile Processors Ltd.	513.16 (513.27)				513.16 (513.27)
Pee Dee Yarn Processors Ltd	3.16 (3.29)				3.16 (3.29)
Prime Mall Developers		1,270.11 (1,270.11)			1,270.11 (1,270.11)
<b>Amount Receivable:</b>					
Manoj Yarn Processors Ltd.	8.57 (15.44)				8.57 (15.44)
Aadarsh Jann Aawaash Ltd		Nil (1.88)			Nil (1.88)
Prime Developers		341.39 (274.48)			341.39 (274.48)
Prime Newline AOP		833.68 (1,020.55)			833.68 (1,020.55)

**Notes:**

- The related parties have been identified by the Management and relied upon by the auditors.
- No amount has been provided for/written off/written back, pertaining to related parties.
- Figures in bracket represent previous year's figures.

**11. Details of Lease arrangements :**

The Company has entered into finance lease arrangements for vehicles and Future minimum lease payments and minimum lease payments are as follows :

₹ in Lacs

Due	Total Minimum Lease Payments Outstanding	Future Interests on Outstanding	Present value of Minimum Lease Payments
1. Within one year	42.38 (22.93)	8.43 (3.63)	33.95 (19.30)
2. Between one year to five years	76.44 (24.91)	11.40 (1.60)	65.04 (23.31)
Total	118.82 (47.84)	19.83 (5.23)	98.99 (42.61)

Figures in bracket are of previous year

**12. Earnings Per Share :**

₹ in Lacs

Particulars		2015-2016	2014-2015
a.	Profit/(Loss) after tax excluding exceptional items	2009.69	198.45
b.	Less : Exceptional items	555.55	--
c.	Profit/(Loss) after tax including exceptional items	1454.14	198.45
d.	Number of Equity shares outstanding	266,43,600	227,43,600
e.	Basic/Diluted Earnings Per Share (EPS) :		
	- EPS excluding exceptional items (a/d)	7.54	0.74
	- EPS including exceptional items (c/d)	5.46	0.74
f.	Face value per share - in Rs.	2 per share	2 per share



**13. Consolidated Financial Statements :**

As per Accounting Standard 21 on "Consolidated Financial Statements" and Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" notified under the "The Companies Accounting Standards Rules, 2006" the company has presented Consolidated Financial Statements separately, in this annual report.

**14. Deferred Tax Asset/(Liability):**

Timing difference comprises of :

₹ in Lacs

<b>Deferred Tax Asset</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
1. Expenses covered by 43B	1.02	--
2. Carry forward Unabsorbed Depreciation	770.39	770.39
3. Others	--	--
<b>Total</b>	<b>771.41</b>	<b>770.39</b>
<b>Deferred Tax Liability</b>		
1. Depreciation	5.35	14.93
2. Others	--	--
<b>Total</b>	<b>5.35</b>	<b>14.93</b>
<b>Net Deferred Tax Asset/(Liability)</b>	<b>766.06</b>	<b>755.46</b>

As a matter of the commercial prudence, deferred tax asset is not considered in the accounts.

**15. Previous year's figures are re-grouped/reclassified, wherever necessary inter-alia to conform to current year's presentation**

# PRIME URBAN DEVELOPMENT INDIA LIMITED

## Independent Auditors' Report on Consolidated Financial Statements

### To the Members of Prime Urban Development India Limited Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Prime Urban Development India Limited ("the Holding Company") and its subsidiaries and associate (collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31 March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements:

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Company, as at 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Report on other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.



- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 16.01 to the consolidated financial statements.
- (ii) In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary companies incorporated in India.

For M.S.Jagannathan & Visvanathan  
Chartered Accountants  
ICAI FRN 001209S

Place : Mumbai  
Date : 06/05/2016

N.Rajesh  
Partner  
Membership No.212417

# PRIME URBAN DEVELOPMENT INDIA LIMITED

## Annexure - A to the Auditors' Report

### Report on the Internal Financial Controls under Clause (j) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of Prime Urban Development India Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For M.S.Jagannathan & Visvanathan  
Chartered Accountants  
ICAI FRN 001209S

Place: Mumbai  
Date : 06/05/2016

N.Rajesh  
Partner  
M.No.212417



## CONSOLIDATED BALANCE SHEET

₹ in Lacs

Particulars	Note	As at 31st March, 2016	As at 31st March, 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	532.87	532.87
(b) Reserves and Surplus	3	4,304.17	14,610.04
		4,837.04	15,142.91
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	65.04	23.31
(b) Other Long term liabilities		1,270.11	1,270.11
(c) Long-term provisions		-	65.59
		1,335.15	1,359.01
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	5	1,640.63	3,018.95
(b) Trade payables		239.82	254.55
(c) Other Current liabilities		120.29	322.57
(d) Short-term provisions		306.03	143.29
		2,306.77	3,739.36
Total		8,478.96	20,241.28
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	6		
Tangible assets		3,196.15	14,693.56
		3,196.15	14,693.56
Sub-total -(a)		3,196.15	14,693.56
(b) Non-current investments		6.00	6.00
(c) Long-term loans and advances		435.21	676.38
		441.21	682.38
Sub-total -(b)		441.21	682.38
Total (a) + (b)		3,637.36	15,375.94
<b>(2) Current assets</b>			
(a) Current investments	7	-	5.79
(b) Inventories		3,118.62	3,122.56
(c) Trade receivables		304.60	805.19
(d) Cash and cash equivalents		258.76	127.95
(e) Short-term loans and advances		940.32	154.80
(f) Other current assets		219.30	649.05
		4,841.60	4,865.34
Total		8,478.96	20,241.28
<b>Significant Accounting Policies</b>	1		
<b>Additional information to financial statements</b>	16		

As per our report of even date attached  
For **M.S.Jagannathan & Visvanathan**  
Chartered Accountants  
FRN 001209S

**Purusottam Das Patodia**  
Chairman & Managing Director

**For and on behalf of the Board**  
**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**N.Rajesh**  
Partner M.No.212417

Place : Mumbai  
Date : 06.05.2016

**S.Udayananda**  
DGM(Finance) & CFO

**Krunal Shah**  
Sr. Manager- Legal & Company Secretary

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### STATEMENT OF CONSOLIDATED PROFIT AND LOSS

₹ in Lacs

Particulars	Note	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>Income</b>			
1 Revenue from operations	8	7,218.90	5,817.81
2 Other income	9	99.95	35.67
3 <b>Total Revenue (1 + 2)</b>		<u>7,318.85</u>	<u>5,853.48</u>
<b>Expenses</b>			
(a) Cost of Revenue	10	3,925.77	4,415.14
(b) Changes in inventories of finished goods and Stock-in-trade	11	(43.30)	(34.78)
(c) Employee benefit expenses	12	263.95	243.78
(d) Finance cost	13	211.98	386.35
(e) Depreciation and amortisation expenses		29.49	23.66
(f) Other expenses	14	553.90	572.47
Total expenses (a to g)		<u>4,941.79</u>	<u>5,606.62</u>
5 <b>Profit/(-) Loss before exceptional and extraordinary items and tax</b>		2,377.06	246.86
6 Exceptional expenses - Reversal / (Provision)	15	(555.55)	2.17
7 <b>Profit/(-) Loss before extraordinary items and tax</b>		<u>1,821.51</u>	<u>249.03</u>
8 Extraordinary items		-	-
9 <b>Profit/(-) Loss Before Tax</b>		<u>1,821.51</u>	<u>249.03</u>
10 Tax expense :			
(a) Current Tax		(369.52)	(51.39)
(b) Mat Credit entitlement for the year net of reversal for earlier year		(3.46)	-
(c) Deferred Tax		-	-
11 <b>Profit/(-) Loss for the year from continuing operations</b>		<u>1,448.53</u>	<u>197.64</u>
12 <b>Earnings Per Equity Share :</b>			
Basic/Diluted Earnings Per Share before exceptional/extraordinary items		7.53	0.73
Basic/Diluted Earnings Per Share after exceptional/extraordinary items		5.44	0.74
(Face value of Rs. 2 each)			
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>Additional information to financial statements</b>	<b>16</b>		

As per our report of even date attached  
For **M.S.Jagannathan & Visvanathan**  
Chartered Accountants  
FRN 001209S

**Purusottam Das Patodia**  
Chairman & Managing Director

For and on behalf of the Board  
**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**N.Rajesh**  
Partner M.No.212417

Place : Mumbai  
Date : 06.05.2016

**S.Udayananda**  
DGM(Finance) & CFO

**Krunal Shah**  
Sr. Manager- Legal & Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT**

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit/(Loss) before tax and extra ordinary items</b>	<b>2,377.06</b>	246.86
Adjustments for:		
Depreciation	29.49	23.66
(Profit) / Loss on sale of tangible assets (net)	0.34	4.51
Interest income	(20.56)	(1.76)
Provision for Dividend and tax thereto	(128.27)	-
Finance Cost	211.98	386.35
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>2,470.04</b>	659.62
Changes in Working Capital:		
Increase / (Decrease) in trade payables	(14.74)	(58.85)
Increase / (Decrease) in provisions	(65.59)	19.95
Increase / (Decrease) in other current liabilities	(39.54)	90.05
Increase / (Decrease) in Short Term Borrowings	(1,378.31)	(208.83)
(Increase) / Decrease in trade receivables	500.59	(463.07)
(Increase) / Decrease in inventories	3.94	17.69
(Increase) / Decrease in margin money and unpaid dividend	1.92	4.05
(Increase) / Decrease in Short Term loans and advances	(785.52)	167.49
(Increase) / Decrease in other current assets	429.75	37.46
(Increase) / Decrease in Long Term loans and advances	250.18	(167.08)
<b>Cash Generated from Operations</b>	<b>1,372.72</b>	98.48
Taxes paid (net of refunds)	(381.99)	(40.56)
<b>Net cash generated from operations before exceptional items</b>	<b>990.73</b>	57.92
Exceptional items	(555.55)	2.17
<b>Net cash generated from operating activities</b>	<b>435.18</b>	60.09
<b>B. Cash flow from Investing Activities:</b>		
Purchase of tangible/intangible assets	(177.31)	(31.53)
Sale of tangible/intangible assets	18.76	4.59
Interest received	20.56	1.76
Sale/ (Purchase) of non-current investments	5.79	57.77
<b>Net cash from investing activities</b>	<b>(132.20)</b>	32.59
<b>C. Cash flow from Financing Activities</b>		
Finance Cost	(211.98)	(414.04)
Issue of Equity Shares	(0.00)	146.25
Proceeds from Long Term borrowings	41.73	(19.29)
<b>Net cash used in Financing Activities</b>	<b>(170.25)</b>	(287.08)
Net increase in cash and Cash equivalents	132.73	(194.40)
Cash and Cash Equivalents at the beginning of the year	116.42	230.82
<b>Cash and Cash equivalents at the end of the year</b>	<b>249.15</b>	116.42
<b>Reconciliation of Cash and Bank balances with the Balance sheet</b>		
Cash and Cash equivalents as per Balance Sheet	258.76	127.95
Less : Bank Balances not considered as Cash and Cash equivalents		
Margin Money Deposit	9.61	10.58
Unpaid dividend	-	0.95
<b>Net Cash and Cash equivalents at the year end</b>	<b>249.15</b>	116.42

Note : The above cash flow statement prepared in indirect method as per accounting standard "AS-3 Cash Flow Statements"

As per our report of even date attached  
For **M.S.Jagannathan & Visvanathan**  
Chartered Accountants  
FRN 001209S

**Purusottam Das Patodia**  
Chairman & Managing Director

For and on behalf of the Board  
**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**N.Rajesh**  
Partner M.No.212417

Place : Mumbai  
Date : 06.05.2016

**S.Udayananda**  
DGM(Finance) & CFO

**Krunal Shah**  
Sr. Manager- Legal & Company Secretary

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Note 1

#### Significant Accounting Policies

##### 1. General:

Accounts are prepared on historical cost (except Land at reinstated value) and on the accounting principles of a going concern. The income and expenditure are recognized on accrual basis except those with significant uncertainties.

##### 2. Principles of Consolidation:

The consolidated financial statements related to Prime Urban Development India Limited (formerly Prime Textiles Limited) ("the company") and its wholly owned subsidiary companies, all incorporated in India, viz ATL Textile Processors Limited, Manoj Yarn Processors Limited, Pee Dee Yarn Processors Limited and Patodia Developers Ltd have been considered in the consolidation. The firms, Prime Newline AOP and Prime Developers, in which Prime Urban Development India Limited having significant influence in the management, have been considered in the consolidation. The consolidated financial statements have been prepared on the following basis:

##### 1. Contingent Liabilities:

Contingent liabilities are disclosed to the notes to the Financial Statements and are determined based on the perception of the Management on the eventuality of the liability materiality, contingent thereto.

##### 2. Other Significant Accounting Policies:

These are set out under Significant Accounting Policies for financial statements of the Company and its subsidiary companies.

As per our report of even date attached  
For **M.S.Jagannathan & Visvanathan**  
Chartered Accountants  
FRN 001209S

**Purusottam Das Patodia**  
Chairman & Managing Director

**For and on behalf of the Board**  
**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**N.Rajesh**  
Partner M.No.212417

Place : Mumbai  
Date : 06.05.2016

**S.Udayananda**  
DGM(Finance) & CFO

**Krunal Shah**  
Sr. Manager- Legal & Company Secretary



## Notes to the Financial Statements (Consolidated)

### Note 2 : Share Capital

	As at 31st March, 2016		As at 31st March, 2015	
	Number	₹ in lacs	Number	₹ in lacs
<b>Authorised</b>				
Equity Shares of ₹.2 each	62,500,000	1,250.00	62,500,000	1,250.00
Preference Shares of ₹.100 each	750,000	750.00	750,000	750.00
<b>Issued</b>				
Equity Shares of ₹.2 each	26,644,300	532.89	26,644,300	532.89
<b>Subscribed and paid up:</b>				
Equity Shares of ₹.2 each	26,643,600	532.87	26,643,600	532.87
	26,643,600	532.87	26,643,600	532.87

### Note 2(a) - Share capital movement

Particulars	Number	Amount in lacs	Number	Amount in lacs
Shares outstanding at the beginning of the year	26,643,600	532.87	22,743,600	454.87
Add: Shares issued during the year	-	-	3,900,000	78.00
Shares outstanding at the end of the year	26,643,600	532.87	26,643,600	532.87

### Note 2(b) - Equity Shares of more than 5% of Equity Shares are held by :

Name of the Shareholder	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Anjana Syntex Company Limited	5,660,655	21.25%	5,301,620	19.90%
Pat Credit Limited	6,009,675	22.56%	6,368,710	23.90%

Note 2(c) - The Company has only one class of equity shares having par value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share.

Note 2(d)- There was no issue of shares allotted as fully paid up pursuant to Contract(s) without payment being received in cash or buyback or bonus shares in the preceeding five years.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Notes to the Financial Statements (Consolidated)

₹ in Lacs

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>Note 3</b>		
<b>Reserve and Surplus</b>		
(a) General Reserve:		
Opening Balance	2,252.14	2,276.17
Less: Additional Depreciation Charged	-	(24.03)
Add : Transfer from Statement of Profit and Loss	1,900.00	
Less: Transfer to Business Reconstruction Reserve	(2,901.43)	-
Closing Balance	1,250.71	2,252.14
(b) Securities Premium Reserve		
Beginning of the Year	117.00	-
Add : Issued during the year	-	117.00
(Share Premium at Rs.3 per share on 39,00,000 equity shares)		
End of the Year	117.00	117.00
(c) Business Reconstruction Reserve :		
Opening Balance	11,628.67	12,719.99
Add: Transfer from General Reserve	2,901.43	-
Less: Reduction due to a portion of land Sold	(11,626.13)	(1,091.32)
Closing Balance	2,903.97	11,628.67
(d) Surplus/(Deficit) in Statement of Profit and Loss		
Opening Balance	612.23	414.59
Add : Profit/(Loss) after Tax	1,448.53	197.64
	2,060.76	612.23
Less: Provision for Dividend and Dividend Tax thereto	(128.27)	-
	1,932.49	612.23
Less: Transfer to General Reserve	(1,900.00)	-
Closing Balance	32.49	612.23
Total	4,304.17	14,610.04

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Secured	Unsecured	Secured	Unsecured
<b>Note 4</b>				
<b>Non-Current Liabilities</b>				
(a) Long Term Borrowings				
Deferred payment liabilities				
Hire - purchase	65.04		23.31	-
	65.04		23.31	-
Sub-total (a)		65.04		23.31
Nature of Security :				
1. Hire purchase liabilities are secured against the vehicles acquired				
Terms of Repayment :				
1. Hire purchase loan liabilities and terms to pay last instalment due is on 10.8.2017 and rate of interest is 11 % per annum.				
(b) Other Long Term Liabilities				
Due to a Partnership firm in which Company is a partner		1,270.11		1,270.11
Sub-total (b)		1,270.11		1,270.11
(c) Long Term Provisions				
Provision for Employee benefits:				
- Super annuation		-		41.27
- Gratuity		-		24.32
Sub-total (c)		-		65.59
Total		1,335.15		1,359.01



## Notes to the Financial Statements (Consolidated)

₹ in Lacs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Secured (I)	Unsecured (II)	Secured (I)	Unsecured (II)
<b>Note 5</b>				
<b>Current Liabilities</b>				
(a) Short Term Borrowings				
(i) Loan repayable on demand				
From Bank for working capital facilities	152.58	-	783.02	-
(ii) Deposit				
From Corporates	-	25.00	-	1,693.64
(iii) Short term unsecured loan from a Director	-	-	-	103.00
(iv) Other loans and advances	-	1,463.05	-	439.29
	152.58	1,488.05	783.02	2,235.93
(I) + (II) = Sub-total (a)		1,640.63		3,018.95
Nature of Security :				
Secured loans are secured against hypothecation of current assets and further secured by way of second charge over the land of an Associate Company and further guaranteed by three of the Directors of the Company				
(b) Trade payable				
Due to suppliers and service providers		239.82		254.55
Note No. 16.03 regarding MSM Enterprises				
Sub-total (b)		239.82		254.55
(c) Other Current Liabilities				
(i) Current maturities of finance lease obligations		33.95		19.30
(ii) Unpaid dividends		-		0.95
(iii) Non recognised customer credit		7.43		1.52
(iv) Other payables				
Statutory dues payable		15.61		22.03
Advance from customers		49.70		265.27
Security Deposit and Retention money		13.60		13.50
Sub-total (c)		120.29		322.57
(d) Short Term Provisions				
Liability against sales		-		143.29
Gratuity		3.14		-
Provision for Dividend and Dividend Tax thereto		128.27		
Others		174.62		
Sub-total (d)		306.03		143.29
Total		2,306.77		3,739.36

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**Notes to the Financial Statements (Consolidated)**

**Note 6 (a) : Fixed Assets**

₹ in Lacs

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION					NET BLOCK
	As on 31.3.2015	Additions	Deductions	As at 31.3.2016	Upto 31.3.2015	For the Year	Additional Depreciation	Withdrawn	Upto 31.3.2016	As on 31.3.2016
<b>Tangible Assets :</b>										
Land - free hold	14,569.05 (15,660.76)	81.86 -	11,643.79 (1,091.66)	3,007.12 (14,569.05)	- -	- -	- -	- -	- -	3,007.12 (14,569.05)
Buildings	32.80 (25.05)	0.44 (7.75)	- (3.56)	33.24 (32.80)	13.23 (13.03)	0.56 (0.20)	- -	- -	13.79 (13.23)	19.45 (19.57)
Furniture & Office Equipment	173.99 (158.54)	4.51 (19.01)	- -	178.50 (173.99)	143.95 (125.44)	7.98 (5.42)	- (15.63)	- (2.54)	151.93 (143.95)	26.57 (30.04)
Motor Vehicles	149.67 (163.43)	90.51 (4.77)	28.90 (18.53)	211.28 (149.67)	74.77 (59.13)	20.95 (18.04)	- (8.40)	27.45 (10.80)	68.27 (74.77)	143.01 (74.90)
<b>Total</b>	<b>14,925.51</b> <b>(16,007.73)</b>	<b>177.32</b> <b>(31.53)</b>	<b>11,672.69</b> <b>(1,113.75)</b>	<b>3,430.14</b> <b>(14,925.51)</b>	<b>231.95</b> <b>(197.60)</b>	<b>29.49</b> <b>(23.66)</b>	<b>-</b> <b>(24.03)</b>	<b>27.45</b> <b>(13.34)</b>	<b>233.99</b> <b>(231.95)</b>	<b>3,196.15</b> <b>(14,693.56)</b>

Note :

1. Vehicle acquired on Hire-Purchase basis amounting to Rs. 192.72 lacs (Previous year Rs.92.48 lacs) and Net Block amounts to Rs.145.06 lacs (Previous year Rs.84.78 lacs)
2. Reduction in land Includes reduction of proportionate business reconstruction value is Rs. 11,626.13 lacs (Previous year Rs. 1,091.32 lacs) due to sale / transfer of land during the year.
3. Figures in brackets represents previous year's figures.

₹ in Lacs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Quoted (I)	Un-Quoted (II)	Quoted (I)	Un-Quoted (II)
<b>Note 6</b>				
(b) Non-current Investments (Long term, Unquoted - At cost)				
(i) Other entities - Non-Trade				
Tirupur Infrastructure Development Company Limited (500 shares of Rs.1000 each)		5.00		5.00
(ii) Investment in Partnership firms/AOP				
Prime Mall Developers		1.00		1.00
Aggregate amount of Unquoted investments		6.00		6.00
(I) + (II) = Sub-Total (b)		6.00		6.00

₹ in Lacs

Name of the Partners in the firm/AOP	Total Capital	Share of Profit	Share of Loss
	<b>Prime Mall Developers :</b>		
1 Prime Urban Development India Limited	1.00	50.00%	66.66%
2 Pudumjee Plant Laboratories Limited	1.00	25.00%	33.34%
3 Aristo Realty Developers Limited	-	25.00%	-
	<u>2.00</u>	<u>100.00%</u>	<u>100.00%</u>



## Notes to the Financial Statements (Consolidated)

₹ in Lacs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Quoted (I)	Un-Quoted (II)	Quoted (I)	Un-Quoted (II)
(c) Long-term Loans and Advances				
(i) Security Deposits		8.08		29.42
(ii) Other loans and advances		218.23		447.07
(iii) Advance income tax (Net of provision)		203.02		199.89
(iv) MAT Credit Entitlement		5.88		-
Sub-total (c)		435.21		676.38

₹ in Lacs

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>Note 7</b>		
<b>(a) Current Investments (Unquoted)</b>		
(i) Investment in Nariman Commodity Services Pvt Ltd	-	47.29
Less: Provision for Diminution in value of Investments	-	(41.50)
Sub-total (a)	-	5.79
<b>(b) Inventories</b>		
Valued at Cost or Net realisable value whichever is lower		
(i) Finished goods	15.88	28.45
(ii) Stock in Trade	148.61	292.55
(iii) Land	1,000.00	1,040.65
(iv) Project work in progress	1,954.13	1,760.91
Sub-total (b)	3,118.62	3,122.56
<b>(c) Trade Receivables (current)</b>		
(Unsecured and considered good unless otherwise stated)		
Doubtful - outstanding exceeding six months from the due date	10.16	13.81
Less : Provision for doubtful debts	(10.16)	(13.81)
	-	-
(i) Outstanding exceeding six months from the due date	-	2.87
(ii) Others	304.60	802.32
Sub-total (c)	304.60	805.19
<b>(d) Cash and cash equivalents</b>		
(i) Cash on hand	3.86	13.84
(ii) Balances with bank in current accounts	245.29	102.58
Other Earmarked Accounts		
In Deposits under lien	9.61	9.56
In current account	-	1.02
(iii) Unpaid Dividend accounts	-	0.95
Sub-total (d)	258.76	127.95
<b>(e) Short-term loans and advances</b>		
(i) Loans and advances to		
- Associates	0.10	1.88
- Corporates	749.61	-
- Others	188.49	148.47
(ii) Balance with Statutory Authorities	2.12	4.45
Sub-total (e)	940.32	154.80
<b>(f) Other current assets</b>		
(i) Claim receivable	-	468.00
(ii) Interest and other receivables	22.29	138.53
(iii) Un amortized	197.01	42.52
Sub-total (f)	219.30	649.05

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**Notes to the Financial Statements (Consolidated)**

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>Note 8</b>		
<b>Revenue from operations of Entities :</b>		
<b>Textile Segment</b>		
Textiles - Sale of Traded Goods - Cotton Yarn	3,696.17	3,867.59
Export Incentives	103.22	112.63
Sub-total - Textile	<u>3,799.39</u>	<u>3,980.22</u>
<b>Realty Segment</b>		
Gain on Sale of Land (net of cost)	3,167.50	1,074.37
Incidental income	29.10	5.33
Revenue from operations of Entities	222.91	757.89
Sub-total - Realty	<u>3,419.51</u>	<u>1,837.59</u>
Total	<u>7,218.90</u>	<u>5,817.81</u>
<b>Note 9</b>		
<b>Other Income</b>		
Interest	20.56	1.76
Commission receipts	22.40	7.37
Profit on sale of Assets	4.78	-
Dividend	3.71	3.34
Miscellaneous Income	0.52	22.73
Liabilities no longer payable written back	47.98	0.47
Total	<u>99.95</u>	<u>35.67</u>
<b>Note 10</b>		
<b>Cost of Revenue</b>		
Purchase of Traded goods - Cotton Yarn	3,331.15	3,761.96
Cost of revenue of Entities	594.62	653.18
	<u>3,925.77</u>	<u>4,415.14</u>



## Notes to the Financial Statements (Consolidated)

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>Note 11</b>		
<b>Changes in Stock of Finished Goods and Stock - in- trade</b>		
<b>Stock at Commencement:</b>		
Finished Goods	28.45	31.61
Stock in trade	292.55	113.69
Finished Apartments	-	140.91
(A)	<u>320.99</u>	<u>286.21</u>
Less :		
<b>Stock at Closing:</b>		
Finished Goods	15.88	28.45
Stock in trade	148.61	292.54
Finished Apartments	199.81	-
(B)	<u>364.30</u>	<u>320.99</u>
Net Value (A) - (B)	<u>(43.30)</u>	<u>(34.78)</u>
<b>Note 12</b>		
<b>Employee Benefits</b>		
Salaries, Wages, Bonus and others	232.06	202.68
Contribution to Provident and other Funds	24.37	33.80
Welfare Expenses	7.52	7.30
Total	<u>263.95</u>	<u>243.78</u>
<b>Note 13</b>		
<b>Finance cost</b>		
Interest on Borrowings	198.25	369.89
Other finance cost	13.73	16.46
Total	<u>211.98</u>	<u>386.35</u>
<b>Note 14</b>		
<b>Other Expenses</b>		
Insurance	5.42	7.50
Rates and taxes	22.46	12.92
Sitting Fees	2.50	2.50
Power and Fuel Consumed	5.02	5.05
Rent	38.22	42.09
Repairs - Building	15.38	32.63
Repairs - Others	9.89	6.03
Communication Expenses	15.47	18.71
Travelling and Conveyance	115.41	104.20
Sales Commission	56.94	55.56
Freight and Forwarding	71.76	152.85
Selling expenses	4.77	2.53
Donation	0.29	1.07
Legal and Professional fees	63.17	18.06
Auditors Remuneration	3.00	3.17
Bad and doubtful debts written off	8.66	2.77
Loss on Sale of Assets	5.12	4.51
Bank Charges	17.17	22.91
Miscellaneous expenses	93.25	77.41
Total	<u>553.90</u>	<u>572.47</u>
<b>Note 15</b>		
<b>Exceptional Expenses</b>		
Insurance Claim receivable written off	468.00	-
Export Incentive receivable written off	87.55	-
Total	<u>555.55</u>	<u>-</u>

## PRIME URBAN DEVELOPMENT INDIA LIMITED

Note 16

Consolidated financial statements:

### 01. Members of the Group:

Prime urban Development India Ltd's subsidiaries and associate are listed below.

₹ in Lacs

Sl.No	Particulars	Nature	Proportion of ownership interest	Date of Incorporation/Acquisition
1	ATL Textile Processors Limited	Subsidiary	100%	22.03.1996
2	Manoj Yarn Processors Limited	Subsidiary	100%	08.02.1996
3	Pee Dee Yarn Processors Limited	Subsidiary	100%	06.12.1995
4	Patodia Developers Pvt Ltd	Subsidiary	100%	15.02.2008
5	Prime Newline AOP	AOP	75%	23.07.2008
6	Prime Developers	Partnership Firm	50%	15.07.2004

### 02. Contingent liabilities and commitments :

₹ in Lacs

		As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>a. Contingent liabilities (to the extent not provided for)</b>			
Disputed Tax Demands (Including Interest up to the date of demand)			
(i) Sales Tax	The Sales tax liabilities of Rs.7.22 lacs is related to issue of 'C' form during 1997-98. Sales Tax Appellate Tribunal issued order in favour of Company and asked Department to verify the material facts of the case. Case not yet taken up by the department and another case regarding garment division tax set off.	11.58	11.58
(ii) Income Tax	(Tax deposits Rs.207.48 lacs ; pr.yr.207.48 lacs) The Income Tax liability for AY 2009-10 for Rs.551.09 lacs is under appeal before the Hon'ble Madras High Court and the High Court has given stay against the order of Income Tax Appellate Tribunal and collection of demand.	743.09	743.09
<b>b. Commitments</b>			
	Other money for which the company is contingently liable; Export Documentary bills discounted with Bank (Since Realized-Rs.Nil lacs Previous year – Rs.243.75 lacs)	118.01	1,056.91

### 03. Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars		As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
(i)	Principal amount and Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(ii)	Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
(iii)	The amount of interest due and payable for the year	NIL	NIL
(iv)	The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
(v)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	NIL	NIL



**04. Expenditure in foreign currency :** ₹ in Lacs

Particulars		2015-2016	2014-2015
a.	Sales commission	52.81	51.03
b.	Travelling expenses	39.95	37.14

**05. Earnings in foreign exchange :** ₹ in Lacs

Particulars	2015-2016	2014-2015
Export of goods calculated on FOB basis	3,610.39	3,745.84

**06. Details of consumption of imported and indigenous items :** ₹ in Lacs

Particulars	2015-2016		2014-2015	
		%		%
Traded goods :				
Indigenous	3,331.16	100%	3,761.96	100%
Imported	--		--	

07. a. In the opinion of the management, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

b. The accounts of certain Trade Receivables, Trade Payables, Loans & Advances and Banks are however, subject to formal confirmations/reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current period's financial statements on such reconciliation/adjustments.

**08. Auditors Remuneration :** ₹ in Lacs

Particulars	31.3.2016	31.3.2015
Audit fees	1.85	2.40
Tax Audit fees	0.32	0.17
Other fees	0.83	0.60
<b>Total</b>	<b>3.00</b>	<b>3.17</b>

**09. Employee Benefit Plans :**

Defined contribution plans :

The company contributed to Superannuation and Provident Fund to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll cost to fund benefits.

Particulars		2015-2016	2014-2015
a.	Provident Fund Contribution	14.52	14.47
b.	Superannuation/Gratuity	9.85	19.33

**10. Segment Information :** ₹ in Lacs

Segment Revenue:		2015-2016	2014-2015
a.	Realty	3,799.39	1,837.59
b.	Textiles	3,419.52	3,980.22
Segment Results :			
a.	Realty	2,528.07	551.44
b.	Textiles	89.02	84.28
	<b>Total</b>	<b>2,617.09</b>	<b>635.72</b>
	Less : Interest	(211.98)	(386.35)
	Less : Exceptional items - Reversal / (Provision)	(555.55)	2.17
	Less : Un-allocable expenditure	(28.05)	(2.51)
	Profit/(Loss) before expenditure	1,821.51	249.03
	Less : Extraordinary items	-	-
	Profit/(Loss) before tax	1,821.51	249.03
Capital Employed			
a.	Realty	3,486.17	5427.42
b.	Textiles	152.58	1,153.12

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### 11. Disclosure in respect of related parties pursuant to Accounting Standard –18 (AS 18):-

#### List of Related Parties and nature of relationships:

With whom transactions have been entered into :		
(i)	Associates	Prime Mall Developers Prime Hitech Admin Services LLP Aadarsh Jann Aawaash Limited
(ii)	Key Managerial Personnel	Mr. Purusottam Das Patodia Chairman & Managing Director Mr. Manoj Kumar Patodia Vice Chairman & Managing Director Mr. Anuj Patodia Managing Director
(iii)	Enterprises having Common Key Management Personnel	Pat Credit Limited Anjana Syntex Co. Limited
(iv)	Relatives of Key Managerial Personnel	Mrs.Indiradevi Patodia Wife of Mr. Purusottam Das Patodia Mrs.Nandita Patodia Wife of Mr. Manoj Kumar Patodia Mrs.Meenal Patodia Wife of Mr.Anuj Patodia M/s. Rehoboth Engineering and Contractors, a Firm, the Proprietor of the Firm is Son of Mr. T. Paul Sugumaran, Whole Time Director of the Company Mrs. Lydial Annakamakshi, Wife of Mr. T. Paul Sugumaran, Whole Time Director of the Company.

#### Transactions with related parties in the ordinary course of business :

₹ in Lacs

Nature of Transaction	Associates	Key Managerial Personnel	Enterprises /Relatives of Key Managerial Personnel	Total
Rent received	0.04 (Nil)	- (Nil)	Nil (Nil)	0.04 (Nil)
Interest paid	Nil (Nil)	34.33 (50.61)	21.57 (33.52)	55.90 (86.13)
Salary paid			2.70 (7.20)	2.70 (7.20)
Directors' Remuneration Paid	Nil (Nil)	144.33 (142.77)	1.67 (1.61)	146.00 (144.38)
Interest received	nil (nil)			nil (nil)
Contract amount paid - Rehoboth Engineering and Contractors			228.20 (107.94)	228.20 (107.94)
Balance as on 31.3.2016				
<b>Amount Payable:</b>				
Prime Mall Developers	1,270.11 (1,270.11)			1,270.11 (1,270.11)
<b>Amount Receivable:</b>				
Aadarsh Jann Aawaash Ltd	Nil (1.88)			Nil (1.88)

#### Notes:

- The related parties have been identified by the Management and relied upon by the auditors.
- No amount has been provided for/written off/written back, pertaining to related parties.
- Figures in bracket represent previous year's figures.

**12. Details of Lease arrangements :**

The Company has entered into finance lease arrangements for vehicles and Future minimum lease payments and minimum lease payments are as follows :

₹ in Lacs

Due	Total Minimum Lease Payments Outstanding	Future Interests on Outstanding	Present value of Minimum Lease Payments
1. Within one year	42.38 (22.93)	8.43 (3.63)	33.95 (19.30)
2. Between one year to five years	76.44 (24.91)	11.40 (1.60)	65.04 (23.31)
Total	118.82 (47.84)	19.83 (5.23)	98.99 (42.61)

Figures in bracket are of previous year

**13. Earnings Per Share :**

₹ in Lacs

Particulars		2015-2016	2014-2015
a.	Profit/(Loss) after tax excluding exceptional items	2,004.08	195.47
b.	Less : Exceptional items	555.55	2.17
c.	Profit/(Loss) after tax including exceptional items	1,448.53	197.64
d.	Number of Equity shares outstanding	266,43,600	266,43,600
e.	Basic/Diluted Earnings Per Share (EPS) :		
	- EPS excluding exceptional items (a/d)	7.53	0.73
	- EPS including exceptional items (c/d)	5.44	0.74
f.	Face value per share - in Rs.	2 per share	2 per share

**14. Deferred Tax Asset/(Liability):**

Timing difference comprises of :

₹ in Lacs

Deferred Tax Asset	31.03.2016	31.03.2015
1. Expenses covered by 43B	--	--
2. Carry forward Unabsorbed Depreciation	770.39	770.39
3. Others	1.01	
Total	771.40	770.39
Deferred Tax Liability		
1. Depreciation	5.35	14.93
Total	5.35	14.93
Net Deferred Tax Asset/(Liability)	766.05	755.46

As a matter of the prudence, deferred tax asset is not provided in the accounts.

**15. Previous year's figures are re-grouped / re-classified, wherever necessary inter-alia to conform to current year's presentation.**

# PRIME URBAN DEVELOPMENT INDIA LIMITED

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014  
Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

### PART "A" : Subsidiaries

Rs. in Lakhs

Sl. No	Name of the Subsidiary	Name of the Subsidiary			
		ATL Textile Processors Limited	Pee Dee Yarn Processors Limited	Manoj Yarn Processors Limited	Patodia Developers Private Limited
1	Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2016	31.03.2016	31.03.2016	31.03.2016
2	Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	NA	NA	NA	NA
3	Share Capital	103.74	5.09	5.09	1.00
4	Reserves and Surplus	421.32	(1.68)	(5.38)	(0.26)
5	Total Assets	525.11	3.46	8.43	0.80
6	Total Liabilities	0.06	0.06	8.73	0.06
7	Investments	0	0	4.00	0
8	Turnover	Nil	Nil	Nil	Nil
9	Profit / (Loss) before taxation	(2.34)	(0.13)	(3.02)	(0.11)
10	Provision for taxation	0	0	0	0
11	Profit / (Loss) after taxation	(2.34)	(0.13)	(3.02)	(0.11)
12	Proposed dividend	Nil	Nil	Nil	Nil
13	% of Share Holding	100%	100%	100%	100%

### PART "B" : Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Rs. in Lakhs

Sl. No.	Name of Associates/Joint Venture	Name of the Associates	
		Prime Developers (Partnership Firm)	Prime Newline AOP (Association of Persons)
1	Latest Audited Balance Sheet Date	31.03.2016	31.03.2016
2	Shares of Associate/Joint Ventures held by the Company on the year end		
a	No. of shares	NA	NA
b	Amount of Investment in Associates/Joint Venture	1.00	202.20
c	Extent of Holding %	50%	75%
3	Description of how there is significant influence	NA	NA
4	Reason why the associate/Joint venture is not consolidated	NA	NA
5	Networth attributable to Shareholding as per latest audited balance sheet	342.38	1,035.15
6	Profit / (Loss) for the year		
a	Considered in consolidation	(111.83)	(57.92)
b	Not considered in consolidation	(111.83)	(19.31)

As per our report of even date attached  
For **M.S.Jagannathan & Visvanathan**  
Chartered Accountants  
FRN 001209S

**Purusottam Das Patodia**  
Chairman & Managing Director

**For and on behalf of the Board**  
**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**N.Rajesh**  
Partner M.No.212417

Place : Mumbai  
Date : 06.05.2016

**S.Udayananda**  
DGM(Finance) & CFO

**Krunal Shah**  
Sr. Manager- Legal & Company Secretary



## PRIME URBAN DEVELOPMENT INDIA LIMITED

Corporate Identity Number (CIN): L70200TZ1936PLC000001  
 Regd. Office: 110, Avanashi Road, Gandhinagar Post, Tirupur-641 603  
 Website: www.ptlonline.com, Email id: companysecretary@ptlonline.com  
 Tel. No: +91 421- 4307800 Fax: +91 421-2471463

### FORM No. MGT 11

#### Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : \_\_\_\_\_  
 Registered Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Folio No. / Client Id : \_\_\_\_\_  
 DP ID : \_\_\_\_\_

I / We, being the Member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint:

1. Name : \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_,or failing him
2. Name : \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_,or failing him
3. Name : \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_,or failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Seventy-Ninth Annual General Meeting of the Company, to be held on Wednesday, August 10, 2016 at 3.00 p.m. at 110 Avanashi Road, Gandhinagar Post, Tirupur-641 603, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution
<b>Ordinary Business</b>	
1.	Adoption of audited Financial Statements (including audited Consolidated Financial Statements) of the Company for the Financial Year ended 31 <sup>st</sup> March, 2016 together with the Reports of the Board of Directors and the Auditors thereon.
2.	Declaration of Final Dividend on equity shares of the Company for the Financial Year ended 31 <sup>st</sup> March, 2016.
3.	Re-appointment of Mr. Thirugnanam Paul Sugumaran as a Director retiring by rotation.
4.	Ratification of the appointment of M/s. M.S. Jagannathan & Visvanathan, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.
<b>Special Business</b>	
5.	Adoption of new set of Articles of Association of the Company.
6.	Approval for keeping the Statutory Registers and other secretarial records at a place other than Registered Office of the Company.

Signed this \_\_\_\_\_ day of August, 2016  
 Signature of the Shareholder \_\_\_\_\_  
 Signature of Proxy holder(s) \_\_\_\_\_

Affix  
 Revenue  
 Stamp

**Note:** This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

## PRIME URBAN DEVELOPMENT INDIA LIMITED



### PRIME URBAN DEVELOPMENT INDIA LIMITED

Corporate Identity Number (CIN): L70200TZ1936PLC000001  
Regd. Office: 110, Avanashi Road, Gandhinagar Post, Tirupur-641 603  
Website: www.ptonline.com, Email id: companysecretary@ptonline.com  
Tel. No: +91 421- 4307800 Fax: +91 421-2471463

#### SEVENTY – NINTH ANNUAL GENERAL MEETING - WEDNESDAY, 10TH AUGUST, 2016 AT 3.00 P.M.

#### ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

Sr. No.

Name and Address of the Shareholder	
Joint holder(s)	
Regd Folio/DP ID & Client ID	
Number of Shares	

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the Seventy-Ninth Annual General Meeting of the Company being held on Wednesday, 10th August, 2016 at 3.00 p.m. at 110, Avanashi Road, Gandhinagar Post, Tirupur – 641 603, Tamil Nadu.

\_\_\_\_\_  
Name of the Shareholder(s)/Proxy(s)  
(in block Letters)

\_\_\_\_\_  
Signature of the Shareholder(s)/Proxy(s)

Note: Shareholder/Proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance of the venue of the meeting.

#### ELECTRONIC VOTING PARTICULARS

EVSN (Electronic voting Sequence Number)	USER ID	PASSWORD/ PIN
160705005		



## PRIME URBAN DEVELOPMENT INDIA LIMITED

Corporate Identity Number (CIN): L70200TZ1936PLC000001  
Regd. Office: 110, Avanashi Road, Gandhinagar Post, Tirupur-641 603  
Web: www.ptlonline.com, Email id: companysecretary@ptlonline.com  
Tel. No: +91 421- 4307800 Fax: +91 421-2471463

Form No. MGT-12

### Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

### BALLOT PAPER

Sr.No.	Particulars	Details
1.	Name of the first Named Shareholder (In block letters)	
2.	Postal Address	
3.	Registered folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Shares	Equity

I / We hereby exercise my / our vote in respect of the following resolutions to be passed at the Seventy-Ninth Annual General Meeting (AGM) of the Company to be held on **Wednesday, 10th August, 2016 at 3.00 p.m.** in respect of businesses as stated in the Notice dated May 6, 2016, by conveying my/our assent or dissent to the said resolutions by placing the tick (✓) mark in the appropriate boxes given below:

Sr. No.	Item No.	No. of shares held	I / We assent to the resolution [FOR]	I / We dissent to the resolution [AGAINST]
1	Adoption of audited Financial Statements (including audited Consolidated Financial Statements) of the Company for the Financial Year ended 31 <sup>st</sup> March, 2016 together with the Reports of the Board of Directors and the Auditors thereon.			
2	Declaration of Final Dividend on equity shares of the Company for the Financial Year ended 31 <sup>st</sup> March, 2016.			
3	Re-appointment of Mr. Thirugnanam Paul Sugumaran as a Director retiring by rotation.			
4	Ratification of the appointment of M/s. M.S. Jagannathan & Visvanathan, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.			
5	Adoption of new set of Articles of Association of the Company.			
6	Approval for keeping the Statutory Registers and other secretarial records at a place other than Registered Office of the Company.			

Place:

Date:

Signature of the shareholder.

Note: Please read the instructions printed overleaf carefully before exercising your vote.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **INSTRUCTIONS**

1. The Ballot Form is provided for the benefit of the members who do not have access to e-voting facility.
2. A member can opt for only one mode of voting i.e. either through e-voting or by ballot or by physically voting at the AGM. If a member casts multiple votes, then voting done through e-voting shall be considered valid. In case a member casts votes by ballot and also physically votes at the AGM, then the votes cast by ballot shall be considered valid.
3. The Scrutinizer will collate the votes downloaded from the e-voting system, the votes cast by ballot and the votes cast on poll at the AGM to declare the final result for each of the resolutions forming part of the Notice of the AGM.
4. Please complete and sign the Ballot Form and send it so as to reach the Scrutinizer Mr. S. Ramanathan, Practising Chartered Accountant (Membership No. FCA 019532) on or before 9th August, 2016 [5.00 p.m. IST]. No other form or photocopy thereof is permitted.
5. Ballot Forms received after 9th August, 2016 shall be strictly treated as if the reply from the members has not been received.
6. The Ballot Form should be signed by the member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by the first named member and in his/her absence, by the next named joint holder. A Power of Attorney holder (POA) may vote on behalf of a member, mentioning the registration no. of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of votes by Ballots not permitted through proxy.
7. In case the shares are held by companies, trusts, etc., the duly completed Ballot Form should be accompanied by a certified copy of the relevant Board Resolution / Authorization.
8. Votes should be cast in case of each resolution, either in favour or against by putting the tick (√) mark in the appropriate column provided in the Ballot Form.
9. The voting rights of the shareholders shall be in proportion of the share held by them in the paid-up equity share capital of the Company as on 3rd August, 2016 and as per the Register of Members of the Company.
10. A member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Ballot Form should reach the Scrutinizer not later than the date and time specified in serial no. 4 above.
11. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms shall be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which make it difficult for the Scrutinizer to identify either the member or as to whether the votes are cast in favour of or against or if the signature cannot be verified.
12. The decision of the Scrutinizer on the validity of a Ballot Form shall be final and binding.



### Important Communication to members

1. All members (both Physical and Demat) are requested to lodge their e-mail ID's along with Name and Folio / Client ID Number at the following address / e-mail to enable us to send all future communications including Annual Reports through electronic mode.

Company Address  
Prime Urban Development India Limited  
(Formerly Prime Textiles Limited)  
Registered Office :  
110, Avanashi Road,  
Gandhi Nagar Post,  
Tirupur - 641 603  
Ph : 0421-2470065  
E-mail : companysecretary@ptlonline.com  
uday@ptlonline.com

Registrar and Share Transfer Agent  
M/s. S.K.D.C. Consultants Limited  
Kanapathy Towers 3rd Floor  
139/1 A-1 Sathy Road  
Ganapathy  
Coimbatore 641 006,  
Tamilnadu  
Phones : (0422)2539835, Fax: (0422) 2539837  
Email Address:info@skdc-consultants.com

2. SEBI has made it mandatory for every participant in the securities / capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with photocopy of both sides of PAN Card, duly attested to the Registrar and Share Transfer Agent of the Company, M/s. S.K.D.C. Consultants Limited as above.

To

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*If undelivered please return to :*



**PRIME URBAN<sup>®</sup>**  
DEVELOPMENT INDIA LIMITED.

110, AVINASHI ROAD, GANDHI NAGAR POST, TIRUPUR - 641 603. Ph. : 0421 4307821